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THIS INSTRUMENT PREPARED BY:
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Cohen, Salk & Huvard, P.C.
630 Dundee Road, Suite 120
Northbrook, Illinois 60062

AND AFTER RECORDING MAIL TO:
Jim McDonough, VP
Puritan Finance Corporation
55 West Monroe Street, Suite 3590
Chicago, Illinois 60603

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MORTGAGE, ASSIGNMENT OF LEASES AND SECURITY AGREEMENT

CHICAGO TITLE LAND TRUST COMPANY

SUCCESSOR TRUSTEE TO

THIS MORTGAGE, ASSIGNMENT OF LEASES AND SECURITY AGREEMENT (hereinafter referred to as this "Mortgage") is made as of July 2, 1998 between THE CHICAGO TRUST COMPANY, not personally, but solely as Trustee under Trust Agreement dated June 30, 1998 and known as Trust Number 1105986 (the "Mortgagor"), with an address at 171 North Clark Street, Chicago, Illinois 60601 and PURITAN FINANCE CORPORATION ("Mortgagee"), with a mailing address at 55 West Monroe Street, Chicago, Illinois 60603;

WHEREAS, Mortgagee is concurrently making Mortgagor and TRIPLE S INVESTMENT GROUP, L.L.C., an Illinois limited liability company (the "Beneficiary") and sole beneficiary of the Mortgagor, a \$250,000.00 mortgage loan, evidenced by a Mortgage Note of even date herewith, executed by Mortgagor and Beneficiary, in the principal sum of Two Hundred Fifty Thousand and no/100 (\$250,000.00) Dollars (the "Note"), payable to the order of Mortgagee on July 2, 2000, plus interest payable monthly on the unpaid principal balances thereof outstanding from time to time calculated at a fixed rate of one and one-half percent (1.5%) per month. The Note shall bear interest after maturity or default calculated at a fixed rate of two percent (2.0%) per month (the "Default Rate") (the terms of the Note being incorporated herein by reference); and

WHEREAS, as a condition precedent to the extension of the loan described above, the Mortgagee requires that this Mortgage secure the payment and performance of such loan, and such other indebtedness hereinbelow recited, and the Mortgagor, at the direction of the Beneficiary, has agreed to execute and deliver this Mortgage to Mortgagee;

NOW, THEREFORE, to secure: (a) the payment of the principal, interest and premium on the Note, when the same becomes due and payable (whether by lapse of time, acceleration or otherwise), including all extensions, renewals, refinancings or modifications thereof; (b) the payment of all other indebtedness, obligations and liabilities which this Mortgage secures

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pursuant to any of its terms, including, without limitation, all expenses and charges, legal or otherwise, including reasonable attorneys' fees, paid or incurred by the Mortgagee in realizing upon or protecting this Mortgage or the indebtedness secured hereby; and (c) the performance of Mortgagor's covenants and agreements under this Mortgage, Mortgagor does hereby GRANT, MORTGAGE, CONVEY AND ASSIGN to Mortgagee, its successors and assigns, the real estate described in **Exhibit A** attached hereto and incorporated herein, being situated in the County of Cook, State of Illinois;

TOGETHER WITH (1) all buildings, improvements, fixtures, appurtenances, easements and hereditaments thereto belonging; and together with all equipment and machinery now or hereafter therein or thereon used to supply heat, gas, air conditioning, electrical, sprinkler systems, plumbing, water, light, power, refrigeration and ventilation; communication and electronic monitoring equipment, tanks, pumps and together with any other fixtures, equipment, machinery, or other personal property now or hereafter placed on the above described property which shall be employed in connection with the operation, use, occupancy or enjoyment thereof; (2) all right, title and interest of Mortgagor, including any after-acquired title or reversion, in and to the rights-of-way, roads, streets, avenues and alleys adjoining the Mortgaged Premises; (3) all rents, issues, proceeds and profits accruing and to accrue from the Mortgaged Premises and all right, title and interest of Mortgagor in and to any and all leases approved by Mortgagee now or hereafter on or affecting the Mortgaged Premises, whether written or oral, and all other leases and agreements for the use thereof, and all renewals, extensions and substitutions thereof (all of the foregoing collectively, the "Leases"), together with all security therefor and all monies payable thereunder, subject, however, to the conditional permission of Mortgagee given to Mortgagor to collect the rentals to be paid pursuant thereto, provided Mortgagor shall not be in default hereunder; and (4) all proceeds heretofore or hereafter payable to Mortgagor by reason of loss or damage by fire and such other hazards, casualties and contingencies insured pursuant to the insurance policies hereinafter described and awards and other compensation heretofore or hereafter payable to Mortgagor for any taking by condemnation or eminent domain proceedings of all or any part of the Mortgaged Premises or any easement or appurtenance thereof, including severance and consequential damage. (said real estate and all of the above collectively referred to herein as the "Mortgaged Premises");

TO HAVE AND TO HOLD the Mortgaged Premises unto Mortgagee, its successors and assigns forever, provided, however, that if and when all principal, interest and premium on the Note and all other indebtedness and obligations hereby secured shall be paid in full, and Mortgagor shall perform all of the terms, covenants and agreements contained herein, then this Mortgage shall be released upon the written request and expense of Mortgagor.

Mortgagor covenants that Mortgagor is lawfully seized of the real estate hereby conveyed and has the right to mortgage, grant and convey the Mortgaged Premises; that the Mortgaged Premises are unencumbered, except for the senior mortgage described in **Exhibit B** attached hereto (the "Senior Mortgage"), and that Mortgagor will warrant and defend

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generally the title to the Mortgaged Premises against all claims and demands, subject to any declarations, easements and restrictions of record existing on the date hereof, approved by Mortgagee.

As provided in Section 8 hereinbelow, the total amount of indebtedness secured by this Mortgage may increase or decrease from time to time, but the total unpaid balance so secured at any one time shall not exceed a maximum principal amount equal to Two Hundred Fifty Thousand (\$250,000.00) Dollars, plus interest thereon, and any disbursements made by Mortgagee for the payment of taxes, special assessments, or insurance on the Mortgaged Premises, or to protect the Mortgaged Premises or the lien of this Mortgage, with interest on all such disbursements calculated at the Default Rate, and all costs of collection and of foreclosing this Mortgage, including reasonable attorneys' fees.

MORTGAGOR HEREBY FURTHER COVENANTS TO MORTGAGEE AND AGREES AS FOLLOWS:

1. Mortgagor hereby agrees: (a) to pay when due all indebtedness secured by this Mortgage, all interest thereon and all other indebtedness, obligations and liabilities which this Mortgage secures; (b) not to commit or permit to exist any waste of the Mortgaged Premises (non-payment of taxes or cancellation of insurance shall each constitute waste) and to keep the Mortgaged Premises in good condition and repair; (c) to keep the Mortgaged Premises free of any mortgage, trust deed, assignment of lease and rentals, security agreement, mechanic's lien, or other lien or encumbrance (except this Mortgage and the Senior Mortgage); (d) not to suffer or permit unlawful use or any nuisance to exist upon the Mortgaged Premises; (e) not to abandon the Mortgaged Premises; (f) to pay when due any indebtedness or liability which may be secured by a mortgage, lien, other encumbrance or charge on all or any part of the Mortgaged Premises equal or senior in priority to this Mortgage; (g) to complete within a reasonable time any buildings or improvements now or at any time in the process of erection upon the Mortgaged Premises; (h) immediately after destruction or damage to all or any part of the Mortgaged Premises to commence and promptly complete the rebuilding or restoration of buildings, improvements and all other property now or hereafter on the Mortgaged Premises unless Mortgagee elects to apply the proceeds of insurance to the indebtedness secured by this Mortgage as hereinafter provided; (i) to comply with all laws, regulations, rulings, ordinances, orders and all other requirements imposed by any governmental or other competent authority and with all restrictions, covenants and conditions relating to the Mortgaged Premises or to the use of thereof; and (j) that if the Mortgaged Premises are now or hereafter located in an area which has been designated as a flood risk area by the Director of the Federal Emergency Management Agency or as otherwise required by the Flood Disaster Protection Act of 1973 (as amended from time to time) and regulations issued under it (collectively, the "Act"), the Mortgagor will keep the Mortgaged Premises covered for the duration of the loan evidenced by the Note by flood insurance up to the maximum limit of coverage available under the Act.

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2. Mortgagor shall keep the Mortgaged Premises continuously insured for the benefit of Mortgagee, until the indebtedness secured hereby shall be paid in full and discharged, against fire and such other hazards and risks customarily covered by the standard form of extended coverage endorsement available in the State of Illinois, including risks of lightning, windstorm, malicious mischief, vandalism and other extended coverage hazards, for full replacement value, and such other appropriate insurance as the Mortgagee may require from time to time. All insurance policies and renewals must be acceptable to Mortgagee, must provide for payment to the Mortgagee in the event of loss, must require thirty (30) days notice to the Mortgagee in the event of nonrenewal or cancellation, must be written by insurers acceptable to Mortgagee and have such monetary limits as Mortgagee shall require, and must be delivered to the Mortgagee. Should the Mortgagor fail to insure or fail to pay the premiums on any insurance or fail to deliver the policies or certificates or renewals to the Mortgagee, then the Mortgagee at its option may have the insurance written or renewed and pay the premiums for the account of Mortgagor. In the event of loss or damage, the proceeds of the insurance shall be paid to the Mortgagor and Mortgagee (or if required by the insurer, to the Mortgagee alone). No loss or damage shall itself reduce the indebtedness secured hereby. All casualty policies shall contain a standard mortgagee clause naming Mortgagee as "Mortgagee and Loss Payee" and a Lender's loss payable endorsement in favor of Mortgagee. Mortgagor shall also provide a Comprehensive General Liability Policy naming Mortgagee as an "Additional Insured", written by an insurer acceptable to Mortgagee and having such monetary limits as Mortgagee shall require.

3. In the event of any loss or damage sustained by casualty for which insurance policies are in effect, the Mortgagee is authorized, subject to the rights of the holder of the Senior Mortgage, to adjust, compromise and collect all claims thereunder without the consent of the Mortgagor and to execute and deliver on behalf of Mortgagor all necessary proofs of loss, receipts, vouchers, releases and such other documents as shall be required by the insurers to be executed. At the election of Mortgagee following an uncured Event of Default, the proceeds of any insurance may be applied to the reduction of the indebtedness secured by this Mortgage, whether or not then due, or may be applied to the cost of building or restoring of buildings and improvements on the Mortgaged Premises, or may be applied to both purposes in such proportion as the Mortgagee shall determine (and any surplus, if any, remaining after payment of the indebtedness secured, shall be paid to Mortgagor). That part of the Mortgaged Premises so damaged or destroyed shall be repaired or rebuilt, in accordance with plans and specifications therefor submitted to and approved by Mortgagee (which approval shall not be unreasonably withheld or delayed) and all life, safety and environmental regulations, laws, ordinances (including zoning), rules and regulations of governmental authorities having jurisdiction thereover, so as to be as similar, as is reasonably possible, to the condition which existed prior to such casualty.

4. Mortgagor shall pay all general real estate taxes, special taxes, special assessments, water and sewer charges and all other taxes and charges on the Mortgaged Premises before any charge for nonpayment attaches or accrues, and shall furnish the Mortgagee, upon

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request, with the original or duplicate receipts therefor. If Mortgagor shall desire to contest any tax or special assessment, to avoid default under this Mortgage, Mortgagor shall pay such tax or assessment in full in the manner provided by law.

5. If Mortgagor fails to perform any of its obligations under this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Mortgaged Premises (including, but not limited to, a lien priority dispute, eminent domain, condemnation, code enforcement, insolvency, bankruptcy or probate proceedings), then Mortgagee, at its sole option, after providing Mortgagor five (5) days prior written notice of Mortgagee's intent to do so (or such shorter notice deemed reasonable by Mortgagee if necessary due to the urgency of the matter), may make appearances, disburse sums and take any action it deems necessary to protect its interest (including, but not limited to, the disbursement of reasonable attorneys' fees and paralegals' fees, the entry upon the Mortgaged Premises to make repairs, the full or partial payment of principal or interest on prior encumbrances, the payment of delinquent taxes and insurance premiums and the purchase, discharge or settlement of any tax lien or any other prior lien or claim, or the redemption from any tax sale or forfeiture affecting the Mortgaged Premises or the contest of any tax or assessment). All monies paid or incurred by Mortgagee in connection therewith including costs and reasonable attorneys' fees and any other monies advanced by Mortgagee to protect the Mortgaged Premises shall be so much additional indebtedness secured hereby and shall be immediately due and payable by Mortgagor together with interest at the Default Rate defined herein.

6. In the event that the Mortgaged Premises or any part thereof is taken by condemnation, Mortgagee is hereby empowered, subject to the rights of the holder of the Senior Mortgage, to collect and receive any awards resulting therefrom ("Awards"), which shall, at the election of Mortgagee, be applied to the payment of the Note or any other indebtedness secured hereby, or on account of rebuilding or restoring that part of Mortgaged Premises not so taken or damaged. If Mortgagee elects to permit the use of Awards for rebuilding or restoration of the Mortgaged Premises, the Mortgaged Premises shall be so rebuilt or restored in accordance with plans and specifications therefor submitted to and approved by Mortgagee (which approval shall not be unreasonably withheld or delayed) and applicable laws, so as to be as similar, as is reasonably possible, to the condition which existed prior to condemnation. In the event the Awards are insufficient to pay for all costs of rebuilding or restoration, Mortgagor shall deposit with Mortgagee an amount equal to such excess costs prior to any disbursement.

7. To further secure payment of the Note, all other indebtedness secured hereby and performance of all of the terms, covenants, conditions and agreements contained herein, Mortgagor hereby sells, assigns and transfers to Mortgagee all of its right, title and interest in and to all Leases and rentals, issues, proceeds and profits now due and which may hereafter become due pursuant thereto, it being the intention hereby to establish an absolute transfer and assignment thereof to Mortgagee. Mortgagor hereby irrevocably appoints Mortgagee its agent, in its name and stead (with or without taking possession of the Mortgaged Premises),

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following an uncured Event of Default, to rent, lease or let all or any part of the Mortgaged Premises to any party or parties, at such rental and upon such terms as Mortgagee shall, in its discretion, determine and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter and all presently due or which may hereafter become due pursuant to each and every Lease or any other tenancy existing or which hereafter exists on the Mortgaged Premises, with the same rights and powers and subject to the same rights and powers as Mortgagor would have. If no Event of Default under this Mortgage has occurred, Mortgagor shall have the right to exercise all rights of the landlord under the Leases and to collect all of the rents arising from Leases or renewals thereof. Upon an occurrence of an Event of Default, Mortgagee, at any time or times thereafter, may notify any and all of the tenants of the Leases that the Leases have been assigned to Mortgagee and Mortgagee may direct said tenants thereafter to make all rentals and payments due from tenants under the Leases directly to Mortgagee and shall have the right to enforce the terms of the Leases and obtain payment of and collect the rents, by legal proceedings or otherwise in the name of the Mortgagor. Mortgagor will at all times deliver to the Mortgagee duplicate originals or certified copies of all leases, agreements and documents relating to the Mortgaged Premises and shall permit access by the Mortgagee to its books and records, insurance policies and other papers for examination and making copies and extracts thereof. The Mortgagee, its agents and designees shall have the right to inspect the Mortgaged Premises at all reasonable times and access thereto shall be permitted for that purpose.

8. This Mortgage is given to and shall secure not only existing indebtedness, but also future advances, and this Mortgage secures all such advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise, as are made within twenty years from the date hereof, to the same extent as if future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage, and although there may be no indebtedness outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all such indebtedness and future advances from the time this Mortgage is filed for record in the office of the Recorder of Deeds of the county where the Mortgaged Premises described herein are located. The total amount of indebtedness that may be so secured may increase or decrease from time to time, but the total unpaid balance so secured at any one time shall not exceed Two Hundred Fifty Thousand and no/100 (\$250,000.00) Dollars of principal, plus interest thereon, and any disbursements by Mortgagee made for the payment of taxes, special assessments or insurance on the Mortgaged Premises, or to protect the Mortgaged Premises or the lien of this Mortgage, with interest on such disbursements, and all costs of collection, including reasonable attorneys' fees.

9. If Mortgagor shall transfer, convey, alienate, pledge, hypothecate or mortgage the Mortgaged Premises (except for the Senior Mortgage and the letting thereof to one or more tenants) or any part thereof, or the Beneficiary shall transfer, convey, alienate, pledge, hypothecate or collaterally assign the beneficial interest in the Mortgaged Premises (except to the holder of the Senior Mortgage), or if any member of the Beneficiary shall transfer, convey,

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alienate, pledge or hypothecate its membership interest in the Beneficiary, Mortgagee, at its option, may accelerate the maturity of the Note and declare it to be due and payable forthwith.

10. This Mortgage shall constitute a security agreement between Mortgagor and Mortgagee with respect to that portion of the Mortgaged Premises constituting property or interests in property, whether real or personal, including any and all sums deposited by Mortgagor and held by Mortgagee which are subject to the priority and perfection provisions of the Illinois Uniform Commercial Code. Therefore, to secure payment of the Note and all other indebtedness and obligations of Mortgagor hereunder, Mortgagor hereby grants to Mortgagee a security interest in the Mortgaged Premises and in all such deposits and agrees that, upon an Event of Default, Mortgagee shall have all of the rights and remedies of a secured party under the Illinois Uniform Commercial Code. In addition, from the date of its recording, this Mortgage shall be effective as a fixture financing statement with respect to all goods constituting part of the Mortgaged Premises which are or are to become fixtures related to the real estate described herein. For such purposes the Debtor's name and address shall be the same as the Mortgagor's name and address set forth on the first page hereof, and the Secured Party's name and address shall be the same as the Mortgagee's name and address set forth on the first page hereof. This document covers goods which are or are to become fixtures.

11. Mortgagor shall not and will not apply for or avail itself of any appraisement, valuation, stay, extension or exemption laws, or any so-called "moratorium laws" now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but does hereby waive the benefit of such laws. **Mortgagor expressly waives any and all rights of redemption under any judgment or decree of foreclosure of this Mortgage, on its own behalf, on behalf of the beneficiaries of Mortgagor, on behalf of all persons claiming or having an interest (direct or indirect) by, through or under Mortgagor and on behalf of each and every person acquiring any interest in or title to the Mortgaged Premises subsequent to the date hereof, it being the intent of Mortgagor hereby that any and all such rights of redemption of Mortgagor and of all other persons are and shall be deemed to be hereby waived to the full extent permitted by applicable laws.**

12. The Mortgagor represents and warrants to Mortgagee that Mortgagor has not used Hazardous Substances (as defined hereinafter) on or affecting the Mortgaged Premises in any manner which violates federal, state or local laws, ordinances, statutes, rules, regulations or judgments governing the use, storage, treatment, handling, manufacture, transportation, or disposal of Hazardous Substances ("Environmental Laws"), and that, to the best of Mortgagor's knowledge (based on Mortgagor's actual knowledge and the Phase I Environmental Assessment dated June 22, 1998 performed by Carlson Environmental, Inc., hereafter, the "Audit") no prior owner of the Mortgaged Premises or any current or prior occupant has used Hazardous Substances on or affecting the Mortgaged Premises in any manner which violates Environmental Laws. The Mortgagor covenants and agrees that neither it nor any occupant

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shall use, introduce or maintain Hazardous Substances on the Mortgaged Premises in any manner unless done in strict compliance with all Environmental Laws.

The Mortgagor shall conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Substances on or affecting the Mortgaged Premises, whether caused by the Mortgagor or a third party, in accordance with the orders and directives of all federal, state, and local governmental authorities. Additionally, the Mortgagor shall defend, indemnify and hold harmless the Mortgagee, its employees, agents, officers and directors, from and against any and all claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature arising out of or related to (1) the presence, disposal, release or threatened release of any Hazardous Substances on, from or affecting the Mortgaged Premises or the soil, water, vegetation, buildings, personal property, persons or animals thereon, (2) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Substances, (3) any lawsuit brought or threatened, settlement reached or governmental order relating to such Hazardous Substances, (4) the cost of removal of all such Hazardous Substances from all or any portion(s) of the Mortgaged Premises, (5) taking necessary precautions to protect against the release of Hazardous Substances on or affecting the Mortgaged Premises, (6) complying with all Environmental Laws and/or (7) any violation of Environmental Laws or requirements of the Mortgagee, which are based upon or in any way related to such Hazardous Substances including, without limitation, attorney's and consultant's fees (said attorneys and consultants to be approved by Mortgagee), investigation and laboratory fees, environmental studies required by the Mortgagee (whether prior to foreclosure or otherwise), and court costs and litigation expenses.

The Mortgagor has never received any notice ("Environmental Complaint") of any violations of Environmental Laws (and, within five [5] days of receipt of any Environmental Complaint the Mortgagor shall give the Mortgagee a copy thereof), and to the best of the Mortgagor's knowledge (based on Mortgagor's actual knowledge and the Audit), there have been no actions commenced or threatened by any party for noncompliance with any Environmental Laws.

In the event this Mortgage is foreclosed or the Mortgagor tenders a deed in lieu of foreclosure, the Mortgagor shall deliver the Mortgaged Premises to the Mortgagee free of any and all Hazardous Substances so that the condition of the Mortgaged Premises shall not be a violation of any Environmental Laws.

Upon ten (10) day's notice to the Mortgagor (except in an emergency), without limiting the Mortgagee's other rights under this Mortgage or elsewhere, the Mortgagee shall have the right, but not the obligation, to enter on the Mortgaged Premises or to take such other actions as it deems appropriate to clean up, remove, resolve or minimize the impact of any Hazardous Substances or Environmental Complaint upon the Mortgagee's receipt of any notice from any source asserting the existence of any Hazardous Substances or an Environmental Complaint

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pertaining to the Mortgaged Premises which, if true, could result in an order, suit or other action against the Mortgagor and/or any part of the Mortgaged Premises which, in the sole opinion of the Mortgagee, could jeopardize its security under this Mortgage or any related document. All reasonable costs and expenses incurred by the Mortgagee in the exercise of any such rights shall be secured by this Mortgage and shall be payable by the Mortgagor upon demand, with interest at the Default Rate.

The provisions of this Section 12 shall be in addition to any and all other obligations and liabilities the Mortgagor may have to the Mortgagee at common law or pursuant to any other loan document or instrument evidencing, securing or relating to the Note, and, notwithstanding anything contained herein to the contrary, shall survive (i) the repayment of all sums due under the Note and all other indebtedness secured hereby, (ii) the satisfaction of all of the Mortgagor's other obligations hereunder and under all such other loan documents and instruments, (iii) the discharge of this Mortgage or any such other loan documents and instruments, and (iv) the foreclosure of this Mortgage or acceptance of a deed in lieu thereof.

"Hazardous Substances" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 USC Sections 9601, et seq.), the Hazardous Materials Transportation Act, as amended (42 USC Section 1801, et seq.), the Resource Conservation and Recovery Act of 1976, as amended (42 USC Sections 6901, et seq.) and in the regulations adopted and publications promulgated pursuant thereto, or any other federal, state or local governmental law, ordinance, rule, or regulation.

This Mortgage shall secure, in addition to all other indebtedness and obligations herein recited, any loss, liability, penalty, damage, expense, or judgment including reasonable attorneys' fees incurred by Mortgagee by reason of any actual or alleged violation of Environmental Laws with respect to the Mortgaged Premises, or any governmental or judicial claim, order, lien, or judgment with respect to the repair, cleanup or detoxification of any Hazardous Substances at or with respect to the Mortgaged Premises or any adjoining parcels, and the preparation and implementation of any closure, remedial or other required plans (all of the foregoing collectively called "Environmental Costs").

12A. Notwithstanding anything to the contrary herein contained, Mortgagor shall have the right to contest by appropriate legal proceedings diligently prosecuted any taxes imposed or assessed upon the Mortgaged Premises or which may be or become a lien thereon and any mechanics', materialmen's or other liens or claims for lien upon the Mortgaged Premises (all herein called "Contested Liens"), and no Contested Lien shall constitute an Event of Default hereunder, if, but only if:

- (a) Mortgagor shall forthwith give notice of any Contested Lien to Mortgagee at the time the same shall be asserted;

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- (b) Mortgagor shall deposit with Mortgagee the full amount (herein called the "Lien Amount") of such Contested Lien, together with such amount as Mortgagee may reasonably estimate as interest or penalties which might arise during the period of contest; provided that in lieu of such payment Mortgagor may furnish to Mortgagee a bond or title indemnity in such amount and form, and issued by a bond or title insuring company, as may be satisfactory to Mortgagee;
- (c) Mortgagor shall diligently prosecute the contest of any Contested Lien by appropriate legal proceedings having the effect of staying the foreclosure or forfeiture of the Mortgaged Premises, and shall permit Mortgagee to be represented in any such contest and shall pay all expenses incurred by Mortgagee in so doing, including fees and expenses of Mortgagee's counsel (all of which shall constitute so much additional indebtedness hereby secured bearing interest at the Default Rate until paid, and payable upon demand); and
- (d) Mortgagor shall pay such Contested Lien and all Lien Amounts together with interest and penalties thereon (i) if and to the extent that any such Contested Lien shall be determined adverse to Mortgagor, or (ii) forthwith upon demand by Mortgagee if, in the opinion of Mortgagee, and notwithstanding any such contest, the Mortgaged Premises shall be in jeopardy or in danger of being forfeited or foreclosed; provided that if Mortgagor shall fail so to do, Mortgagee may, but shall not be required to, pay all such Contested Liens and Lien Amounts and interest and penalties thereon and such other sums as may be necessary in the judgment of the Mortgagee to obtain the release and discharge of such liens; and any amount expended by Mortgagee in so doing shall be so much additional indebtedness hereby secured bearing interest at the Default Rate until paid, and payable upon demand; and provided further that Mortgagee may in such case use and apply for the purpose monies deposited as provided in Subsection 12(b) above and may demand payment upon any bond or title indemnity furnished as aforesaid.

13. Any one or more of the following shall constitute an event of default ("Event of Default") hereunder: (a) default in the payment, when due (whether by lapse of time, acceleration or otherwise) of the principal of or interest or premium on the Note or of any other indebtedness hereby secured and such amount shall not be paid within ten (10) days after written notice thereof is sent to Mortgagor; or (b) default for more than thirty (30) days after written notice thereof is sent to Mortgagor in the observance or compliance with any other covenant, warranty, term or provision of this Mortgage, or of any other instrument or document securing the Note or relating thereto, provided, however, that in the event of a default which is not capable of being cured within said thirty (30) day period, the time to cure the same shall be extended for one additional thirty (30) day period if within said thirty (30) day period, Mortgagor shall initiate and diligently pursue a course of action reasonably expected to cure such default, and further provided, if the default arises from a claimed

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building code violation, Mortgagor shall not be deemed in default as long as Mortgagor is diligently contesting such claim in good faith and the lien of this Mortgage is not threatened or impaired; or (c) any representation or warranty made by Mortgagor herein or by Mortgagor or Beneficiary in any separate assignment of leases and/or rents securing the Note or in any other instrument or document securing the Note or relating thereto or in any statement or certificate furnished by it pursuant hereto or thereto proves to be untrue or misleading in any material respect as of the date of issuance or making thereof; or (d) the Mortgaged Premises, or any part thereof, shall be sold, transferred or conveyed, whether voluntarily or involuntarily, by operation of law or otherwise; or (e) any indebtedness secured by a lien or charge on the Mortgaged Premises or any part thereof (including, without limit, the Senior Mortgage) is not paid when due or proceedings are commenced to foreclose or otherwise realize upon any such lien or charge or to have a receiver appointed for the property subject thereto or to place the holder of such indebtedness or its representative in possession thereof; or (f) Mortgagor, Beneficiary, or any guarantor of the Note (each a "Guarantor") becomes insolvent or bankrupt or admits in writing its or his inability to pay its or his debts as they mature or makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee, custodian or receiver for the major part of its or his property or such a trustee, custodian or receiver is appointed for Mortgagor, Beneficiary, or any Guarantor or for the major part of the properties of any of them and is not discharged within thirty (30) days after such appointment, or bankruptcy, reorganization, arrangement, insolvency, readjustment, liquidation, dissolution or other proceedings for relief under any present or future bankruptcy laws or laws or other statute, law or regulation for the relief of debtors are instituted by or against Mortgagor, Beneficiary, or any Guarantor and if instituted against such party are consented to or acquiesced in or are not dismissed within thirty (30) days after such institution, or Mortgagor, Beneficiary, or any Guarantor take any action in contemplation of or furtherance of any of the foregoing; or (g) there shall be any execution, attachment or levy on the Mortgaged Premises not stayed or released within thirty (30) days; or (h) any event occurs or condition exists which is specified as an event of default in any separate assignment of leases and/or rents securing the Note or in any other instrument or document securing the Note or relating thereto; or (i) any financial or other information submitted by Mortgagor, Beneficiary, or any Guarantor proves untrue in any material respect; or (j) the Mortgaged Premises are abandoned; or (k) any Guarantor shall die or become incompetent, or any Guarantor shall terminate, revoke, repudiate or disavow any of his or her obligations under his or her guarantee agreement executed in connection with the loan secured hereby or shall fail to pay when due any amounts payable thereunder; or (l) Mortgagor or Beneficiary shall voluntarily or involuntarily dissolve or terminate; or (m) the outstanding balance of the Senior Mortgage shall be increased above the sum of \$1,000,000.00 without the prior written consent of the Mortgagee.

14. When any Event of Default has occurred and is continuing (regardless of the pendency of any proceeding which has or might have the effect of preventing Mortgagor from complying with the terms of this instrument and of the adequacy of the security for the Note) and in addition to such other rights as may be available under applicable law, but subject at all times

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to any mandatory legal requirements: (a) Mortgagee may, by written notice to Mortgagor, declare the Note and all unpaid indebtedness of Mortgagor hereby secured, including any interest then accrued thereon, to be forthwith due and payable, whereupon the same shall become and be forthwith due and payable, without other notice or demand of any kind; (b) Mortgagee shall, with respect to any part of the Mortgaged Premises constituting property of the type in respect of which realization on a lien or security interest granted therein is governed by the Illinois Uniform Commercial Code, have all the rights, options and remedies of a secured party under the Illinois Uniform Commercial Code; (c) Mortgagee may proceed to protect and enforce the rights of Mortgagee hereunder (i) by any action at law, suit in equity or other appropriate proceedings, whether for the specific performance of any agreement contained herein, or for an injunction against the violation of any of the terms hereof, or in aid of the exercise of any power granted hereby or by law; or (ii) by the foreclosure of this Mortgage in any manner permitted by law; (d) Mortgagee shall, as a matter of right, without giving bond to Mortgagor or anyone claiming by, under or through it, and without regard to the solvency or insolvency of Mortgagor or the then value of the Mortgaged Premises, be entitled to have a receiver appointed of all or any part of the Mortgaged Premises and rents, issues and profits thereof, with such power as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Any such receiver may, to the extent permitted under applicable law, without notice, enter upon and take possession of the Mortgaged Premises or any part thereof by force, summary proceedings, ejectment or otherwise, and may remove Mortgagor or other persons and any and all property therefrom, and may hold, operate and manage the same and receive all earnings, income, rents, issues and proceeds accruing with respect thereto or any part thereof, whether during the pendency of any foreclosure or until any right of redemption shall expire or otherwise; (e) Mortgagee may enter and take possession of the Mortgaged Premises or any part thereof and manage, operate, insure, repair and improve the same and take any action which, in Mortgagee's judgment, is necessary or proper to conserve the value of the Mortgaged Premises. Mortgagee may also take possession of, and for these purposes use, any and all personal property contained on or about the Mortgaged Premises and used in the operation, rental or leasing thereof or any part thereof. Mortgagee shall be entitled to collect and receive all earnings, revenues, rents, issues and profits of the Mortgaged Premises or any part thereof (and for such purpose Mortgagor does hereby irrevocably constitute and appoint Mortgagee its true and lawful attorney-in-fact for it and in its name, place and stead to receive, collect and receipt for all of the foregoing, Mortgagor irrevocably acknowledging that any payment made to Mortgagee hereunder shall be a good receipt and acquittance against Mortgagor to the extent so made) and to apply same to the reduction of the indebtedness hereby secured. The right to enter and take possession of the Mortgaged Premises and use any personal property thereon, to manage, operate and conserve the same, and to collect the rents, issues and profits thereof, shall be in addition to all other rights or remedies of Mortgagee hereunder or afforded by law, and may be exercised concurrently therewith or independently thereof. The expense (including any receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers herein contained shall be so much additional indebtedness hereby secured which Mortgagor promises to pay upon

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demand together with interest at the Default Rate in effect at the time such costs are incurred. Mortgagee shall not be liable to account to Mortgagor for any action taken pursuant hereto other than to account for any rents actually received by Mortgagee. Without taking possession of the Mortgaged Premises, Mortgagee may, in the event the Mortgaged Premises becomes vacant or is abandoned, take such steps as it deems appropriate to protect and secure the Mortgaged Premises (including hiring watchmen therefor) and all costs incurred in so doing shall constitute so much additional indebtedness hereby secured payable upon demand with interest thereon at the Default Rate in effect at the time such costs are incurred.

15. All rights and remedies set forth in this Mortgage are cumulative and the holder of the Note and of every other obligation secured hereby may recover judgment herein, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security of any right or remedy afforded hereby.

16. Unless expressly provided in this Mortgage to the contrary, no consent or waiver, express or implied, by Mortgagee to or of any breach or default by Mortgagor in the performance by Mortgagor of any obligations contained herein shall be deemed a consent to or waiver by Mortgagee of such performance in any other instance or any other obligation hereunder. The failure of Mortgagee to exercise either or both of its remedies to accelerate the maturity of the indebtedness secured hereby and/or to foreclose the lien hereof following any Event of Default hereunder, or to exercise any other remedy granted to Mortgagee hereunder or under applicable law in any one or more instances, or the acceptance by Mortgagee of partial payments of such indebtedness shall neither constitute a waiver of any such Event of Default or of Mortgagee's remedies hereunder or under applicable law nor establish, extend or affect any grace period for payments due under the Note, but such remedies shall remain continuously in force. Acceleration of maturity, once claimed hereunder by Mortgagee, may at Mortgagee's option be rescinded by written acknowledgment to that effect by Mortgagee and shall not affect Mortgagee's right to accelerate maturity upon or after any future Event of Default.

17. No action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

18. Mortgagor represents and agrees that the proceeds of the Note will be used for business purposes and that the Note and this Mortgage are exempt from limitations upon lawful interest, pursuant to the terms of Section 205/4 of Chapter 815 of the Illinois Compiled Statutes.

19. If by the laws of the United States of America, or of any state having jurisdiction over the Mortgagor, any tax is due or becomes due in respect of the issuance of the Note, the Mortgagor shall pay such tax in the manner required by such law.

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EXCULPATORY CLAUSE FOR CHICAGO TITLE LAND TRUST COMPANY, AS TRUSTEE UNDER TRUST 1105986 ATTACHED TO AND MADE A PART OF THE MORTGAGE DATED JULY 2, 1998 , TO PURITAN FINANCE CORPORATION .

It is expressly understood and agreed by and between the parties hereto, anything to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against CHICAGO TITLE LAND TRUST COMPANY, on account of this instrument or on account of any warranty, indemnity, representation, covenant or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

Date: July 2, 1998

CHICAGO TITLE LAND TRUST COMPANY, as Trustee
Under Trust No. 1105986

By: *George Ingalla*
Assistant Vice President

Attest:
By: *Shonda J. Wright*
Assistant Secretary

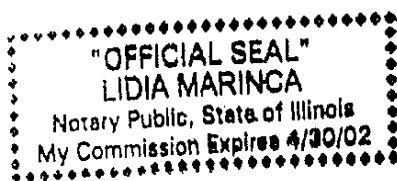


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State of Illinois
County of Cook SS.

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that the above named Assistant Vice President and Assistant Secretary of CHICAGO TITLE LAND TRUST COMPANY, 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 as the free and voluntary act of said Company for the uses and purposes therein set forth; and the said Assistant Secretary then and there acknowledged that the said Assistant Secretary, as custodian of the corporate seal of said Company, caused the corporate seal of said Company to be affixed to said instrument as said Assistant Secretary's own free and voluntary act and as the free and voluntary act of said Company for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 2nd day of July, 1998.



Lidia Marinca
NOTARY PUBLIC

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ACKNOWLEDGMENT

STATE OF ILLINOIS)

) SS.

COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ and _____, the _____ and _____, respectively, of The Chicago Trust Company, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me in person and acknowledged that they signed, sealed and delivered the said instrument as their own free and voluntary acts and as the free and voluntary act of said company, as Trustee, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of July, 1998.

Notary Public

My Commission Expires: _____

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EXHIBIT A

Legal Description

PARCEL 1:

LOT 98 IN GROSS'S 5TH HUMBOLDT PARK ADDITION TO CHICAGO IN THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 16-02-228-040-0000

ADDRESS: 3204-10 WEST DIVISION, CHICAGO, IL AND 1200 N. KEDZIE AVENUE, CHICAGO, IL.

PARCEL 2:

LOTS 1 AND 2 IN THE SUBDIVISION OF LOTS 1, 2 AND 3 IN BLOCK 5 AND SUBDIVISION OF LOT 1 IN BLOCK 4 IN HUMBOLDT PARK ADDITION TO CHICAGO IN THE SOUTHEAST 1/4 OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 16-02-411-020-0000

ADDRESS: 3205-07 WEST DIVISION, CHICAGO, IL AND 1152-58 N. KEDZIE, CHICAGO, IL.

PARCEL 3:

LOT 13 IN THE SUBDIVISION OF LOTS 1, 2, AND 3 IN BLOCK 5 AND SUBDIVISION OF LOT 1 IN BLOCK 4 IN HUMBOLDT PARK ADDITION TO CHICAGO, IN THE SOUTHEAST 1/4 OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 16-02-411-019-0000

ADDRESS: 3214-18 WEST HADDON, CHICAGO, IL

PARCEL 4:

LOTS 14 AND 15 IN BLOCK 5 IN HUMBOLDT PARK ADDITION TO CHICAGO BY WHEATON, EMERY AND RAY, A SUBDIVISION OF LOT 3 IN SUPERIOR COURT PARTITION OF THE EAST 1/2 OF SECTION 2, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 16-02-411-010-0000

ADDRESS: 3242-48 WEST HADDON, CHICAGO, IL

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EXHIBIT B

Senior Mortgage

1. Mortgage and Security Agreement dated July 2, 1998 in favor of Guarantee Trust Life Insurance Company securing a debt of \$1,000,000.00.

Property of Cook County Clerk's Office

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