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COOK COUNTY RECORDER

F I R S T

## MORTGAGE

### ASSIGNMENT OF RENTS AND SECURITY AGREEMENT

THIS MORTGAGE ASSIGNMENT OF RENTS AND SECURITY AGREEMENT is made this 10th day of NOVEMBER, 1996, by and between

LASALLE NATIONAL TRUST, N.A., Successor Trustee to LaSalle National Bank, a national banking association, not personally but solely as Trustee under Trust Agreement dated March 21, 1979 and known as Trust No. 101568,

\$121.00  
M

whose place of business is 135 South LaSalle Street, Chicago, Illinois 60690 (herein called the "Mortgagor") and

WOODFIELD FINANCIAL CONSORTIUM, L.P., a Delaware limited partnership,

with offices at 200 West Madison Street, Suite 3800, Chicago, Illinois 60606 (herein called the "Mortgagee")

WITNESSETH: That

WHEREAS, the Mortgagor has, concurrently herewith, executed and delivered to the Mortgagee the Mortgagor's Secured Promissory Note (herein called the "Note"), bearing the date hereof, in the principal sum of \$7,000,000, or such amount thereof as may be advanced thereunder, bearing interest at the rates specified therein, due in monthly installments and payable to Mortgagee's order and otherwise in accordance with the form of Note attached hereto as Exhibit A and made a part hereof;

WHEREAS, the indebtedness evidenced by the Note, including the principal thereof and interest and premium, if any, thereon, and any extensions and renewals thereof, in whole or in part, and any and all other sums which may be at any time due or owing or required to be paid as herein or in the Note provided, are herein sometimes called the "Indebtedness Hereby Secured";

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FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited the receipt of which is hereby acknowledged, Mortgagor hereby irrevocably grants, remises, aliens, releases, transfers, conveys and mortgages to Mortgagee and its successors and assigns, under and subject to the terms and conditions hereinafter set forth, the real property, located in the Village of Schaumburg, County of Cook, State of Illinois, described in Exhibit B attached hereto and by this reference incorporated herein (the "Property");

TOGETHER WITH, all rents, issues, profits, royalties, income and other benefits derived from the Property (collectively the "rents"), subject to the right, power and authority hereinafter given to Mortgagor to collect and apply such rents;

TOGETHER WITH, all leasehold estate, right, title and interest of Mortgagor in and to all leases or subleases covering the Property or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Mortgagor thereunder, including, without limitation, all cash or security deposits, advance rentals, and deposits or payments of similar nature;

TOGETHER WITH, all right, title and interest of Mortgagor in and to all options to purchase or lease the Property or any portion thereof or interest therein, and any greater estate in the Property owned or hereafter acquired;

TOGETHER WITH, all interests, estate or other claims, both in law and in equity, which Mortgagor now has or may hereafter acquire in the Property;

TOGETHER WITH, all easements, rights-of-way and rights used in connection therewith or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto, and all water rights and shares of stock evidencing the same;

TOGETHER WITH, all right, title and interest of mortgagor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Property, and any and all sidewalks, alleys and strips and gores or land adjacent to or used in connection with the Property;

TOGETHER WITH, any and all buildings and improvements now or hereafter erected thereon, including, but not limited to, the fixtures, attachments, appliances, equipment, machinery, and other articles attached to said buildings and improvements (the "Improvements");

TOGETHER WITH, all right, title and interest of Mortgagor in and to all tangible personal property (the "Personal Property") owned by Mortgagor and now or at any time hereafter located on or

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at the Property or used in connection therewith, including, but not limited to, all goods, machinery, tools, insurance proceeds, equipment including fire sprinklers and alarm systems, office air conditioning, heating, refrigerating, electronic monitoring, entertainment, recreational, window or structural cleaning rigs, maintenance and all other equipment of every kind, lobby and all other indoor or outdoor furniture (including tables, chairs, planters, desks, sofas, shelves, lockers and cabinets), wall beds, wall safes, furnishings, appliances (including ice boxes, refrigerators, fans, heaters, stoves, water heaters and incinerators), inventory, rugs, carpets and other floor coverings, draperies and drapery rods and brackets, awnings, window shades, venetian blinds, curtains, lamps, chandeliers and other lighting fixtures and office maintenance and other supplies;

TOGETHER WITH (as part of the Personal Property), the Furnishings described in Section 5.27; and

TOGETHER WITH, all the estate, interest, right, title, other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereto, which Mortgagor now has or may hereinafter acquire in the Property, and any and all awards made for the taking of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the premises, including without limitation any awards resulting from a change of grade of streets and awards for severance damages.

The entire estate, property and interest hereby conveyed to Mortgagee may hereafter be referred to as the "Premises".

## FOR THE PURPOSE OF SECURING:

a. Payment of indebtedness with interest thereon, evidenced by the Note which has been delivered to and is payable to the order of the Mortgagee, and which by this reference is hereby made a part hereof, and any and all modifications, extensions and renewals thereof.

b. Performance of all obligations of Mortgagor under that certain Loan Agreement of even date herewith (the "Loan Agreement") by and between Mortgagor and Mortgagee and each agreement of Mortgagor and its beneficiary incorporated by reference therein or herein, or contained therein or herein.

c. Payment of all sums advanced by Mortgagee to protect the Premises, with interest thereon at the default rate specified in Section 3 of the Note ("Default Rate").

d. Performance of all obligations of any guarantor of any of the obligations of Mortgagor contained in this Mortgage, the Note, the Loan Agreement, or any other instrument given to evidence or

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further secure the payment and performance of any obligation secured hereby.

This Mortgage, the Note, the Loan Agreement and the Management Agreement Assignment referred to in Section 5.22 hereof, any guaranty thereof and any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby may thereafter be referred to as the "Loan Instruments".

TO PROTECT THE SECURITY OF THIS MORTGAGE, MORTGAGOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

## ARTICLE I COVENANTS AND AGREEMENTS OF MORTGAGOR

1.1 Payment of Secured Obligations. To pay when due the principal of, and the interest on, the indebtedness evidenced by the Note, charges, fees and all other sums, if any, as provided in the Loan Instruments.

1.2 Maintenance, Repair, Alterations. To keep the Premises in good condition and repair, not to remove, demolish or substantially alter (except the refurbishment of the hotel currently contemplated by Mortgagor and such alterations as may be required by laws, ordinances or regulations) any of the Improvements; to complete promptly and in good and workmanlike manner any building or other improvement which may be constructed on the Property and promptly restore in like manner any Improvement which may be damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Premises or any part thereof or requiring any alterations or improvements; not to commit or permit any waste or deterioration of the Premises, to keep and maintain abutting grounds, sidewalks, roads, parking and landscape areas in good and neat order and repair, to comply with the provisions of any lease, if this Mortgage is on a leasehold; not to commit, suffer or permit any act to be done in or upon the Premises in violation of any law, ordinance or regulation.

1.3 Required Insurance. To at all times provide, maintain and keep in force the following policies of insurance:

(a) Insurance against loss or damage to the Improvements by fire and any of the risks covered by insurance of the type now known as "fire and extended coverage (90% coinsurance)", in an amount not less than 90% of the full replacement cost of the Improvements, including the cost of debris removal (exclusive of the cost excavations, foundations, and footings below the lowest basement floor), and with not more than \$25,000 deductible from the

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loss payable for any casualty. The policies of insurance carried in accordance with this subparagraph (a) shall contain the "Replacement Cost Endorsement;"

(b) If requested by Mortgagee, business interruption insurance and/or loss of "rental value" insurance in such amounts as are satisfactory to Mortgagee;

(c) During the course of any construction or repair of Improvements on the Property, comprehensive public liability insurance, (including coverage for elevators and escalators, if any, on the Premises and, if any construction of new Improvements occurs after execution of this Mortgage, completed operations coverage for two years after construction of the Improvements has been completed) on an "occurrence basis" against claims for "personal injury" including without limitation bodily injury, or property damage occurring on, in or about the Premises and the adjoining streets, sidewalks and passageways, such insurance to afford immediate minimum protection to a limit of not less than that required by Mortgagee with respect to personal injury or death to any one or more persons or damage to property, including so-called "Dram Shop" insurance as provided for in Section 5.20 hereof;

(d) During the course of any construction or repair of Improvements on the Property, workmen's compensation insurance (including employer's liability insurance, if requested by Mortgagee) for all employees of Mortgagor engaged on or with respect to the Premises in such amount as is reasonably satisfactory to Mortgagee, or, if such limits are established by law, in such amounts;

(e) During the course of any construction or repair of Improvements on the Property, builder's completed value risk insurance against "all risks of physical loss," including collapse and transit coverage, during construction of such Improvements, with deductibles not to exceed \$25,000, in nonreporting form, covering the total value of work performed and equipment, supplies and materials furnished. Said policy of insurance shall contain the "permission to occupy upon completion of work or occupancy" endorsement;

(f) Boiler and machinery insurance covering pressure vessels, air tanks, boilers, machinery, pressure piping, heating, air conditioning and elevator equipment and escalator equipment, provided the Improvements contain equipment of such nature, and insurance against loss of occupancy or use arising from any such breakdown, in such amounts as are reasonably satisfactory to Mortgagee;

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(g) Insurance against loss or damage to the Personal Property by fire and other risks covered by insurance of the type now known as "fire and extended coverage;" and

(h) Such other insurance, and in such amounts, as may from time to time be required by Mortgagee against the same or other hazards, as are customarily carried on like properties in Cook County, Illinois.

(i) All policies of insurance required by terms of this Mortgage shall contain an endorsement or agreement by the insurer that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Mortgagor which might otherwise result in forfeiture of said insurance and the further agreement of the insurer waiving all rights of set off, counterclaim or deductions against Mortgagor.

1.4 Delivery of Policies, Payment of Premiums. That all policies of insurance shall be issued by companies and in amounts in each company satisfactory to Mortgagee. All policies of insurance shall have attached thereto a lender's loss payable endorsement for the benefit of Mortgagee in form satisfactory to Mortgagee. Mortgagor shall furnish Mortgagee with an original copy of all policies or certificates of insurance of required insurance. If Mortgagee consents to Mortgagor providing any of the required insurance through blanket policies carried by Mortgagor or Mortgagor's Manager and covering more than one location, then Mortgagor shall furnish Mortgagee with a certificate of insurance for each such policy setting forth the coverage, the limits of liability, the name of the carrier, the policy number, and the expiration date. At least thirty (30) days prior to the expiration of each such policy, Mortgagor shall furnish Mortgagee with evidence satisfactory to Mortgagee of the payment of premium and the reissuance of a policy continuing insurance in force as required by this Mortgage. All such policies shall contain a provision that such policies will not be cancelled or materially amended, which term shall include any reduction in the scope or limits of coverage, without at least fifteen (15) days prior written notice to Mortgagee. In the event Mortgagor fails to provide, maintain, keep in force or deliver and furnish to Mortgagee the policies of insurance required by this Section, Mortgagee may procure such insurance or single-interest insurance for such risks covering Mortgagee's interest, and Mortgagor will pay all premiums thereon promptly upon demand by Mortgagee, and until such payment is made by Mortgagor the amount of all such premiums together with interest thereon at that rate four percent (4%) more than the rate set forth in the Note or the maximum rate of interest permitted by law from time to time, whichever shall be less, shall be secured by this Mortgage. At the request of Mortgagee Mortgagor shall deposit with Mortgagee in monthly installments, an amount equal to one-twelfth of the estimated aggregate annual insurance premiums on all policies of insurance

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required by this Mortgage. Mortgagor further agrees, upon Mortgagee's request, to cause all bills, statements or other documents relating to the foregoing insurance premiums to be sent or mailed directly to Mortgagee. Upon receipt of such bills, statements or other documents, and providing Mortgagor has deposited sufficient funds with Mortgagee pursuant to this Section 1.4, Mortgagee shall pay such amounts as may be due thereunder out of the funds so deposited with Mortgagee. If at any time and for any reason the funds deposited with Mortgagee are or will be insufficient to pay such amounts as may then or subsequently be due, Mortgagee shall notify Mortgagor and Mortgagor shall immediately deposit an amount equal to such deficiency with Mortgagee. Notwithstanding the foregoing, nothing contained herein shall cause Mortgagee to be deemed a trustee of said funds or to be obligated to pay any amounts in excess of the amount of funds deposited with Mortgagee pursuant to this Section 1.4. Mortgagee may commingle said reserve with its own funds and Mortgagor shall be entitled to no interest thereon.

1.5 Insurance Proceeds. That after the happening of any casualty to the Premises or any part thereof, Mortgagor shall give prompt written notice thereof to Mortgagee.

(a) In the event of any damage or destruction of the Improvements, except as otherwise provided in Section 5.31, Mortgagee shall have the option in its sole discretion of applying all or part of the insurance proceeds (i) to any indebtedness secured hereby and in such order as Mortgagee may determine, or (ii) to the restoration of the Improvements or (iii) to Mortgagor.

(b) In the event of such loss or damage, all proceeds of insurance shall be payable to Mortgagee.

(c) Except to the extent that insurance proceeds are received by Mortgagee and applied to the indebtedness secured hereby, nothing herein contained shall be deemed to excuse Mortgagor from repairing or maintaining the Premises as provided in Section 1.2 hereof or restoring all damage or destruction to the Premises, regardless of whether or not there are insurance proceeds available or whether any such proceeds are sufficient in amount, and the application or release by Mortgagee of any insurance proceeds shall not cure or waive any default or notice of default under this Mortgage or invalidate any act done pursuant to such notice.

1.6 Assignment of Policies Upon Foreclosure. In the event of foreclosure of this Mortgage or other transfer of title or Assignment of the Premises in extinguishment, in whole or in part, of the debt secured hereby, all right, title and interest of Mortgagor in and to all policies of insurance required by this Mortgage shall inure to the benefit of and pass to the successor in interest to Mortgagor or the purchaser or grantee of the Premises.

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## 1.7 Indemnification; Subrogation; Waiver of Offset.

(a) If Mortgagee is made a party defendant to any litigation concerning this Mortgage or the Premises or any part thereof or therein, or the operation or occupancy thereof by Mortgagor, then Mortgagor shall indemnify, defend and hold Mortgagee harmless from all liability by reason of said litigation, including reasonable attorneys' fees and expenses incurred by Mortgagee in any such litigation, whether or not any such litigation is prosecuted to judgment. If Mortgagee commences an action against Mortgagor to enforce any of the terms hereof or because of the breach by Mortgagor of any of the terms hereof, or for the recovery of any sum secured hereby, Mortgagor shall pay to Mortgagee reasonable attorneys' fees and expenses, and the right to such attorneys' fees and expenses shall be deemed to have accrued on the commencement of such action, and shall be enforceable whether or not such action is prosecuted to judgment. If Mortgagor breaches any term of this Mortgage, Mortgagee may employ an attorney or attorneys to protect its rights hereunder, and in the event of such employment following any breach by Mortgagor, Mortgagor shall pay Mortgagee reasonable attorneys' fees and expenses incurred by Mortgagee, whether or not an action is actually commenced against Mortgagor by reason of breach.

(b) Mortgagor waives any and all right to claim or recover against Mortgagee, its officers, employees, agents and representatives, for loss of or damage to Mortgagor, the Premises, Mortgagor's property or the property of others under Mortgagor's control from any cause insured against or required to be insured against by the provisions of this Mortgage.

(c) All sums payable by Mortgagor hereunder shall be paid without notice or demand and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Mortgagor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Premises or any part thereof; (ii) any restriction or prevention of or interference with any use of the Premises or any part thereof; (iii) any title defect or encumbrance or any eviction from the Property or the Improvements or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Mortgagee, or any action taken with respect to this Mortgage by any trustee or receiver of Mortgagee, or by any court, in any such proceeding; (v) any claim which Mortgagor has or might have against Mortgagee; (vi) any default or failure on the part of Mortgagee to perform or comply with any of the terms hereof or of any other agreement with Mortgagor; or (vii) any other occurrence whatsoever, similar to the foregoing; whether or not Mortgagor shall have notice or knowledge of any of the foregoing. Except as expressly

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provided herein, Mortgagor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any sum secured hereby and payable by Mortgagor.

## 1.8 Taxes and Impositions.

(a) Mortgagor agrees to pay, at least 10 days prior to delinquency, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, including without limitation non-governmental levies or assessments such as maintenance charges, owner association dues or charges or fees, levies or charges resulting from covenants, conditions, and restrictions affecting the Premises, which are assessed or imposed upon the Premises, or become due and payable, and which create, may create or appear to create a lien upon the Premises, or any part thereof, or upon any Personal Property, equipment or other facilities used in the operation or maintenance thereof (all of which taxes, assessments and other governmental and non-governmental charges of like nature are hereinafter referred to as "Impositions"), provided, however, that if, by law, any such Imposition is payable, or may at the option of the taxpayer be paid, in installments, Mortgagor may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.

(b) If at any time after the date hereof there shall be assessed or imposed (i) a tax or assessment on the Premises in lieu of or in addition to the Impositions payable by Mortgagor pursuant to subparagraph (a) hereof, or (ii) a license fee, tax or assessment imposed on Mortgagee and measured by or based in whole or in part upon the amount of the outstanding obligations secured hereby, then all such taxes, assessments or fees shall be deemed to be included within the term "Impositions" as defined in subparagraph (a) hereof, and Mortgagor shall pay and discharge the same as herein provided with respect to the payment of Impositions or, at the option of Mortgagee, all obligations secured hereby together with all accrued interest thereon, shall immediately become due and payable without premium or penalty. Anything to the contrary herein notwithstanding, Mortgagor shall have no obligation to pay any franchise, estate, inheritance, income, excess profits or similar tax levied on Mortgagee or on the obligations secured hereby.

(c) Subject to the provisions of subparagraph (d) of this Section 1.8, Mortgagor covenants to furnish Mortgagee within thirty (30) days after the date upon which any such Imposition is due and payable by Mortgagor, official receipts of the appropriate taxing authority, or other proof satisfactory to Mortgagee, evidencing the payments thereof.

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(d) Mortgagor shall have the right before any delinquency occurs to contest or object to the amount or validity of any such Imposition by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying or extending Mortgagor's covenant to pay any such Imposition at the time and in the manner provided in this Section 1.8, unless Mortgagor has given prior written notice to Mortgagee of Mortgagor's intent to so contest or object to an Imposition, and unless, at Mortgagee's sole option, (i) Mortgagor shall demonstrate to Mortgagee's satisfaction that the legal proceedings shall conclusively operate to prevent the sale of the Premises, or any part thereof, to satisfy such Imposition prior to final determination of such proceedings; or (ii) Mortgagor shall furnish a good and sufficient bond or surety as requested by and satisfactory to Mortgagee; or (iii) Mortgagor shall have provided Mortgagee with a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of such proceedings.

(e) At the request of Mortgagee, Mortgagor shall pay to Mortgagee, on the day monthly installments of principal and interest are payable under the Note, until the Note is paid in full, an amount equal to one-twelfth of the annual Impositions reasonably estimated by Mortgagee to pay the installment of taxes and assessments next due on the Premises. In such event Mortgagor further agrees to cause bills, statements or other documents relating to Impositions to be sent or mailed directly to Mortgagee. Upon receipt of such bills, statements or other documents, and providing Mortgagor has deposited sufficient funds with Mortgagee pursuant to this Section 1.8, Mortgagee shall pay such amounts as may be due thereunder out of the funds so deposited with Mortgagee such payments to be paid under protest if Mortgagor so directs. If at any time and for any reason the funds deposited with Mortgagee are or will be insufficient to pay such amounts as may then or subsequently be due, Mortgagee shall notify Mortgagor and Mortgagor shall immediately deposit an amount equal to such deficiency with Mortgagee. Notwithstanding the foregoing, nothing contained herein shall cause Mortgagee to be deemed a trustee of said funds or to be obligated to pay any amounts in excess of the amount of funds deposited with Mortgagee pursuant to this Section 1.8. Mortgagee shall not be obliged to pay or allow any interest on any sums held by Mortgagee pending disbursement or application hereunder (see Section 5.10). Should Mortgagor fail to deposit with Mortgagee (exclusive of that portion of said payments which has been applied by Mortgagee on the principal of or interest on the indebtedness secured by the Loan Instruments) sums sufficient to fully pay such Impositions at least thirty (30) days before delinquency thereof, Mortgagee may, at Mortgagee's election, but without any obligation so to do, advance any amounts required to make up the deficiency, which advances, if any, shall be secured hereby and shall be repayable to Mortgagee as herein elsewhere provided, or at the option of Mortgagee the latter may, without making any advance whatever apply any sums held by it upon any obligation of the

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Mortgagor secured hereby. Should any default occur or exist on the part of the Mortgagor in the payment or performance of any of the Mortgagor's and/or any guarantor's obligations under the terms of the Loan Instruments, Mortgagee may, at any time at Mortgagee's option, apply any sums or amounts in its hands received pursuant hereto, or as rents or income of the Premises or otherwise, upon any indebtedness or obligation of the Mortgagor secured hereby in such manner and order as Mortgagee may elect. The receipt, use or application of any such sums paid by Mortgagor to Mortgagee hereunder shall not be construed to affect the maturity of any indebtedness secured by this Mortgage or any of the rights or powers of Mortgagee under the terms of the Loan Instruments or any of the obligations of Mortgagor and/or any guarantor under this Loan Instrument.

(f) Mortgagor covenants and agrees not to suffer, permit or initiate the joint assessment of the real personal property, or any other procedure whereby the lien of the real property taxes and the lien of the personal property taxes shall be assessed, levied or charged to the Premises as a single lien.

(g) If requested by Mortgagee, Mortgagor shall cause to be furnished to Mortgagee a tax reporting service covering the Premises of the type, duration and with a company satisfactory to Mortgagee.

1.9 Utilities. To pay when due all utility charges which are incurred by Mortgagor for the benefit of the Premises or which may become a charge or lien against the Premises for gas, electricity, water or sewer services furnished to the Premises and all other assessments or charges of a similar nature, whether public or private, affecting the Premises or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

1.10 Actions Affecting Premises. To appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of Mortgagee and to pay all costs and expenses, including cost of evidence of title and attorney's fees, in any such action or proceeding in which Mortgagee may appear.

1.11 Actions by Mortgagee to Preserve Premises. That should Mortgagor fail to make any payment or to do any act as and in the manner provided in any of the Loan Instruments, Mortgagee in its own discretion, without obligation so to do and without notice to or demand upon Mortgagor and without releasing Mortgagor from any obligation, may make or do the same in such manner and to such extent as Mortgagee may deem necessary to protect the security hereof. In connection therewith (without limiting their general powers), Mortgagee shall have and is hereby given the right, but not the obligation, (i) to enter upon and take possession of the Premises; (ii) to make additions, alterations, repairs and improvements to the Premises which it may consider necessary or

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proper to keep the Premises in good condition and repair, (iii) to appear and participate in any action or proceeding affecting or which may affect the security hereof or the rights or powers of Mortgagee; (iv) to pay, purchase, contest or compromise any encumbrance, claim, charge, lien or debt which in the judgment of Mortgagee may affect or appears to affect the security of this Mortgage or be prior or superior hereto subject to the provisions of Section 5.11, and (v) in exercising such powers, to pay necessary expenses, including employment of counsel or other necessary or desirable consultants. Mortgagor shall immediately upon demand therefor by Mortgagee, pay all costs and expenses incurred by Mortgagee in connection with the exercise by Mortgagee of the foregoing rights, including without limitation costs of evidence of title, court costs, appraisals, surveys and attorney's fees.

1.12 Eminent Domain. That should the Premises, or any part thereof or interest therein, be taken or damaged by reason of any public improvement or condemnation proceeding, or in any other manner ("Condemnation"), or should Mortgagor receive any notice of other information regarding such proceeding, Mortgagor shall give prompt written notice thereof to Mortgagee.

(a) Mortgagee shall be entitled to all compensation, awards and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name any action or proceedings. Mortgagee shall also be entitled to make any compromise or settlement in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds awarded to Mortgagor (the "Proceeds") are hereby assigned to Mortgagee and Mortgagor agrees to execute such further assignments of the Proceeds as Mortgagee may require.

(b) In the event any portion of the Premises is so taken or damaged, Mortgagee shall have the option, in its sole and absolute discretion, to apply all such Proceeds, after deducting therefrom all costs and expenses (regardless of the particular nature thereof and whether incurred with or without suit), including attorneys' fees, incurred by it in connection with such proceeds, upon any indebtedness secured hereby and in such order as Mortgagee may determine, or to apply all such Proceeds, after such deductions, to the restoration of the Premises upon such conditions as Mortgagee may determine. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

1.13 Additional Security. That in the event Mortgagee at any time holds additional security for any of the obligations secured hereby, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before or concurrently herewith or after a sale is made hereunder.

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1.14 Successors and Assigns. That this Mortgage applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Mortgagee" shall mean the owner and holder of the Note, whether or not named as Mortgagee herein.

1.15 Inspections. That Mortgagee, or its agents, representatives or workmen, are authorized to enter at any reasonable time upon or in any part of the Premises for the purpose of inspecting the same and for the purpose of performing any of the acts it is authorized to perform under the terms of any of the Loan Instruments.

1.16 Liens. To pay and promptly discharge, at Mortgagor's cost and expense, all liens, encumbrances and charges upon the Premises, or any part thereof or interest therein, excluding, however, the encumbrance on the Premises evidenced by the Second Instruments as referred to in Sections 3.2(a) and 5.15 hereof; provided that the existence of any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right thereto shall not constitute a violation of this Section if payment is not yet due under the contract which is the foundation thereof and if such contract does not postpone payment, except for holdbacks or retentions of not more than 10% of the contract amount, for more than 55 days after the performance thereof. Mortgagor shall have the right to contest in good faith the validity of any such lien, encumbrance or charge, provided Mortgagor shall first deposit with Mortgagee a bond or other security satisfactory to Mortgagee in such amounts as Mortgagee shall reasonably require, but not more than one and one-half (150%) of the amount of the claim plus costs, expenses, including attorneys' fees, and interest, and provided further that Mortgagor shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged. If Mortgagor shall fail to discharge any such lien, encumbrance or charge, or provide such reasonable security, then, in addition to any other right or remedy of Mortgagee, Mortgagee may, but shall not be obligated to, discharge the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien by depositing in court a bond for the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law, except for holdbacks or retentions of not more than 10% of the contract amount.

1.17 Mortgagee's Powers. Without affecting the liability of any other person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Mortgage upon any portion of the Property not then or theretofore released as security for the full amount of all unpaid obligations, Mortgagee may, from time to time and without notice (i) release any person so liable, (ii) extend the maturity or alter any of the terms of any such obligation, (iii) grant other indulgences, (iv) release or reconvey, or cause to be released or reconveyed at any

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time at Mortgagee's option, any parcel, portion or all of the Premises, (v) take or release any other or additional security for any obligation herein mentioned, (vi) make compositions or other arrangements with debtors in relation thereto, or (vii) advance additional funds to protect the security hereof and pay or discharge the obligations of Mortgagor hereunder or under the Loan Instruments, and all amounts so advanced, with interest thereon at the rate set forth in the Note, shall be secured hereby.

1.18 Tradenames. At the request of Mortgagee, Mortgagor shall execute a certificate in form satisfactory to Mortgagee listing the tradenames under which Mortgagor intends to operate the Premises, and representing and warranting that Mortgagor does business under no other tradename with respect to the Premises. Mortgagor shall immediately notify Mortgagee in writing of any change in said tradenames, and will, upon request of Mortgagee, execute any additional financing statements and other certificates revised to reflect the change in tradename.

1.19 Financial Statements. At the request of Mortgagee, Mortgagor will cause to be delivered to Mortgagee as soon as practicable, but in any event within 120 days after the close of each operating year of Mortgagor, a statement of condition or balance sheet of Mortgagor as at the end of each operating year, all certified as to accuracy by an independent certified public accountant or representative of Mortgagor acceptable to Mortgagee, and an annual operating statement showing in reasonable detail all income and expenses of Mortgagor, its Beneficiary and Manager with respect to the operation of the Premises prepared by Mortgagor and certified as to accuracy by an independent certified public accountant or officer of Mortgagor acceptable to Mortgagee, whether received by Mortgagor, its Beneficiary, Manager or any other operator of the Premises.

## ARTICLE II ASSIGNMENT OF RENTS, ISSUES AND PROFITS

2.1 Assignment of Rents. Mortgagor hereby assigns and transfers to Mortgagee all the rents, issues and profits of the Premises, and hereby gives to and confers upon Mortgagee the right, power and authority to collect such rents, issues and profits. Mortgagor irrevocably appoints Mortgagee its true and lawful attorney-in-fact at the option of Mortgagee at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Mortgagor or Mortgagee, for all such rents, issues and profits and apply the same to the indebtedness secured hereby; provided, however, that Mortgagor shall have the right to collect such rents, issues and profits (but not more than two months in advance) prior to or at any time there is not an event of default under any of the Loan Instruments. The assignment of the rents, issues and profits

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of the Premises in this Article II is intended to be an absolute assignment from Mortgagor to Mortgagee and not merely the passing of a security interest. The rents, issues and profits are hereby assigned absolutely by Mortgagor to Mortgagee contingent only upon the occurrence of an event of default under any of the Loan Instruments.

2.2 Collection Upon Default. Upon any event of default under any of the Loan Instruments, Mortgagee may, at any time without additional notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Premises, or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Mortgagee may determine. The collection of such rents, issues and profits, or the entering upon and taking possession of the Premises, or the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default.

2.3 Assignment of Leases. Mortgagor agrees to assign and transfer to Mortgagee as additional security for the payment of the indebtedness secured hereby, all present and future leases upon all or any part of the Premises and to execute and deliver, at the request of Mortgagee, all such further assurances and assignments in the Premises as Mortgagee shall from time to time require. In the event Mortgagor, as such additional security has sold, transferred and assigned, or may hereafter sell, transfer and assign to Mortgagee, its successors and assigns, any interest of Mortgagor as lessor in any lease or leases, Mortgagor expressly covenants and agrees that if Mortgagor, as lessor under said lease or leases so assigned shall fail to perform and fulfill any material (see Section 5.30) term, covenant, condition or provision in said lease or leases, or any of them, on its part to be performed or fulfilled, at the times and in the manner in said lease or leases provided, or if Mortgagor shall suffer or permit to occur any breach or default under the provisions of any such assignment of any lease or leases and such default shall continue for three (3) days, then and in any such event, such breach or default shall constitute an event of default hereunder as such term is defined in Section 4.1 hereof.

2.4 Mortgagee's Right of Possession in Case of Default. Upon occurrence of any Event of Default, whether before or after the whole principal sum secured hereby is declared to be immediately due, or whether before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, forthwith, upon demand of Mortgagee, Mortgagor shall

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surrender to Mortgagee and Mortgagee shall be entitled to take actual possession of the Premises or any part thereof personally, or by its agent or attorneys. In such event Mortgagee in its discretion may, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of said Premises, together with all documents, books, records, papers and accounts of Mortgagor or then owner of the Premises relating thereto, and may exclude Mortgagor, its agents or servants, wholly therefrom and may as attorney in fact or agent of Mortgagor, or in its own name as Mortgagee and under the powers herein granted, hold, operate, manage and control the Premises and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns, may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues and profits of the Premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent, and with full power (a) to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same, (b) to elect to disaffirm any lease or sublease which is then subordinate to the lien hereof, (c) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (d) to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises as may seem judicious, (e) to insure and reinsure the same and all risks incidental to Mortgagee's possession, operation and management thereof, and (f) to receive all of such avails, rents, issues and profits, hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Mortgagor.

Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any leases. Mortgagor shall and does hereby agree to indemnify and hold Mortgagee harmless of and from any and all liability, loss or damage which it may or might incur under said leases or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may



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be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said leases. Should Mortgagee incur any such liability, loss or damage, under said leases or under or by reason of the assignment thereof, or in the defense of any claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby, and Mortgagor shall reimburse Mortgagee therefor immediately upon demand.

2.5 Application of Income Received by Mortgagee. Mortgagee, in the exercise of the rights and powers hereinabove conferred upon it by Section 2.1 and Section 2.4 hereof shall have full power to use and apply the avails, rents, issues and profits of the Premises to the payment of or on account of the following, in such order as Mortgagee may determine:

(a) to the payment of the operating expenses of the Premises, including cost of management and leasing thereof which shall include reasonable compensation to Mortgagee and its agent or agents, if management be delegated to an agent or agents, and shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases, established claims for damages, if any, and premiums on insurance hereinabove authorized;

(b) to the payments of taxes and special assessments now due or which may hereafter become due on the Premises; and, if this is a leasehold mortgage, of all rents due or which may become hereafter due under the underlying lease;

(c) to the payment of all repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements of the Premises, including the cost from time to time of installing or replacing refrigeration and gas or electric stoves therein, and of placing the Premises in such condition as well, in the judgment of Mortgagee, make it readily rentable;

(d) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale.

## ARTICLE III SECURITY AGREEMENT

3.1 Creation of Security Interest. Mortgagor hereby grants to Mortgagee a security interest in the Personal Property including but not limited to the Furnishings specified in Section 5.27, located on or at the Property, including without limitations any and all property of similar type or kind hereafter located on or at the Property and all renewals thereof and replacements therefor for

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the purpose of securing all obligations of Mortgagor contained in any of the Loan instruments.

3.2 Warranties, Representations and Covenants of Mortgagor or Its Beneficiaries. Mortgagor does hereby represent and covenant as follows:

(a) Except for that certain Mortgage, Assignment of Rents and Security Agreement by and between Mortgagor and Mortgagee (as successor in interest to Aetna Life Insurance Company, a Connecticut corporation ("Aetna")) dated April 15, 1980 and recorded on June 18, 1980 as Document No. 25489773 securing a Promissory Note ("Second Note") in the original principal amount of \$31,000,000, as supplemented by Supplemental Mortgage dated November 25, 1981 and recorded on November 25, 1981 as Document Nos. 26070574 and 26072949, as modified by Modification Agreement dated June 1, 1988 and recorded on August 16, 1991 as Document No. 91418492 ("Existing Mortgage"), which mortgage is being subordinated to this Mortgage in that certain Subordination Agreement by and between Mortgagee and Mortgagor of even date herewith, and the security interest granted hereby, Mortgagor is, and as to portions of the Personal Property to be acquired after the date hereof will be, the sole owner of the Personal Property free from any adverse claim, security interest, encumbrance or adverse claims thereon of any kind whatsoever. Mortgagor will cause its beneficiaries to notify Mortgagee of, and will defend the Personal Property against, all claims and demands of all persons at any time claiming the same or any interest therein.

(b) Mortgagor will not lease, sell, convey or in any manner transfer the Personal Property without the prior written consent of Mortgagee.

(c) The Personal Property is not used or bought for personal, family or household purposes.

(d) The Personal Property will be kept on or at the Property and Mortgagor will not remove the Personal Property from the Property without the prior written consent of Mortgagee, except for such portions or items of Personal Property which are consumed or worn out in ordinary usage. These items shall be promptly replaced by Mortgagor with new items of equal or better quality.

(e) At the request of Mortgagee, Mortgagor will join Mortgagee in executing one or more financing statements and renewals and amendments thereof pursuant to the Uniform Commercial Code of Illinois in form satisfactory to Mortgagee, and will pay the cost of filing the same in all public offices

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wherever filing is deemed by Mortgagee to be necessary or desirable.

(f) All covenants and obligations of Mortgagor contained herein relating to the Premises shall be deemed to apply to the Personal Property whether or not expressly referred to herein.

(g) This Mortgage constitutes a Security Agreement as that term is used in the Uniform Commercial Code of Illinois.

## ARTICLE IV REMEDIES UPON DEFAULT

As used herein, the word "Owner" shall mean any one or more of Mortgagor, Mortgagor's beneficiaries, any general partner of any partnership beneficiary, any owner or owners of legal title to the Premises or any part thereof, from time to time, and the beneficiaries of any trust which may own such legal title from time to time.

4.1 Events of Default. Any of the following events shall be deemed an event of default hereunder, subject to the Notice and Grace Provisions set forth in Section 5.17 ("Event of Default"):

(a) Failure in the payment of any installment of principal or interest or any other sum secured hereby after five (5) days from the due date thereof; or

(b) There has occurred a breach of or default in the due observance or performance under any term, covenant, agreement, condition, provision, representation or warranty contained in any of the Loan Instruments or any part thereof, not referred to in this Section 4.1 and such breach or default shall continue unremedied for ten (10) business days from the date written notice is given by Mortgagee to Mortgagor.

(c) Any breach or default in the payment, performance or observance of any of Mortgagor's obligations under any notes, loan agreements or other financing agreements or if Mortgagee shall suspend payment of its material obligations to any person or entity who or which has made a loan to Mortgagor.

(d) Owner (as defined in this Article IV) or Manager (referred to in Section 5.22) shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief

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for debtors; or shall seek or consent to acquiesce in the appointment of any trustee, receiver or liquidator of Owner or Manager referred to in Section 5.22 or of all or any part of the Premises, or of any or all of the royalties, revenues, rents, issues or profits thereof, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due; or

(e) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against Owner or Manager referred to in Section 5.22 seeking any reorganization, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, and such order, judgment or decree shall remain unvacated and unstayed for an aggregate of thirty (30) days (whether or not consecutive) from the first date of entry thereof; or any trustee, receiver or liquidator of Owner or Manager referred to in Section 5.22 or of all or any part of the Premises, or of any or all of the royalties, revenues, rents, issues or profits thereof, shall be appointed without the consent or acquiescence of Owner or Manager referred to in Section 5.22 and such appointment shall remain unvacated and unstayed for an aggregate of thirty (30) days (whether or not consecutive); or

(f) A writ of execution or attachment or any similar process shall be issued or levied against all or any part of interest in the Premises, or any judgment involving monetary damages shall be entered against Owner or Manager referred to in Section 5.22 which shall become a lien on the Premises of any portion thereof or interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within sixty (60) days after its entry or levy;

(g) There shall occur the invalidity or illegality of any portion of the Note or Loan Instruments by reason, directly or indirectly, of any act or omission by Mortgagor.

(h) Any representation or warranty made by Mortgagor in any of the Loan Instruments shall prove to have been false or untrue in any material respect;

(i) Mortgagee shall not have a first priority perfected security interest in the Premises as collateral; or

(j) Any occurrence of Additional Defaults as set forth in Section 5.16 hereof.

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4.2 Acceleration Upon Default; Additional Remedies. In the event of any event of default, Mortgagee may declare all indebtedness secured hereby to be due and payable and the same shall thereupon become due and payable without any presentment, demand, protest or additional notice of any kind. Thereafter Mortgagee may:

(i) Either in person or by agent, with or without bringing any action or proceeding, enter upon and take possession of the Premises, or any part thereof, in its own name, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Premises, or part thereof or interest therein, increase the income therefrom or protect the security thereof and, with or without taking possession of the Premises, sue for or otherwise collect the rents, issues and profits thereof, including those past due and unpaid, and apply the same in accordance with Section 2.5 hereof. The entering upon and taking possession of the Premises, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Premises or the collection, receipt and application of rents, issues or profits, Mortgagee shall be entitled to exercise every right provided for in any of the Loan Instruments or by law upon occurrence of any event of default, including the right to exercise the power of sale;

(ii) Commence an action to foreclose this Mortgage, appoint a receiver, or specifically enforce any of the covenants hereof;

(iii) Exercise any or all of the remedies available to a secured party under the Illinois Uniform Commercial Code including, but not limited to:

(1) Either personally or by means of a court appointed receiver, take possession of all or any of the Personal Property and exclude therefrom Mortgagor and all others claiming under Mortgagor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Mortgagor in respect to the Personal Property or any part thereof. In the event Mortgagee demands or attempts to take possession of the Personal Property in the exercise of any rights under any of the Loan Instruments, Mortgagor promises and agrees to promptly turn over and deliver complete possession thereof to Mortgagee;

(2) Without notice to or demand upon Mortgagor, make such payments and do such acts as Mortgagee may deem necessary to protect its security interest in the Personal Property, including without limitation, paying, purchasing, contesting or compromising any encumbrance, charge or lien which is prior to or superior to

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the security interest granted hereunder, and in exercising any such powers or authority to pay all expenses incurred in connection therewith;

(3) Require Mortgagor to assemble the Personal Property or any portion thereof, at a place designated by Mortgagee and reasonably convenient to both parties, and promptly to deliver such Personal Property to Mortgagee, or an agent or representative designated by it. Mortgagee and its agents and representatives shall have the right to enter upon any or all of the Premises to exercise Mortgagee's rights hereunder.

(4) Sell, lease or otherwise dispose of the Personal Property at public sale, with or without having the Personal Property at the place of sale, and upon such terms and in such manner as Mortgagee may determine. Mortgagee may be a purchaser at any such sale;

(5) Unless the Personal Property is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Mortgagee shall give Mortgagor at least ten (10) days prior written notice of the time and place of any public sale of the Personal Property or other intended disposition thereof. Such notice may be mailed to Mortgagor at the address set forth at the beginning of the Mortgage.

4.3 Foreclosure: Expenses of Litigation. When the indebtedness hereby secured, or any part thereof, shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof for such indebtedness or part thereof. In any suit to foreclose the lien hereof or enforce any other remedy of Mortgagee under this mortgage or the Note, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of the Premises and the maintenance of the lien of this mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this mortgage, the Note or the Premises, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall

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be immediately due and payable by Mortgagor, with interest thereon at the post maturity rate and shall be secured by this Mortgage.

4.4 Application of Proceeds of Foreclosure Sale. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, that all principal and interest remaining unpaid on the Note; fourth, any overplus of Mortgagor, its successors or assigns, as their rights may appear.

4.5 Appointment of Receiver. Upon, or at any time after the filing of a complaint to foreclose this mortgage, the court in which such complaint is filed may appoint a receiver of the Premises. Such appointment may be either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not and Mortgagee hereunder or any Holders may be appointed as such receiver. Such receiver shall have power (a) to collect the rents, issues and profits of the Premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits; (b) to extend or modify any then existing leases and to make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire beyond the maturity date of the indebtedness hereunder and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Mortgagor and all persons whose interests in the Premises are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; and (c) all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) the indebtedness secured hereby, or by any decree foreclosing this mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure

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sale; (b) all rents due or which may become due under the underlying lease if this is a leasehold mortgage; (c) the deficiency in case of a sale and deficiency.

4.6 Remedies Not Exclusive. Mortgagee shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Mortgage or under any Loan Instrument or other agreement or any laws now or hereafter in force, notwithstanding some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Mortgage nor its enforcement whether by court action or other powers herein contained, shall prejudice or in any manner affect Mortgagee's right to realize upon or enforce any other security now or hereafter held by Mortgagee, it being agreed that Mortgagee shall be entitled to enforce this Mortgage and any other security now or hereafter held by Mortgagee in such order and manner as it may in its absolute discretion determine. No remedy herein conferred upon or reserved to Mortgagee is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Loan Instruments to Mortgagee or to which it may be otherwise entitled may be exercised, concurrently or independently, from time to time and as often as it may be deemed expedient by Mortgagee and Mortgagee may pursue inconsistent remedies.

## ARTICLE V MISCELLANEOUS

5.1 Governing Law. This Mortgage shall be governed by the laws of the State of Illinois. In the event that any provision or clause of any of the Loan Instruments conflicts with applicable laws, such conflicts shall not affect other provisions of such Loan Instruments which can be given effect without the conflicting provision, and to this end the provisions of the Loan Instruments are declared to be severable. This instrument cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought.

5.2 Mortgagor Waiver of Rights. To the full extent permitted by law, Mortgagor waives the benefit of all laws now existing or that hereafter may be enacted providing for (i) any appraisal before sale of any portion of the Premises, and (ii) the benefit of all laws that may be hereafter enacted in any way extending the time for the enforcement of the collection of the Note or the debt evidenced thereby or creating or extending a period of redemption from any sale made in collecting said debt. To the full extent



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Mortgagor may do so, Mortgagor agrees that Mortgagor 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 any appraisement, valuation, stay, extension or redemption, and Mortgagor, for Mortgagor, Mortgagor's heirs, devisees, representatives, successors and assigns, and for any and all persons ever claiming any interest in the Premises, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisement, stay of execution, notice of election to mature or declare due the whole of the secured indebtedness and marshaling in the event of foreclosure of the liens hereby created. If any law referred to in this Section and now in force, of which Mortgagor, Mortgagor's heirs, devisees, representatives, successors and assigns or other person might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section. Mortgagor expressly waives and relinquishes any and all rights and remedies which Mortgagor may have or be able to assert by reason of the laws of the State of Illinois pertaining to the rights and remedies of sureties.

5.3 Limitation of Interest. Mortgagor represents and agrees that the proceeds of the loan secured by this mortgage will be used for the purposes specified in subsection (1)(c) of Section 4 of the Illinois Interest Act (S.H.A. 315 ILCS 205/4) and that said loan constitutes a business loan which comes within the purview of said subsection. It is the intent of Mortgagor and Mortgagee in the execution of this Mortgage and the Note and all other instruments securing the Note to contract in strict compliance with the usury laws of the State of Illinois governing the loan evidenced by the Note. In furtherance thereof, Mortgagee and Mortgagor stipulate and agree that none of the terms and provisions contained in the Loan Instruments shall ever be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the maximum interest rate permitted to be charged by the laws of the State of Illinois governing the loan evidenced by the Note. Mortgagor or any guarantor, endorser or other party now or hereafter becoming liable for the payment of the Note shall never be liable for unearned interest on the Note and shall never be required to pay interest on the Note at a rate in excess of the maximum interest that may be lawfully charged under the laws of the State of Illinois and the provisions of this section shall control over all other provisions of the Note and other instrument executed in connection herewith which may be in apparent conflict herewith. In the event any holder of the Note shall collect monies which are deemed to constitute interest which would otherwise increase the effective interest rate on the Note to a rate in excess of that permitted to be charged by the laws of the State of Illinois, all such sums deemed to constitute interest in excess of the legal rate shall be immediately applied to the reduction of the unpaid principal balance due under the Note, or,

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if the same has been fully paid, returned to the Mortgagor upon such determination.

5.4 Statements by Mortgagor. Mortgagor, within ten (10) days after being given notice by mail, will furnish to Mortgagee a written statement stating the unpaid principal of and interest on the Note and any other amounts secured by this Mortgage and stating whether any offset or defense exists against such principal and interest.

5.5 Captions. The captions or headings at the beginning of each Section hereof are for the convenience of the parties and are not a part of this Mortgage.

5.6 Invalidity of Certain Provisions. If the lien of this Mortgage is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the Premises, the unsecured or partially secured portion of the debt shall be completely paid prior to the payment of the remaining and secured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, shall be considered to have been first paid on and applied to the full payment of that portion of the debt which is not secured or fully secured by the lien of this Mortgage.

5.7 Subrogation. To the extent that proceeds of the Note or advances under this Mortgage are used to pay any outstanding lien, charge or prior encumbrance against the Premises, such proceeds have been or will be advanced by Mortgagee at Mortgagor's request and Mortgagee shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether said liens, charges or encumbrances are released.

5.8 No Merger. If both the Lessor's and Lessee's estates under any lease or any portion thereof which constitutes a part of the Premises shall at any time become vested in one owner, this Mortgage and the Lien created hereby shall not be destroyed or terminated by application of the doctrine of merger and, in such event, Mortgagee shall continue to have and enjoy all of the rights and privileges of Mortgagee as to the separate estates. In addition, upon the foreclosure of the lien created by this Mortgage on the Premises pursuant to the provisions hereof, any leases or subleases then existing and created by Mortgagor shall not be destroyed or terminated by application of the law or merger or as a matter of law or as a result of such foreclosure unless Mortgagee or any purchaser at any such foreclosure sale shall so elect. No act by or on behalf of Mortgagee or any such purchaser shall constitute a termination of any lease or sublease unless Mortgagee or such purchaser shall give written notice thereof to such tenant or subtenant.

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5.9 Waiver of Redemption. Without limiting the provisions of Section 5.2 hereof, but in addition thereto and in amplification thereof, and only to the extent permitted by law, the Mortgagor hereby expressly waives any and all rights of redemption from sale under any order, judgment or decree of foreclosure of this Mortgage, on its own behalf and on behalf of each and every person, excepting only decree of judgment creditors of the Mortgagor acquiring any interest in or title to the Property subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of the Mortgagor and all other persons are and shall be deemed to be hereby waived to the full extent permitted by law.

5.10 Concerning Certain Payments. If the total deposits made pursuant to Section 1.8(e) on hand at the time payment of Impositions are due and payable exceed the amount then necessary to pay Impositions, such excess shall be credited against subsequent payments required to be made pursuant to Section 1.8(e), provided that no default or Event of Default shall have occurred.

5.11 Certain Contests. It is understood and agreed that Mortgagor shall have the right to contest in the manner set forth in Section 1.16, any encumbrance, claim, charge, lien or debt referred to in Section 1.11(iv).

5.12 Disbursement of Proceeds of Insurance or Condemnation. In the event that pursuant to Section 1.5, 1.12 or 5.31 the Mortgagee, is required to permit (as in the case of Section 5.31), or in its sole discretion (as in the case of Section 1.5 and 1.12) permits the use of proceeds of insurance or condemnation awards to restore, rebuild or repair portions of the improvements upon the Property destroyed or damaged by casualty or remaining after a taking, such proceeds shall be disbursed from time to time upon the Mortgagee being furnished with satisfactory evidence of the estimated cost of completion of the restoration, rebuilding and repair and with such architects' certificates, waivers of lien, contractors' sworn statements and such other evidence of cost and of payment as the Mortgagee may reasonably require, together with funds furnished by Mortgagor, in addition to such proceeds of insurance and condemnation, as may be necessary, in the sole judgment of Mortgagee, to fully pay such costs; and the Mortgagee may, in any event, require that all plans and specifications for such restoration, rebuilding and repair be submitted to and approved by Mortgagee prior to commencement of work. No payment made prior to the final completion of the restoration, rebuilding and repair shall exceed 90% of the value of the work performed and in place from time to time; funds other than the proceeds of insurance or condemnation shall be disbursed prior to disbursement of such proceeds and at all times the undisbursed balance of such proceeds remaining in the hands of the Mortgagee, together with funds deposited for the purpose or irrevocably committed to the satisfaction of the Mortgagee by or on behalf of the Mortgagor for

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the purpose, shall be at least sufficient, in the reasonable judgment of the Mortgagee, to pay for the cost of completion of the restoration, rebuilding and repair, free and clear of all liens or claims for lien. No interest shall be allowed to the Mortgagor on account of any proceeds of insurance or proceeds of condemnation or other funds held by Mortgagee.

5.13 Beneficiary. For the purposes of Section 1.19, the term "Mortgagor" shall mean and include the beneficiary of Mortgagor (herein called "Beneficiary") and the Manager referred to in Section 5.22.

5.14 E.P.A. Compliance. Mortgagor covenants that (a) the buildings and other improvements constructed on, under or above the subject real estate will be used and maintained in accordance with all applicable laws and ordinances regarding environmental regulation and all applicable rules and regulations of all state and federal or municipal bodies or Environmental Protection Agencies (herein generally called "EPA Agencies") (b) the use of said buildings by Mortgagor, Beneficiary, Manager and/or any lessees, will not in any way violate or contravene any such laws, ordinances, rules or regulations; and (c) in case Mortgagor, Beneficiary, Manager or lessee is served with notice of violation by any E.P.A. Agency, Mortgagor will immediately cure such violations and abate whatever nuisance or violation is claimed or alleged to exist.

5.15 Other Mortgages. This Mortgage is one of two mortgages (the other of said mortgages being herein called the "Existing Mortgage" and is referred to more specifically in Section 3.2(a) herein), each in respect of and encumbering the Premises. This Mortgage is being given to secure a loan by the Mortgagee to the Mortgagor, said loan being evidenced by the Note secured hereby. The Existing Mortgage was originally given by Mortgagor to Aetna to secure a loan by Aetna to Mortgagor which loan was subsequently assigned to Mortgagee, and is evidenced by the Second Note. This Mortgage (herein sometimes called the "First Mortgage") is prior in lien and senior to the Existing Mortgage for the full amount of the Note secured hereby and any other sums secured hereby. This First Mortgage may be modified, varied, extended, renewed or reinstated at any time by agreement between the Mortgagee and Mortgagor, without notice to or the consent of the holder of the Second Note. For purposes hereof, the Second Note and Existing Mortgage are herein together referred to as the "Second Instruments".

5.16 Additional Defaults. In addition to all other defaults mentioned in Section 4.1 hereof which constitute Events of Default hereunder, the following shall constitute Events of Default hereunder:

(a) If there shall occur any default or Event of Default under the Existing Mortgage, under the Second Note or under any

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other note secured by the Existing Mortgage, or any other instrument further securing the Second Note, or if there shall occur any event upon which the holder or holders of the Second Note, as the case may be, may accelerate the due date of the amount secured or evidenced thereby, in each case after any requisite notice or period for cure specifically provided for in said instruments shall have been given;

(b) As provided for in Section 5.18, if any default shall occur under and pursuant to the Loan Agreement;

(c) If any default or Event of Default shall occur under and pursuant to the Management Agreement or under the Management Agreement Assignment, as those terms are defined in Section 5.22 hereof.

5.17 Notice and Opportunity to Cure. The following provisions of this Section (herein called the "Notice and Grace Provisions") and none other, shall be in effect with respect to defaults under this Mortgage, the Note and other Loan Instruments; and a default hereunder shall constitute an Event of Default if the same shall not have been cured after Mortgagor shall have been given the notice or opportunity to cure, if any, specified herein:

(a) Mortgagor shall not be entitled to any notice or opportunity to cure in connection with any default of any kind involving (i) any transfer or voluntary encumbrance in violation of any of the provisions of Sections 5.23 and 5.24 hereof or (ii) the providing or maintaining of insurance or (iii) any threat of foreclosure and/or sale of the Premises in satisfaction of any prior lien, including a tax lien, whether or not being contested in accordance with the provisions hereof;

(b) In the event of the occurrence of any default hereunder involving (i) the payment of money, or (ii) any involuntary encumbrance in violation of the provisions of Sections 5.23 and 5.24 hereof, Mortgagee shall give notice to Mortgagor in the manner specified in Section 5.28 hereof of any such default coming to Mortgagee's knowledge; and Mortgagor shall have a period of two (2) days, commencing on the earlier of (A) the date the aforesaid notice by Mortgagee shall have been served, as set forth in Section 5.28, or (B) the date on which Mortgagor, Beneficiary, any partner of Beneficiary or Manager shall have obtained knowledge of such default (whether such knowledge is obtained from Mortgagee's notice aforesaid, or otherwise) to cure such default.

(c) In connection with defaults resulting from violation or noncompliance with any other Loan Instruments, Mortgagor shall be entitled only to such notice and opportunity to cure

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as shall be specifically provided for in such other Loan Instruments, if any;

(d) In connection with defaults other than those specified in subsections (a), (b) and (c) above, Mortgagee shall give notice to Mortgagor in the manner specified in Section 5.28 hereof of any such defaults coming within the knowledge of the Mortgagee; and Mortgagor shall have a period of 20 days commencing on the earlier of (i) the date Mortgagee shall have given notice thereof, as aforesaid or (ii) the date on which Mortgagor, Beneficiary, any partner of Beneficiary or Manager shall have obtained knowledge of the occurrence of such default (whether such knowledge is obtained from Mortgagee's notice or otherwise) to cure and correct such default, provided that in the event that such 20 day period is insufficient for Mortgagor, in the exercise of diligence, to cure and correct such default, such period shall be extended to such additional reasonable time as may be necessary to cure or correct such default in the exercise of diligence, provided that Mortgagor commences such cure and correction within such 20 day period and continues the correction and cure of such default at its own expense diligently and without delay until completion.

5.18 Performance of Obligations Under Loan Agreement. Concurrently with the execution of this Mortgage, Mortgagor and Mortgagee have executed and delivered a Loan Agreement, the terms and provisions of which are incorporated herein by express and specific reference. Mortgagor hereby covenants and agrees that it will duly and punctually perform and observe all of the terms, provisions, covenants, conditions and agreements on its part to be performed and observed under the Loan Agreement and will not suffer or permit any Event of Default to exist thereunder. Without limiting the generality of Sections 4.1(e) or 5.17(b) hereof, but in amplification thereof, any default under the Loan Agreement shall be and constitute a default under this Mortgage, in consequence whereof the Mortgagee may (subject to any requirement for notice or opportunity to cure set forth in the Loan Agreement) avail itself of any remedy reserved hereunder or at law or in equity available for breach of condition or default. Whenever in this Mortgage there appears a covenant or provision that is inconsistent or in conflict with a comparable provision in the Loan Agreement, the provision in the Loan Agreement shall prevail and shall govern the rights, duties and obligations of the parties hereto as to the subject matter covered thereby. An executed copy of the Loan Agreement is available for inspection by any interested party during normal business hours at the offices of Mortgagee at 200 West Madison Street, Suite 3800, Chicago, Illinois 60606.

5.19 Flood and Dram Shop Insurance. In addition to all other insurance required hereunder, if (a) the Premises are now or hereafter located in an area which has been identified by the

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Secretary of Housing and Urban Development as a flood hazard area and in which flood insurance has been made available under the National Flood Insurance Act of 1968 (herein called the "Flood Control Act"), the Mortgagor will keep the Premises covered for the term of said Note by flood insurance up to the maximum limit of coverage available under the Flood Control Act, and (b) any part of the Premises is now or hereafter used for the sale or dispensing of any alcoholic beverages, the Mortgagor will provide and maintain so called "Dram Shop" or "Innkeeper's Liability" insurance against claims or liability arising directly or indirectly to persons or property on account of such sale or dispensing of alcoholic beverages, including loss of means of support, in such amounts as Mortgagee may require but in no event less than \$5,000,000 single limit coverage.

5.20 Interest on Additional Funds Advanced. All funds (in addition to the proceeds of the Note) advanced by Mortgagee pursuant to the provisions hereof, including but not limited to, funds advanced by Mortgagee pursuant to Section 1.12 hereof or in the payment of taxes upon the Premises or premiums of insurance upon the Premises or in connection with the discharge of liens or in connection with the exercise of Mortgagee's remedies upon default as provided for herein, in the Loan Agreement or in any other Loan Instrument shall bear interest at the Default Rate specified in the Note from the day disbursed by the Mortgagee to the date upon which repaid, and all such amounts shall be due and payable at once.

5.21 Waiver of Deposits. The requirement for payment of tax and insurance deposits provided in Sections 1.4 and 1.8(e) shall be deemed waived subject to the following conditions, to wit: (a) record title to the Premises shall remain unchanged and there shall be no change in Mortgagor's Beneficiary or its partners except as permitted in Section 5.24, (b) all real estate taxes and assessments and all premiums of insurance shall be paid when due and shall not be delinquent, (c) all required payments of principal and interest and all other amounts payable hereunder or under the Note shall be paid when due, and (d) no default or Event of Default shall have occurred and be continuing hereunder or under the Note or any other Loan Instruments; and if in Mortgagee's sole judgment any of the foregoing conditions shall be violated, the waiver effected by this Section may be withdrawn by Mortgagee, whereupon Mortgagor shall make and continue to make all such deposits and shall forthwith place on deposit with Mortgagee all sums which would have been on deposit had such waiver never been granted.

5.22 Manager and Management Agreement. Mortgagor represents and covenants that the Premises have and will constitute, and have and will be operated as, a first-class hotel, including restaurants, bars and cocktail lounges, ballrooms, meeting rooms, recreational facilities and relating amenities, all to be operated and managed by HYATT CORPORATION (herein called the "Manager"),

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pursuant to a Management Agreement dated April 15, 1980, as amended by Amendment to Management Agreement dated September 10, 1981 and further amended by Second Amendment to Management Agreement dated January 1, 1989 (herein called the "Management Agreement") between Mortgagor and Manager; and in connection therewith:

(a) Mortgagor hereby sells, assigns, transfers and sets over unto the Mortgagee, as additional collateral and security for the Indebtedness Hereby Secured, all of Mortgagor's right, title and interest in and under the Management Agreement, provided that the collateral assignment herein made is in addition to and shall not in any way limit or impair any of the terms, provisions and conditions or rights of the assignee contained in that certain separate Assignment of Rights Under Management Agreement dated the date hereof made by Mortgagor to Mortgagee, further assigning to Mortgagee Mortgagor's rights under the Management Agreement (herein called the "Management Agreement Assignment").

(b) For all purposes hereof the Management Agreement Assignment shall constitute a Loan Instrument as that term is used herein, and Mortgagor covenants and agrees at all times to duly perform and observe all of the terms, provisions, conditions and agreements on its part to be kept, observed and performed under and pursuant to the Management Agreement Assignment.

(c) Mortgagor hereby covenants and agrees that it will at all times keep, observe and perform all of the terms, provisions, covenants, conditions and agreements on its part to be kept, observed and performed under the Management Agreement and will cause the Manager to observe and perform all of the terms, provisions, covenants, conditions and agreements on Manager's part to be kept, observed and performed under the Management Agreement; and any default in or under the Management Agreement (whether by Mortgagor or Manager) shall constitute a default and Event of Default hereunder in consequence whereof the Mortgagee may avail itself of any remedies reserved hereunder or at law or in equity available for breach of condition or default.

(d) Mortgagee shall have the right to perform or to require performance of any of the terms, provisions, covenants, conditions and agreements contained in the Management Agreement; and any expense incurred in connection therewith shall constitute so much additional Indebtedness Hereby Secured and shall bear interest from the date of payment to the date of recovery by the Mortgagee at the Default Rate specified in the Note; and any such payment by the Mortgagee, with interest thereon, shall be immediately due and payable.

(e) Mortgagor covenants and agrees that it will not, without the consent of the Mortgagee, consent to the modification, amendment, cancellation, termination or surrender of the Management Agreement, nor shall any release or forbearance of any of the



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Mortgagor's obligation under the Management Agreement release Mortgagor from any of its obligations hereunder or under the Loan Agreement.

5.23 Default Upon Transfer or Encumbrance. Subject to the provisions of Section 5.24, it shall be an immediate default and Event of Default hereunder if, without the consent of the Mortgagee, Mortgagor shall sell, assign, transfer, encumber or (subject to the provisions of Section 1.18) permit any lien, security interest or other encumbrance or alienation of the Premises.

5.24 Permitted Transfers. Notwithstanding the provisions of Section 5.23 hereof, the following shall be permitted:

(a) Liens upon the Premises securing the Note, including liens securing the Second Note;

(b) The lien of current taxes not yet due and payable upon the Premises;

(c) Transfers occasioned by the death or incompetency of a transferor;

5.25 Business Purpose. Mortgagor represents that the Indebtedness Hereby Secured evidenced by the Note is a business loan within the purview of Section 4(1)(c) of the Illinois Interest Act (S.H.A. 815 ILCS 205/4) transacted solely for the business purpose of investment or profit of the Beneficiary as contemplated by said Section.

5.26 Early Prepayment. Mortgagor may, upon prior written notice to Mortgagee, pay all or part of the outstanding principal due under the Note, plus accrued interest to the date of such prepayment, without any prepayment premium or penalty. In the event of a partial prepayment, thereafter interest shall accrue only on the unpaid principal remaining under the Note.

5.27 Furnishings. Without limiting anything contained in the granting and pledging clauses hereof, it is understood and agreed that there is included within the Personal Property hereby mortgaged and pledged, and with respect to which a security interest is hereby granted, all and singular, the following property owned or leased by Mortgagor used or useful in connection with the Premises and the operations thereof, and all renewals and replacements thereof now or hereafter located in, on or at the Premises (all herein called the "Furnishings"):

(a) All beds, bedside tables, dining tables, party tables, coffee tables, end tables, desks, desk chairs, lounge chairs, dressers, mirrors, pictures, lamps, ottomans, sofas, love seats, murphy beds, sofa beds, drapes, carpets, rugs,

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medicine cabinets, clocks, television sets, radios and all other items of furniture, furnishings and equipment contained in hotel rooms upon the Premises;

(b) All desks, chairs, tables, counters, lamps and other lobby furniture, furnishings and equipment located upon the Premises;

(c) All telephones, telephone equipment, telex equipment and like equipment located at the Premises;

(d) All front desk equipment, office furniture, furnishings and equipment, cash registers and billing equipment, office machines and machinery, including calculators, computers, typewriters; and like equipment of any kind and nature located upon the Premises;

(e) All stoves, refrigerators, ovens, grills, steamers, steam tables, fryers, preparation tables, slicers and grinders, dishwashers, racks, tables and chairs, bars, bar stools, pots, pans, tableware, silverware and linens and other items of every kind and nature whatsoever used or useful in connection with the operation and maintenance of the kitchens, restaurants and bars located upon the Premises;

(f) All lounges, chairs, umbrellas, tables, pool equipment, athletic equipment, sauna and steam equipment, gymnasium equipment and other items of every kind and nature whatsoever used or useful in connection with pool, recreation, gymnasium and like areas upon the Premises;

(g) All tractors, spreaders, mowers, hoses, sprinklers and gardening equipment and items and equipment used or useful in connection with the use, maintenance and landscaping of the Premises;

(h) All pianos and other musical instruments, microphones and amplifying equipment, tables, chairs and other seating, stage equipment and other items and equipment of every kind and nature whatsoever used or useful in the operation upon the Premises of lounges, ballrooms and discotheques at the Premises;

(i) All blankets, pillows, sheets, bedspreads, towels and linens of every kind and description used in connection with the Premises;

(j) All cleaning, pressing and laundry machines and equipment and all maintenance and housekeeping equipment of every kind and description;

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and Mortgagor hereby covenants and agrees that Mortgagor is and will be the owner of all of the foregoing except with respect to certain of the same (herein called "Leased Property") which, with the specific written consent of Mortgagee, may be leased by Mortgagor, and Mortgagor further covenants and agrees from time to time at the request of Mortgagee, to execute and record amendments to this Mortgage as Mortgagee may require to more specifically describe of record the furnishings subject to the lien thereof or intended so to be, together with such Financing Statements and amendments to Financing Statements as Mortgagee may require for the purpose of establishing and perfecting the lien and security interest in the furnishings provided to be created by this Mortgage. Nothing herein contained shall be deemed to obligate Mortgagee to consent that any of the foregoing shall be Leased Property rather than property owned by Mortgagor; and in the event Mortgagee shall so consent, the interest of Mortgagor in such Leased Property and the leases thereof shall be collaterally assigned to Mortgagee as additional security and such assignment consented to by the lessor.

5.28 Giving of Notice. Any notice which either party hereto may desire or be required to give to the other party either pursuant hereto or pursuant to the Note or other Loan Instruments, shall be in writing, and (any such notice shall be deemed properly and effectively served when personally delivered or two days after having been deposited in a depository of the United States Mail, postage prepaid, Certified Mail, return receipt requested, addressed to the parties as follows:

(a) With respect to notices directed to Mortgagor, at the address above specified, with a copy thereof to Philip M. Kayman, Neal, Gerber & Eisenberg, 4 North LaSalle Street, Suite 2100, Chicago, Illinois 60602;

(b) With respect to notices directed to Mortgagee, at the address above specified;

or at such other place as either party may by notice designate.

5.29 Material Breach. The word "material" as used in connection with the phrase "term, covenant, condition or provision" in the second sentence of Section 2.3 of this Mortgage shall mean a term, covenant, condition or provision the breach or failure of performance or fulfillment of which shall entitle a lessee to terminate such lease or to withhold payment of rent thereunder.

5.30 Guarantor. It is understood and agreed that as at the date hereof there are no guarantors of the Indebtedness Heraby Secured and that wherever used herein, or in the other Loan Documents the terms "guarantor" and "guaranty" refer, respectively, to persons who may hereafter become guarantors of such indebtedness

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and to instruments of guaranty which may hereafter be executed and delivered.

5.31 Application of Certain Insurance Proceeds. In the event that there shall occur a Minor Insured Casualty (as hereinafter defined) to the Improvements of the Premises, then notwithstanding the provisions of Section 1.5(a) hereof, the proceeds of insurance received by Mortgagee on account of such Minor Insured Casualty shall be applied to the restoration of the improvements in accordance with the provisions of Section 5.12 hereof. For the purposes hereof the term "Minor Insured Casualty" shall mean any casualty insured against which does not result in the damage to or destruction of more than 40% of the value or true Improvements as valued at the time of the occurrence of such casualty.

5.32 Exculpation. This Mortgage is executed by LASALLE NATIONAL TRUST, N.A. (for the purposes of this Section called the "Bank"), not personally but as Trustee under Trust No. 101568, as aforesaid, in the exercise of the power and authority conferred upon and fixed in it as such Trustee under said Trust, and it is understood and agreed that nothing herein contained shall be construed as creating any liability on the Bank, as Trustee under Trust No. 101568, as aforesaid, or any beneficiary of said trust or on Bank personally to pay the Note or any interest that may accrue thereon, or any indebtedness accruing hereunder or to perform any covenant, either expressed or implied herein contained, all such liability, if any, being expressly waived by the Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as Bank as Trustee under Trust 101568 as aforesaid, and its successors, and Bank personally is concerned, Mortgagee and the holder or holders of the Note and the owner or owners of indebtedness accruing hereunder shall look solely to the Premises hereby mortgaged and conveyed and to any other collateral, property, rights and interests otherwise mortgaged, pledged and assigned pursuant to the Assignment or pursuant to any other Loan Instruments, or otherwise, by enforcement of the lien hereby or thereby created, in the manner herein, therein and in the Note provided, or by action to enforce the personal liability of any guarantor or comaker hereof or of the Note.

IN WITNESS WHEREOF, LASALLE NATIONAL TRUST, N.A., successor Trustee to LaSalle National Bank, not personally but as Trustee under Trust No. 101568, as aforesaid, has caused this Mortgage to be duly executed by one of its Vice Presidents or Assistant Vice Presidents and its corporate seal to be hereto affixed and attested by its Assistant Secretary, all on and as of the day, month and year first above written.

LASALLE NATIONAL TRUST, N.A. Successor Trustee to

LASALLE NATIONAL BANK, not personally but solely as Trustee under Trust No. 101568, as aforesaid

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By:

*Charles B. ...*  
Vice President

Attest:

*Nancy A. ...*  
Assistant Secretary

Property of Cook County Clerk's Office

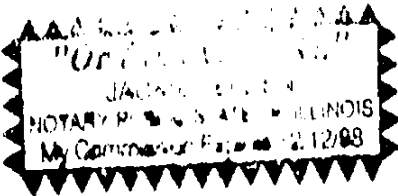
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STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

JACQUES FELDEN

I \_\_\_\_\_, a Notary Public in and for said County in the state aforesaid, DO HEREBY CERTIFY that \_\_\_\_\_ <sup>Corinne Day</sup>, Assistant Vice President of LASALLE NATIONAL BANK, not personally but as Trustee under Trust Agreement dated March 21, 1979 and known as Trust No. 101568 (herein called the "Bank"), and NANCY A STACK Assistant Secretary of said Bank who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Assistant Vice President and Assistant Secretary, respectively, 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 deed and as the free and voluntary act of the said Bank, as trustee as aforesaid, for the uses and purposes herein set forth; and the said Assistant Secretary then and there acknowledged that he, as custodian of the corporate seal of said Bank did affix the corporate seal of said Bank to said instrument as his own free and voluntary act of said Bank as Trustee as aforesaid, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 10/11 day of December, A.D. 1996.



Jacques Felden  
Notary Public

My Commission Expires: 12/12/98

THIS INSTRUMENT PREPARED BY:  
Mailto

PHILIP M. KAYMAN  
NEAL, GERBER & EISENBERG  
TWO N. LASALLE ST., SUITE 2100  
CHICAGO, IL 60602

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## EXHIBIT A

[The Note]

Property of Cook County Clerk's Office

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## EXHIBIT A

### SECURED PROMISSORY NOTE

\$7,000,000

[Initial Loan Date] \_\_\_\_\_, 199\_\_  
Chicago, Illinois

1. Principal Amount. For Value Received, LaSalle National Trust, N.A., successor trustee to LaSalle National Bank, a national banking association, not personally but solely as Trustee under Trust Agreement dated as of March 21, 1979 and known as Trust No. 101568 ("Maker") promises to pay to the order of Woodfield Financial Consortium, L.P., a Delaware limited partnership (the "Payee"), the principal amount of Seven Million Dollars (\$7,000,000), or so much thereof as may be advanced hereunder, payable on the eighth annual anniversary of the date hereof, unless paid sooner pursuant to the provisions of paragraph 5 hereof.

2. Interest. The Maker also promises to pay interest on the unpaid principal amount hereof from the date hereof until such unpaid principal amount is paid in full, at the per annum rate equal to nine and one-half percent (9-1/2%), compounded monthly commencing on the last day of that calendar month within which the date hereof occurs (the "Initial Interest Date"). Interest on the unpaid principal amount hereunder shall be payable monthly in arrears commencing on the day following the Initial Interest Date, and at maturity (by acceleration or otherwise), upon prepayment (to the extent accrued on the amount being pre-paid), and after maturity (whether by acceleration or otherwise), on demand.

3. Post-Maturity Interest; Computation of Interest. Any amount of principal and/or interest hereof which is not paid when due, whether at stated maturity, by acceleration, upon prepayment or otherwise, shall bear interest from the date due until said principal and/or interest amount is paid in full, payable on demand, at an interest rate equal to the rate otherwise applicable hereunder plus four percent (4%), compounded annually; provided, however, that the Maker shall never be required to pay interest on this Note at a rate in excess of the maximum interest that may be lawfully charged under the laws of the state of Illinois (or other applicable law). Interest shall be computed on the basis of a year of twelve (12) months of equal duration, for the actual number of days elapsed within each month in the event interest is payable in respect of a portion of a month.

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4. Payments. All payments of principal and interest in respect of this Note shall be made in lawful money of the United States of America in immediately available funds and delivered to the Payee on the date due at the office of the Payee located at 200 West Madison Street, 38th Floor, Chicago, Illinois 60606, or at such other place as the holder hereof may from time to time designate in writing. Until notified in writing of the transfer of this Note, the Maker shall be entitled to deem the Payee or such person who has been so identified by the Payee in writing to the Maker as the holder of this Note, as the owner and holder of this Note. Whenever any payment on this Note shall be stated to be due on a day which is not a business day in the United States, such payment shall be made on the next succeeding business day, however such extension of time shall not be included in the computation of the payment of interest on this Note.

5. Prepayments. If no Event of Default shall have occurred and be continuing under this Note, the Maker, without premium or penalty, may prepay this Note in whole or in part, with accrued interest to the date of such prepayment on the amount prepaid.

6. Loan Agreement and Security. The terms and conditions set forth in that certain Loan Agreement dated March 11, 1996 between the Maker and the Payee (the "Loan Agreement") are hereby incorporated into this Note. In addition, this Note is secured by the security interests and liens and provisions of that certain First Mortgage, Assignment of Rents and Security Agreement described in the Loan Agreement (the "Security Agreement").

7. Representations and Warranties. The Maker hereby certifies that the representations and warranties set forth in the Loan Agreement are true, correct and complete as of the date hereof and such representations and warranties shall be deemed incorporated herein as if set forth herein in full.

8. Affirmative Covenants. The Maker covenants to the Payee that so long as this Note shall remain unpaid, the Maker shall, unless the Payee shall otherwise consent in writing, notify the Payee of any condition or event which has resulted or might reasonably be expected to result in any Event of Default under or any breach of any term, condition or covenant contained in this Note, the Loan Agreement, the Security Agreement or any other document delivered pursuant hereto.

9. Events of Default. The occurrence of any one or more of the following events shall constitute an event of default ("Event of Default") hereunder:

- (a) the Maker shall fail to pay any principal or interest on this Note when due, whether by acceleration, by notice of prepayment or otherwise, within five (5) business days of the date due;

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(b) the Maker shall default in the due performance of any of his obligations under the Loan Agreement, the Security Agreement or any other agreements to which the Maker is a party or is otherwise subject which could impair the adequacy of Payee's collateral securing performance of Maker's obligation under this Note and the Loan Agreement and the Security Agreement;

(c) the Maker shall default in the due performance of any covenant or agreement contained in this Note, the Loan Agreement or the Security Agreements and such default shall remain unremedied for ten (10) days, or any representation or warranty contained in the Note, the Loan Agreement or the Security Agreement shall be false as of the date given; or

(d) the occurrence of an Event of Default under the Loan Agreement.

10. Remedies. Upon or at any time after the occurrence of an Event of Default hereunder, this Note shall, at the option of the Payee, become due and payable forthwith, without demand upon or notice to the undersigned, and upon the occurrence of any such Event of Default the Payee shall have all of the rights and remedies provided under the Loan Agreement and the Security Agreement and shall have all of the rights and remedies provided to a secured party by the Uniform Commercial Code or other applicable law then in effect in the state of Illinois and such other jurisdictions as may be applicable.

11. Transfer of Note. The Payee may transfer this Note and assign its rights under the Loan Agreement and the Security Agreement to any transferee, and, upon notice given to the Maker, such transferee shall become vested with all the powers and rights herein given to the Payee with respect thereto; and the Payee thereafter shall be forever relieved and fully discharged from any liability or responsibility in the matter.

12. Security Documents. The Maker agrees from time to time to execute, deliver and file promptly all instruments and documents, and take all actions, that may be necessary or required in order to perfect, protect and preserve the security interest pursuant to the Security Agreement or to enable the Payee to exercise and enforce its rights and remedies hereunder with respect to any such property.

13. Applicable Law. The Maker agrees that this Note shall be deemed to have been made under and shall be governed by the laws of the state of Illinois in all respects, including matters of construction, validity and performance, and that none of its terms or provisions may be waived, altered, modified or amended except as the Payee may consent thereto in writing duly signed for and on its behalf.

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14. Expenses. The Maker promises to pay all costs and expenses, including reasonable attorneys' fees, incurred in the collection and enforcement of this Note, the Loan Agreement or the Security Agreement.

15. Notices. Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given shall be in writing and may be personally served, telecopied, or sent by United States mail and shall be deemed to have been given when delivered in person, upon receipt of telecopy or three (3) business days after deposit in the United States mail, registered or certified, with postage prepaid and properly addressed. For the purpose hereof, the addresses of the parties hereto (until notice of a change thereof is delivered as provided in this paragraph 15) shall be in the case of the Payee, its principal business office set forth in paragraph 4 hereof, and in the case of the Maker, 200 West Madison St., 38th Floor, Chicago, Illinois 60606.

IN WITNESS WHEREOF, the Maker has executed and delivered this Note as of the day and year and the place first above written.

**The Maker:**

LaSALLE NATIONAL TRUST, N.A.,  
not individually but solely as Trustee  
under Trust Agreement dated as of  
March 21, 1979 and known as Trust No.  
101508.

By: \_\_\_\_\_  
Its: \_\_\_\_\_

97026047

# UNOFFICIAL COPY

## LEGAL DESCRIPTION

### PARCEL 1:

THAT PART OF THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTHERLY OF THE NORTHERLY LINE OF GOLF ROAD, AS WIDENED AS SHOWN ON DOCUMENT 20385775, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF GOLF ROAD, AFORESAID, AND A LINE, 68.43 FEET EAST, (AS MEASURED ALONG THE SOUTH LINE THEREOF), OF THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12; THENCE WESTERLY ALONG THE NORTHERLY LINE OF GOLF ROAD, 68.43 FEET TO AN ANGLE POINT IN SAID ROAD; THENCE CONTINUE WESTERLY, ALONG THE NORTHERLY LINE THEREOF, 510.25 FEET TO ITS INTERSECTION, WITH A LINE, DRAWN AT RIGHT ANGLES TO THE SOUTH LINE OF THE SAID SOUTH EAST 1/4, THROUGH A POINT 508.96 FEET WEST, (AS MEASURED ALONG THE SOUTH LINE THEREOF), OF THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 12, AFORESAID; THENCE NORTHERLY ALONG THE LAST RIGHT ANGLE LINE, HEREIN DESCRIBED, 1240.38 FEET TO ITS INTERSECTION, WITH THE NORTH LINE OF THE SOUTH 1364.64 FEET OF THE SOUTH EAST 1/4 OF SECTION 12, AFORESAID; THENCE EASTERLY, ALONG THE SAID LINE, 587.42 FEET TO ITS INTERSECTION, WITH THE HEREINBEFORE MENTIONED LINE, 68.43 FEET, EAST OF THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 12; THENCE SOUTHERLY, ALONG THE SAID LINE, 1224.67 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

EXCEPTING FROM THE FOREGOING, THE FOLLOWING DESCRIBED PORTION THEREOF DEDICATED FOR ROADWAY AND LIKE PURPOSES PURSUANT TO PLAT OF DEDICATION RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS, COOK COUNTY, ILLINOIS, AS DOCUMENT NO. 25489772, TO WIT:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTH 291.0 FEET OF THE SOUTH EAST 1/4, AFORESAID, AND A LINE 68.43 FEET EAST (AS MEASURED ALONG THE SOUTH LINE THEREOF) OF THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12; THENCE NORTHERLY ALONG THE LAST DESCRIBED LINE TO THE NORTH LINE OF THE SOUTH 357.00 FEET OF THE SOUTH EAST 1/4, AFORESAID; THENCE WESTERLY ALONG SAID LINE TO ITS INTERSECTION WITH A LINE DRAWN AT RIGHT ANGLES TO THE SOUTH LINE OF SAID SOUTH EAST 1/4 THROUGH A POINT 248.33 FEET WEST (AS MEASURED ALONG THE SOUTH LINE THEREOF) OF THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 12, AFORESAID; THENCE SOUTHERLY ALONG THE LAST RIGHT ANGLE LINE HEREIN DESCRIBED 224.76 FEET TO THE AFOREMENTIONED NORTH LINE OF GOLF ROAD; THENCE EASTERLY ALONG SAID NORTH LINE OF GOLF ROAD TO ITS INTERSECTION WITH A LINE DRAWN AT RIGHT ANGLES TO THE SOUTH LINE OF SAID SOUTH EAST 1/4 THROUGH A POINT 148.33 FEET WEST (AS MEASURED ALONG THE SOUTH LINE THEREOF) OF THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12; THENCE NORTHERLY ALONG THE LAST RIGHT ANGLE LINE HEREIN DESCRIBED 155.61 FEET TO THE NORTH LINE OF THE SOUTH 291 FEET, AFORESAID; THENCE EASTERLY ALONG SAID LINE TO THE POINT OF BEGINNING; IN COOK COUNTY, ILLINOIS.

### PARCEL 2:

EASEMENT APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 AS CREATED BY RECIPROCAL GRANT ROADWAYS EASEMENTS RECORDED NOVEMBER 25, 1981 IN THE OFFICE OF THE RECORDER OF DEEDS, COOK COUNTY, ILLINOIS AS DOCUMENT NO. 26070571, AND RE-RECORDED NOVEMBER 30, 1981 AS DOCUMENT NO. 26072946 IN, ON, OVER AND ACROSS THE FOLLOWING DESCRIBED PROPERTY:

97026047

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## EASEMENT PARCEL "E":

AN EASEMENT, 24.00 FEET IN WIDTH, IN THE SOUTH EAST 1/4 OF 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, OF WHICH THE CENTER LINE IS DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12; THENCE NORTH 90 DEGREES, 00 MINUTES, 00 SECONDS EAST ALONG THE SOUTH LINE OF SAID SECTION 12 A DISTANCE OF 80.43 FEET; THENCE NORTH 00 DEGREES, 25 MINUTES, 17 SECONDS EAST ALONG A LINE 80.43 FEET EAST (AS MEASURED AFORESAID) OF AND PARALLEL WITH THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12 A DISTANCE OF 357.01 FEET TO A POINT ON THE NORTH LINE THE SOUTH 357.00 FEET OF THE SOUTH EAST 1/4 OF SAID SECTION 12 (ALSO BEING THE NORTH RIGHT OF WAY LINE OF THE PUBLIC ROADWAY KNOWN AS HARTLEY ROAD) FOR ITS POINT OF BEGINNING; THENCE CONTINUING NORTH 00 DEGREES, 25 MINUTES, 17 SECONDS EAST A DISTANCE OF 720.29 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 1077.27 FEET OF THE SOUTH EAST 1/4 OF SAID SECTION 12 581.58 FEET WEST (AS MEASURED AT RIGHT ANGLES) OF THE EAST LINE OF SAID SECTION 12 FOR ITS POINT OF TERMINATION, ALL IN COOK COUNTY, ILLINOIS.

## EASEMENT PARCEL "G":

AN EASEMENT, 24.00 FEET IN WIDTH, IN THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, OF WHICH THE CENTER LINE IS DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12; THENCE NORTH 90 DEGREES, 00 MINUTES, 00 SECONDS EAST ALONG THE SOUTH LINE OF SAID SECTION 12 A DISTANCE OF 80.43 FEET; THENCE NORTH 00 DEGREES, 25 MINUTES, 17 SECONDS EAST ALONG A LINE 80.43 FEET EAST (AS MEASURED AFORESAID) OF AND PARALLEL WITH THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12 A DISTANCE OF 1077.30 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 1077.27 FEET OF THE SOUTH EAST 1/4 OF SAID SECTION 12 FOR ITS POINT OF BEGINNING; THENCE CONTINUING NORTH 00 DEGREES, 25 MINUTES, 17 SECONDS EAST A DISTANCE OF 163.22 FEET TO A POINT ON A LINE 1240.19 FEET NORTH (AS MEASURED AT RIGHT ANGLES) OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 12 FOR ITS POINT OF TERMINATION, SAID POINT OF TERMINATION ALSO BEING 581.41 FEET WEST (AS MEASURED AT RIGHT ANGLES) OF THE EAST LINE OF SAID SECTION 12, ALL IN COOK COUNTY, ILLINOIS.

## PARCEL 3:

EASEMENT APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 AS CREATED BY GRANT OF EASEMENTS FOR SANITARY SEWER AND WATER MAIN, RECORDED NOVEMBER 25, 1981 IN THE OFFICE OF THE RECORDER OF DEEDS, COOK COUNTY, ILLINOIS, AS DOCUMENT NO. 26070522, AND RE-RECORDED NOVEMBER 30, 1981 AS DOCUMENT NO. 26072947 IN, ON, OVER AND ACROSS THE FOLLOWING DESCRIBED PROPERTY:

## EASEMENT PARCEL "D":

AN EASEMENT, 10.00 FEET IN WIDTH, IN THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, OF WHICH THE CENTER LINE IS DESCRIBED AS FOLLOWS:

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COMMENCING AT THE SOUTHWEST CORNER OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12; THENCE NORTH 90 DEGREES, 00 MINUTES, 00 SECONDS EAST ALONG THE SOUTH LINE OF SAID SECTION 12 A DISTANCE OF 121.16 FEET; THENCE NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST A DISTANCE OF 140.00 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH 917.27 FEET OF THE SOUTH 1077.27 FEET OF THE SOUTH EAST 1/4 OF SAID SECTION 12 (ALSO BEING THE NORTH LINE OF GOLF ROAD AS WIDENED PER DOCUMENT NO. 20895775) FOR ITS POINT OF BEGINNING; THENCE CONTINUING NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST A DISTANCE OF 151.00 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 291.00 FEET OF THE SOUTH EAST 1/4 OF SECTION 12 (ALSO BEING THE SOUTH RIGHT OF WAY LINE OF THE PUBLIC ROADWAY KNOWN AS HARTLEY ROAD) 543.79 FEET WEST (AS MEASURED AT RIGHT ANGLES) OF THE EAST LINE OF SAID SECTION 12 FOR ITS POINT OF TERMINATION, ALL IN COOK COUNTY, ILLINOIS.

EASEMENT PARCEL "1":

AN EASEMENT, 10.00 FEET IN WIDTH, IN THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, OF WHICH THE CENTER LINE IS DESCRIBED AS FOLLOWS:

COMMENCING ON THE SOUTH LINE OF SAID SECTION 12 (SAID SOUTH LINE HAVING A BEARING OF SOUTH 90 DEGREES, 00 MINUTES, 00 SECONDS WEST) 144.59 FEET WEST (AS MEASURED ALONG THE SOUTH LINE OF SAID SECTION 12) OF THE SOUTHEAST CORNER OF SAID SECTION 12; THENCE NORTH 09 DEGREES, 30 MINUTES, 38 SECONDS EAST A DISTANCE OF 361.97 FEET TO THE POINT ON THE NORTH LINE OF THE SOUTH 357.00 FEET OF THE SOUTH EAST 1/4 OF SAID SECTION 12 (ALSO BEING THE NORTH RIGHT OF WAY LINE OF THE PUBLIC ROADWAY KNOWN AS HARTLEY ROAD) FOR ITS POINT OF BEGINNING; THENCE CONTINUING NORTH 09 DEGREES, 30 MINUTES, 38 SECONDS EAST A DISTANCE OF 159.80 FEET; THENCE SOUTH 89 DEGREES, 43 MINUTES, 52 SECONDS EAST A DISTANCE OF 9.96 FEET TO ITS POINT OF TERMINATION ON THE WESTERLY LINE OF THE PERMANENT EASEMENT TO THE METROPOLITAN SANITARY DISTRICT OF GREATER CHICAGO AS PER DOCUMENT NO. 21391950, SAID POINT OF TERMINATION BEING 514.56 FEET NORTH (AS MEASURED AT RIGHT ANGLES) OF THE SOUTH LINE OF SAID SECTION 12 AND 51.59 FEET WEST (AS MEASURED AT RIGHT ANGLES) OF THE EAST LINE OF SAID SECTION 12, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 4:

EASEMENT APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 WAS CREATED BY RECIPROCAL GRANT OF EASEMENTS FOR STORM SEWER AND WATER DETENTION RECORDED NOVEMBER 25, 1981 IN THE OFFICE OF THE RECORDER OF DEEDS, COOK COUNTY, ILLINOIS AS DOCUMENT NO. 26070573, AND RE-RECORDED NOVEMBER 30, 1981 AS DOCUMENT 26072948 IN, ON, OVER AND ACROSS THE FOLLOWING DESCRIBED PROPERTY:

EASEMENT PARCEL "A":

AN EASEMENT, 10.00 FEET IN WIDTH, IN THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, OF WHICH THE CENTER LINE IS DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE SOUTH LINE OF SAID SECTION 12 (SAID SOUTH LINE HAVING A BEARING OF SOUTH 90 DEGREES, 00 MINUTES, 00 SECONDS WEST) 123.30 FEET WEST (AS MEASURED ALONG SAID SOUTH LINE) OF THE SOUTHEAST CORNER OF SAID SECTION 12; THENCE NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST A DISTANCE OF 251.63 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST A DISTANCE OF 39.17 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 291.00 FEET OF THE SOUTH EAST 1/4 OF SAID SECTION 12 (ALSO BEING THE SOUTH RIGHT OF WAY LINE OF THE PUBLIC ROADWAY KNOWN AS HARTLEY ROAD) 325.14 FEET WEST (AS MEASURED AT RIGHT ANGLES) OF THE EAST LINE OF SAID SECTION 12 FOR ITS POINT OF TERMINATION, ALL IN COOK COUNTY, ILLINOIS

AN EASEMENT 10.00 FEET IN WIDTH, IN THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, OF WHICH THE CENTER LINE IS DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12; THENCE NORTH 90 DEGREES, 00 MINUTES, 00 SECONDS EAST ALONG THE SOUTH LINE OF SAID SECTION 12 A DISTANCE OF 68.43 FEET; THENCE NORTH 00 DEGREES, 25 MINUTES, 17 SECONDS EAST ALONG A LINE 68.43 FEET EAST (AS MEASURED AFORESAID) OF AND PARALLEL WITH THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12 A DISTANCE OF 699.40 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 25 DEGREES, 22 MINUTES, 50 SECONDS EAST A DISTANCE OF 74.48 FEET; THENCE NORTH 90 DEGREES, 00 MINUTES, 00 SECONDS EAST A DISTANCE OF 229.30 FEET TO ITS POINT OF TERMINATION ON THE WEST LINE OF EASEMENT PARCEL "C" (HEREINAFTER DESCRIBED), SAID POINT OF TERMINATION BEING 632.09 FEET NORTH (AS MEASURED AT RIGHT ANGLES) OF THE SOUTH LINE OF SAID SECTION 12 AND 332.31 FEET WEST (AS MEASURED AT RIGHT ANGLES) OF THE EAST LINE OF SAID SECTION 12, ALL IN COOK COUNTY, ILLINOIS

EASEMENT PARCEL "C":

AN EASEMENT, 10.00 FEET IN WIDTH, IN THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, OF WHICH THE CENTER LINE IS DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE SOUTH LINE OF SAID SECTION 12 (SAID SOUTH LINE HAVING A BEARING OF SOUTH 90 DEGREES, 00 MINUTES, 00 SECONDS WEST) 323.30 FEET WEST (AS MEASURED ALONG THE SOUTH LINE OF SAID SECTION 12) OF THE SOUTHEAST CORNER OF SAID SECTION 12; THENCE NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST A DISTANCE OF 357.00 FEET TO THE POINT ON THE NORTH LINE OF THE SOUTH 357.00 FEET OF THE SOUTH EAST 1/4 OF SAID SECTION 12 (ALSO BEING THE NORTH RIGHT OF WAY LINE OF THE PUBLIC ROADWAY KNOWN AS HARTLEY ROAD) FOR ITS POINT OF BEGINNING; THENCE CONTINUING NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST A DISTANCE OF 720.27 FEET TO THE POINT ON THE NORTH LINE OF THE SOUTH 1077.27 FEET OF THE SOUTHEAST 1/4 OF SAID SECTION 12 330.14 FEET WEST (AS MEASURED AT RIGHT ANGLES) OF THE EAST LINE OF SAID SECTION 12 FOR ITS POINT OF TERMINATION, ALL IN COOK COUNTY, ILLINOIS.

EASEMENT PARCEL "J":

AN EASEMENT, 10.00 FEET IN WIDTH, IN THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, OF WHICH THE CENTER LINE IS DESCRIBED AS FOLLOWS:

COMMENCING ON THE SOUTH LINE OF SAID SECTION 12 (SAID SOUTH LINE HAVING A BEARING OF SOUTH 90 DEGREES, 00 MINUTES, 00 SECONDS WEST) 158.91 FEET WEST (AS MEASURED ALONG THE SOUTH LINE OF SAID SECTION 12) OF THE SOUTHEAST CORNER OF SAID SECTION 12; THENCE NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST A DISTANCE OF 140.00 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH 937.27 FEET OF THE SOUTH 1077.27 FEET OF THE SOUTH EAST 1/4 OF SAID SECTION 12 (ALSO BEING THE NORTH LINE OF GOLF ROAD AS WIDENED PER DOCUMENT NO. 20889775) FOR ITS POINT OF BEGINNING; THENCE CONTINUING NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST A DISTANCE OF 35.00 FEET TO A POINT ON A LINE 175.00 FEET NORTH (AS MEASURED AT RIGHT ANGLES) OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 12 FOR ITS POINT OF TERMINATION, SAID POINT OF TERMINATION ALSO BEING 160.02 FEET WEST (AS MEASURED AT RIGHT ANGLES) OF THE EAST LINE OF SAID SECTION 12, ALL IN COOK COUNTY, ILLINOIS.

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## EASEMENT PARCEL "K":

AN EASEMENT IN THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE SOUTH LINE OF SAID SECTION 12 (SAID SOUTH LINE HAVING A BEARING OF SOUTH 90 DEGREES, 00 MINUTES, 00 SECONDS WEST) 123.54 FEET WEST (AS MEASURED ALONG THE SOUTH LINE OF SAID SECTION 12) OF THE SOUTHEAST CORNER OF SAID SECTION 12; THENCE NORTH 06 DEGREES, 39 MINUTES, 12 SECONDS EAST A DISTANCE OF 140.95 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH 937.27 FEET OF THE SOUTH 1077.27 FEET OF THE SOUTH EAST 1/4 OF SAID SECTION 12 (ALSO BEING THE NORTH LINE OF GOLF ROAD AS WIDENED PER DOCUMENT NO. 20885775) AND THE POINT OF BEGINNING; THENCE SOUTH 90 DEGREES, 00 MINUTES, 00 SECONDS WEST ALONG THE LAST DESCRIBED LINE A DISTANCE OF 429.73 FEET; THENCE NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST A DISTANCE OF 136.00 FEET TO A POINT 276.00 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 12; THENCE NORTH 90 DEGREES, 00 MINUTES, 00 SECONDS EAST ALONG A LINE 276.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 12 A DISTANCE OF 445.91 FEET; THENCE SOUTH 06 DEGREES, 39 MINUTES, 12 SECONDS WEST A DISTANCE OF 136.92 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

THE SOUTH EAST 1/4 OF SAID SECTION 12; THENCE NORTH 00 DEGREES, 25 MINUTES, 17 SECONDS EAST ALONG THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12 A DISTANCE OF 140.00 FEET TO A POINT ON THE NORTHERLY LINE OF GOLF ROAD AS WIDENED PER DOCUMENT NO. 20885775 FOR THE POINT OF BEGINNING; THENCE SOUTH 87 DEGREES, 13 MINUTES, 56 SECONDS WEST ALONG THE NORTHERLY LINE OF SAID GOLF ROAD A DISTANCE OF 149.43 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF THE PUBLIC ROADWAY KNOWN AS HARTLEY ROAD; THENCE NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST ALONG THE EAST RIGHT OF WAY LINE OF SAID HARTLEY ROAD A DISTANCE OF 147.51 FEET TO A POINT 276.00 FEET NORTH (AS MEASURED AT RIGHT ANGLES) OF THE SOUTH LINE OF SAID SECTION 12; THENCE NORTH 90 DEGREES, 00 MINUTES, 00 SECONDS EAST ALONG A LINE 276.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 12 A DISTANCE OF 218.90 FEET TO A POINT 58.43 FEET EAST (AS MEASURED ALONG SAID SOUTH LINE OF SAID SECTION 12) OF THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12; THENCE SOUTH 00 DEGREES, 25 MINUTES, 17 SECONDS WEST 00 DEGREES, 25 MINUTES, 17 SECONDS WEST ALONG A LINE 58.43 FEET EAST (AS MEASURED AFORESAID) OF THE WEST LINE OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12 A DISTANCE OF 136.00 FEET TO A POINT ON THE NORTH LINE OF SAID GOLF ROAD (ALSO BEING THE SOUTH LINE OF THE NORTH 937.27 FEET OF THE SOUTH 1077.27 FEET OF THE SOUTH EAST 1/4 OF SAID SECTION 12); THENCE SOUTH 90 DEGREES, 00 MINUTES, 00 SECONDS WEST ALONG THE NORTH LINE OF SAID GOLF ROAD A DISTANCE OF 58.43 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS

EASEMENT PARCEL "M": AN EASEMENT IN THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:



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COMMENCING AT THE SOUTH WEST CORNER OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SAID SECTION 12; THENCE SOUTH 90 DEGREES, 00 MINUTES, 00 SECONDS WEST ALONG THE SOUTH LINE OF SAID SECTION 12 A DISTANCE OF 246.33 FEET TO A POINT OF INTERSECTION WITH THE WEST RIGHT OF WAY LINE OF THE PUBLIC ROADWAY KNOWN AS HARTLEY ROAD EXTENDED SOUTH; THENCE NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST ALONG THE SOUTH EXTENSION OF THE WEST LINE OF SAID HARTLEY ROAD A DISTANCE OF 132.30 FEET TO A POINT IN THE NORTHERLY LINE OF GOLF ROAD AS WIDENED PER DOCUMENT NO. 20885775 FOR THE POINT OF BEGINNING; THENCE SOUTH 88 DEGREES, 13 MINUTES, 56 SECONDS WEST ALONG THE NORTHERLY LINE OF SAID GOLF ROAD A DISTANCE OF 260.75 FEET; THENCE NORTH 00 DEGREES, 00 MINUTES, 00 SECONDS EAST ALONG A LINE 260.75 FEET WEST (AS MEASURED AFORESAID) AND PARALLEL WITH THE WEST RIGHT OF WAY LINE OF SAID HARTLEY ROAD A DISTANCE OF 143.70 FEET; THENCE NORTH 88 DEGREES, 13 MINUTES, 56 SECONDS EAST ALONG A LINE 143.70 FEET NORTH (AS MEASURED AFORESAID) OF AND PARALLEL WITH THE NORTHERLY LINE OF SAID GOLF ROAD A DISTANCE OF 260.75 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF SAID HARTLEY ROAD; THENCE SOUTH 00 DEGREES, 00 MINUTES, 00 SECONDS WEST ALONG THE WEST RIGHT OF WAY LINE OF SAID HARTLEY ROAD A DISTANCE OF 143.70 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS TOGETHER WITH THE RIGHT OF INGRESS AND EGRESS TO AND FROM SAID EASEMENTS OVER AND ACROSS THE ADJACENT LAND FOR THE PURPOSES THEREIN GRANTED, SAID RIGHT OF INGRESS AND EGRESS TO BE EXERCISED IN A REASONABLE MANNER SO AS NOT TO INTERFERE WITH THE BUSINESS OF HOTEL ON PARCEL 1.

(AFFECTS PARCEL 1)

The Property and the buildings and improvements thereon are located at the following street address:

1800 East Golf Road  
Schaumburg, Illinois

*27255000*  
*277*

97026047