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MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT ("Mortgage") is made on March 14, 1994 by Kentile, Inc., a Delaware corporation, whose address is 111 Great Neck Road, Great Neck, New York, 11021 ("Borrower") to and for the benefit of Nemo Acquisition Corp., whose address is 111 Great Neck Road, Great Neck, New York 11021 ("Lender" or "Mortgagee").

RECITALS

Borrower has executed and delivered to Lender that certain Secured Promissory Note of even date herewith (the "Note") in the amount Three Million Dollars (\$3,000,000) which by this reference made a part hereof.

To secure to Lender the (i) repayment of the indebtedness evidenced by the Note, together with interest, prepayment penalties, late charges and all other charges, as provided therein and herein, (ii) the payment of all other sums, with interest thereon, advanced in accordance herewith, and (iii) the performance of the covenants, conditions and agreement contained herein does hereby MORTGAGE, WARRANT, GRANT, BARGAIN, SELL, ALIENATE, CONVEY, CONFIRM AND ASSIGN all of Borrower's fee simple interest and estate in the property legally described in Exhibit A attached hereto Cook County, Illinois (the "Land") and improvements thereon located at 4532 South Kolin Avenue, Chicago, Illinois, together with all buildings, structures and other improvements and chattels now on the Land or that may hereafter be erected or placed thereon which are owned by Borrower; also together with all shrubbery and trees now growing or that hereafter may be planted or grown thereon; and also together with all crops and/or produce of any kind now growing or that may be hereafter growing, grown or produced upon said land or any part thereof; and also to the extent owned by Borrower, development rights or credits, oil, gas and mineral rights, air rights and water and water rights; also together with all and singular the ways, easements, riparian and other rights, and all tenements, hereditaments and appurtenances thereunto belonging to Borrower, including but not limited to all rights in any abutting

THIS INSTRUMENT PREPARED BY
AND RETURN TO:

Joy S. Goldman
Schwartz & Freeman
Suite 1900
401 North Michigan Avenue
Chicago, Illinois 60611

ADDRESS:

4532 South Kolin
Chicago, IL 60632
PIN Nos.: 19-03-400-174
19-03-400-102
19-03-400-069
19-03-400-097
19-03-400-094

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public or private streets and alleys adjacent thereto including (all of which items are hereinafter referred to as the "Premises");

And all present and future rents, issues, avails, profits and proceeds (hereinafter referred to as the "Rents") of or from the Premises (which are also hereby granted, sold, bargained and conveyed to Lender), the "Leases" and/or and the "Equipment" (both of which terms are hereinafter defined), howsoever occurring, existing, created or arising;

And all present and future leases, use agreements, agreements, tenancies, licenses and franchises (hereinafter referred to as the "Leases") of or from the Premises and/or the Equipment or in any way, manner or respect required, existing, used or useable in connection with the Premises and/or the Equipment or the management, maintenance, operation or business thereof, and all deposits of money as advance rent under any or all of the Leases and all guaranties of lessees' performances thereunder;

And all present and future judgments, awards of damages and settlements made as a result or in lieu of any taking of the Premises, the Equipment and/or the Leases, or any part thereof, under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) thereto;

And all present and future apparatus, machinery, equipment, owned motor vehicles, fixtures and articles of personal property of any and every kind and nature whatsoever used, attached to, installed or located in or on or used in connection with the Premises, or required for use in or on or in connection with the management, maintenance, operation or business of the Premises, and all replacements thereof and accessions thereto to the extent owned by Borrower and not owned by any tenant (hereinafter referred to as the "Equipment"), including, but not limited to, any such item of Equipment now or at any time or times hereafter situated on the Premises and used to supply or otherwise deliver heat, gas, air conditioning, water, sewer, light, electricity, power, plumbing, refrigeration, sprinkling, ventilation, mobility, communication, incineration, and all other related or other such services (all of the immediately above mentioned items of Equipment being deemed to be a part of the Premises, whether physically attached thereto or not);

And all present and future insurance policies in force or effect owned by Borrower, insuring the Premises, the Rents, the Leases or the Equipment;

And all proceeds of each and every of the foregoing.

TO HAVE AND TO HOLD the above described property, including, without limitation, the Premises, the Leases, the Equipment and the Rents (collectively, the "Mortgaged Property") unto Lender and

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its successors and assigns, forever, however, upon the terms, provisions and conditions herein set forth and hereby covenanting and agreeing to warrant and forever defend the Mortgaged Property unto Lender against every person whomsoever lawfully claiming or to claim the same or any part thereof.

PROVIDED ALWAYS, that upon full payment of the indebtedness under the Note secured hereby, including any extensions, renewals or modifications thereof, and payment in full of Borrower's Liabilities (as hereinafter defined) and performance in full of Borrower's Obligations (as hereinafter defined), then Lender shall cancel this Mortgage of record and shall surrender this Mortgage.

This Mortgage shall operate as and constitute a Security Agreement from Borrower to Lender with respect to that portion of the Mortgaged Property constituting property or interests in property, whether real or personal, tangible or intangible, which are subject to the priority and perfection of security interest provisions of the Uniform Commercial Code of Illinois or any similar and applicable law, statute, code or other governing body of law. In addition Borrower hereby grants to Lender a continuing security interest in (i) that portion of the Mortgaged Property (as herein defined) constituting property or interests in property, whether real or personal, tangible or intangible, now owned or existing and hereafter acquired and arising, which are subject to the priority and perfection of security interest provisions of the Uniform Commercial Code of Illinois or any similar and applicable law, statute, code or other governing body of law; and (ii) the Equipment and all proceeds thereof to secure payment of the indebtedness and obligations secured by this Mortgage. In the event of a foreclosure sale, all property or interests in property, subject to the priority and perfection of security interest provisions of the Uniform Commercial Code of Illinois or any similar and applicable law, statute, code or other governing body of law, may, at the option of Lender, be sold as a whole and it shall not be necessary to have present at the place of sale the property or any part thereof.

AND THIS INDENTURE FURTHER WITNESSETH:

1. DEFINITIONS

1.1 Wherever used in this Mortgage, "Borrower's Liabilities" means any and all of the following: (i) the payment of any and all monies, including, but not limited to, the payment, when due or declared due, of the principal sums of the Note, together with the interest described therein, now and/or hereafter owed or to become owing by Borrower to Lender under and/or pursuant to the terms and provisions of the Note; and (ii) the payment of any and all other debts, claims, obligations, demands, monies, liabilities and/or indebtedness (of any and every kind or nature) now and/or hereafter

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owing, arising, due or payable from Borrower to Lender under and/or pursuant to the terms and provisions of this Mortgage.

1.2 The term "Interest" as used herein means interest as provided for in the Note, including, without limitation, monthly interest on the principal balance at the rate specified therein. The term "Loan Documents" as used herein means the Note and this Mortgage collectively.

1.3 Wherever used in this Mortgage, "Borrower's Obligations" means the prompt, full and faithful performance, discharge, compliance and observance by Borrower of each and every term, condition, warranty, representation, agreement, undertaking, covenant and provisions to be performed, discharged, observed or complied with by Borrower contained herein.

1.4 Wherever used in this Mortgage, the term "and/or" means one or the other or both, or any one or all, of the things, events or persons or parties in connection with which the term is used.

2. CONVEYANCE

2.1 To secure the payment of Borrower's Liabilities and the performance of Borrower's Obligations, Borrower hereby does mortgage, warrant, grant, bargain, sell, alienate, convey, confirm, assign, pledge, set over, transfer, remise and release to Lender, its successors and assigns, forever, the Mortgaged Property for the purposes and uses set forth in this Mortgage.

2.2 Borrower, immediately upon request by Lender, at Borrower's sole expense, will or will cause to be made, executed and delivered to Lender, in form and substance acceptable to Lender, all documents and instruments that Lender is reasonably advised are and/or reasonably deems necessary or appropriate to evidence, document or conclude the transactions described in and/or contemplated by the Loan Documents or required to perfect or continue perfected, as valid liens, the liens granted herein by Borrower to Lender upon the Mortgaged Property.

3. COVENANTS, WARRANTIES AND REPRESENTATIONS

3.1 Borrower covenants with and warrants and represents to Lender as follows:

(i) Borrower promptly will pay, or cause to be paid, when due or declared due, Borrower's Liabilities and Borrower will promptly, fully and faithfully perform, discharge, observe and comply with each and every of Borrower's Obligations.

(ii) Borrower now has and hereafter shall maintain the standing, right, power and lawful authority to own the Mortgaged Property, to carry on the business of and operate the Mortgaged

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Property, to enter into, execute and deliver the Loan Documents to Lender, to encumber the Mortgaged Property to Lender as provided herein or in the Loan Documents and to perform all of Borrower's Obligations and to consummate all of the transactions described in or contemplated by the Loan Documents.

(iii) All of the Licenses necessary for the operation of the Mortgaged Property are and shall at all times be in full force and effect. All of the Leases are and shall remain genuine, in all respects what they purport to be, free of set-offs, counterclaims or disputes, and valid and enforceable in accordance with their terms and all parties to the Leases have and shall have the capacity to contract thereunder.

(iv) To Borrower's knowledge, there is no litigation, action, claim or proceeding pending or threatened which might, in any way, manner or respect, materially or adversely affect the Mortgaged Property, the operation or the business thereof or Lender's encumbrances thereon.

(v) The Mortgaged Property now consists of and is in the same condition, ordinary wear and tear and casualty loss excepted, as it was when Lender last inspected it and, ordinary wear and tear excepted, it shall consist of and remain in such condition until the payment, in full, of Borrower's Liabilities.

(vi) To Borrower's knowledge, there does not exist and hereafter there shall not arise any default or breach of or under any agreement, instrument or document for borrowed money by which the Mortgaged Property is bound or obligated, nor does Borrower have any claims for set-off or defenses to the payment of such borrowed money.

(vii) The location, existence, use and condition of the Premises and the Equipment are and shall remain in compliance with all applicable laws, rules, ordinances and regulations, including, but not limited to, building and zoning laws, and all covenants and restrictions of record.

(viii) Borrower shall comply with all laws, regulations and ordinances governing the use, storage, discharge or release of Hazardous or Toxic Materials (as hereinafter defined) on or under the surface of the Mortgaged Property or in any surface waters or ground waters on or under the Mortgaged Property. The term Hazardous or Toxic Material shall be defined to include: (i) asbestos or any material composed of or containing asbestos in any form and of any type, or (ii) any hazardous, toxic or dangerous waste, substance, material, smoke, gas or particulate matter, as from time to time defined by or for purposes of the Comprehensive Environmental Response Compensation and Liability Act, or any other Federal, State or local environmental, health or safety statute, law, ordinance, code, rule, regulation, order or decree regulating,

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relating to, or imposing liability or standards concerning or in connection with hazardous, toxic or dangerous waste, substance, material, smoke, gas or particulate matter, as now or any time hereafter in effect. Borrower will indemnify and hold Lender free and harmless from any and all loss, liability, cost or expense (including, without limitation, the cost of attorneys, consultants, analysis, litigation, clean-up and settlement expenses) which Lender may incur, or to which Lender may be or become subject, as a result of the presence of any Hazardous or Toxic Material on, in or under the Mortgaged Property (whether or not the presence thereof shall constitute a breach by Borrower of this paragraph), or as the result of the assertion by any person of any facts or circumstances which, if proven correct, could result in any such loss, liability, cost or expense to Lender. The indemnity set forth in this paragraph shall survive the repayment of the Note and the release and discharge of this Mortgage.

(ix) Borrower is and shall remain in peaceful possession of and will forever warrant and defend the Mortgaged Property from and against any and all claims thereon or thereto of any and all parties.

(x) The proceeds of the loan evidenced by the Note and secured hereby will be used solely for the purposes specified in Illinois Compiled Statutes, 815 ILCS 205/4, and the principal obligation evidenced by the Note constitutes a "business loan" within the definition and purview of said section.

3.2 Borrower covenants with and warrants and represents to Lender that at closing of the loan secured hereby Borrower will be lawfully seized, possessed and the owner of and will have good and indefeasible, marketable fee simple title to the Mortgaged Property free and clear of all liabilities, claims, debts, exceptions, security interests, assessments, charges, impositions, levies, taxes, liens and all encumbrances (hereinafter referred to as the "Encumbrances") except (I) the Encumbrances of Lender, (II) those Encumbrances described on Exhibit B attached hereto and made a part hereof, and (III) any existing Leases to a tenant or tenants in possession of all or portions of the Premises (Subparagraphs 3.2(I), (II) and (III) are collectively referred to as the "Permitted Encumbrances").

3.3 Borrower covenants with and warrants and represents to Lender as follows:

(1) Borrower will not change the use or character of or abandon the Mortgaged Property and at all times hereafter shall keep the Mortgaged Property in good condition and repair and will not commit or suffer waste and will make all necessary repairs, replacements and renewals (including the replacement of any items of the Equipment) to the Mortgaged Property so that the value and operating efficiency thereof shall at all times hereafter be

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maintained and preserved. Borrower shall not remove any fixture except in the ordinary course of business; provided that any fixture, building or improvement so removed is either replaced or is not a material portion of the Mortgaged Property. Borrower shall comply with all requirements of law and all municipal ordinances governing the Mortgaged Property and the use thereof.

(ii) Borrower shall promptly pay and discharge, as and when due and payable, before any penalty attaches, all charges, impositions, levies, assessments and taxes (whether general, special or otherwise), water charges, sewer service charges and all other municipal or governmental charges, impositions, levies, assessments and taxes of any kind or nature that may be at any time levied, assessed or imposed upon or against the Mortgaged Property, or any part thereof (other than taxes measured solely by the income of Lender), and shall deliver to Lender duplicate receipts evidencing payment thereof prior to delinquency. Borrower may pay in full, under protest, and in the manner provided by statute, or contest, without payment, any charge, imposition, levy, tax or assessment which Borrower may desire to contest; provided that Borrower shall proceed diligently in good faith to contest such payment. If Lender is required by legislative enactment or judicial decision to pay any charge, imposition, assessment, levy or tax in or to any state, municipality or government on the Mortgaged Property (or on any interest therein), this Mortgage or Borrower's Liabilities, all of Borrower's Liabilities shall be due and payable, at the election of Lender, thirty (30) days after Borrower's receipt of notice of such election. If at any time the United States of America shall require internal revenue stamps to be affixed to this Mortgage or the Note, Borrower will pay for the same, together with any interest or penalties imposed in connection therewith.

(iii) Borrower shall keep the Mortgaged Property free and clear of all Encumbrances (including, but not limited to, mechanics' liens and other similar liens or claims for liens) of any and every kind and nature, except Permitted Encumbrances, shall promptly pay or cause to be paid, as and when due and payable or when declared due and payable, any indebtedness which may become or be secured by such an Encumbrance and, immediately upon request by Lender, shall deliver to Lender evidence satisfactory to Lender of the payment and discharge thereof.

(iv) Borrower shall not, at any time or times hereafter, without the prior written consent of Lender, sell (including any sale or other transfer pursuant to an installment contract for sale or sale under articles of agreement), grant an option to purchase, lease under any master lease, lease substantially all of the Mortgaged Property, exchange, assign, convey or otherwise transfer the Mortgaged Property and/or any part or interest in the Mortgaged Property. Any of the foregoing acts, occurrences or events, shall be deemed to be a "Sale" hereunder.

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(v) All present and future items of fixtures, equipment, furnishings or other tangible personal property of Borrower related or necessary to or used or useable in connection with any present or future building or improvement on the Premises, or the operation or business thereof, are and will be owned free and clear of all Encumbrances, except Permitted Encumbrances and Borrower will not acquire any such property subject to any such Encumbrance. Within five (5) days after request by Lender, Borrower will execute and deliver to Lender a security agreement and financing statements, in form and substance acceptable to Lender, covering all such property.

3.4 If Borrower within five (5) days after written demand from Lender, shall neglect or refuse to keep the Mortgaged Property in good operating condition and repair, replace or maintain the same as herein agreed, to pay the premiums for the insurance which is required to be maintained hereunder, to pay and discharge all Encumbrances as herein agreed or Borrower otherwise defaults in the performance of Borrower's Obligations, Lender, at its sole election, may cause such repairs or replacements to be made, obtain such insurance, pay such Encumbrances or perform such of Borrower's Obligations. Any amounts paid by Lender in taking such action, together with interest thereon at the Default Rate (as hereinafter defined) from the date of Lender's payment thereof until repaid by Borrower to Lender, shall be due and payable by Borrower to Lender upon demand, and, until paid, shall constitute a part of Borrower's Liabilities secured by this Mortgage and bear interest at the Default Rate. In making any payments pursuant to the exercise of any such right, Lender may rely upon any bills delivered to it by Borrower or any such payee and shall not be liable for any failure to make payments in any amounts other than as set forth in any such bills.

3.5 Borrower covenants that it shall not grant or modify any existing easements which benefit or burden the Mortgaged Property or grant or modify any licenses relating to the Mortgaged Property or the operation thereof, without in each instance obtaining the prior written consent of Lender, which shall not be unreasonably withheld.

4. TAXES, INSURANCE AND CONDEMNATION

4.1 (A) Borrower at all times, shall keep and maintain the Mortgaged Property fully insured (without co-insurance): against loss or damage by, or resulting from, fire and such other hazards with comprehensive general liability insurance, with combined single limit for bodily injury, and such other insurance as may be reasonably required by Lender from time to time. Borrower will give immediate written notice to Lender of any material loss or damage to the Mortgaged Property caused by any casualty. In the event of foreclosure of this Mortgage or assignment hereof by Lender or transfer of title to the Mortgaged

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Property in extinguishment of Borrower's Liabilities, all right, title and interest of Borrower in and to any policies then in force shall pass to the purchaser, grantee or assignee.

(B) Upon Lender's request, Borrower shall deposit with Lender monthly, as and when payments are due under the Note a sum equal to one-twelfth (1/12th) of Lender's reasonable estimate of the total annual premiums with respect to the insurance to be furnished under Paragraph 4.1(A) which will next become due and payable. Lender does not hereby assume any of Borrower's obligations under said contracts.

(C) Borrower shall have the right, with Lender's consent, which shall not be unreasonably withheld, to settle and compromise all claims under all policies. Lender shall have the right to assign all policies to any holder of Borrower's Liabilities or to the grantee of the Mortgaged Property in the event of the foreclosure of this Mortgage or other transfer of title to the Mortgaged Property.

(D) In the event of payment under any of the policies, the proceeds of the policies shall be paid by the insurer to Lender, and Lender, in its reasonable discretion, may apply such proceeds, wholly or partially, either (i) toward the alteration, reconstruction, repair or restoration of the Mortgaged Property or any portion thereof; or (ii) as a payment on account of Borrower's Liabilities (without affecting the amount or time of subsequent installment payments required to be made by Borrower to Lender under the Note), whether or not then due or payable.

(E) All insurance proceeds now or hereafter disbursed for the benefit of Borrower in any way, manner or respect affecting, arising from or relating to the Mortgaged Property, or any portion thereof, are hereby assigned to Lender as additional security for the payment of Borrower's Liabilities (and for such purpose, Borrower hereby grants to Lender a security interest therein).

4.2 Upon Lender's request, Borrower shall deposit with Lender monthly as and when payments are due under the Note, a sum equal to one-twelfth (1/12th) of Lender's reasonable estimate of the total annual impositions, levies, taxes and assessments arising with respect to the Mortgaged Property which will next become due and payable. Subject to the provisions of this Paragraph, Lender shall pay, when and to whom due and payable under applicable contracts or law, to and including the maturity date, all of the aforesaid impositions, levies, taxes and assessments. Notwithstanding the foregoing, Lender does not hereby assume any of Borrower's obligations under said laws to make such payments and Lender shall not be obligated to make such payments, except in accordance with and subject to the above specified terms and then only to the extent of deposits held in escrow hereunder. Any such payments

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made by Lender in excess of the deposits held in escrow, together with interest thereon at the Default Rate from the date of Lender's payment(s) thereof until repaid by Borrower to Lender, shall be due and payable by Borrower to Lender upon demand, and, until paid, shall constitute part of Borrower's Liabilities secured by this Mortgage.

4.3 (A) All awards now or hereafter made by any public or quasi-public authority to or for the benefit of Borrower in any way, manner or respect affecting, arising from or relating to the Mortgaged Property, or any portion thereof, by virtue of an exercise of the right of eminent domain by such authority hereby are assigned to the Lender as additional security for the payment of Borrower's Liabilities and Borrower hereby grants to Lender a security interest therein.

(B) Borrower shall have the right, with Lender's consent, to collect and receive the proceeds of any such awards from the authorities making the same, except that Lender may in its reasonable discretion, require that Borrower use such proceeds (i) to apply the same, or any part thereof, to Borrower's Liabilities, whether or not then matured and without affecting the amount or time of subsequent installment payments required to be made by Borrower to Lender under the Note or (ii) to replace, repair or restore any or all of the Mortgaged Property to a condition satisfactory to Lender.

(C) Borrower, immediately upon request by Lender, shall make, execute and deliver and/or cause to be made, executed and delivered to and/or for the benefit of Lender any and all assignments and other instruments sufficient to assign, and cause the payment directly to Lender of, all such awards, free and clear of all Encumbrances, except Permitted Encumbrances. Notwithstanding any taking by eminent domain, alteration of the grade of any street or other injury to or decrease in value of the mortgaged Property by any public or quasi-public authority or corporation, Borrower shall continue to pay all of Borrower's Liabilities, as and when due and payable, until any such award or payment shall have been actually received by Lender, and any reduction in Borrower's Liabilities resulting from the application by Lender of such award or payment as herein set forth shall be deemed to take effect only on the date of such receipt. If, prior to the receipt by Lender of such award or payment, the Mortgaged Property shall have been sold on foreclosure of this Mortgage, Lender shall have the right to receive such award or payment to the extent of any deficiency found to be due upon such sale, with legal interest thereon, whether or not a deficiency judgment on this Mortgage shall have been sought or recovered or denied, and of the reasonable attorneys' fees, costs, expenses and disbursements incurred by Lender in connection with the collection of such award or payment.

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5. ASSIGNMENT OF RENTS AND LEASES

5.1 All of the Rents arising from the Leases are hereby absolutely and unconditionally assigned, transferred and conveyed to Lender as security for the payment of Borrower's Liabilities. Prior to the occurrence of an Event of Default under this Mortgage, Borrower shall have the right to collect all of the Rents arising from the Leases, or renewals thereof.

5.2 If an Event of Default shall occur or exist:

(i) Borrower's right to use the Rents is terminated and any Rents then or thereafter coming into Borrower's possession are to be held in trust by Borrower for the benefit of Lender in a segregated manner and immediately delivered to Lender, and Borrower shall have no rights to use the Rents for any purpose whatsoever without the prior written consent of Lender.

(ii) To the extent permitted by applicable law, Lender may, without notice and without bringing any action or proceeding or by a receiver appointed by a court, take possession of the Mortgaged Property and have, hold, manage, lease and operate the Mortgaged Property on such terms and for such period of time as Lender may deem proper. Lender shall not be liable for any loss sustained by Borrower resulting from Lender's failure to lease portions of the Premises or from any other act or omission of Lender in managing the Mortgaged Property (unless such loss is caused by the willful misconduct and bad faith of Lender).

(iii) Immediately upon demand by Lender, Borrower shall deliver to Lender the originals of the Leases, with appropriate endorsement and/or other specific evidence of assignment thereto to Lender which endorsement and/or assignment shall be in form and substance acceptable to Lender.

(iv) Lender, then or at any time or times thereafter, at its sole election, without notice thereof to Borrower, may notify any or all of the obligors of the Leases that the Leases have been assigned to Lender and Lender (in its name, in the name of Borrower or in both names) may direct said obligors thereafter to make all payments due from them under the Leases directly to Lender.

(v) Borrower, immediately upon demand by Lender, unconditionally shall direct all obligors of the Leases then and thereafter to make all payments then and thereafter due from them under the Leases directly to Lender.

(vi) Lender shall have the right at any time or times thereafter, at its sole election, without notice thereof to Borrower, to enforce the terms of the Leases and obtain payment of and collect the Rents, by legal proceedings or otherwise, in the name of Borrower, Lender or in both names.

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(vii) Borrower, irrevocably hereby designates, makes, constitutes and appoints Lender (and all persons designated by Lender) as Borrower's true and lawful attorney and agent in fact with power, without notice to Borrower and at such time or times thereafter as Lender, at its sole election, may determine, in the name of Borrower, Lender or in both names: (a) to demand payment of the Rents and performance of the Leases; (b) to enforce payment of the Rents and performance of the Leases, by legal proceedings or otherwise; (c) to exercise all of Borrower's rights, interests and remedies in and under the Leases and to collect the Rents; (d) to settle, adjust, compromise, extend or renew the Leases and/or the Rents; (e) to settle, adjust or compromise any legal proceeding brought to collect the Rents or obtain performance of the Leases; (f) to take control, in any manner, of the Rents; (g) to prepare, file and sign Borrower's name on any Proof of Claim in bankruptcy, or similar document in a similar proceeding, against obligors of the Leases; (h) to endorse the name of Borrower upon any payments or proceeds of the Rents and to deposit the same to the account of Lender; and (i) to do all acts and things necessary, in Lender's sole discretion, to carry out any or all of the foregoing.

(viii) All of the foregoing payments and proceeds received by Lender shall be utilized by Lender, at its sole election in its sole discretion, for any one or more of the following purposes: (a) to be held by Lender as additional collateral for the payment of Borrower's Liabilities; (b) to be applied to Borrower's Liabilities, in such manner and fashion and to such portions thereof as Lender, at its sole election, shall determine; (c) to be applied to such obligations of Borrower or the Mortgaged Property or the operations or business thereof as Lender, at its sole election, shall determine appropriate or warranted under the then existing circumstances; or (d) to be remitted to Borrower.

6. DEFAULT

6.1 The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Mortgage:

(i) Failure of Borrower to pay any of Borrower's Liabilities when due or declared due, which continues for five (5) days after the date due or declared due (except for payments due on the Maturity Date).

(ii) A petition is filed by or against Borrower seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any law relating to bankruptcy or insolvency (and in the case of an involuntary petition, such petition is not discharged within ninety (90) days of its filing), or the Borrower seeks or consent to or acquiesces in the appointment of any trustee, receiver or master or liquidator of itself or of all the rent, revenues, issues,

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earnings, profits or income of the Borrower to the Mortgaged Property; or a custodian, receiver, or trustee for any of the Mortgaged Property is appointed, or if the Borrower makes an assignment for the benefit of creditors, or if the Borrower is adjudged insolvent by any state or federal court of competent jurisdiction, or an attachment or execution is levied against any of the Mortgaged Property; and in any event such matter is not discharged within ninety (90) days from the commencement thereof.

(iii) Borrower's obtaining any additional or future advances, or incurring any additional indebtedness or obligations of any character, the repayment or performance of which is secured by a lien on or an interest in the Mortgaged Property, without the prior written consent of Lender.

(iv) The occurrence or existence of a "Default" or "Event of Default" under the Loan Documents or under any other agreement, instrument, or document evidencing and/or securing and/or guarantying all or any portion of the indebtedness secured hereby, which is not cured within any applicable grace or cure periods.

(v) Any Sale is consummated without Lender's consent.

(vi) The voluntary or involuntary dissolution or termination of Borrower.

(vii) The occurrence or existence of any default, event of default, or breach of or under any other agreement, instrument or document for borrowed money, or the acceleration of any obligation for borrowed money, by which the Mortgaged Property or the Borrower is bound or obligated, which is not cured within any applicable grace or cure periods.

(viii) Failure of Borrower to promptly, fully and faithfully satisfy, perform, discharge, observe and comply with each and every of Borrower's Obligations, which continues for thirty (30) days after written notice thereof specifying the failure to Borrower, provided that if such failure is not susceptible of remedy within such period, then such cure period shall be extended by an additional thirty (30) days if Borrower is diligently proceeding to cure such failure.

6.2 Upon the occurrence or existence of an Event of Default, Lender, after notice and demand insofar as required hereby, or by applicable law, in its sole discretion and at its sole election, without notice of such election, and without further demand, may do any one or more of the following:

(1) Declares all or any portion of Borrower's Liabilities immediately due and payable and collect the same at once by foreclosure or otherwise, without notice of broken covenant or condition.

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(ii) Subject to the rights of the tenants of the Mortgaged Property, either with or without process of law, forcibly or otherwise, enter upon and take immediate possession of the Mortgaged Property, expel and remove any persons, goods or chattels occupying or located on the Mortgaged Property, receive all Rents, and issue receipts therefor, manage, control and operate the Mortgaged Property as fully as Borrower might do if in possession thereof, including, without limitation, the making of all repairs and replacements deemed necessary by Lender and the leasing of the same, or any part thereof, from time to time, and, after deducting all reasonable attorneys' and paralegals' fees and all costs and expenses incurred in the protection, care, maintenance, management and operation of the Mortgaged Property, apply the remaining net income, if any, to Borrower's Liabilities or upon any deficiency decree entered in any foreclosure proceeding. At the option of Lender, such entry and taking of possession shall be accomplished either by actual entry and possession or by written notice served in the manner of Paragraph 7.1 by registered mail to the Borrower at the address of Borrower last appearing on the records of Lender. Borrower agrees to surrender possession of the Mortgaged Property to Lender immediately upon the occurrence of an Event of Default. If Borrower shall remain in physical possession of the Mortgaged Property, or any part thereof, after any such Event of Default, such possession shall be as a tenant of Lender, and Borrower agrees to pay to Lender, or to any receiver appointed as provided below, after such Event of Default, a reasonable monthly rental for the Mortgaged Property, or the part thereof so occupied by the Borrower, to be applied as provided above in the first sentence of this Sub-Paragraph, and to be paid in advance on the first day of each calendar month, and, in default of so doing, Borrower may be dispossessed by the usual summary proceedings. In the event Borrower or Borrower's lessee shall so remain in possession of all, or any part of, the Mortgaged Property, said reasonable monthly rental shall be in amounts established by Lender in its sole discretion. This covenant shall be effective irrespective of whether any foreclosure proceeding shall have been instituted and irrespective of any application for, or appointment of, a receiver.

(iii) File one or more suits at law or in equity for the foreclosure of the lien of this Mortgage. At its option, Lender may foreclose the lien of this Mortgage upon less than all of the Mortgaged Property and specifically reserves the right to bring future foreclosure actions with respect to the balance of the Mortgaged Property or portions thereof. In the event of the commencement of any such suit by Lender, Lender shall have the right, either before or after sale, without notice and without requiring bond (notice and bond being hereby waived), without regard to the solvency or insolvency of Borrower at the time of application and without regard to the then value of the Mortgaged Property or whether the same is then occupied, to make application for and obtain the appointment of a receiver for the Mortgaged Property. Such receiver shall have the power to collect the Rents

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during the pendency of such suit and, in case of a sale and a deficiency, during the full statutory period of redemption or not, as well as during any further times when Borrower, except for the intervention of such receiver, would be entitled to collect the Rents, and shall have all other powers which may be necessary or usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property. The court before which such suit is pending may from time to time authorize the receiver to apply the net income in his hands in payment, in whole or in part, of Borrower's Liabilities.

(iv) Exercise any other remedies or rights permitted or provided under or by the laws or decisions of the State of Illinois (including all remedies and rights of a secured party under the Uniform Commercial Code of the State of Illinois), accruing to a mortgagee and/or secured party in connection with a nonrecourse loan upon a default by a mortgagor and/or debtor or otherwise available in equity or under the Loan Documents.

6.3 Upon the occurrence of an Event of Default under this Mortgage, there will be added to and included as part of Borrower's Liabilities (and allowed in any decree for sale of the Mortgaged Property or in any judgment rendered upon this Mortgage or the Note) the following: the costs, charges, expenses and reasonable attorneys' and other fees specified in Paragraph 6.4 below; any and all expenditures which may be paid or incurred by or on behalf of Lender for appraisers' fees, documentary and expert evidence, stenographers' charges, publication costs, fees and expenses for examination of title, title searches, guaranty policies, and similar data and assurances with respect to the title to the Mortgaged Property; interest at the Default Rate, as provided in the Note upon a Default thereunder; all prepayment or like premiums, if any, provided for in the Note; and all other fees, costs and expenses which Lender deems necessary to prosecute any remedy it has under this Mortgage, or to inform bidders at any sale which may be had pursuant to its rights hereunder, of the true condition of title or of the value of the Mortgaged Property. All such costs, charges, expenses, prepayment or like premiums, fees and other expenditures shall be a part of Borrower's Liabilities, secured by this Mortgage, payable on demand and, except for the aforesaid Interest at the Default Rate and the prepayment or like premiums, shall bear interest at the Default Rate from the date of Lender's payment thereof until repaid to Lender.

6.4 If foreclosure proceedings are instituted upon this Mortgage, or if Lender shall be a party to, shall intervene, or file any petition, answer, motion or other pleading in any suit or proceeding (bankruptcy or otherwise) relating to the Loan Documents, or Borrower's Liabilities, in which Lender has been involved as a result of being the holder or mortgagee, or if Lender shall incur or pay any expenses, costs, charges or reasonable attorneys' and paralegals' fees by reason of the employment of

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counsel to represent Lender in connection with amendments, modifications or subsequent agreements requested by Borrower, or to represent Lender in connection with any occurrence which results in an Event of Default, whether in court proceedings or otherwise, such expenses and all of Lender's reasonable attorneys' and paralegals' fees shall be part of Borrower's Liabilities, secured by this Mortgage, payable on demand and shall bear interest at the Default Rate from the date of Lender's payment thereof until repaid to Lender; provided, however, if Lender shall bring a suit or proceeding against Borrower on any claimed Event of Default and a court of competent jurisdiction shall hold that no Event of Default exists or occurred, Borrower shall not be liable to Lender for any reasonable attorneys' or paralegals' fees or expenses in connection with such suit or proceeding or any interest thereon or interest at the Default Rate.

6.5 The proceeds of any sale of the Mortgaged Property shall be applied and distributed, first, on account of the fees, charges, costs and expenses described in Paragraph 6.3 above, secondly, to the balance of Borrower's Liabilities, and thirdly, the surplus, if any, to Borrower. Payment of the purchaser to the Lender at any sale shall satisfy the obligation of the purchaser at such sale and such purchaser shall not be bound to look after the application thereof.

6.6 In the event of the commencement of judicial proceedings to foreclose this Mortgage, Borrower, on behalf of itself, its successors and assigns, and each and every person it may legally bind acquiring any interest in or title to the Mortgaged Property subsequent to the date of this Mortgage, (i) does hereby expressly waive any and all rights of appraisal, valuation, stay, extension and (to the extent permitted by law) redemption from sale under any order or decree of foreclosure of this Mortgage; and (ii) does hereby agree that when sale is had under any decree of foreclosure of this Mortgage, upon confirmation of such sale, the master in chancery or other officer making such sale, or his successor in office, shall be and is authorized immediately to execute and deliver to purchaser at such sale a deed conveying the Mortgaged Property, showing the amount paid therefor, or if purchased by the person in whose favor the order or decree is entered, the amount of his bid therefor. The Borrower acknowledges that the transaction of which this Mortgage is a part is a transaction which does not include either agricultural real estate, as defined in Section 15-1201 of the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101 et seq. (herein called the "Act"), or residential real estate, as defined in Section 15-1219 of the Act, and to the full extent permitted by law, hereby voluntarily and knowingly waives its rights to reinstatement and redemption as allowed under Section 15-1601(b) of the Act, and to the full extent permitted by law, the benefits of all present and future valuation, appraisal, homestead, exemption, stay, redemption and moratorium laws under any state or federal law. Borrower further represents

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and warrants to Lender that the transaction pursuant to which this Mortgage is delivered is a business loan within the meaning of Section 4(1)(c) of the Illinois Interest Act, 815 ILCS 205/0.01 et seq.

6.7 Lender shall have the right to become the purchaser at any sale, and as purchaser purchasing at any such sale shall have the right to credit upon the amount of the bid made therefor, to the extent necessary to satisfy such bid, the Borrower's Liabilities owing to such Lender, or, if such Lender holds less than all of Borrower's Liabilities, the pro rata part thereof owing to such Lender, accounting to all other purchasers not joining in such bid in cash for the portion of such bid or bids apportionable to such nonbidding purchaser or purchasers.

6.8 To the full extent Borrower may do so, and its successors and assigns, and for any and all persons ever claiming any interest in Borrower's Liabilities, to the extent permitted by law, Borrower agrees that it will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for and waives all rights of any appraisement, valuation, stay, extension or redemption, notice of intention to mature or declare due the whole of the Borrower's Liabilities, and all rights to a marshaling of the assets of Borrower, including the Mortgaged Property and any other property mortgaged or pledged to Lender to secure the Note or any of Borrower's Liabilities, or to a sale in inverse order of alienation in the event of foreclosure of the liens and security interests hereby created. Borrower shall not have or assert any right under any statute or rule of law pertaining to the marshaling of assets, sale in inverse order of alienation, the exemption of homestead, the administration of estates of decedents, or other matters whatever to defeat, reduce or affect the right of the Lender under the terms of this Mortgage to a sale of Mortgaged Property for the collection of the Borrower's Liabilities without any prior or different resort for collection, or the right of the Lender under the terms of this Mortgage to the payment of such indebtedness out of the proceeds of sale of Lender in preference to every other claimant whatever. If any law referred to in this paragraph and now in force, of which Borrower or its representatives, successors and assigns and such other persons claiming any interest in Mortgaged Property might take advantage despite this paragraph, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this paragraph.

6.9 Lender shall have the right from time to time to bring any action to enforce any rights under the terms of this Mortgage or the Loan Documents, without prejudice to the right of the Lender thereafter to bring an action of foreclosure, or any other action, for an Event of Default by the Borrower existing at the time such earlier action was commenced.

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6.10 No right or remedy of Lender hereunder is exclusive of any other right or remedy hereunder or now or hereafter existing at law or in equity, but is cumulative and in addition thereto and the holder of the Note may recover judgment thereon, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting or affecting or impairing the security or any right or remedy afforded by this Mortgage. No delay in exercising, or omission to exercise, any such right or remedy will impair any such right or remedy or will be construed to be a waiver of an Event of Default by Borrower hereunder, or acquiescence therein, nor will it affect any subsequent Event of Default hereunder by Borrower of the same or different nature. Every such right or remedy may be exercised independently or concurrently, and when and so often as may be deemed expedient by Lender. No terms or conditions contained in this Mortgage or the Note may be waived, altered or changed except as evidenced in writing signed by Borrower and Lender.

6.11 Lender shall release this Mortgage by proper instrument upon payment and discharge of all of Borrower's Liabilities, including all prepayment or like premiums, if any provided for in the Note and payment of all costs, expenses and fees, including attorneys' fees, incurred by Lender for the preparation, execution and/or recording of such release.

6.12 Upon occurrence of an Event of Default and following acceleration by Lender of the maturity of Borrower's Liabilities as provided herein, a tender of payment thereof by Borrower, or any other party, or a payment thereof received upon or on account of a sale or foreclosure of this Mortgage or Lender's exercise of any of its other rights or remedies under other Loan Documents or under any applicable law or in equity shall be deemed to be a voluntary prepayment made by Borrower of the Note and, therefore, such payment must, to the extent permitted by law, include the interest at the Default Rate payable upon a default, contained in the Note.

6.13 (A) Any agreements between Borrower and Lender are expressly limited so that, in no event whatsoever, whether by reason of disbursement of the proceeds of the loan evidenced by the Note or otherwise, shall the amount paid or agreed to be paid to Lender for the use, detention or forbearance of the loan proceeds to be disbursed exceed the highest lawful rate permissible under any law which a court of competent jurisdiction may deem applicable thereto.

(B) If fulfillment of any provision herein or in the Note, at the time performance of such provision becomes due, involves exceeding such highest lawful rate, then ipso facto, the obligation to fulfill the same shall be reduced to such highest lawful rate. If by any circumstance Lender shall ever receive as interest an amount which would exceed such highest lawful rate, the

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amount which may be deemed excessive interest shall be applied to the principal of Borrower's Liabilities and not to interest.

(C) The terms and provisions of this Paragraph shall control all other terms and provisions contained in the Loan Documents.

6.14 Any failure of Lender to insist upon the strict performance by Borrower of any of the terms and provisions of the Loan Documents shall not be deemed to be a waiver of any of the terms and provisions thereof, and Lender, notwithstanding any such failure, shall have the right at any time or times thereafter to insist upon the strict performance by Borrower of any and all of the terms and provisions thereof to be performed by Borrower. Borrower or any other person now or hereafter obligated for the payment of the whole or any part of Borrower's Liabilities, shall not be relieved of such obligation by reason of the sale, conveyance or other transfer of the Mortgaged Property or the failure of Lender to comply with any request of Borrower, or of any other person, to take action to foreclose this Mortgage or to sell the Mortgaged Property or otherwise enforce any of the provisions of the Loan Documents or by reason of the release, regardless of consideration, of the whole or any part of the security held for Borrower's Liabilities, or by reason of any agreement or stipulation between any subsequent owner or owners of the Mortgaged Property and Lender extending the time of payment or modifying without first having obtained the consent of Borrower or such other person, and, in the latter event, Borrower, and all such other persons, shall continue to be liable on account of Borrower's Liabilities and to make such payments according to the terms of any such agreement, extension or modification unless expressly released and discharged in writing by Lender. Lender, without notice, may release, regardless of consideration, any part of the security held for Borrower's Liabilities, without, as to the remainder of the security therefor, in any way impairing or affecting the lien of this Mortgage or the priority of such lien over any subordinate lien. Lender may resort for the payment of Borrower's Liabilities to any other security therefor held by the Lender in such order and manner as Lender may elect.

6.15 Upon and after the occurrence of an Event of Default under this Mortgage, Lender shall not be obligated to accept any cure or attempted cure by Borrower, except to the extent otherwise specifically provided hereunder or required by applicable law; however, if Lender accepts such cure, Lender shall not exercise rights or remedies under Paragraphs 5 or 6 of this Mortgage unless and until a separate or additional Event of Default then exists hereunder.

6.16 It is understood and agreed that neither the exercise by Lender of any of its rights or remedies under this Mortgage shall be deemed to make Lender a "mortgagee-in-possession" or otherwise

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responsible or liable in any manner with respect to the Mortgaged Property or the use, occupancy, enjoyment or operation of all or any portion thereof, unless and until Lender, in person or by agent, assumes actual possession thereof. Nor shall appointment of a receiver for the Mortgaged Property by any court at the request of Lender or by agreement with Borrower, or the entering into possession of the Mortgaged Property or any part thereof by such receiver, be deemed to make Lender a mortgagee-in-possession or otherwise responsible or liable in any manner with respect to the Mortgaged Property or the use, occupancy, enjoyment or operation of all or any portion thereof.

6.17 (A) In the event that any provision in this Mortgage shall be inconsistent with any provision of the Act the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act.

(B) If any provision of this Mortgage shall grant to Lender any rights or remedies upon default of the Borrower which are more limited than the rights that would otherwise be vested in Lender under the Act in the absence of said provision, Lender shall be vested with the rights granted in the Act to the full extent permitted by law.

(C) Without limiting the generality of the foregoing, all expenses incurred by Lender to the extent reimbursable under Sections 15-1510 and 15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether enumerated in this Mortgage, shall be added to the indebtedness secured by this Mortgage or by the judgment of foreclosure.

7. MISCELLANEOUS

7.1 Every provision for notice, demand or request required in this Mortgage, or by applicable law shall be deemed fulfilled by written notice, demand or request personally served on, mailed or delivered by nationwide courier to the party entitled thereto or on its successors or assigns. If mailed, such notice, demand or request shall be made by certified or registered mail, postage paid addressed to such party at its address set forth below or to such other address as either party hereto shall direct by like written notice and shall be deemed to have been made on the third (3rd) day of posting as aforesaid. If notice is served by nationwide courier, notice shall be deemed made on the first business day following delivery to the courier. For the purposes herein, notices shall be sent to Borrower and Lender as follows:

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To Borrower:

Kentile, Inc.
4532 South Kolin
Chicago, IL 60632

To Lender:

Nemo Acquisition Corporation
c/o United Capital Corp.
111 Great Neck Road
Great Neck, New York, 11021

Any person may change the address for the giving of notice by giving notice as provided herein.

7.2 All the covenants contained in this Mortgage will run with the land. Time is of the essence of this Mortgage and all provisions herein relating thereto shall be strictly construed.

7.3 This Mortgage, and all the provisions hereof, will be binding upon and inure to the benefit of the successors and assigns, or heirs and personal representatives, as the case may be, of the Borrower and Lender.

7.4 This Mortgage shall be governed as to validity, interpretation, construction, effect and in all other respects by the laws and decisions of the State of Illinois.

7.5 Any provision of this Mortgage which is unenforceable in any state in which this Mortgage may be filed or recorded or is invalid or contrary to the law of such state, or the inclusion of which would affect the validity, legality or enforcement of this Mortgage, shall be of no effect, and in such case all the remaining terms and provisions of this Mortgage shall subsist and be fully effective according to the tenor of this Mortgage, the same as though no such invalid portion had ever been included herein.

7.6 As used herein, the term "Default Rate" shall have the same meaning as in the Note.

7.7 Wherever a power of attorney is conferred upon Lender hereunder, it is understood and agreed that such power of attorney is conferred with full power of substitution, and Lender may elect in its sole discretion to exercise such power itself or to delegate such power, or any part thereof to one or more sub-agents.

7.8 Nothing herein shall be deemed or construed, nor shall the exercise by Lender of any rights, privileges or remedies conferred under the Loan Documents render Lender and Borrower as

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joint venturers or partners in any way with respect to the Mortgaged Property.

7.9 This Mortgage shall also secure all future advances made by Lender and any funds or expenses incurred by Lender in accordance with the terms hereof (which advances and expenses Lender shall have no obligation to make), but in no event shall the amount secured hereby exceed Twenty Million Dollars.

IN WITNESS WHEREOF, the Borrower has executed this Mortgage as of the day and year first above set forth.

KENTILE, INC.

By *Jennie Kasalick*
Its *Vice President*

Attest:

By *[Signature]*
Its *Assistant Secretary*

UNOFFICIAL COPY

To Borrower:

Kentile, Inc.
4532 South Kolin
Chicago, IL 60632

To Lender:

Nemo Acquisition Corporation
c/o United Capital Corp.
111 Great Neck Road
Great Neck, New York, 11021

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IN WITNESS WHEREOF, the Borrower has executed this Mortgage as of the day and year first above set forth.

KENTILE, INC.

By *[Signature]*
Its Vice President

Attest:

By *[Signature]*
Its Notary Public

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COOK COUNTY CLERK'S OFFICE
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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, William H. Kropp, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that Dennis Rescilli and Gregory [unclear] who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice President and Asst. Secretary respectively of Kentile, Inc., appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 14th day of March, 1994.

William H. Kropp

Notary Public

My Commission Expires:

OFFICIAL SEAL
WILLIAM H. KROPP
Notary Public, State of
My Commission Expires July 1, 1995

COMMITMENT FOR TITLE INSURANCE

SCHEDULE A (CONTINUED)

ORDER NO.: 1401 007498416 D1

5. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THAT PART OF LOT "B" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND THAT PART OF THE NORTHWEST 1/4 LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF SAID CIRCUIT COURT PARTITION RECORDED IN THE OFFICE OF THE RECORDER OF COOK COUNTY, ILLINOIS IN BOOK 67 OF PLATS, PAGE 44 ON APRIL 29, 1897, AS DOCUMENT NUMBER 2530529 BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE WEST 46TH STREET (PRIVATE STREET) SAID NORTH LINE OF WEST 46TH STREET BEING 1966.32 FEET SOUTH OF AND PARALLEL TO THE EAST AND WEST CENTER LINE OF SECTION 3, AND WEST LINE OF SOUTH KOLIN AVENUE; SAID WEST LINE OF SOUTH KOLIN AVENUE BEING 236.93 FEET EAST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SECTION 3; THENCE WEST ALONG SAID NORTH LINE OF WEST 46TH STREET AT ITS INTERSECTION WITH A LINE 36.93 FEET EAST OF AND PARALLEL TO SAID NORTH AND SOUTH CENTER LINE OF SECTION 3; THENCE NORTH ALONG LAST DESCRIBED PARALLEL LINE TO ITS INTERSECTION WITH A LINE 1685.32 FEET SOUTH OF AND PARALLEL TO SAID EAST AND WEST CENTER LINE OF SECTION 3; THENCE SOUTHEASTERLY ALONG A STRAIGHT LINE TO A POINT IN THE WEST LINE OF SOUTH KOLIN AVENUE SAID POINT BEING 1699.32 FEET SOUTH OF SAID EAST AND WEST CENTER LINE OF SECTION 3; THENCE SOUTH ALONG THE WEST LINE OF SOUTH KOLIN AVENUE TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS;

PARCEL 2:

THAT PART OF LOT "B" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND THAT PART OF THE NORTHWEST 1/4 LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF SAID CIRCUIT COURT PARTITION RECORDED IN THE OFFICE OF THE RECORDER OF COOK COUNTY, ILLINOIS, IN BOOK 67 OF PLATS, PAGE 44 ON APRIL 29, 1897 AS DOCUMENT 2530529 BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF WEST 46TH STREET (A PRIVATE STREET) SAID NORTH LINE OF WEST 46TH STREET BEING 1966.32 FEET SOUTH OF AND PARALLEL TO THE EAST AND WEST CENTER LINE OF SAID SECTION 3 AND A LINE 36.93 FEET EAST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3; THENCE WEST ALONG SAID NORTH LINE OF WEST 46TH STREET TO ITS INTERSECTION WITH A LINE 113.07 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE OF SECTION 3; THENCE NORTH ALONG LAST DESCRIBED PARALLEL LINE TO A POINT 257.87 FEET NORTH OF SAID NORTH LINE OF WEST 46TH STREET; THENCE NORTHWESTERLY ALONG A STRAIGHT LINE TO ITS POINT OF INTERSECTION WITH A LINE 1686.32 FEET SOUTH OF SAID EAST AND WEST CENTER LINE OF SECTION 3, SAID POINT OF INTERSECTION BEING 366.97 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE OF SECTION 3; THENCE EAST ALONG THE LAST DESCRIBED PARALLEL LINE TO ITS INTERSECTION WITH THE AFORESAID LINE 36.93 FEET EAST OF AND PARALLEL TO SAID NORTH AND SOUTH CENTER LINE OF SECTION 3; THENCE SOUTH ALONG LAST DESCRIBED PARALLEL LINE TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS;

PARCEL 3:

THAT PART OF LOT "B" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND THAT PART OF THE NORTHWEST 1/4 LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE

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CHICAGO TITLE INSURANCE COMPANY
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COMMITMENT FOR TITLE INSURANCE
SCHEDULE A (CONTINUED)

ORDER NO. 1401 007498416 01

OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND ACCORDING TO THE PLAT THEREOF RECORDED IN THE RECORDER'S OFFICE APRIL 29, 1897 AS DOCUMENT 2530529, BOOK 67 OF PLATS, PAGE 44 BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF A LINE 1966.32 FEET SOUTH OF AND PARALLEL TO THE EAST AND WEST CENTER LINE OF SAID SECTION 3, AND A LINE 163.07 FEET WEST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3; THENCE NORTH ALONG LAST DESCRIBED PARALLEL LINE TO A POINT 257.07 FEET NORTH OF SAID LINE 1966.32 FEET SOUTH OF AND PARALLEL TO THE EAST AND WEST CENTER LINE OF SAID SECTION 3; THENCE NORTHWESTERLY ALONG A STRAIGHT LINE TO ITS POINT OF INTERSECTION WITH A LINE 1686.32 FEET SOUTH OF AND PARALLEL TO SAID EAST AND WEST CENTER LINE OF SECTION 3 SAID POINT OF INTERSECTION BEING 166.07 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE OF SECTION 3; THENCE WEST ALONG LAST DESCRIBED PARALLEL LINE A DISTANCE OF 187.02 FEET TO A POINT OF CURVE, THENCE NORTHWESTERLY ALONG A CURVED LINE CONVEX TO THE SOUTH WEST HAVING A RADIUS OF 346.85 FEET AND BEING TANGENT TO LAST DESCRIBED COURSE AT SAID POINT OF CURVE AN ARC DISTANCE OF 72.04 FEET MORE OR LESS TO A POINT 624.57 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE AND 1668.87 FEET SOUTH OF SAID EAST AND WEST CENTER LINE OF SECTION 3; THENCE SOUTHEASTERLY ALONG A STRAIGHT LINE TO ITS POINT OF INTERSECTION WITH A LINE 262 FEET NORTH OF AND PARALLEL TO SAID LINE 1966.32 FEET SOUTH OF AND PARALLEL TO THE EAST AND WEST CENTER LINE OF SAID SECTION 3, SAID POINT OF INTERSECTION BEING 503.95 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE OF SECTION 3; THENCE EAST ALONG LAST DESCRIBED PARALLEL LINE TO ITS INTERSECTION WITH A LINE 463.07 FEET WEST OF AND PARALLEL TO SAID NORTH AND SOUTH CENTER LINE OF SECTION 3; THENCE SOUTH ALONG LAST DESCRIBED PARALLEL LINE TO A POINT ON THE LINE 1966.32 FEET SOUTH OF AND PARALLEL WITH THE EAST AND WEST CENTER LINE OF SECTION 3 AFORESAID; THENCE EAST ALONG SAID LAST DESCRIBED LINE TO THE POINT OF BEGINNING THE FOREGOING DESCRIPTION IS BASED UPON THE FOLLOWING DEFINITIONS: THE EAST AND WEST CENTER LINE OF SAID SECTION 3 AS DEFINED AS A STRAIGHT LINE DRAWN FROM A POINT ON THE EAST LINE OF SAID SECTION 3 MEASURED 2597.19 FEET SOUTH FROM THE NORTH EAST CORNER OF SAID SECTION 3 AND MEASURED 2669.84 FEET NORTH FROM THE SOUTH EAST CORNER OF SAID SECTION 3 TO A POINT ON THE WEST LINE OF SAID SECTION 3 MEASURED 2598.77 FEET SOUTH FROM THE NORTH WEST CORNER OF SAID SECTION 3 AND MEASURED 2661.19 FEET NORTH FROM THE SOUTH WEST CORNER OF SAID SECTION 3. THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3 IS DEFINED AS A STRAIGHT LINE DRAWN FROM A POINT ON THE NORTH LINE OF SAID SECTION 3 MEASURED 2648.14 FEET WEST FROM THE NORTH EAST CORNER OF SAID SECTION 3 AND MEASURED 2642.84 FEET EAST FROM THE NORTH WEST CORNER OF SAID SECTION 3 TO A POINT ON THE SOUTH LINE OF SAID SECTION 3 MEASURED 2669.37 FEET WEST FROM THE SOUTH EAST CORNER OF SAID SECTION 3 AND MEASURED 2669.04 FEET EAST FROM THE SOUTH WEST CORNER OF SAID SECTION 3, IN COOK COUNTY, ILLINOIS;

PARCEL 4:

THAT PART OF LOT "B" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND THAT PART OF THE NORTHWEST 1/4 LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND ACCORDING TO THE PLAT THEREOF RECORDED APRIL 29, 1897 AS DOCUMENT 2530529 IN BOOK 67 OF PLATS PAGE 44, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF A LINE 1966.32 FEET SOUTH OF AND PARALLEL WITH THE EAST AND WEST CENTER LINE OF SECTION 3 AFORESAID AND A LINE 463.07 FEET WEST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3; THENCE NORTH ALONG SAID LAST DESCRIBED PARALLEL LINE TO ITS INTERSECTION WITH A LINE 262 FEET NORTH OF AND PARALLEL TO SAID LINE 1966.32 FEET SOUTH OF AND PARALLEL WITH THE EAST AND WEST CENTER LINE OF SAID SECTION 3; THENCE WEST ALONG LAST DESCRIBED LINE TO A POINT 503.95 FEET WEST OF SAID NORTH AND SOUTH

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SCHEDULE A (CONTINUED)

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CENTER LINE OF SECTION 3; THENCE NORTHWESTERLY ALONG A STRAIGHT LINE TO A POINT OF TANGENCY IN A CURVED LINE, SAID POINT BEING 624.57 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE AND 1678.87 FEET SOUTH OF THE EAST AND WEST CENTER LINE OF SECTION 3, THE AFOREMENTIONED COURSES BEING THE WESTERLY AND SOUTHWESTERLY BOUNDARY LINES OF THE PREMISES CONVEYED BY THE FIRST NATIONAL BANK OF CHICAGO, TO THE TRUSTEES OF THE CENTRAL MANUFACTURING DISTRICT BY A DEED DATED MAY 31, 1950 AND RECORDED AUGUST 21, 1950 AS DOCUMENT 14881679; THENCE NORTHWESTERLY ALONG THE AFORESAID CURVED LINE WHICH IS CONVEX TO THE SOUTH WEST AND HAVING A RADIUS OF 346.05 FEET AND AN ARC DISTANCE OF 67.20 FEET MORE OR LESS TO A POINT OF COMPOUND CURVE SAID POINT BEING 688.44 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE AND 1658.75 FEET SOUTH OF SAID EAST AND WEST CENTER LINE OF SECTION 3; THENCE CONTINUING NORTHWESTERLY ALONG A CURVED LINE CONVEX TO THE SOUTH WEST AND HAVING A RADIUS OF 775.49 FEET AND AN ARC DISTANCE OF 67.67 FEET MORE OR LESS TO A POINT OF COMPOUND CURVE, SAID POINT BEING 749.53 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE AND 1629.62 FEET SOUTH OF SAID EAST AND WEST CENTER LINE OF SECTION 3; THENCE CONTINUING NORTHWESTERLY ALONG A CURVED LINE CONVEX TO THE SOUTH WEST AND HAVING A RADIUS OF 330.62 FEET AND AN ARC DISTANCE OF 54.24 FEET MORE OR LESS TO A POINT, SAID POINT BEING 794.75 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE AND 1600.35 FEET SOUTH OF SAID EAST AND WEST CENTER LINE OF SECTION 3; THENCE SOUTHEASTERLY ALONG A STRAIGHT LINE TO A POINT WHICH IS 729.01 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE AND 1651.07 FEET SOUTH OF SAID EAST AND WEST CENTER LINE OF SECTION 3; THENCE SOUTHEASTERLY ALONG A CURVED LINE CONVEX TO THE SOUTH WEST AND HAVING A RADIUS OF 259 FEET TO ITS INTERSECTION WITH A LINE 663.07 FEET WEST OF AND PARALLEL TO SAID NORTH AND SOUTH CENTER LINE OF SECTION 3, SAID INTERSECTION BEING 1687.75 FEET SOUTH OF SAID EAST AND WEST CENTER LINE OF SECTION 3; THENCE SOUTH ALONG LAST DESCRIBED PARALLEL LINE TO A POINT ON A LINE 1966.32 FEET SOUTH OF AND PARALLEL WITH THE EAST AND WEST CENTER LINE OF SECTION 3 AFORESAID; THENCE EAST ALONG SAID LAST MENTIONED LINE TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS;

PARCEL 5:

THAT PART OF LOT "B" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND THAT PART OF THE NORTHWEST 1/4, LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE, OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT OF SAID CIRCUIT COURT PARTITION RECORDED IN THE OFFICE OF THE RECORDER OF COOK COUNTY, ILLINOIS, ON APRIL 29, 1897, AS DOCUMENT 2530529, IN BOOK 67 OF PLATS, PAGE 44, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF WEST 46TH STREET (A PRIVATE STREET) AND A LINE 663.07 FEET WEST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3, SAID PARALLEL LINE BEING THE WESTERLY BOUNDARY LINE OF THE PREMISES CONVEYED BY THE FIRST NATIONAL BANK OF CHICAGO TO THE THEN TRUSTEES OF THE CENTRAL MANUFACTURING DISTRICT BY DEED DATED DECEMBER 15, 1950, AND RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY ON MARCH 26, 1951, IN BOOK 46594 AT PAGE 498 AS DOCUMENT NO. 15037241; THENCE WEST ALONG SAID NORTH LINE OF WEST 46TH STREET A DISTANCE OF 235.08 FEET, MORE OR LESS, TO ITS INTERSECTION WITH THE WESTERLY BOUNDARY LINE, AT THIS POINT, OF THE PARCEL OF LAND CONVEYED BY THE CHICAGO RIVER AND INDIANA RAILROAD COMPANY TO THE FIRST NATIONAL BANK OF CHICAGO BY DEED DATED MARCH 6, 1951 AND RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY ON MARCH 8, 1951, IN BOOK 46556 AT PAGE 458, AS DOCUMENT NO. 15026337; THENCE SOUTHEASTERLY ALONG A STRAIGHT LINE TO A POINT WHICH IS 729.01 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE AND 1651.07 FEET SOUTH OF SAID EAST AND WEST CENTER LINE OF SECTION 3; THENCE NORTHERLY ALONG LAST DESCRIBED LINE A DISTANCE OF 476.38 FEET TO A POINT, SAID POINT BEING 896.27 FEET, MORE OR LESS, WEST OF SAID NORTH AND SOUTH CENTER LINE OF SECTION 3 THENCE SOUTHEASTERLY ALONG A CURVED

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SCHEDULE A (CONTINUED)

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LINE CONVEX TO THE SOUTHWEST AND HAVING A RADIUS OF 259 FEET TO ITS INTERSECTION WITH AFORESAID LINK 663.07 FEET WEST OF AND PARALLEL TO SAID NORTH AND SOUTH CENTER LINE OF SECTION 3, SAID INTERSECTION BEING 1687.75 FEET SOUTH OF SAID EAST AND WEST CENTER LINE OF SECTION 3; THENCE SOUTH ALONG LAST DESCRIBED PARALLEL LINE TO THE POINT OF BEGINNING; THE THREE LAST MENTIONED COURSES BEING THE SOUTHWESTERLY AND WESTERLY BOUNDARY LINES OF THE PREMISES CONVEYED BY THE FIRST NATIONAL BANK OF CHICAGO TO THE THEN TRUSTEES OF THE CENTRAL MANUFACTURING DISTRICT BY AFOREMENTIONED DEED DATED DECEMBER 15, 1950 AND RECORDED AS DOCUMENT NO. 15037241;

PARCEL 6:

THAT PART OF LOT "B" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND THAT PART OF THE NORTHWEST 1/4 LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED IN THE OFFICE OF THE RECORDER OF COOK COUNTY, ILLINOIS ON APRIL 29, 1937 IN BOOK 67 OF PLATS PAGE 44 AS DOCUMENT 2510529, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON EAST LINE OF KOLIN AVENUE 1666.32 FEET SOUTH OF THE EAST AND WEST CENTER LINE OF SECTION; THENCE WEST 855.90 FEET; THENCE NORTHWESTERLY ON A CURVED LINE CONVEX SOUTHWEST HAVING A RADIUS OF 326.85 FEET, 131.21 FEET TO POINT 1640.34 FEET SOUTH OF SAID EAST AND WEST CENTER LINE AND 680.53 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE; THENCE NORTHWESTERLY ON A CURVED LINE CONVEX SOUTHWEST HAVING A RADIUS OF 755.49 FEET, 65.92 FEET TO POINT 1611.96 FEET SOUTH OF SAID EAST AND WEST CENTER LINE AND 739.85 FEET WEST OF NORTH AND SOUTH CENTER LINE; THENCE NORTHWESTERLY ON A CURVED LINE CONVEX SOUTHWEST HAVING A RADIUS OF 310.62 FEET, 267.89 FEET TO ITS INTERSECTION WITH THE EAST LINE OF THE CHICAGO RIVER AND INDIANA RAILROAD COMPANY AT A POINT 1405.38 FEET SOUTH OF EAST AND WEST CENTER LINE; THENCE SOUTHERLY ON THE EAST LINE SAID RAILROAD TO A POINT 1489.94 FEET SOUTH OF EAST AND WEST CENTER LINE AND 896.27 FEET WEST OF THE NORTH AND SOUTH CENTER LINE; THENCE SOUTHEASTERLY ON A CURVED LINE CONVEX SOUTHWESTERLY HAVING A RADIUS OF 383.96 FEET TO POINT 1600.35 FEET SOUTH OF THE EAST AND WEST CENTER LINE AND 794.75 FEET WEST OF THE NORTH AND SOUTH CENTER LINE; THENCE SOUTHEASTERLY ON A CURVED LINE CONVEX SOUTHWESTERLY HAVING A RADIUS OF 330.62 FEET, SOUTH 54.24 FEET TO A POINT 1629.62 FEET SOUTH OF SAID EAST AND WEST CENTER LINE AND 749.33 FEET WEST OF THE NORTH AND SOUTH CENTERLINE; THENCE SOUTHEASTERLY ON A CURVED LINE CONVEX SOUTHWEST HAVING A RADIUS OF 775.49 FEET, 67.62 FEET TO A POINT 1658.75 FEET SOUTH OF THE EAST AND WEST CENTER LINE AND 688.44 FEET WEST OF THE NORTH AND SOUTH CENTER LINE; THENCE SOUTHEASTERLY ON A CURVED LINE CONVEX SOUTHWEST HAVING A RADIUS OF 346.85 FEET, 67.20 FEET TO A POINT 1674.87 FEET SOUTH OF SAID EAST AND WEST CENTER LINE AND 624.57 FEET WEST OF THE NORTH AND SOUTH CENTER LINE; THENCE SOUTHEASTERLY ON A CURVED LINE CONVEX SOUTHWEST HAVING A RADIUS OF 346.85 FEET, 72.04 FEET TO A POINT 1686.32 FEET SOUTH OF EAST AND WEST CENTER LINE AND 553.09 FEET WEST OF NORTH AND SOUTH CENTER LINE; THENCE EASTERLY ON A LINE 1686.32 FEET SOUTH OF AND PARALLEL TO EAST AND WEST CENTER LINE TO A POINT 51.93 FEET EAST OF NORTH AND SOUTH CENTER LINE; THENCE SOUTHEASTERLY TO A POINT ON THE WEST LINE OF KOLIN AVENUE 1699.32 FEET SOUTH OF THE EAST AND WEST CENTER LINE; THENCE EAST TO A POINT IN THE EAST LINE OF KOLIN AVENUE; THENCE NORTH TO THE POINT OF BEGINNING, (EXCEPTING THEREFROM THAT PART OF THE LAND FALLING IN KOLIN AVENUE), IN COOK COUNTY, ILLINOIS;

PARCEL 7:

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SCHEDULE A (CONTINUED)

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THAT PART OF LOT "B" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2, AND THAT PART OF THE NORTHWEST 1/4, LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT OF SAID CIRCUIT COURT PARTITION RECORDED IN THE OFFICE OF THE RECORDER OF COOK COUNTY, ILLINOIS, IN BOOK 67 OF PLATS, PAGE 44, ON APRIL 29, 1897, AS DOCUMENT NUMBER 2530529, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF A LINE 250.07 FEET WEST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3 WITH A LINE 358.55 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 3; THENCE WEST ALONG LAST DESCRIBED PARALLEL LINE TO A POINT OF CURVE WHICH IS 550.41 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE OF SECTION 3; THENCE NORTHWESTERLY ALONG A CURVED LINE CONVEX TO THE SOUTHWEST HAVING A RADIUS OF 317.93 FEET AND BRING TANGENT TO LAST DESCRIBED LINE AT SAID POINT OF CURVE, AN ARC DISTANCE OF 104.61 FEET TO A POINT OF COMPOUND CURVE; THENCE CONTINUING NORTHWESTERLY ALONG A CURVED LINE CONVEX TO THE SOUTHWEST HAVING A RADIUS OF 883.18 FEET AND HAVING A COMMON TANGENT LINE WITH THE LAST DESCRIBED CURVED LINE AT SAID POINT OF COMPOUND CURVE, AN ARC DISTANCE OF 77.03 FEET TO A POINT OF COMPOUND CURVE; THENCE CONTINUING NORTHWESTERLY ALONG A CURVED LINE CONVEX TO THE SOUTHWEST AND HAVING A RADIUS OF 311.12 FEET AND HAVING A COMMON TANGENT WITH THE LAST DESCRIBED CURVED LINE AT SAID POINT OF COMPOUND CURVE, AN ARC DISTANCE OF 286.65 FEET MORE OR LESS TO ITS INTERSECTION WITH THE WESTERLY BOUNDARY LINE AT THIS POINT, OF THE PARCEL OF LAND CONVEYED BY THE CHICAGO RIVER AND INDIANA RAILROAD COMPANY TO THE FIRST NATIONAL BANK OF CHICAGO BY DEED DATED MARCH 6, 1951, AND RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS, ON MARCH 8, 1951, IN BOOK 46556 AT PAGE 458 AS DOCUMENT NO. 15026337; THENCE NORTH ALONG LAST DESCRIBED LINE A DISTANCE OF 14.1 FEET MORE OR LESS TO ITS INTERSECTION WITH A LINE 2032.32 FEET SOUTH OF AND PARALLEL WITH THE EAST AND WEST CENTER LINE OF SAID SECTION 3; THENCE EAST ALONG LAST DESCRIBED PARALLEL LINE A DISTANCE OF 648.33 FEET MORE OR LESS TO ITS INTERSECTION WITH SAID LINE WHICH IS 250.07 FEET WEST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3; THENCE SOUTH ALONG LAST DESCRIBED PARALLEL LINE A DISTANCE OF 274.24 FEET MORE OR LESS TO THE POINT OF BEGINNING;

PARCEL 8:

THAT PART OF LOT "B" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND THAT PART OF THE NORTHWEST 1/4, LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT OF SAID CIRCUIT COURT PARTITION RECORDED IN THE OFFICE OF RECORDER OF COOK COUNTY, ILLINOIS, IN BOOK 67 OF PLATS, PAGE 44, ON APRIL 29, 1897, AS DOCUMENT NO. 2530529, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF A LINE 263.07 FEET WEST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3 WITH A LINE 2032.32 FEET SOUTH OF AND PARALLEL TO THE EAST AND WEST CENTER LINE OF SAID SECTION 3; THENCE WEST ALONG LAST DESCRIBED PARALLEL LINE A DISTANCE OF 633.33 FEET MORE OR LESS TO THE WESTERLY BOUNDARY LINE AT THIS POINT OF THE PARCEL OF LAND CONVEYED BY THE CHICAGO RIVER AND INDIANA RAILROAD COMPANY TO THE FIRST NATIONAL BANK OF CHICAGO BY DEED DATED MARCH 6, 1951, AND RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS, ON MARCH 8, 1951, IN BOOK 46556, AT PAGE 458, AS DOCUMENT NO. 15026337; THENCE NORTHERLY 66 FEET ALONG LAST DESCRIBED LINE TO ITS INTERSECTION WITH A LINE 1966.32 FEET SOUTH OF AND PARALLEL TO THE EAST AND WEST CENTER LINE OF SAID SECTION 3; THENCE EAST ALONG LAST DESCRIBED PARALLEL LINE A DISTANCE OF 633.07 FEET MORE OR LESS TO ITS INTERSECTION WITH THE SAID LINE 263.07 FEET WEST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3; THENCE SOUTH 66 FEET ALONG LAST DESCRIBED PARALLEL LINE TO THE POINT OF BEGINNING;

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SCHEDULE A (CONTINUED)

ORDER NO. 1401 007498416 01

PARCEL 9:

THAT PART OF LOT "B" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND THAT PART OF THE NORTHWEST 1/4 LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF SAID CIRCUIT COURT PARTITION RECORDED IN THE OFFICE OF THE RECORDER OF COOK COUNTY, ILLINOIS IN BOOK 57 OF PLATS, PAGE 44 ON APRIL 29, 1897, AS DOCUMENT NO. 2830529 BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF A LINE 230.07 FEET WEST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3, WITH A LINE 2032.32 FEET SOUTH OF AND PARALLEL TO THE EAST AND WEST CENTER LINE OF SAID SECTION 3; THENCE WEST ALONG THE LAST DESCRIBED PARALLEL LINE A DISTANCE OF 35 FEET MORE OR LESS TO THE EASTERLY BOUNDARY LINE OF A PARCEL OF LAND CONVEYED BY DOCUMENT 18189635 RECORDED JUNE 15, 1961; THENCE NORTHERLY ALONG THE LAST DESCRIBED LINE TO ITS INTERSECTION WITH A LINE 1966.32 FEET SOUTH OF AND PARALLEL TO THE EAST AND WEST CENTER LINE OF SAID SECTION 3; THENCE EAST ALONG THE LAST DESCRIBED PARALLEL LINE A DISTANCE OF 35 FEET MORE OR LESS TO ITS INTERSECTION WITH SAID LINE 230.07 FEET WEST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3; THENCE SOUTH ALONG THE LAST DESCRIBED PARALLEL LINE TO THE POINT OF BEGINNING.

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EXHIBIT B

ENCUMBRANCES

1. Taxes not yet due and payable
2. Rights of tenants in possession, if any
3. Easements, conditions and covenants of record

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