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GSP I CORPORATION
(Mortgagor)

to

CHEMICAL BANK, AS TRUSTEE
(Mortgagee)

and

RONALD M. FELDMAN, AS CO-TRUSTEE
(Mortgagee)

MORTGAGE AND
SECURITY AGREEMENT

DEPT-01 RECORDING 667.50
T5555 TRAN 5168 01/13/93 11:57:00
\$1254 \$ **92-030037
COOK COUNTY RECORDER
DEPT-01 RECORDINGS
T40011 TRAN 5168 01/13/93 11:57:00
\$8164 \$ **93-030037
1992 COOK COUNTY RECORDER

Dated: As of December 22, 1992

Location: Scott Foresman Headquarters
1900 East Lake Street
Glenview, Illinois

Permanent
Tax Numbers: 04-26-306-004, Volume 133
04-26-300-032, Volume 134
04-26-300-031, Volume 134
04-26-300-033, Volume 134

93030037

County: Cook



PREPARED BY, RECORD AND RETURN TO:

Messrs. Thacher Proffitt & Wood
Two World Trade Center
New York, New York 10048

Attention: Donald F. Simone, Esq.
File No.: 17,004-00016
Title No.: 92-04937 issued by Lawyers
Title Insurance Company

67.50
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STATE OF ILLINOIS

Property of Cook County Clerk's Office

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THIS MORTGAGE AND SECURITY AGREEMENT (the "Mortgage"), made as of the 22nd day of December, 1992, by GSP I CORPORATION, an Oregon corporation qualified to do business in Pennsylvania as Glenview Scranton Corporation, having an address at 825 N.E. Multnomah Street, Suite 775, Portland, Oregon 97207 ("Mortgagor") to CHEMICAL BANK, a New York State banking corporation having an address at 55 Water Street, New York, New York 10041 ("Chemical") and RONALD M. FELDMAN, an individual having an address at c/o Chemical Bank, 55 Water Street, New York, New York 10041, ("Feldman") as co-trustees for the benefit of the bondholders (the "Bondholders") under that certain Indenture dated of even date herewith between Mortgagor and Chemical (the "Indenture") ("Chemical" and "Feldman" together hereinafter referred to as "Mortgagee");

WITNESSETH:

To secure the payment of an indebtedness in the principal sum of THIRTY-EIGHT MILLION FIFTY-ONE THOUSAND SIXTY-FOUR AND 00/100 DOLLARS (\$38,051,064.00), lawful money of the United States of America, to be paid with interest according to those certain bonds dated the date hereof made by Mortgagor to Bondholders pursuant to the terms of the Indenture (the bonds together with all extensions, renewals or modifications thereof being hereinafter collectively called the "Bonds") (said indebtedness, interest, and all other sums due hereunder and under the Bonds being collectively called the "Debt"), Mortgagor has mortgaged, given, granted, bargained, sold, aliened, enfeoffed, conveyed, confirmed, pledged, assigned and hypothecated and by these presents does mortgage, give, grant, bargain, sell, alien, enfeoff, convey, confirm, pledge, assign and hypothecate unto Mortgagee the real property described in Exhibit A attached hereto (the "Premises") and the buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter located thereon (the "Improvements");

TOGETHER WITH: all right, title, interest and estate of Mortgagor now owned, or hereafter acquired, in and to the following property, rights, interests and estates (the Premises, the Improvements together with the following property, rights, interests and estates being hereinafter collectively referred to as the "Mortgaged Property"):

(a) all easements, rights-of-way, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances of any nature whatsoever, in any way belonging, relating or pertaining to the Premises and the Improvements and the reversion and reversions, remainder and remainders, and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Premises, to the center line thereof and all the estates, rights, titles, interests, dower and rights of dower, curtesy and rights of curtesy,

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property, possession, claim and demand whatsoever, both at law and in equity, of Mortgagor of, in and to the Premises and the Improvements and every part and parcel thereof, with the appurtenances thereto;

(b) all machinery, equipment, fixtures (including but not limited to all heating, air conditioning, plumbing, lighting, communications and elevator fixtures) and other property of every kind and nature whatsoever owned by Mortgagor, or in which Mortgagor has or shall have an interest, now or hereafter located upon the Premises and the Improvements, or appurtenant thereto, and usable in connection with the present or future operation and occupancy of the Premises and the Improvements and all building equipment, materials and supplies of any nature whatsoever owned by Mortgagor, or in which Mortgagor has or shall have an interest, now or hereafter located upon the Premises and the Improvements, or appurtenant thereto, or usable in connection with the present or future operation and occupancy of the Premises and the Improvements (hereinafter collectively called the "Equipment"), and the right, title and interest of Mortgagor in and to any of the Equipment which may be subject to any security interests, as defined in the Uniform Commercial Code, as adopted and enacted by the state or states where any of the Mortgaged Property is located (the "Uniform Commercial Code"), superior in lien to the lien of this Mortgage;

(c) all awards or payments (or obligations to make payments), including interest thereon, which may heretofore and hereafter be made with respect to the Mortgaged Property, whether from a sale of the Mortgaged Property or any portion thereof or from the exercise of the right of eminent domain (including but not limited to any transfer made in lieu of or in anticipation of the exercise of said right), or for a change of grade, or for any other injury to or decrease in the value of the Mortgaged Property;

(d) all leases and other agreements affecting the use, enjoyment or occupancy of the Premises and the Improvements heretofore or hereafter entered into, including the operating lease (the "Operating Lease"), between Mortgagor, as current landlord, and NAHI Real Estate Corporation ("Tenant") (such leases and agreements, including the Operating Lease, hereinafter collectively referred to as the "Leases") and all rents, issues and profits (including all oil and gas or other mineral royalties and bonuses) from the Premises and the Improvements (the "Rents") and all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the Debt;

(e) all proceeds of and any unearned premiums on any insurance policies covering the Mortgaged Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Mortgaged Property;

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TO HAVE AND TO HOLD the above granted and described Mortgaged Property unto and to the use and benefit of Mortgagee, and the successors and assigns of Mortgagee, forever;

PROVIDED, HOWEVER, these presents are upon the express condition that, if Mortgagor shall well and truly pay to Mortgagee the Debt at the time and in the manner provided in the Bonds and this Mortgage and shall well and truly abide by and comply with each and every covenant and condition set forth herein and in the Bonds, these presents and the estate hereby granted shall cease, terminate and be void;

AND Mortgagor represents and warrants to and covenants and agrees with Mortgagee as follows:

PART I

PROVISIONS OF GENERAL APPLICATION

1. Payment of Debt and Incorporation of Covenants, Conditions and Agreements. Mortgagor will pay the Debt at the time and in the manner provided in the Bonds, the Indenture and in this Mortgage. All the covenants, conditions and agreements contained in (a) the Bonds and (b) all and any of the documents other than the Bonds or this Mortgage now or hereafter executed by Mortgagor and/or others and by or in favor of Mortgagee, which wholly or partially secure or guaranty payment of the Bonds (the "Other Security Documents"), are hereby made a part of this Mortgage to the same extent and with the same force as if fully set forth herein.

2. Warranty of Title. Mortgagor warrants that Mortgagor has good title to the Mortgaged Property and has the right to mortgage, give, grant, bargain, sell, alien, enfeoff, convey, confirm, pledge, assign and hypothecate the same and that Mortgagor possesses an unencumbered fee estate in the Premises and the Improvements and that it owns the Mortgaged Property free and clear of all liens, encumbrances and charges whatsoever except for those exceptions shown in the title insurance policy insuring the lien of this Mortgage. Mortgagor shall forever warrant, defend and preserve such title and the validity and priority of the lien of this Mortgage and shall forever warrant and defend the same to Mortgagee against the claims of all persons whomsoever.

3. Insurance. (a) Mortgagor shall keep the Mortgaged Property insured against loss or damage by fire, flood and such other risks and matters, including without limitation, business interruption, rental loss, public liability, and boiler damage and liability, as Mortgagee shall from time to time require and in amounts required by Mortgagee, and shall pay the premiums for such insurance (the "Insurance Premiums") as the same shall become due and payable. All policies of insurance (the "Policies") shall be issued by an insurer acceptable to Mortgagee and shall contain the standard New York mortgagee non-contribution clause naming Mortgagee as the person to which all payments made by such insurance company shall be paid. Mortgagor shall assign and deliver the Policies to Mortgagee. Not later than fifteen (15) days prior to the expiration date of each of the Policies, Mortgagor will deliver to Mortgagee

satisfactory evidence of the renewal of each of the Policies. Notwithstanding the foregoing, if Tenant under the Operating Lease provides insurance as required thereunder naming Mortgagee as additional insured as its interest shall appear, compliance with such provisions of the Operating Lease shall satisfy Mortgagor's obligations under this paragraph 3(a).

(b) If the Mortgaged Property shall be damaged or destroyed, in whole or in part, by fire or other casualty, Mortgagor shall give prompt notice thereof to Mortgagee. The net amount of all insurance proceeds received by Mortgagee with respect to such damage or destruction, after deduction of the reasonable costs and expenses incurred by Mortgagee in collecting the same (the "Net Proceeds") shall be retained and applied by Mortgagee toward payment of the Debt in such priority and proportions as provided in the Indenture. Notwithstanding the foregoing, provided that (i) the Operating Lease remains in full force and effect and Tenant is in full compliance with the provisions thereof, and (ii) Tenant rebuilds and restores the damaged or destroyed portion of the Mortgaged Property pursuant to the terms of the Operating Lease, Net Proceeds may be distributed pursuant to the terms of the Operating Lease. In the event Tenant elects to terminate the Lease following a substantial casualty under Section 13.2 of the Lease, provided Tenant complies with the provisions of Section 13.2 and Section 21 of the Lease, Net Proceeds held by Mortgagee shall be distributed pursuant to the terms of the Operating Lease and the Indenture.

(c) Notwithstanding paragraph 3(a), the requirements of insurance set forth therein may be satisfied if Tenant under the Operating Lease elects to self-insure its obligations under the Operating Lease in accordance with the requirements set forth in the Operating Lease. In the event the Mortgaged Property shall be damaged or destroyed, in whole or in part, by fire or other casualty, and Tenant has self-insured as provided in this subparagraph (c), the provisions of the Operating Lease shall control with respect to the restoration of the Mortgaged Property.

4. Payment of Taxes, etc. Mortgagor shall pay or cause to be paid all taxes, assessments, water rates and sewer rents, now or hereafter levied or assessed or imposed against the Mortgaged Property or any part thereof (the "Taxes") and all ground rents, maintenance charges, other governmental impositions, and other charges, including without limitation vault charges and license fees for the use of vaults, chutes and similar areas adjoining the Premises, now or hereafter levied or assessed or imposed against the Mortgaged Property or any part thereof (the "Other Charges") as same become due and payable. Mortgagor will deliver to Mortgagee, promptly upon Mortgagee's request, evidence satisfactory to Mortgagee that the Taxes and Other Charges have been so paid or are not then delinquent. Mortgagor shall not suffer and shall promptly cause to be paid and discharged any lien or charge whatsoever which may be or become a lien or charge against the Mortgaged Property, and shall promptly pay for all utility services provided to the Mortgaged Property. Mortgagor shall furnish or cause to be furnished to Mortgagee receipts for the payment of the Taxes, Other Charges and said utility services prior to the date the same shall become delinquent.

Notwithstanding the foregoing, provided the provisions of Section 8 of the Lease are complied with, Tenant shall be permitted to contest by appropriate legal proceeding, the

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amount or validity or application in whole or in part of any of the Taxes in accordance with the provisions of Section 8 of the Lease.

5. Condemnation. (a) Mortgagor shall (i) give Mortgagee such notice as Mortgagor is entitled to receive under the Operating Lease, if any, and such notice of any actual knowledge of Mortgagor of the actual or threatened commencement of any condemnation or eminent domain proceeding and (ii) deliver to Mortgagee copies of any and all papers served upon Mortgagor in connection with such proceedings. Notwithstanding any taking by any public or quasi-public authority through eminent domain or otherwise, Mortgagor shall continue to pay the Debt at the time and in the manner provided in the Bonds and this Mortgage and the Debt shall not be reduced until any award or payment therefor shall have been actually received and applied by Mortgagee to the discharge of the Debt. Mortgagee shall not be limited to receiving the interest paid on the award by the condemning authority but shall be entitled to receive out of the award interest at the rate or rates provided herein and in the Bonds. For the purposes of this paragraph 5, the term "Net Award" shall mean the net amount of all awards and payments received by Mortgagee with respect to such taking, after deduction of Mortgagee's reasonable costs and expenses in collecting the same.

(b) Mortgagee may apply the Net Award to the reduction or discharge of the Debt whether or not then due and payable. Notwithstanding the foregoing, if the Operating Lease is in full force and effect and has not been terminated as a result of such taking, the Net Award will be disbursed by Mortgagee to pay for the costs and expenses of the restoration and repair of the Mortgaged Property by Tenant pursuant to the terms of the Operating Lease, such Net Award to be disbursed pursuant to the provisions thereof. The excess, if any, of the Net Award after payment to Mortgagor as hereinabove provided, shall be applied by Mortgagee in reduction of the Debt in such priority and proportions as provided in the Indenture. If the Mortgaged Property is sold through foreclosure or otherwise prior to the receipt by Mortgagee of such award or payment, Mortgagee shall have the right, whether or not a deficiency judgment on the Bonds shall have been sought, recovered or denied, to receive such award or payment or a portion thereof sufficient to pay the Debt. In the event Tenant elects to terminate the Lease following a substantial condemnation under Section 13.2 of the Lease, provided Tenant complies with the provisions of Section 13.2 and Section 21 of the Lease, the Net Amount held by Mortgagee shall be distributed pursuant to the term of the Operating Lease and the Indenture.

6. Leases and Rents. (a) Mortgagee is hereby granted and assigned by Mortgagor the right to enter the Mortgaged Property for the purpose of enforcing its interest in the Leases and the Rents, this Mortgage constituting a present, absolute assignment of the Leases and the Rents. Subject to the terms of this Mortgage, Mortgagee grants to Mortgagor a revocable license to operate and manage the Mortgaged Property in order to enable Mortgagor to take any and all actions, except the collection of Rents and all other payments required under the Leases, necessary for the proper management and operation of the Mortgaged Property. Upon or at any time after the occurrence of an Event of Default, the license granted to Mortgagor herein may be revoked by Assignee. The obligations of Mortgagor under the Leases may be performed by Mortgagee or its nominee, but only at the option of Mortgagee, without

releasing Mortgagor therefrom and without providing for or resulting in any assumption of liability or obligations thereunder by Mortgagee.

(b) Mortgagor shall not enter into any Lease or sublease without the prior written consent of Mortgagee. Mortgagor (i) shall observe and perform all the obligations imposed upon the lessor under the Leases and shall not do or permit to be done anything to impair the value of the Leases; (ii) shall promptly send copies to Mortgagee of all notices of default which Mortgagor shall send or receive thereunder; (iii) shall enforce all of the terms, covenants and conditions contained in the Leases upon the part of the lessee thereunder to be observed or performed, short of termination thereof; (iv) shall not execute any other assignment or pledge of lessor's interest in the Leases or the Rents; (v) except in accordance with provisions of the Leases, shall not alter, modify or change the terms of the Leases without the prior written consent of Mortgagee, or cancel or terminate the Leases or accept a surrender thereof or convey or transfer or suffer or permit a conveyance or transfer of the Premises or of any interest therein so as to effect a merger of the estates and rights of, or a termination or diminution of the obligations of, lessees thereunder; (vi) shall not alter, modify or change the terms of any guaranty of the Leases or cancel or terminate such guaranty without the prior written consent of Mortgagee; (vii) shall not consent to any assignment of or subletting under the Leases not in accordance with their terms, without the prior written consent of Mortgagee; and (viii) shall execute and deliver at the request of Mortgagee all such further assurances, confirmations and assignments in connection with the Mortgaged Property as Mortgagee shall from time to time require.

7. Maintenance of Mortgaged Property. (a) Mortgagor shall cause the Mortgaged Property to be maintained in a good and safe condition and repair. The Improvements and the Equipment shall not be removed, demolished or materially altered (except for normal replacement of the Equipment) without the consent of Mortgagee. Mortgagor shall promptly comply with all laws, orders and ordinances affecting the Mortgaged Property, or the use thereof. Mortgagor shall promptly repair, replace or rebuild any part of the Mortgaged Property which may be destroyed by any casualty, or become damaged, worn or dilapidated and shall promptly repair any part of the Mortgaged Property which may be affected by any proceeding of the character referred to in paragraph 5 hereof and shall complete and pay for any structure at any time in the process of construction or repair on the Premises. Notwithstanding the foregoing, if Tenant under the Operating Lease and Mortgagor comply with the terms of the Operating Lease regarding repair and maintenance of the Mortgaged Property, such compliance shall satisfy the provisions of this paragraph 7(a).

(b) Mortgagor shall not initiate, join in, acquiesce in, or consent to any change in any private restrictive covenant, zoning law or other public or private restriction, limiting or defining the uses which may be made of the Mortgaged Property or any part thereof except for any variance which would enable tenant under the Operating Lease to operate in accordance with the terms of the Operating Lease. If under applicable zoning provisions the use of all or any portion of the Mortgaged Property is or shall become a nonconforming use, Mortgagor will not cause or permit such nonconforming use to be discontinued or abandoned without the express written consent of Mortgagee.

8. Transfer or Encumbrance of the Mortgaged Property. (a) Mortgagor acknowledges that Mortgagee has examined and relied on the creditworthiness of Mortgagor and experience of Mortgagor in owning and operating properties such as the Mortgaged Property in agreeing to make the loan secured hereby, and that Mortgagee will continue to rely on Mortgagor's ownership of the Mortgaged Property as a means of maintaining the value of the Mortgaged Property as security for repayment of the Debt. Mortgagee acknowledges that Mortgagee has a valid interest in maintaining the value of the Mortgaged Property so as to ensure that, should Mortgagor default in the repayment of the Debt, Mortgagee can recover the Debt by a sale of the Mortgaged Property. Mortgagor shall not, without the prior written consent of Mortgagee, sell, convey, alien, mortgage, encumber, pledge or otherwise transfer the Mortgaged Property or any part thereof, or permit the Mortgaged Property or any part thereof to be sold, conveyed, aliened, mortgaged, encumbered, pledged or otherwise transferred.

(b) A sale, conveyance, alienation, mortgage, encumbrance, pledge or transfer within the meaning of this paragraph 8 shall be deemed to include (i) an installment sales agreement wherein Mortgagor agrees to sell the Mortgaged Property or any part thereof for a price to be paid in installments; (ii) an agreement by Mortgagor leasing all or a substantial part of the Mortgaged Property for other than actual occupancy by a space tenant thereunder or a sale, assignment or other transfer of, or the grant of a security interest in, Mortgagor's right, title and interest in and to any Leases or any Rents; (iii) a transfer of any portion of the beneficial interest in Mortgagor; (iv) if the holder of any beneficial interest in Mortgagor is a corporation, the voluntary or involuntary sale, conveyance or transfer of such corporation's stock, or the stock of any corporation directly or indirectly controlling such corporation by operation of law or otherwise (except if such transfer of stock is due to the death or incapacity of the stockholder), or the creation or issuance of new stock by which any portion of such corporation's stock shall be vested in a party or parties who are not now stockholders; and (v) if the holder of any beneficial interest in Mortgagor is a partnership or joint venture, the change, removal or resignation of a partner or the transfer of the partnership interest of any partner. Notwithstanding the provisions of this paragraph 8, a sale, conveyance, alienation, mortgage, encumbrance, pledge or transfer within the meaning of this paragraph 8 shall not include transfers of any beneficial interest in the Mortgagor made in accordance with the provisions of the Indenture and in that certain Pledge Agreement dated as of the date hereof, given by Pacific Harbor Capital and PacifiCorp Credit to Chemical Bank, as Trustee;

(c) Mortgagee reserves the right to condition the consent required hereunder upon a modification of the terms hereof and on assumption of this Mortgage as so modified by the proposed transferee, or such other conditions as Mortgagee shall determine in its sole discretion to be in the interest of Mortgagee. Mortgagee shall not be required to demonstrate any actual impairment of its security or any increased risk of default hereunder in order to declare the Debt immediately due and payable upon Mortgagor's sale, conveyance, alienation, mortgage, encumbrance, pledge or transfer of the Mortgaged Property without Mortgagee's consent. This provision shall apply to every sale, conveyance, alienation, mortgage, encumbrance, pledge or transfer of the Mortgaged Property regardless of whether voluntary or not, or whether or not Mortgagee has consented to any previous sale, conveyance, alienation, mortgage, encumbrance, pledge or transfer of the Mortgaged Property.

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9. Estoppel Certificates. (a) After request by Mortgagee, Mortgagor, within ten (10) days, shall furnish Mortgagee with a statement, duly acknowledged and certified, setting forth (i) the amount of the original principal amount of the Bonds, (ii) the unpaid principal amount of the Bonds, (iii) the rate of interest of the Bonds, (iv) the date installments of interest and/or principal were last paid, (v) any offsets or defenses to the payment of the Debt, if any, and (vi) that the Bonds and this Mortgage are valid, legal and binding obligations and have not been modified or if modified, giving particulars of such modification.

(b) After request by Mortgagee, Mortgagor shall use its best efforts to furnish Mortgagee, within thirty (30) days, with estoppel certificates from any lessees under the Leases as required by their respective Leases.

10. Changes in the Laws Regarding Taxation. If any law is enacted or adopted or amended after the date of this Mortgage which deducts the Debt from the value of the Mortgaged Property for the purpose of taxation or which imposes a tax, either directly or indirectly, on the Debt or Mortgagee's interest in the Mortgaged Property, Mortgagor will pay such tax, with interest and penalties thereon, if any. In the event Mortgagee is advised by counsel chosen by it that the payment of such tax or interest and penalties by Mortgagor would be unlawful or taxable to Mortgagee or unenforceable or provide the basis for a defense of usury, then in any such event, Mortgagee shall have the option, by written notice of not less than ninety (90) days, to declare the Debt immediately due and payable.

11. No Credits on Account of the Debt. Mortgagor will not claim or demand or be entitled to any credit or credits on account of the Debt for any part of the Taxes or Other Charges assessed against the Mortgaged Property, or any part thereof, and no deduction shall otherwise be made or claimed from the assessed value of the Mortgaged Property, or any part thereof, for real estate tax purposes by reason of this Mortgage or the Debt. In the event such claim, credit or deduction shall be required by law, Mortgagee shall have the option, by written notice of not less than ninety (90) days, to declare the Debt immediately due and payable.

12. Documentary Stamps. If at any time the United States of America, any State thereof or any subdivision of any such State shall require revenue or other stamps to be affixed to the Bonds or this Mortgage, or impose any other tax or charge on the same, Mortgagor will pay for the same, with interest and penalties thereon, if any.

13. Usury Laws. This Mortgage and the Bonds are subject to the express condition that at no time shall Mortgagor be obligated or required to pay interest on the Debt at a rate which could subject the holder of the Bonds to either civil or criminal liability as a result of being in excess of the maximum interest rate which Mortgagor is permitted by applicable law to contract or agree to pay. If by the terms of this Mortgage or the Bonds, Mortgagor is at any time required or obligated to pay interest on the Debt at a rate in excess of such maximum rate, the rate of interest under the same shall be deemed to be immediately reduced to such maximum rate and the interest payable shall be computed at such maximum rate and all prior interest payments in excess of such maximum rate shall be applied and shall be deemed to have been payments in reduction of the principal balance of the Bonds.

14. Books and Records. Mortgagor and Guarantors, if any, shall keep adequate books and records of account in accordance with generally accepted accounting practices consistently applied and shall furnish to Mortgagee such annual balance sheets and profit and loss statements and other financial statements as are required by the Indenture.

15. Performance of Other Agreements. Mortgagor shall observe and perform each and every term to be observed or performed by Mortgagor pursuant to the terms of any agreement or recorded instrument affecting or pertaining to the Mortgaged Property.

16. Further Acts, etc. Mortgagor will, at the cost of Mortgagor, and without expense to Mortgagee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignments, transfers and assurances as Mortgagee shall, from time to time, require, for the better assuring, conveying, assigning, transferring, and confirming unto Mortgagee the property and rights hereby mortgaged, given, granted, bargained, sold, aliened, enfeoffed, conveyed, confirmed, pledged, assigned and hypothecated or intended now or hereafter so to be, or which Mortgagor may be or may hereafter become bound to convey or assign to Mortgagee, or for carrying out the intention or facilitating the performance of the terms of this Mortgage or for filing, registering or recording this Mortgage. Mortgagor on demand, will execute and deliver and hereby authorizes Mortgagee to execute in the name of Mortgagor or without the signature of Mortgagor to the extent Mortgagee may lawfully do so, one or more financing statements, chattel mortgages or other instruments, to evidence more effectively the security interest of Mortgagee in the Mortgaged Property. Mortgagor grants to Mortgagee an irrevocable power of attorney coupled with an interest for the purpose of exercising and perfecting any and all rights and remedies available to Mortgagee at law and in equity, including without limitation such rights and remedies available to Mortgagee pursuant to this paragraph 16.

17. Recording of Mortgage, etc. Mortgagor forthwith upon the execution and delivery of this Mortgage and thereafter, from time to time, will cause this Mortgage, and any security instrument creating a lien or security interest or evidencing the lien hereof upon the Mortgaged Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien or security interest hereof upon, and the interest of Mortgagee in, the Mortgaged Property. Mortgagor will pay all filing, registration or recording fees, and all expenses incident to the preparation, execution and acknowledgment of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property and any instrument of further assurance, and all federal, state, county and municipal, taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property or any instrument of further assurance, except where prohibited by law so to do. Mortgagor shall hold harmless and indemnify Mortgagee, its successors and assigns, against any liability incurred by reason of the imposition of any tax on the making and recording of this Mortgage.

18. Redemption. If permitted by the Bonds, the Debt may be redeemed in accordance with the terms thereof.

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19. Events of Default. (a) The occurrence of any one or more of the following events shall constitute a Property Default:

- (1) if any of the Taxes or Other Charges is not paid when the same is due and payable;
- (2) if required by paragraph 3, if any of the Policies are not kept in full force and effect;
- (3) if Mortgagor violates or does not comply with any of the provisions of paragraph 8, 32 or 33 hereof;
- (4) if Mortgagor shall be in default beyond applicable notice and cure period under any other mortgage or security agreement covering any part of the Mortgaged Property whether it be superior or junior in lien to this Mortgage;
- (5) if the Mortgaged Property becomes subject to any mechanic's, materialman's or other lien other than a lien for local real estate taxes and assessments not then due and payable and such lien shall remain undischarged of record (by payment, bonding or otherwise) for a period of ninety (90) days;
- (6) if Mortgagor shall make an assignment for the benefit of creditors or if Mortgagor shall generally not be paying its debts as they become due;
- (7) if a receiver, liquidator or trustee of Mortgagor shall be appointed or if Mortgagor shall be adjudicated a bankrupt or insolvent, or if any petition for bankruptcy, reorganization or arrangement pursuant to federal bankruptcy law, or any similar federal or state law, shall be filed by or against, consented to, or acquiesced in by, Mortgagor or if any proceeding for the dissolution or liquidation of Mortgagor shall be instituted; however, if such appointment, adjudication, petition or proceeding was involuntary and not consented to by Mortgagor, upon the same not being discharged, stayed or dismissed within ninety (90) days;
- (8) if Mortgagor fails to cure promptly or diligently enforce Tenant's obligation to cure any violations of laws or ordinances affecting the Mortgaged Property;
- (9) if Mortgagor shall continue to be in default under any of the other terms, covenants or conditions of the Bonds, this Mortgage or the Other Security Documents for thirty (30) days after notice from Mortgagee.
- (10) if there shall occur any default by Tenant, as lessee under the Operating Lease (other than a default in the payment of annual minimum rental), with respect to the observance or performance of any term, covenant or condition on the part of Tenant to be observed or performed, and said default is not cured

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prior to the expiration of any applicable grace period therein provided, or if the leasehold estate created by such Operating Lease shall be surrendered, or if such Operating Lease shall be terminated or cancelled for any reason or under any circumstances whatsoever, including, without limitation, pursuant to Section 365 of Title 11 of the United States Code, as amended, or if any of the terms, covenants or conditions of such Operating Lease shall in any manner be modified, charged, supplemented or amended in violation of Paragraph 6 hereof without the consent of Mortgagee; or

(b) The Debt shall become immediately due and payable at the option of Mortgagee upon the occurrence of any one or more of the following events (an "Event of Default"):

- (1) if any portion of the Debt is not paid after the same is due;
- (2) the occurrence of a Property Default, if (i) such Property Default is the responsibility of Mortgagor under the Operating Lease, or (ii) such Property Default is the responsibility of Tenant under the Operating Lease and Tenant is in default, beyond applicable grace periods, under the provisions of the Operating Lease with respect to such Property Default unless (A) such Property Default is not curable by the payment of a sum of money, (B) no default exists in the payments due under the Bonds, (C) Mortgagee is satisfied that such Property Default does not materially adversely affect the value of the Mortgaged Property, (D) such Property Default is curable and (E) Mortgagor has commenced and continues to diligently and expeditiously proceed to cure such Property Default;
- (3) if Tenant shall continue to be in default in the payment of any rent or additional rent due and payable by Tenant under the Operating Lease for ten (10) days after notice from Mortgagee; or
- (4) if an Event of Default shall have occurred under the Indenture.

20. Remedies of Mortgagee. Upon the occurrence of any Event of Default, (a) Mortgagor will pay, from the date of that Event of Default and until such Event of Default shall be cured in a manner acceptable to Mortgagee, interest on the unpaid principal balance of the Bonds at the Default Rate (as defined in the Indenture) and (b) Mortgagee shall have the right to exercise any and all rights and remedies available at law and in equity.

21. Sale of Mortgaged Property and Waiver of Marshalling. If this Mortgage is foreclosed, the Mortgaged Property, or any interest therein, may at the discretion of Mortgagee, be sold in one or more parcels or in several interests or portions and in any order or manner. Mortgagor acknowledges and agrees that the Debt is secured by various mortgages all of even date herewith encumbering Mortgagor's interest in various properties (the "Other Mortgages"), located in one or more states and counties, all as specifically set forth in the Indenture, and therefore Mortgagee shall be permitted to enforce payment of the Debt and the

performance of any term, covenant or condition of this Mortgage, the Indenture, the Bonds, the Other Mortgages or the Other Security Documents and exercise any and all rights and remedies under this Mortgage, the Indenture, the Bonds, the Other Mortgages or the Other Security Documents, or as provided by law and at equity, by one or more proceedings, whether contemporaneous, consecutive or both, to be determined by Mortgagee, in its sole discretion, in any one or more of the states or counties in which any property is located. Neither the acceptance of the Other Mortgages, the Indenture, the Bonds, or the Other Security Documents, nor their enforcement in any one state or county, whether by court action, power of sale or otherwise, shall prejudice or in any way limit or preclude enforcement of this Mortgage, the Indenture, the Bonds, the Other Mortgages or the Other Security Documents, through one or more additional proceedings in the state where the Mortgaged Property is located. Mortgagor hereby waives, to the extent permitted by law, all rights of marshalling in the event of any foreclosure, exercise of a power of sale or other sale hereunder of the Mortgaged Property or any part thereof or interest therein or any property.

22. Right to Cure Defaults. Upon the occurrence of any Event of Default or if Mortgagor fails to make any payment or to do any act as herein provided, Mortgagee may, but without any obligation to do so and without notice to or demand on Mortgagor and without releasing Mortgagor from any obligation hereunder, make or do the same in such manner and to such extent as Mortgagee may deem necessary to protect the security hereof. Mortgagee is authorized to enter upon the Mortgaged Property for such purposes, or appear in, defend, or bring any action or proceeding to protect its interest in the Mortgaged Property or to foreclose this Mortgage or collect the Debt, and the cost and expense thereof (including reasonable attorneys' fees to the extent permitted by law), with interest as provided in this paragraph 22, shall constitute a portion of the Debt and shall be due and payable to Mortgagee upon demand. All such costs and expenses incurred by Mortgagee in remedying such Event of Default or in appearing in, defending, or bringing any such action or proceeding shall bear interest at the Default Rate, for the period after notice from Mortgagee that such cost or expense was incurred to the date of payment to Mortgagee. All such costs and expenses incurred by Mortgagee together with interest thereon calculated at the Default Rate shall be deemed to constitute a portion of the Debt and be secured by this Mortgage and the Other Security Documents and shall be immediately due and payable upon demand by Mortgagee therefor.

23. Prepayment After Event of Default. If following the occurrence of any Event of Default, Mortgagor shall tender payment of an amount sufficient to satisfy the Debt in whole or in part (other than an amount tendered to cure late payments of principal and interest under the Bonds which is accepted by Mortgagee) at any time prior to a foreclosure sale of the Mortgaged Property, such tender by Mortgagor shall be deemed to be a voluntary redemption of the principal balance of the Bonds, and Mortgagor shall, in addition to the entire Debt, also pay the Redemption Premium set forth in the Indenture.

24. Right of Entry. Mortgagee and its agents shall have the right to enter and inspect the Mortgaged Property at all reasonable times.

25. Appointment of Receiver. The holder of this Mortgage, upon the occurrence of an Event of Default or in any action to foreclose this Mortgage or upon the actual

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or threatened waste to any part of the Mortgaged Property, shall be entitled to the appointment of a receiver without notice and without regard to the value of the Mortgaged Property as security for the Debt, or the solvency or insolvency of any person liable for the payment of the Debt.

26. Reasonable Use and Occupancy. In addition to the rights which Mortgagee may have herein, upon the occurrence of any Event of Default, Mortgagee, at its option, may require Mortgagor to pay monthly in advance to Mortgagee, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Mortgaged Property as may be occupied by Mortgagor or may require Mortgagor to vacate and surrender possession of the Mortgaged Property to Mortgagee or to such receiver and, in default thereof, Mortgagor may be evicted by summary proceedings or otherwise.

27. Security Agreement. This Mortgage is both a real property mortgage and a "security agreement" within the meaning of the Uniform Commercial Code. The Mortgaged Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Mortgagor in the Mortgaged Property. Mortgagor by executing and delivering this Mortgage has granted and hereby grants to Mortgagee, as security for the Debt, a security interest in the Mortgaged Property to the full extent that the Mortgaged Property may be subject to the Uniform Commercial Code (said portion of the Mortgaged Property so subject to the Uniform Commercial Code being called in this paragraph 27 the "Collateral"). If an Event of Default shall occur, Mortgagee, in addition to any other rights and remedies which it may have, shall have and may exercise immediately and without demand, any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing, the right to take possession of the Collateral or any part thereof, and to take such other measures as Mortgagee may deem necessary for the care, protection and preservation of the Collateral. Upon request or demand of Mortgagee, Mortgagor shall at its expense assemble the Collateral and make it available to Mortgagee at a convenient place acceptable to Mortgagee. Mortgagor shall pay to Mortgagee on demand any and all expenses, including legal expenses and attorneys' fees, incurred or paid by Mortgagee in protecting its interest in the Collateral and in enforcing its rights hereunder with respect to the Collateral. Any notice of sale, disposition or other intended action by Mortgagee with respect to the Collateral sent to Mortgagor in accordance with the provisions hereof at least fifteen (15) days prior to such action, shall constitute commercially reasonable notice to Mortgagor. The proceeds of any disposition of the Collateral, or any part thereof, may be applied by Mortgagee to the payment of the Debt in such priority and proportions as Mortgagee in its discretion shall deem proper.

28. Actions and Proceedings. Mortgagor hereby assigns to Mortgagee the right to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to bring any action or proceeding, in the name and on behalf of Mortgagor, which Mortgagee, in its discretion, decides should be brought to protect its interest in the Mortgaged Property. Mortgagee shall, at its option, be subrogated to the lien of any mortgage or other security instrument discharged in whole or in part by the Debt, and any such subrogation rights shall constitute additional security for the payment of the Debt.

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29. Waiver of Counterclaim. Mortgagor hereby waives the right to assert a counterclaim, other than a mandatory or compulsory counterclaim or any counterclaim which would not be able to be asserted by Mortgagor in a separate action or proceeding, in any action or proceeding brought against it by Mortgagee, and waives trial by jury in any action or proceeding brought by either party hereto against the other or in any counterclaim asserted by Mortgagee against Mortgagor, or in any matters whatsoever arising out of or in any way connected with this Mortgage, the Bonds, any of the Other Security Documents or the Debt.

30. Recovery of Sums Required To Be Paid. Mortgagee shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of Mortgagee thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Mortgagor existing at the time such earlier action was commenced.

31. Redemption. Mortgagor hereby waives, to the extent permitted by law, the benefit of all appraisement, valuation, stay, extension, reinstatement and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale hereunder of the Mortgaged Property or any part thereof or any interest therein. Further, Mortgagor hereby expressly waives any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on behalf of Mortgagor, and on behalf of each and every person acquiring any interest in or title to the Mortgaged Property subsequent to the date of this Mortgage and on behalf of all persons to the extent permitted by applicable law.

32. Hazardous Materials. Mortgagor represents and warrants that, to the best of Mortgagor's knowledge, which knowledge is limited to the review of that certain Environmental Site Assessment Update dated November 24, 1992 prepared by H+GCL (the "Environmental Report"), (a) there are no Hazardous Materials (hereinafter defined) on the Mortgaged Property other than as disclosed in the Environmental Report, except those in compliance with all applicable federal, state and local laws, ordinances, rules and regulations, and (b) no owner or occupant nor any prior owner or occupant of the Mortgaged Property has received any notice or advice from any governmental agency or any source whatsoever with respect to Hazardous Materials on, from or affecting the Mortgaged Property. Mortgagor covenants that the Mortgaged Property shall be kept free of Hazardous Materials, and neither Mortgagor nor any occupant of the Mortgaged Property shall use, transport, store, dispose of or in any manner deal with Hazardous Materials on the Mortgaged Property, except in compliance with all applicable federal, state and local laws, ordinances, rules and regulations. Mortgagor shall comply with, and ensure compliance by all occupants of the Mortgaged Property with, all applicable federal, state and local laws, ordinances, rules and regulations relating to Hazardous Materials, and shall keep the Mortgaged Property free and clear of any liens imposed pursuant to such laws, ordinances, rules or regulations. In the event that Mortgagor receives any notice or advice from any governmental agency or any source whatsoever with respect to Hazardous Materials on, from or affecting the Mortgaged Property, Mortgagor shall immediately notify Mortgagee. Mortgagor shall conduct and complete or cause Tenant to conduct and complete all investigations, studies, sampling, and testing, and all remedial actions necessary to

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clean up and remove all Hazardous Materials from the Mortgaged Property in accordance with all applicable federal, state, and local laws, ordinances, rules and regulations. The term "Hazardous Materials" as used in this Mortgage shall include, without limitation, gasoline, petroleum products, explosives, radioactive materials, polychlorinated biphenyls or related or similar materials, or any other substance or material defined as a hazardous or toxic substance or material by any federal, state or local law, ordinance, rule, or regulation, but excluding Asbestos, as defined in paragraph 33 hereof. The obligations and liabilities of Mortgagor under this paragraph 32 shall survive any entry of a judgment of foreclosure or the delivery of a deed in lieu of foreclosure of this Mortgage.

33. **Asbestos.** Mortgagor represents and warrants that, to the best of Mortgagor's knowledge, which knowledge is limited to the review of the Environmental Report, (a) there is no asbestos or material containing asbestos ("Asbestos") on the Mortgaged Property other than as disclosed in the Environmental Report, and (b) no owner or occupant nor any prior owner or occupant of the Mortgaged Property has received any notice or advice from any governmental agency or any source whatsoever with respect to Asbestos on, affecting or installed on the Mortgaged Property. Mortgagor covenants that the Mortgaged Property shall be kept free of Asbestos, and neither Mortgagor nor any occupant of the Mortgaged Property shall install, or permit to be installed, Asbestos on the Mortgaged Property. Mortgagor shall comply with, and ensure compliance by all occupants of the Mortgaged Property with, all applicable federal, state and local laws, ordinances, rules and regulations with respect to Asbestos, and shall keep the Mortgaged Property free and clear of any liens imposed pursuant to such laws, ordinances, rules or regulations. In the event that Mortgagor receives any notice or advice from any governmental agency or any source whatsoever with respect to Asbestos on, affecting or installed on the Mortgaged Property, Mortgagor shall immediately notify Mortgagee. Mortgagor shall conduct and complete or cause Tenant to conduct and complete all investigations, studies, sampling, and testing, and all remedial actions necessary to clean up and remove all Asbestos from the Mortgaged Property in accordance with all applicable federal, state and local laws, ordinances, rules and regulations. The obligations and liabilities of Mortgagor under this paragraph 33 shall survive any entry of a judgment of foreclosure or delivery of a deed in lieu of foreclosure of this Mortgage.

34. **Indemnification.** Mortgagor shall protect, defend, indemnify and save harmless Mortgagee from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation reasonable attorneys' fees and expenses), imposed upon or incurred by or asserted against Mortgagee by reason of (a) ownership of this Mortgage, the Mortgaged Property or any interest therein or receipt of any Rents; (b) any accident, injury to or death of persons or loss of or damage to property occurring in, on or about the Mortgaged Property or any part thereof or on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (c) any use, nonuse or condition in, on or about the Mortgaged Property or any part thereof or on the adjoining sidewalks, curbs, adjacent property or adjacent parking areas, streets or ways; (d) any failure on the part of Mortgagor to perform or comply with any of the terms of this Mortgage; (e) performance of any labor or services or the furnishing of any materials or other property in respect of the Mortgaged Property or any part thereof; (f) the failure of any person to file timely with the Internal Revenue Service an accurate Form 1099-B, Statement for Recipients of Proceeds from Real

Estate, Broker and Barter Exchange Transactions, which may be required in connection with the Mortgage, or to supply a copy thereof in a timely fashion to the recipient of the proceeds of the transaction in connection with which this Mortgage is made; (g) the presence, disposal, escape, seepage, leakage, spillage, discharge, emission, release, or threatened release of any Hazardous Materials on, from, or affecting the Mortgaged Property or any other property or the presence of Asbestos on the Mortgaged Property; (h) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials or Asbestos; (i) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Materials or Asbestos; or (j) any violation of laws, orders, regulations, requirements, or demands of government authorities, which are based upon or in any way related to such Hazardous Materials or Asbestos including, without limitation, the costs and expenses of any remedial action, attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses. Any amounts payable to Mortgagee by reason of the application of this paragraph 34 shall be secured by this Mortgage and shall become immediately due and payable and shall bear interest at the Default Rate from the date loss or damage is sustained by Mortgagee until paid. The obligations and liabilities of Mortgagor under clauses (g), (h), (i) and (j) of this paragraph 34 shall survive any termination, satisfaction, assignment, entry of a judgment of foreclosure or delivery of a deed in lieu of foreclosure of this Mortgage.

35. Notices. Any notice, demand, statement, request or consent made hereunder shall be in writing and shall be deemed given when postmarked, addressed and mailed by first class mail to the address, as set forth above, of the party to whom such notice is to be given, or to such other address as Mortgagor or Mortgagee, as the case may be, shall in like manner designate in writing.

36. Authority. (a) Mortgagor (and the undersigned representative of Mortgagor, if any) has full power, authority and legal right to execute this Mortgage, and to mortgage, give, grant, bargain, sell, alien, enfeoff, convey, confirm, pledge, hypothecate and assign the Mortgaged Property pursuant to the terms hereof and to keep and observe all of the terms of this Mortgage on Mortgagor's part to be performed. (b) Mortgagor represents and warrants that Mortgagor is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended and the related Treasury Department regulations, including temporary regulations.

37. Waiver of Notice. Mortgagor shall not be entitled to any notices of any nature whatsoever from Mortgagee except with respect to matters for which this Mortgage specifically and expressly provides for the giving of notice by Mortgagee to Mortgagor and except with respect to matters for which Mortgagee is required by applicable law to give notice, and Mortgagor hereby expressly waives the right to receive any notice from Mortgagee with respect to any matter for which this Mortgage does not specifically and expressly provide for the giving of notice by Mortgagee to Mortgagor.

38. Sole Discretion of Mortgagee. Wherever pursuant to this Mortgage, Mortgagee exercises any right given to it to approve or disapprove, or any arrangement or term is to be satisfactory to Mortgagee, the decision of Mortgagee to approve or disapprove or to decide that arrangements or terms are satisfactory or not satisfactory shall be made in accordance

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with the Indenture in the sole discretion of Mortgagee and shall be final and conclusive, except as may be otherwise expressly and specifically provided herein.

39. Non-Waiver. The failure of Mortgagee to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Mortgage. Mortgagor shall not be relieved of Mortgagor's obligations hereunder by reason of (a) the failure of Mortgagee to comply with any request of Mortgagor or Guarantors to take any action to foreclose this Mortgage or otherwise enforce any of the provisions hereof or of the Bonds or the Other Security Documents, (b) the release, regardless of consideration, of the whole or any part of the Mortgaged Property, or of any person liable for the Debt or any portion thereof, or (c) any agreement or stipulation by Mortgagee extending the time of payment or otherwise modifying or supplementing the terms of the Bonds, this Mortgage or the Other Security Documents. Mortgagee may resort for the payment of the Debt to any other security held by Mortgagee in such order and manner as Mortgagee, in its discretion, may elect. Mortgagee may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Mortgagee thereafter to foreclose this Mortgage. The rights of Mortgagee under this Mortgage shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Mortgagee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision. Mortgagee shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every right and remedy now or hereafter afforded at law or in equity.

40. No Oral Change. This Mortgage, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Mortgagor or Mortgagee but only by an agreement in writing signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

41. Liability. If Mortgagor consists of more than one person, the obligations and liabilities of each such person hereunder shall be joint and several. This Mortgage shall be binding upon and inure to the benefit of Mortgagor and Mortgagee and their respective successors and assigns forever.

42. Inapplicable Provisions. If any term, covenant or condition of the Bonds or this Mortgage is held to be invalid, illegal or unenforceable in any respect, the Bonds and this Mortgage shall be construed without such provision.

43. Headings, etc. The headings and captions of various paragraphs of this Mortgage are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

44. Duplicate Originals. This Mortgage may be executed in any number of duplicate originals and each such duplicate original shall be deemed to be an original.

45. Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Mortgage may be used interchangeably

in singular or plural form and the word "Mortgagor" shall mean "each Mortgagor and any subsequent owner or owners of the Mortgaged Property or any part thereof or any interest therein," the word "Mortgagee" shall mean "Mortgagee and any other trustee or subsequent trustee under the Indenture," the word "Bonds" shall mean "the Bonds and any other evidence of indebtedness secured by this Mortgage," the word "person" shall include an individual, corporation, partnership, trust, unincorporated association, government, governmental authority, and any other entity, and the words "Mortgaged Property" shall include any portion of the Mortgaged Property and any interest therein. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

46. Exculpation. Mortgagee shall not enforce the liability and obligation of Mortgagor to perform and observe the obligations contained in the Bonds or this Mortgage by any action or proceeding wherein a money judgment shall be sought against Mortgagor, except that Mortgagee may bring a foreclosure action, action for specific performance or other appropriate action or proceeding to enable Mortgagee to enforce and realize upon this Mortgage, the Other Mortgages, the Other Security Documents, and the interest in the Mortgaged Property, the Rents and any other collateral given to Mortgagee created by this Mortgage, the Other Mortgages and the Other Security Documents; provided, however, that any judgment in any such action or proceeding shall be enforceable against Mortgagor only to the extent of Mortgagor's interest in the Mortgaged Property, in the Rents and in any other collateral given to Mortgagee pursuant to this Mortgage, the Other Mortgages or the Other Security Documents. Mortgagee, by accepting the Bonds and this Mortgage, agrees that it shall not sue for, seek or demand any deficiency judgment against Mortgagor in any such action or proceeding, under or by reason of or under or in connection with the Bonds, the Other Security Documents or this Mortgage other than to the extent necessary to preserve Mortgagee's right to proceed against and realize upon any collateral covered by the Other Mortgages. The provisions of this paragraph shall not, however, (i) constitute a waiver, release or impairment of any obligation evidenced or secured by the Bonds, the Other Security Documents or this Mortgage; (ii) impair the right of Mortgagee to name Mortgagor as a party defendant in any action or suit for judicial foreclosure and sale under this Mortgage; (iii) affect the validity or enforceability of any guaranty made in connection with the Bonds, this Mortgage, or the Other Security Documents; (iv) impair the right of Mortgagee to obtain the appointment of a receiver; (v) impair the enforcement of the Assignment of Leases and the Consents to Assignment executed in connection herewith; (vi) impair the right of Mortgagee to bring suit with respect to fraud or intentional misrepresentation by Mortgagor or any other person or entity in connection with the Bonds, this Mortgage or the Other Security Documents; (vii) impair the right of Mortgagee to obtain the Rents received by Mortgagor after the occurrence of an Event of Default; (viii) impair the right of Mortgagee to bring suit with respect to Mortgagor's misappropriation of tenant security deposits or Rents collected in advance; (ix) impair the right of Mortgagee to obtain insurance proceeds or condemnation awards due to Mortgagee under this Mortgage; (x) impair the Trustee's rights to enforce obligations under any Guaranty (as defined in the Indenture); or (xi) impair the Trustee's rights to enforce any Environmental Agreement (as defined in the Indenture).

47. Release of the Mortgaged Property. Mortgagor may obtain a release of the Mortgaged Property from the lien of this Mortgage pursuant to the terms of the Indenture

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in connection with certain redemptions of the Bonds, provided the conditions for such release as set forth in the Indenture are satisfied.

48. **CHOICE OF LAW.** THIS MORTGAGE SHALL BE DEEMED TO BE A CONTRACT ENTERED INTO PURSUANT TO THE LAWS OF THE STATE OF NEW YORK AND SHALL IN ALL RESPECTS BE GOVERNED, CONSTRUED, APPLIED AND ENFORCE IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, PROVIDED HOWEVER, THAT WITH RESPECT TO THE CREATION, PERFECTION, PRIORITY AND ENFORCEMENT OF THE LIEN AS TO ANY PARTICULAR PARCEL, THE LAWS OF THE STATE WHERE THE PARCEL IS LOCATED SHALL APPLY.

PART II

Illinois Provisions

49. **Use of Proceeds.** Mortgagor hereby represents and agrees that the proceeds of the Bonds secured by this Mortgage shall be used for business purposes and that the indebtedness secured hereby constitutes a business loan.

50. The following words are hereby inserted in subparagraph (b) of this Mortgage, following "WITNESSETH", following the words "located upon the Premises and the Improvements," and preceding the words "or appurtenant thereto,":

and all proceeds and products of and accessions to and substitutions and replacements for all such fixtures and other property owned by Mortgagor, or in which Mortgagor has or shall have an interest,

51. The following paragraph is hereby inserted following the second full paragraph beginning with the words "PROVIDED, HOWEVER":

"PROVIDED, FURTHER HOWEVER, Notwithstanding any provision contained herein to the contrary, in no event shall the principal indebtedness secured hereby exceed \$70,000,000.00;"

52. The last two words of paragraph 8 (a) of this Mortgage entitled "Transfer or Encumbrance of the Mortgaged Property" are hereby deleted and the words "transferred by operation of law or otherwise" are substituted therefor.

53. The following is hereby added to the end of paragraph 8 (b), entitled "Transfer or Encumbrance of the Mortgaged Property":

; and (vi) any transfer to an Illinois Land Trust or any other trust established for the purpose of holding title to the Mortgaged Property; or any transfer of all or any portion of the beneficial interest in any trust holding title to the Mortgaged Property.

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6/1/2010

54. None of the Mortgaged Property falls within the definition of "real property" set forth in the Illinois Responsible Property Transfer Act of 1988, Ill. Rev. Stat. ch. 30, § 901 et seq., § 903(e) (the "Act") and no filings relating thereto are required as a consequence of this transaction.

55. Partial Release. Provided no Event of Default has occurred and is continuing, Mortgagor may obtain a partial release of the lien of this Mortgage (the "Partial Release") from the property designated as "Parcel 2" on Exhibit A attached hereto (the "Released Property") if the following conditions precedent have been met:

(i) the Allocated Amount (as defined in the Indenture) for the Mortgaged Property will not exceed 80% of the appraised value of the Mortgaged Property remaining after such Partial Release, as evidenced by an appraisal prepared by Cushman & Wakefield or such other appraisal firm selected by Mortgagor and approved by Mortgagee with the consent of the holders of at least 51% in principal amount of the then outstanding Bonds;

(ii) Mortgagor shall deliver to Mortgagee an Officer's Certificate (as defined in the Indenture) certifying that all necessary subdivision and zoning approvals with respect to the Released Property and the Mortgaged Property remaining subject to lien of this Mortgage have been obtained;

(iii) Mortgagee shall receive an Opinion of Counsel (as defined in the Indenture) to the effect that (A) the Released Property and the portion of the Mortgaged Property remaining subject to the lien of this Mortgage shall be independent of each other for all subdivision, zoning and tax purposes, (B) the ability of Mortgagee to foreclose this Mortgage shall not be hindered or comprised in any manner as a result of the Partial Release, (C) that ingress and egress to and from the portion of the Mortgaged Property remaining subject to the lien of this Mortgage following such Partial Release will not be terminated or restricted in a way that adversely affects such portion of the Mortgaged Property, (D) the title insurance policy insuring the lien of this Mortgage will not be impaired as a result of such Partial Release, and (E) the instruments of release contain such covenants, conditions and restrictions and reserve such rights and easements with respect to the Released Property as are reasonable necessary to preserve Mortgagee's interest in the portion of the Mortgaged Property remaining subject to the lien of this Mortgage; and

(iv) Mortgagee shall receive an acknowledgement from the Tenant (as defined in the Indenture) under the Operating Lease, in form and substance acceptable to legal counsel to Mortgagee, as evidenced by an Opinion of Counsel (as defined in the Indenture) that (A) the Tenant consents to the Partial Release, (B) the Released Property has been released from the Operating Lease, (C) no adjustment or modification will be made to the related Lease Payments (as defined in the Indenture) under the Operating Lease as a result of the Partial Release, (D) the Operating Lease remains in full force and effect following such Partial Release and (E) the Partial Release will not constitute or give rise to any claim by the Tenant that Mortgagor is in default under the Operating Lease, or give rise to any right by the Tenant to terminate the Operating Lease.

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IN WITNESS WHEREOF, this Mortgage has been executed by Mortgagor the day and year first above written.

GSP I CORPORATION, an Oregon corporation

By: W.E. Peressini
Name: William E. Peressini
Title: Senior Vice President

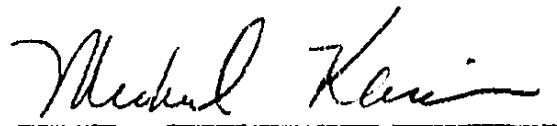
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ACKNOWLEDGEMENT

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

On the 18th day of December, 1992 before me personally came WILLIAM E. PERESSINI, who being by me duly sworn, did depose and say that he is the Senior Vice President of GSP I CORPORATION, an Oregon corporation, that the execution of the instrument by William E. Peressini was duly authorized; that William E. Peressini on behalf of GSP I Corporation, executed the instrument pursuant to said authorization.



Notary Public

MICHAEL G. KAVOURAS
NOTARY PUBLIC, State of New York
No. 41-49658CM
Qualified in Queens County
Commission Expires April 30, 1994

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EXHIBIT A

Parcel 1:

That part of Lot B in Tall Trees Unit Two, being a subdivision in the South West quarter of Section 26, Township 42 North, Range 12 East of the Third Principal Meridian, recorded as document no. 18411378 in the Recorder's Office of Cook County, Illinois, together with that part of Sub-Lots 2, 3 and 4 taken as one tract, in Partition, according to the Will of Judith Reed, of Lot 3 in William Reed's Subdivision recorded as document no. 2698091 of part of the South half of Section 26 and 27, Township and Range aforesaid, lying Southerly of and adjoining a line drawn from a point on the Southwesterly line of the aforesaid Sub-Lot 4, said point being 1124.595 feet Southeasterly of the Northwesterly corner of Sub-Lot 6 in the aforesaid Partition (as measured along the Southwesterly line of Sub-Lots 4, 5 and 6 in said Partition) to a point on the Westerly line of Block 10 in the aforesaid Tall Trees Unit Two Subdivision, said point being 299.95 feet Northwesterly of the Southwesterly corner of Lot 16 in said Block 10 (as measured along the Westerly line thereof), excepting from the above described parcel of land that part of said Sub-Lots 2 and 3 taken for the aforesaid Tall Trees Unit Two Subdivision and also excepting from the aforesaid Sub-Lots 3 and 4 that part thereof taken for East Lake Avenue as shown on plat of survey document number 20433449, being that part of said Sub-Lots 3 and 4 lying Southerly of and adjoining a line drawn from a point on the Southwesterly line of said Sub-Lot 4, said point being 122.96 feet North of the Westerly extension of the South line of said Sub-Lot 4 (as measured perpendicularly to said Westerly extension) to a point on the East line of the aforesaid Sub-Lot 3, and point being 12.00 feet North of the South East corner of said Sub-Lot 3 (as measured along the East line thereof) all in Cook County, Illinois.

Parcel 2:

That part of Sub-Lots 1, 2, 4, 5 and 6 (except the North 330 feet of said Sub-Lot 6, as measured along the East line thereof), taken as one tract, in Partition, according to the Will of Judith Reed, of Lot 3 in William Reed's Subdivision recorded as document no. 2698091 of part of the South half of Sections 26 and 27, Township 42 North, Range 12 East of the Third Principal Meridian, lying Northerly of and adjoining a line drawn from a point on the southwesterly line of the aforesaid Sub-Lot 4, said point being 1124.595 feet Southeasterly of the Northwesterly corner of Sub-Lot 6 in the aforesaid Partition (as measured along the Southwesterly line of Sub-Lots 4, 5 and 6 in said Partition) to a point on the Westerly line of Block 10 in Tall Trees Unit Two, being a subdivision in the South West quarter of Section 26, Township and Range aforesaid, said point being 299.95 feet Northwesterly of the Southwesterly corner of Lot 16 in said Block 10 (as measured along the Westerly line thereof), excepting from the above described tract of land that part of said Sub-Lots 1 and 2 taken for Tall Trees Unit Two aforesaid and Tall Trees Unit Three, being a subdivision in said South West quarter, all in Cook County, Illinois.

1900 LAKE STREET, GLENVIEW ILLINOIS

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