

7/11/92 92C-14-376-DWESS 73-14-376

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THIS MORTGAGE is made on July 30, 1992 between Caravan Associates, Inc. and known as Caravan Associates, Inc. not personally, but as Trustee under a Trust Agreement dated 1992 and known as Caravan Associates, Inc. (the "Mortgagor")

whose address is 630 Fairfield, Elk Grove Village, Illinois 60007 (the "Mortgagor")

NBD Bank Mount Prospect (Bank Name)

national (national state) banking association

(association/corporation) whose address is One NBD Plaza, Mount Prospect, IL 60056 (the "Mortgagee")

to be deleted when this Mortgage is not executed by a Land Trust.

Mortgagor MORTGAGES, CONVEYS AND WARRANTS to the Mortgagee real property and all the buildings, structures and improvements on it described as:

located in the Village of Palatine

City of Cook State of Illinois:

See attached Exhibit A

the Premises")

commonly known as: 2021-2031 Rand Road, Palatine, Illinois 60074

Parcel Identification No. 02-02-203-035 and 02-02-203-036

copies of and mail to Mike Johnson, NBD Bank & Mount Prospect, One NBD Plaza, Mount Prospect IL 60056

Premises shall also include all of the Mortgagor's right, title and interest in and to the following:

- (1) All easements, rights of way, licenses, privileges and hereditaments.
- (2) Land lying in the bed of any road, or the like, opened, proposed or vacated, or any strip or gore, adjoining the Premises.
- (3) All machinery, apparatus, equipment, fittings, fixtures, and articles of personal property of every kind and nature whatsoever located now or in the future in or upon the Premises and used or useable in connection with any present or future operation of the Premises (all of which is called "Equipment"). It is agreed that all Equipment is part of the Premises and appropriated to the use of the real estate and, whether affixed or annexed or not, shall for the purposes of this Mortgage unless the Mortgagee shall otherwise elect, be deemed conclusively to be real estate and mortgaged and warranted to the Mortgagee.
- (4) All mineral, oil, gas and water rights, royalties, water and water stock, if any.
- (5) All awards or payments including interest made as a result of the exercise of the right of eminent domain; the alteration of the grade of any street, any loss of or damage to any building or other improvement on the Premises, any other injury to or decrease in the value of the Premises, any refund due on account of the payment of real estate taxes, assessments or other charges levied against or imposed upon the Premises, and the reasonable attorneys' and paralegals' fees, costs and disbursements incurred by the Mortgagee in connection with the collection of any such award or payment.
- (6) All of the rents, issues and profits of the Premises under present or future leases, or otherwise.

Premises are unencumbered except as follows:

encumbrances disclosed in Chicago Title Insurance Commitment No.

Permitted Encumbrances' ). If the Premises are encumbered by Permitted Encumbrances, the Mortgagor shall perform all obligations and make payments as required by the Permitted Encumbrances. The Mortgagor shall provide copies of all writings pertaining to Permitted Encumbrances, and the Mortgagee is authorized to request and receive that information from any other person without the consent or knowledge of the Mortgagor.

Mortgage secures the indebtedness or obligation evidenced by:

(i) The note(s) dated July 30, 1992 in the principal amount (\$) of One Million Seven Hundred Thousand and NO/100 respectively, maturing on July 30, 1997 executed and delivered by Caravan Associates Inc. to the Mortgagee with interest at the per annum rate of Nine and one half percent (9.5 %) of the principal balance remaining from time to time unpaid. Interest after default or maturity of the note, whether by acceleration or otherwise, on the principal balance of the note remaining from time to time unpaid shall be at the per annum rate of Twelve and one half percent (12.5 %); and

(ii) the guaranty of the debt of \_\_\_\_\_ dated \_\_\_\_\_ executed and delivered by \_\_\_\_\_ to the Mortgagee; and

(iii) \_\_\_\_\_ including any extensions, renewals, modifications or replacements without limit as to the number or frequency (the "Debt").

LIQUIDATION ON AMOUNT SECURED BY MORTGAGE. Notwithstanding anything to the contrary contained in this Mortgage, the amount secured by this Mortgage shall not exceed the principal sum of \$1,700,000.00 at any one time outstanding.

PROPERTY ADVANCES AND CROSS-LIEN: The Debt shall also include all present and future, direct and indirect obligations and liabilities of the Mortgagor, or any one or more of them, with or without others, to the Mortgagee shall not apply to any obligation or debt incurred for personal, family or household purposes unless the note or guaranty expressly states that it is secured by this Mortgage.

the Mortgagor. Upon the request of the Mortgagee, the Mortgagor shall immediately furnish to the Mortgagee all notices of amounts due and receipts evidencing payment. The Mortgagor shall promptly notify the Mortgagee of any lien on all or any part of the Premises and shall promptly discharge any unpermitted lien or encumbrance.

Mortgage shall also secure the performance of the promises and agreements contained in this Mortgage.

3. CHANGE IN TAXES. In the event of the passage of any law or regulation, state, federal or municipal, subsequent to the date of this Mortgage in any manner changing or modifying the laws now in force governing the taxation of mortgages or debts secured by mortgages, or the manner of collecting such taxes, the entire principal secured by this Mortgage and all interest accrued shall become due and payable immediately at the option of the Mortgagee.

Mortgagor promises and agrees as follows:

4. INSURANCE. Until the Debt is fully paid, the Mortgagor shall keep the Premises and the present and future buildings and other improvements on the Premises constantly insured for the benefit of the Mortgagee against fire and such other hazards and risks customarily covered by the standard form of extended coverage endorsement available in the State of Illinois, including risks of vandalism and malicious mischief, and shall further provide flood insurance (if the Premises are situated in an area designated as a flood risk area by the Director of the Federal Emergency Management Agency or as otherwise required by the Flood Disaster Protection Act of 1973 and regulations issued under it).

PAYMENT OF DEBT; PERFORMANCE OF OBLIGATIONS. The Mortgagor shall promptly pay when due, whether by acceleration or otherwise, the Debt for which the Mortgagor is liable, and shall promptly perform all other obligations to which the Mortgagor has agreed under the terms of this Mortgage and any loan documents evidencing the Debt.

TAXES. The Mortgagor shall pay, when due, and before any interest, taxes, fees or penalties shall accrue, all taxes, assessments, fines, impositions, or other charges which may become a lien prior to this Mortgage. Should the Mortgagor fail to make such payments, the Mortgagee may, at its option and at the expense of the Mortgagor, pay the amounts due for the account of



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Exhibit A

THAT PART OF SECTION 2, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE EAST AND WEST 1/4 LINE OF SAID SECTION WITH THE CENTERLINE OF RAND ROAD, SAID INTERSECTION BEING 1514.39 FEET WEST OF THE EAST LINE OF SAID SECTION (MEASURED ON SAID EAST AND WEST 1/4 LINE); THENCE NORTHWESTERLY ALONG THE CENTERLINE OF SAID RAND ROAD, SAID CENTER LINE FORMING AN ANGLE OF 47 DEGREES 00 MINUTES 30 SECONDS WITH THE EAST AND WEST 1/4 LIN OF SAID SECTION 145.08 FEET TO A PLACE OF BEGINNING; THENCE NORTHWESTERLY ALONG THE CENTER LINE OF RAND ROAD 200.00 FEET; THENCE NORTHEASTERLY, AT RIGHT ANGLES TO RAND ROAD 471.84 FEET; THENCE SOUTHEASTERLY ALONG A LINE THAT FORMS AN ANGLE OF 52 DEGREES 36 MINUTES 30 SECONDS TO THE RIGHT WITH A PROLONGATION OF THE LAST DESCRIBED COURSE, FOR A DISTANCE OF 251.77 FEET; THENCE SOUTHWESTERLY TO THE PLACE OF BEGINNING, COCK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

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unpaid.

**10. ASSIGNMENT OF INTEREST AS TENANT OR PURCHASER.** If the Mortgagor's interest in the Premises is that of a tenant or a purchaser, the Mortgagor also assigns, mortgages and warrants to the Mortgagee, as additional security for the Debt, all of the Mortgagor's right, title and interest in and to any leases, land contracts or other agreements by which the Mortgagor is leasing or purchasing any part or all of the Premises, including all modifications, renewals and extensions and all of the Mortgagor's right, title or interest in any purchase options contained in any lease or other agreement. The Mortgagor agrees to pay each installment of rent, principal and interest required to be paid by it under the lease, land contract or other agreement when each installment becomes due and payable whether by acceleration or otherwise. The Mortgagor further agrees to pay and perform all of its other obligations under the lease, land contract or other agreement.

If the Mortgagor defaults in the payment of any installment of rent, principal, interest or in the payment or performance of any other obligation under the lease, land contract or other agreement, the Mortgagee shall have the right, but not the obligation, to pay the installment or installments and to pay or perform the other obligations on behalf of and at the expense of the Mortgagor. On receipt by the Mortgagee from the landlord or seller under the lease, land contract or other agreement of any written notice of default by the Mortgagor, the Mortgagee

to the satisfaction of the Mortgagee, and in accordance with the orders and directives of all federal, state and local governmental authorities; and (e) the Mortgagor represents and warrants that there are no underground storage tanks on the Premises or as reasonably can be ascertainable on property adjacent to, or in close proximity to the Premises. If the Mortgagor fails to conduct an environmental audit required by governmental authorities or the Mortgagee, then the Mortgagee may at its option and at the expense of the Mortgagor, conduct such audit. Any such audit conducted by Mortgagee shall be conducted solely for the benefit of and to protect the interests of Mortgagee and shall not be relied upon by Mortgagor or any third party for any purpose whatsoever, including, but not limited to Mortgagor's or any third party's obligation, if any, to conduct an independent environmental investigation of its own. By conducting any such audit, Mortgagee does not assume any control over the environmental affairs or operations of Mortgagor nor assume any obligation or liability to Mortgagor or any third party.

Subject to the limitations set forth below, the Mortgagor shall defend, indemnify and hold harmless the Mortgagee, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses, including, without limitation, attorneys', paralegals' and consultants' fees, investigation and laboratory fees, court costs and litigation expenses, known or unknown, contingent or otherwise, arising out of or in any way related to (a)

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financial health determination of the Mortgagee or Principal Obligor which the Mortgagee

18. REMEDIES UPON DEFAULT. Upon the occurrence of any of the events

(a) default set forth in this Mortgage, at the sole option of Mortgagee, the note and/or

workings (death or property damage (real or personal) arising out of or related

to such Hazardous Materials on the Premises; (c) any lawsuit brought or threatened

relief against the Mortgagee, or any officers or representatives of the Mortgagee,

relating to the Mortgagee's obligations or to the Hazardous Materials with respect to

the Mortgagee's obligations under this paragraph. The indemnity obligations under this paragraph

are specifically limited as follows:

(1) The Mortgagee shall have no indemnity obligation with respect to Hazardous

Materials that are first introduced to the Premises or any part of the Premises subse-

quent to the date that the Mortgagee's interest in and possession of that part of the

Premises to which such Hazardous Materials have been so introduced shall

have fully terminated by foreclosure of this Mortgage or acceptance of a deed in

lieu of foreclosure;

(2) The Mortgagee shall have no indemnity obligation with respect to any Hazardous

Materials introduced to the Premises or any part of the Premises by the Mortgagee,

its successors or assigns;

The Mortgagee agrees that in the event this Mortgage is foreclosed or the Mortgagee

lenders a deed in lieu of foreclosure, the Mortgagee shall deliver the Premises to

the Mortgagee free of any and all Hazardous Materials which are then required

to be removed (whether over time or immediately) pursuant to applicable federal,

state and local laws, ordinances, rules or regulations affecting the Premises.

For purposes of this Mortgage, "Hazardous Materials" means any materials or

substance: (1) which is or becomes defined as a "hazardous substance," "pollu-

tant" or "contaminant" pursuant to the Comprehensive Environmental Response,

Compensation and Liability Act (2 USC Section 9601 et seq) and amendments

therein and regulations promulgated thereunder; (ii) containing polychlorinated

dibenzodioxin (PCDDs); (iii) containing polynuclear aromatic hydrocarbons (PAHs);

(iv) containing asbestos, lead, radon gas, or any other substance, material or

contaminant which is regulated under the Federal Resource Conservation and Recovery Act (42

USC Section 9602) and amendments therein and regulations promulgated thereunder;

(v) which is or becomes defined as a "hazardous waste," "hazardous substance,"

"pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response,

Compensation and Liability Act (2 USC Section 9601 et seq) and amendments

therein and regulations promulgated thereunder; (vi) which is or becomes defined as a

"hazardous waste," "hazardous substance," "pollutant" or "contaminant" under

any federal, state or local statute, regulation or ordinance; or (vii) any toxic,

explosive, corrosive or otherwise hazardous substance, material or waste which

is or becomes regulated by any federal, state or local governmental authority, or

any other law, ordinance, rule, regulation, policy, contract, or other

requirement of the United States or any state.

The provisions of this section shall be in addition to any and all other regulations

and liabilities the Mortgagee may have to the Mortgagee under the Debt, and in an

event of foreclosure, the Mortgagee shall be entitled to exercise its remedies under this

section or as otherwise provided by law; (3) The Mortgagee, or its assignee, shall

be relieved of any and all obligations of the Debt ("Principal Obligor") to pay

when due any amount payable under the notes, the guaranty, or any other agreement

evidencing the Debt; (2) The Mortgagee or Principal Obligor (a) fails to observe

any other agreement evidenced by the notes, the guaranty, or any other agreement

relating to the Mortgage; (5) a "reportable event" (as defined in the Employee Receiv-

able to the Mortgagee); (5) a "reportable event" (as defined in the Employee Receiv-

the presence, disposal, release or threatened release of any Hazardous Materials

on, over, under, from or affecting the Premises or the soil, water, vegetation,

buildings, personal property, persons or animals; (b) any personal injury (including

wrongful death) or property damage (real or personal) arising out of or related

to such Hazardous Materials on the Premises; (c) any lawsuit brought or threatened

relief against the Mortgagee, or any officers or representatives of the Mortgagee,

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the foregoing; (5) there is a substantial change in the financial condition of the Mortgagee

or business outside the ordinary course of its operations; (6) the Mortgagee is not

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