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MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE made this 15th day of April, 1986 by LASALLE NATIONAL BANK, not individually, but solely as Trustee under Trust Agreement dated March 25, 1986 and known as Trust No. 110880 whose address is 135 South LaSalle Street, Chicago, Illinois 60604 (herein referred to as the "Mortgagor"), to FIRST FEDERAL SAVINGS BANK OF PROVISIO TOWNSHIP, a corporation whose address is 4565 West Harrison Street, Hillside, Illinois 60162 (herein referred to as the "Mortgagee").

WITNESSETH:

WHEREAS, the Mortgagor has executed and delivered to Mortgagee, the Mortgagor's Promissory Note (herein called the "Note") of even date herewith, in the principal sum of:

ONE MILLION FIVE HUNDRED FORTY FIVE THOUSAND DOLLARS (\$1,545,000.00)

payable to the order of the Mortgagee, bearing interest at the rate specified therein due in installments and in any event on February 1, 1987, (herein called the "Maturity Date") unless sooner declared due in accordance with the provisions of the Note, and otherwise in the form and text of the Note attached hereto as Exhibit A and, by this reference incorporated herein and made a part hereof as fully and with the same effect as if set forth herein at length; and

WHEREAS, all of the indebtedness evidenced by the Note, together with all sums payable by the Mortgagor pursuant to the provisions of this Mortgage are herein called the "Indebtedness Hereby Secured"; and all of the terms, provisions, conditions and agreements on the Mortgagor's part to be performed or observed as provided for in the Mortgage, the Note and the Assignment (hereinafter referred to) are herein called the "Secured Obligations"; and

WHEREAS, the Mortgagor is desirous of securing the payment of the Indebtedness Hereby Secured and the performance and observance of the Secured Obligations.

NOW, THEREFORE, the Mortgagor, for and in consideration of the Property and of TEN DOLLARS (\$10.00) to it in hand paid, and for other good and valuable considerations, the receipt and sufficiency of all of which is hereby acknowledged, and in further consideration of the facts herein set forth, and for the purpose aforesaid, has GIVEN, GRANTED, BARGAINED, SOLD, ASSIGNED, MORTGAGE, WARRANTED AND CONVEYED, and by these presents DOES

THIS INSTRUMENT PREPARED BY AND THE RECORDED COPY SENT TO:

Charles H. Braun  
Horwood, Marcus & Braun, Chartered  
30 North LaSalle Street  
Suite 2432  
Chicago, Illinois 60602

70 40 266 D-1

111/ am E.  
D-1/ am E.

4/15/86 Description affects lots 2579 on lot 5215 following

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HEREBY GIVE, GRANT, BARGAIN, SELL, ASSIGN, WARRANT, AND CONVEY unto the Mortgagee, forever, all those certain pieces, parcels or tracts of real property located in the City of Chicago, Cook County, State of Illinois as described on Exhibit B attached hereto and made a part hereof (said real property, together with the property mentioned in the next succeeding paragraphs hereof, being herein called the "Property"), hereby fully and absolutely waiving and releasing all rights and claims Mortgagor may have in or to the Property as a homestead exemption or other exemption under or by virtue of any act of the General Assembly of the State of Illinois now existing or which may hereafter be passed in relationship thereto.

TOGETHER with, and included within the term "Property" as used herein, any and all improvements, tenements, buildings, easements, fixtures, privileges, reservations, allowances, hereditaments and appurtenances, now and hereafter thereunto belonging or pertaining; any and all rights and estates in reversion or remainder; and any and all rights and interest of every name and nature now and hereafter owned by the Mortgagor, forming a part of and/or used in connection with the Property and/or the operation and convenience of the buildings and improvements located thereon, including by way of enumeration but without limitation, all machines, machinery, fixtures, apparatus, equipment or articles used in supply heating, gas, electricity, air conditioning, water, light, power, sprinkler protection, waste removal, refrigeration and ventilation, and all floor coverings, screens, awnings, plumbing equipment and blowers; in each case now or hereafter placed in, on or at the Property (it being understood that the enumeration of any specific articles of property shall in no way exclude or be held to exclude any items of property not specifically enumerated), but excluding tenants' trade fixtures.

AND TOGETHER WITH all of the leases, rents, income, receipts, revenues, issues and profits thereof and therefrom; AND all of the land, estate, property and rights hereinabove described and hereby conveyed and intended so to be, whether real, personal or mixed, and whether or not affixed, or annexed to the Property are intended to be as a unit and are hereby understood, agreed and declared to form a part and parcel of the Property and to be appropriated to the use of the real estate and for the purposes thereof, shall be deemed to be Property conveyed hereby, and part of the security for the Indebtedness Hereby Secured.

TO HAVE AND TO HOLD unto the said Mortgagee, and to his successors and assigns forever, hereby covenanting and agreeing to warrant and defend title to the said Property unto the said Mortgagee, and to substitute Mortgagee, and the assigns of any Mortgagee hereunder, against all persons whomsoever lawfully claiming, or to claim the same, or any part thereof.

AND the Mortgagor does hereby warrant, covenant and agree that the Mortgagor or its designee, is the lawful owner of the Property, and seized of a good and indivisible estate of inheritance therein, free and clear of all encumbrances, liens or charges of any kind or nature whatsoever; and that Mortgagor has the right to convey the same; and that the Mortgagor will warrant and defend the title to the Property and each and every part thereof, to the Mortgagee, its successors and assigns forever, against the lawful claims of all persons whomsoever. This Mortgage is given for the following uses and purposes:

(a) As security for the due and punctual payment by the Mortgagor to the Mortgagee of all of the Indebtedness Hereby Secured; and

(b) As security for the due and punctual performance, observance and payment by the Mortgagor of the Secured Obligations.

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AND THE MORTGAGOR, in order to more fully protect the security of this Mortgage, DOES HEREBY COVENANT AND AGREE as follows:

1. Payment of Indebtedness. The Mortgagor will promptly pay each and every installment of the principal of and interest (including additional interest, if any) and premium, if any, on the Note, and all other Indebtedness Hereby Secured, as the same become due, and will duly and punctually perform and observe all of the Secured Obligations.

2. Maintenance, Repair, Restoration, Prior Liens, Etc.. The Mortgagor will (a) promptly repair, restore or rebuild any buildings or improvements now or hereafter on the Property which may become damaged or be destroyed; (b) keep the Property in good condition and repair, without waste, and free from mechanics', materialmens' or like liens or claims or other liens or claims for lien not expressly subordinated to the lien hereof; (c) pay, when due, any indebtedness which may be secured by a lien or charge on the Property superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to the Mortgagee; (d) complete, within the specified time schedule, if any, any buildings or improvements now or at any time in the process of erection upon the Property; (e) duly and punctually comply with all requirements of record with respect to the Property and the use thereof; (f) make no material alterations in the Property without the Mortgagee's prior written consent, except as required by law or municipal ordinance; (g) suffer or permit no change in the general nature of the occupancy of the Property without the Mortgagee's prior written consent; (h) pay when due all operating costs of the Property; (i) initiate or acquiesce in no zoning reclassification with respect to the Property without the Mortgagee's prior written consent; (j) provide, improve, grade, surface and thereafter maintain, clean, repair, police and adequately light parking areas within the Property of sufficient size to accommodate not less than all standard-size American-made automobiles as may be required by law, ordinance or regulation, together with any sidewalks, aisles, streets, driveways and sidewalk cuts and sufficient paved areas for ingress, egress and right of way to and from the adjoining public thoroughfares necessary or desirable for the use thereof; (k) reserve and use all such parking areas solely and exclusively for the purpose of providing ingress and egress and parking facilities for automobiles and other passenger vehicles of Mortgagor and tenants of the Property and their invitees and licensees; and (l) not reduce, build upon, obstruct, redesignate or relocate any such parking areas, sidewalk cuts or paved areas or rights-of-way or lease or grant any rights to use the same to any other person except tenants and invitees of tenants of the Property without the prior written consent of the Mortgagee.

3. Taxes. The Mortgagor will pay when due and before any penalty attaches, all general and special taxes, assessments, water charges, sewer charges, and other fees, taxes, charges and assessments of every kind and nature whatsoever (all herein generally called "Taxes"), whether or not assessed against the Mortgagor, if applicable to the Property or any interest therein, or the Indebtedness Hereby Secured, or any Secured Obligation; and Mortgagor will, within ten (10) days from the due date for payment thereof, furnish to the Mortgagee, duplicate receipts therefor. To prevent default thereunder, the Mortgagor will pay in full under protest in the manner provided by statute, any Taxes which the Mortgagor may desire to contest; provided, however, that if deferment of payment of any such Taxes is required to conduct any contest or review, the Mortgagor shall deposit with the Mortgagee the full amount thereof together with an amount equal to the estimated interest and penalties thereon during the period of contest. In any event, the Mortgagor shall

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(and if the Mortgagor shall fail so to do, the Mortgagee or the Mortgagee may, but shall not be required to, and for the purpose may use the monies deposited as aforesaid) pay all Taxes, notwithstanding such contest, if in the opinion of the Mortgagee, the Property shall be in jeopardy or in danger of being forfeited, sold at judicial sale or Mortgagee's sale, or foreclosed. Nothing in this Section 3 contained herein shall require the Mortgagor to pay any income, franchise or excise tax imposed upon the Mortgagee excepting only such which may be levied against such income expressly as and for a specific substitute for Taxes on the Property, and then only in an amount computed as if the Mortgagee or Mortgagor delivered no income from any source other than its interest hereunder.

4. Insurance Coverage. The Mortgagor will insure and keep insured, the Property and all of the buildings and improvements now or hereafter constructed or erected upon the Property and each and every part and parcel thereof, against such perils and hazards as the Mortgagee may from time to time require, and, in any event, including:

(a) Insurance against loss by fire, risks covered by the so-called extended coverage endorsement, and other risks (including vandalism and malicious mischief) as the Mortgagee may reasonably require, in amounts equal to the full replacement value of the Property with full replacement cost endorsement.

(b) Comprehensive general public liability insurance against bodily injury and Property damage in an amount not less than \$1,000,000 and property damage liability insurance in an amount not less than \$300,000.00 with such limits to be increased from time to time as the Mortgagee may require.

(c) Steam boilers, machinery and other insurance of the types and in amounts as the Mortgagee may require but, in no event, not less than customarily carried by persons owning or operating like properties.

(d) During the making of any alterations or improvements to the Property (i) insurance covering claims based on the owner's contingent liability not covered by the insurance provided in subsection (b) above and (ii) Workmens' Compensation insurance covering all persons engaged in making such alterations and improvements.

(e) Federal Flood Insurance in the maximum obtainable amount up to the amount of the Indebtedness Hereby Secured, if the Property is in "flood plain area" as defined by the Federal Insurance Administration pursuant to the Federal Flood Disaster Protection Act of 1973, as amended.

(f) Rents and rental value insurance (or, at the discretion of the Mortgagee, business interruption insurance) in amounts sufficient to pay during any period of up to one (1) year in which the building and improvements upon the Property may be damaged or destroyed (i) all rents derived from the Property and (ii) all amounts (including, but not limited to, all taxes, assessments, utility charges and insurance premiums) required herein to be paid by the Mortgagor or by the tenants of the Property.

5. Insurance Policies. All policies of insurance to be maintained and provided as required in Section 4 hereof shall be in forms, from companies having a A.M. Best Co. rating of A+ or A and in amounts reasonably satisfactory to the Mortgagee and all policies of casualty insurance shall have attached thereto mortgage clauses or endorsements in favor of, with loss payable to and in form satisfactory to the Mortgagee and shall:

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(a) Contain endorsements that, by act or negligence of the insured or any occupant and no occupancy or use of the Property for purposes more hazardous than permitted by the terms of the policies will affect the validity or enforceability of such policies as against the Mortgagee;

(b) Be written in amounts sufficient to prevent Mortgagor from becoming a co-insurer; and

(c) Provided for thirty (30) days' prior written notice cancellation to the Mortgagee.

The Mortgagor will deliver all policies, including additional and renewal policies, to the Mortgagee and, in case of insurance policies about to expire, the Mortgagor will deliver renewal policies not less than thirty (30) days prior to the respective date of expiration.

6. Deposits for Taxes and Insurance Premiums. In order to assure the payment of Taxes and insurance premiums payable with respect to the Property as and when the same shall become due and payable at the request of Mortgagee if Mortgagor fails to give Mortgagee the receipts required pursuant to Section 3 hereof:

(a) The Mortgagor shall deposit with the Mortgagee on the first day of each and every month commencing with the date the first payment of interest and/or principal and interest shall become due on the Indebtedness Hereby Secured, an amount equal to:

(i) One-twelfth (1/12) of the Taxes next to become due upon the Property; provided, that in the case of the first such deposit, there shall be deposited in addition, an amount equal to one-twelfth (1/12) of such Taxes next to become due on the Property multiplied by the number of months elapsed between the first day of January of the year succeeding the year for which all Taxes on the Property have been paid and the date of such first deposit, plus

(ii) One-twelfth (1/12) of the annual premiums on each policy of insurance upon the Property; provided, that with the first such deposit, there shall be deposited in addition, an amount equal to one-twelfth (1/12) of such annual insurance premiums multiplied by the number of months elapsed between the date premiums on each policy were last paid to and including the date of deposit;

provided, that the amount of such deposits (herein generally called "Tax and Insurance Deposits") shall be held by the Mortgagee without any allowance of interest thereon.

(b) If and when required, the aggregate of the monthly Tax and Insurance Deposits shall be paid in a single payment each month, to be applied to the following items in the order stated:

- (i) Taxes and insurance premiums;
- (ii) Indebtedness Hereby Secured other than principal and interest on the Note;
- (iii) Interest (including additional interest if any) on the Note; and
- (iv) Principal on the Note.

(c) The Mortgagee, will out of any Tax and Insurance Deposits on hand, and upon the presentation to the Mortgagee by the Mortgagor of the bills therefor, pay the insurance premiums and Taxes or will, upon presentation of receipted bills therefor, reimburse the Mortgagor for such payments made by the Mortgagor. If the total Tax and Insurance Deposits on hand shall not be

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sufficient to pay all of the Taxes and insurance premiums when the same shall become due then the Mortgagor shall pay to the Mortgagee on demand, any amount necessary to make up the deficiency. If the total of such Deposits exceed the amount required to pay the Taxes and insurance premiums, such excess shall be credited on subsequent payment to be made for such items.

(d) In the event of a default in any of the provisions contained in this Mortgage or in the Note, the Mortgagee may, at its option, without being required so to do, apply any Tax and Insurance Deposits on hand on any of the Indebtedness Hereby Secured, in such order and manner as the Mortgagee may elect. When the Indebtedness Hereby Secured has been fully paid, then any remaining Tax and Insurance Deposits shall be paid to the Mortgagor. All Tax and Insurance Deposits are hereby pledged as additional security for the Indebtedness Hereby Secured, and shall be held, but not in trust, to be irrevocably applied for the purposes for which made as herein provided, and shall not be subject to the direction or control of the Mortgagor.

(e) Notwithstanding anything herein to the contrary contained, the Mortgagee shall not be liable for any failure to apply to the payment of Taxes and insurance premiums any amounts deposited as Tax and Insurance Deposits unless the Mortgagor, while no default exists hereunder, shall have requested the Mortgagee in writing to make application of such Deposits on hand to the payment of the particular Taxes or insurance premiums for the payment of which such Deposits were made, accompanied by the bills thereof.

7. Proceeds of Insurance. The Mortgagor will give the Mortgagee prompt notice of any damage to or destruction of the Property; and

(a) In case of loss covered by policies of insurance, the Mortgagee (or, after entry of decree of foreclosure or Mortgagor's sale, the Purchaser at the foreclosure or Mortgagor's sale or decree creditor, as the case may be) is hereby authorized at its option, either (i) to settle and adjust any claim under such policies without the consent of the Mortgagor, or (ii) allow the Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss; provided, that the Mortgagor may itself adjust losses aggregating not in excess of FIVE THOUSAND DOLLARS (\$5,000) and provided further, that in any case, the Mortgagee shall, and is hereby authorized to, collect and receipt for any such insurance proceeds; and the expenses incurred by the Mortgagee in the adjustment and collection of insurance proceeds shall be so much additional Indebtedness Hereby Secured, and shall be reimbursed to the Mortgagee on demand.

(b) In the event of any insured damage to or destruction of the Property or any part thereof (herein called an "Insured Casualty"), and if, in the reasonable judgment of the Mortgagee, the Property can be restored to an economic unit not less valuable than the same was prior to the Insured Casualty, and adequately securing the outstanding balance of the Indebtedness Hereby Secured, then, if no Event of Default as hereinafter defined shall have occurred and be then continuing, and the Mortgagor shall not be in default hereunder or under any other instruments given to secure the Indebtedness Hereby Secured, the proceeds of insurance shall be applied to reimburse the Mortgagor for the cost of restoring, repairing, replacing or rebuilding the Property or part thereof subject to Insured Casualty, as provided for in Section 8 hereof; and the Mortgagor hereby covenants and agrees forthwith to commence and to diligently prosecute such restoring, repairing, replacing or rebuilding; provided, always, that the Mortgagor shall pay all costs of such restoring, repairing or rebuilding in excess of the proceeds of insurance.

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(c) Except as provided for in Subsection (b) of this Section 7, the Mortgagee may apply the proceeds of insurance consequent upon any Insured Casualty upon the Indebtedness Hereby Secured, in such order or manner as the Mortgagee may elect.

(d) In the event that proceeds of insurance, if any, shall be made available to the Mortgagor for the restoring, repairing, replacing or rebuilding of the Property, the Mortgagor hereby covenants to restore, repair, replace or rebuild the same, to be of at least equal value, and of substantially the same character as prior to such damage or destruction; all to be effected in accordance with plans and specifications to be first submitted to and approved by the Mortgagee.

8. Disbursement of Insurance Proceeds. In the event the Mortgagor is entitled to reimbursement out of insurance proceeds held by the Mortgagee, 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, repair, replacement and rebuilding, and with such architect's certificates, waivers or liens, with fund (or assurances satisfactory to the Mortgagee that such funds are available) sufficient in addition to the proceeds of insurance, to complete the proposed contractors' sworn statements and such other evidences of cost and of payment as the Mortgagee may reasonably require and approve; and the Mortgagee may, in any event, require that all plans and specifications for such restoration, repair, replacement and rebuilding be submitted to and approved by the Mortgagee prior to commencement of work. No payment made prior to the final completion of the restoration, repair, replacement and rebuilding shall exceed ninety percent (90%) of the value of the work performed from time to time, funds other than proceeds of insurance 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 of irrevocably commitment to the satisfaction of the Mortgagee by or on behalf of the Mortgagor for the purpose, shall be at least sufficient in the reasonable judgment of the Mortgagee to pay for the cost of completion of the restoration, repair, replacement or buildings, free and clear of all lien, or claims for liens. No interest shall be allowed to the Mortgagor on account of any proceeds of insurance or other funds held in the hands of the Mortgagee.

9. Condemnation. The Mortgagor hereby assigns, transfers and sets over unto the Mortgagee, the entire proceeds of any award or claim for damages for any of the Property taken or damaged under the power of eminent domain, or by condemnation, or in connection with any conveyance in lieu thereof. Such proceeds shall, at the option of the Mortgagee, be applied on account of the Indebtedness Hereby Secured then most remotely to be paid, and to the extent not so applied, shall be paid to the Mortgagor or any other party entitled thereto. No interest shall be allowed to Mortgagor on account of any award held by Mortgagee.

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

11. Prepayment Privilege. At such time as the Mortgagor is not in default under the terms of the Note, or under the terms of this Mortgage, and no Event of Default shall have occurred or be continuing hereunder, the Mortgagor shall have the privilege of making prepayments on the principal of the Note in accordance with the terms and conditions, if any, set forth in the Note, but not otherwise.

12. Effect of Extensions of Time, Amendments on Junior Lien and Others. If the payment of the Indebtedness Hereby Secured, or any part thereof, be extended or varied, or if any part of the security be released, all persons now or at any time hereafter liable therefor, or interested in the Property, shall be held to assent to such extension, variation or release, and their liability, and the lien, and all provisions hereof, shall continue in full force and effect, the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding any such extension, variation or release. Any person, firm or corporation taking a junior mortgage, trust deed or other lien upon the Property or any interest therein, shall take the said lien, subject to the rights of the Mortgagee herein to amend, modify and supplement this Mortgage, the Note and the Assignment and to extend the maturity of the Indebtedness Hereby Secured, in each and every case without obtaining the consent of the holder of such junior lien and without the lien of this Mortgage losing its priority over the rights of any such junior lien, except that the consent of the existing Junior Mortgagee (as hereinafter defined) shall be required for any such extension or variation of this Mortgage. Such consent, however, shall not be required for a release hereunder.

13. Effect of Changes in Tax Laws. In the event of the enactment after the date hereof by an legislative authority having jurisdiction of the Property of any law deducting from the value of the land for the purposes of taxation, any lien thereon, or imposing upon the Mortgagee or Mortgagor the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by the Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee's or Mortgagor's interest in the Property, or the method of collecting taxes, so as to affect this Mortgage or the Indebtedness Hereby Secured, or the holder thereof, then, in any event, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee therefor; provided, however, that if, in the opinion of counsel for the Mortgagee, (a) the making of such payments might result in the imposition of interest beyond the maximum amount permitted by law, or (b) it might be lawful to require Mortgagor to make such payments, then in such event, the Mortgagee may elect, by notice in writing to Mortgagor, to declare all of the Indebtedness Hereby Secured due and payable within sixty (60) days of the giving of such notice.

14. Mortgagee's Performance of Mortgagor's Obligations. In case of default therein, the Mortgagee may, but shall not be required to, make any payment or perform any act herein or required of the Mortgagor (whether or not the Mortgagor is personally liable therefor) in any form or manner deemed expedient to the Mortgagee; and the Mortgagee may, but shall not be required to, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Property, or contest any tax or assessment. All monies paid for any of the purposes herein authorized, and all expenses paid or incurred in connection therewith, including attorneys' fees and any other monies advanced by Mortgagor to protect the Property and the lien hereof, shall be so much additional Indebtedness Hereby Secured, and shall become immediately due and payable without notice, and with interest thereon at the Default Rate specified in the Note (herein called the "Default Rate"). Inaction of the Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of the Mortgagor. The Mortgagee, in making any payment hereby authorized (a) relating to taxes and assessments, may do so according to any bill, statement or

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estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; or (b) for the purchase, discharge, compromise or settlement of any other prior lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted.

15. Inspection of Property. The Mortgagee or its duly appointed servicer or other agent shall have the right to inspect the Property at all reasonable times, and access thereto shall be permitted for that purpose.

16. Financial Statements. The Mortgagor will, furnish to the Mortgagee at the place where interest is then payable, financial and operating statements of the Property for each calendar quarter, all in reasonable detail and in any event, including itemized statements of receipts and disbursements. Such financial and operating statements shall be provided at the expense of Mortgagor, and shall be such form as is acceptable to the Mortgagee in its sole and absolute discretion, and the Mortgagee may, by notice to Mortgagor, require that the same be prepared and certified pursuant to audit by a firm of independent certified public accountants satisfactory to Mortgagee. If such financial and operating statements shall not be furnished in acceptable form when due, Mortgagee may audit or cause to be audited the books of the Property and/or the Mortgagor at the Mortgagor's expense, and the costs of such audit shall be so much additional Indebtedness Hereby Secured bearing interest at the Default Rate until paid, and payable on demand.

17. Restriction on Transfer. It shall be an immediate Event of Default and Default hereunder if, without the prior written consent of the Mortgagee:

(a) The Mortgagor shall create, effect or consent to or shall suffer or permit any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of the Property or any part thereof, or interest therein, excepting only sales or other dispositions of Collateral (herein called "Obsolete Collateral") no longer useful in connection with the operation of the Property; provided that prior to the sale or other disposition thereof, such Obsolete Collateral has been replaced by Collateral, subject to the first and prior lien hereof, of at least equal value and utility; or

(b) Any beneficiary of the Mortgagor, if the Mortgagor is a Trust, shall create, effect or consent to, or shall suffer or permit, any sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of such beneficial interest in the Mortgagor; or

(c) Any shareholder of the Mortgagor, if the Mortgagor is a corporation shall create, effect or consent to, or shall suffer or permit any sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of any shareholder's shares in the Mortgagor; or

(d) Any general partner or joint venturer, if the Mortgagor is a partnership or joint venture, shall create, effect or consent to, or shall suffer or permit any sale, assignment,

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transfer, lien, pledge, mortgage, security interest or other encumbrance or alienation of any part of the partnership or joint venture interest, as the case may be, of such partner or joint venturer in the Mortgagor or, except as hereinafter provided, in the shares of stock of a corporate general partner;

(e) In each case whether any such conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest, encumbrance or alienation is effected directly, indirectly, voluntarily or involuntarily by operation of law or otherwise, provided, that the foregoing provisions of this Section 17 shall not apply (i) to liens securing the Indebtedness Hereby Secured, (ii) to the lien of current taxes and assessments not in default, (iii) to any transfers of the Property, or part thereof, or interest therein, or any beneficial interests, or shares of stock or partnership or joint venture interest, as the case may be, in the Mortgagor by or on behalf of an owner thereof who is deceased or declared judicially incompetent, to such owner's heirs, legatees, devisees, executors, administrators, estate, testamentary trusts, personal representatives and/or committee or (iv) the sale of individual condominium units in which a Partial Release Payment and a Release Fee (as those terms are defined in the Loan Agreement) have been remitted to Mortgagee, provided such sales are made in accordance with all of the terms and provisions relating thereto contained in the Loan Agreement. The provisions of this Section 17 shall be operative with respect to, and shall be binding upon, any persons who, in accordance with the terms thereof or otherwise, shall acquire any part of the interest in or encumbrance upon the Property, or such beneficial interest in, share of stock of, or partnership or joint venture interest in the Mortgagor.

18. Uniform Commercial Code. This Mortgage constitutes a Security Agreement under the Uniform Commercial Code of the State of Illinois (herein called the "Code") with respect to any part of the Property which may or might now or hereafter be or be deemed to be personal property, fixtures or property other than real estate or tenants' trade fixtures (all for the purposes of this Section 18 called "Collateral"); all of the terms, provisions, conditions and agreements contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Property; and the following provisions of this Section 18 shall not limit the generality or applicability of any other provision of this Mortgage but shall be in addition thereto:

(a) The Mortgagor (being the Debtor as that term is used in Code) is and will be the true and lawful owner of the Collateral, subject to no liens, charges or encumbrances other than the lien hereof.

(b) The Collateral is to be used by the Mortgagor solely for business purposes, being installed upon the Property for Mortgagor's own use or as the equipment and furnishings by Mortgagor, as landlord, to tenants of the Property.

(c) The Collateral will be kept at the real estate comprised in the Property, and will not be removed therefrom without the consent of the Mortgagee (being the Secured Party as that term is defined in the Code) or any other person; and the Collateral may be affixed to such real estate but will not be affixed to any other real estate.

(d) The only persons having any interest in the Property are the Mortgagor, the Mortgagee, the Junior Mortgagee, and persons occupying the Property as tenants only.

(e) No Financing Statement covering any of the Collateral or any proceeds thereon is on file in any public office except pursuant hereto; and Mortgagor will, at its own cost and expense, upon demand, furnish to the Mortgagee such

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further information and will execute and deliver to the Mortgagee such financing statements and other documents in form satisfactory to the Mortgagee and will do all such acts and things as the Mortgagee may at any time or from time to time reasonably request or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the Indebtedness Hereby Secured, subject to no adverse liens or encumbrances; and the Mortgagor will pay the cost of filing the same or filing or recording such financial statements or other documents, and this instrument in all public offices wherever filing or recording is deemed by the Mortgagee to be necessary or desirable.

(f) Upon any default or Event of Default hereunder, (regardless of whether the Code has been enacted in the jurisdiction where rights or remedies are asserted) and at any time thereafter (such default not having previously been cured), the Mortgagee, at its option may declare the Indebtedness Hereby Secured immediately due and payable, all as more fully set forth in Section 19 hereof, and thereupon, Mortgagee shall have the remedies of a secured party under the Code, including without limitation, the right to take immediate and exclusive possession of the Collateral, or any part thereof, and for that purpose may, so far as the Mortgagor can give authority therefor, with or without judicial process, enter (if this can be done without breach of the peace), upon any place on which the Collateral is affixed to real estate, such removal shall be subject to the conditions stated in the Code); and the Mortgagee shall be entitled to hold, maintain, preserve and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral subject to Mortgagor's right of redemption, if any, in satisfaction of the Mortgagor's obligations, as provided in the Code. The Mortgagee, without removal, may render the Collateral unusable and dispose of the Collateral on the Property. The Mortgagee may require the Mortgagor to assemble the Collateral and make it available to the Mortgagee for its possession at a place to be designated by Mortgagee which is reasonably convenient to both parties. The Mortgagee will give Mortgagor at least five (5) days' notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is made. The requirements of reasonable notice shall be met if such notice is mailed, by certified mail or equivalent, postage prepaid, to the address of Mortgagor shown on the first page hereof of this Mortgage at least five (5) days before the time of the sale or disposition. The Mortgagee may buy at any public sale and if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, Mortgagee may buy at private sale. Any such sale may be held as part of and in conjunction with any judicial foreclosure sale or Mortgagor's sale of the real estate comprised within the Property, the Collateral and real estate to be sold as one lot if Mortgagee so elects. The net proceeds realized upon any such disposition after deduction for the expenses of retaking, holding, preparing for sale, selling or the like and the reasonable attorneys' fees and legal expenses incurred by Mortgagee, shall be applied in satisfaction of the Indebtedness Hereby Secured. The Mortgagee will account to the Mortgagor for any surplus realized on such disposition.

(g) The remedies of the Mortgagee hereunder are cumulative and the exercise of anyone or more of the remedies provided herein or under the Code shall not be construed as a waiver of any of the other remedies of the Mortgagee, including having the Collateral deemed part of the real estate upon any judicial foreclosure or Mortgagor's sale thereof so long as any part of the Indebtedness Hereby Secured remains unsatisfied.

(h) The terms and provisions contained in this Section 18 shall, unless the context otherwise requires, having the meanings and be construed as provided in the Code.

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19. Events of Default. If one or more of the following events (herein called "Events of Default") shall occur:

(a) If default be made in and due and punctual payment of the Note, either principal or interest (including additional interest, if any) for a period of ten (10) days after written notice from Mortgagee, or if default be made in the making of any payment of monies required to be made hereunder or under the Note; or

(b) If an Event of Default pursuant to Section 17 shall occur and be continuing, without notice or period of grace of any kind; or

(c) If default be made in the due and punctual delivery to the Mortgagee of the financial statements required pursuant to Section 16 hereof, without notice or period of grace of any kind; or

(d) If any representation or warranty made by or on behalf of Mortgagor herein or in any certificate given in connection with the Indebtedness Hereby Secured shall prove untrue in any material respect; or

(e) If (and for the purpose of this Section 19(e) only, the term Mortgagor shall mean and include not only Mortgagor but each person who, as guarantor, co-maker or otherwise shall be or become liable for or obligated upon all or any part of the Indebtedness Hereby Secured or any of the covenants or agreements contained in the Loan Agreement):

(i) Mortgagor shall file a petition in voluntary bankruptcy under any chapter of the Federal Bankruptcy Act or any similar law, state or federal, not or hereafter in effect; or

(ii) Mortgagor shall file an answer admitting insolvency or inability to pay its debts, or

(iii) Within ten (10) days after the filing against Mortgagor of any involuntary proceedings under such Bankruptcy Act or similar law, such proceedings shall not have been vacated or stayed, or

(iv) Mortgagor shall be adjudicated a bankrupt, or a Mortgagor or a receiver shall be appointed for Mortgagor or for all or the major part of Mortgagor's property, or the Property, in any involuntary proceedings, or any court shall have taken jurisdiction of all or the major part of Mortgagor's property or the Property in any involuntary proceedings for the reorganization, dissolution, liquidation, or winding up of Mortgagor, and such Mortgagor receiver shall not be discharged or such jurisdiction relinquish or vacated or stayed on appeal or otherwise stayed within ten (10) days, or

(v) Mortgagor shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due or shall consent to the appointment of a receiver or Mortgagor or liquidator of all or the major part of its property, or the Property, or

(f) If any default shall exist under the provisions of Section 26 hereof, or under the Assignment, or

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(g) If default shall continue for fifteen (15) days in the due and punctual performance or observance of any other agreement or condition herein or in the Note contained, or

(h) If the Property shall be abandoned; or

(i) If default is made in the maintenance and delivery to Mortgagee of the insurance required to be maintained and delivered hereunder, without notice or grace or any kind; or

(j) If any default shall exist under the provisions of the Loan Agreement; then the Mortgagee is hereby authorized and empowered, at its option, and without affecting the lien hereby created or the priority of said lien or any right of the Mortgagee or Mortgagor hereunder, to declare, without further notice, all Indebtedness Hereby Secured to be immediately due and payable, whether or not such default be thereafter remedied by the Mortgagor.

20. Judicial Foreclosure. The rights to foreclose this Mortgage by appropriate proceedings in any court of competent jurisdiction is also hereby given.

21. Expenses of Mortgagor's Sale or Foreclosure. In the event the Property shall be sold by the Mortgagor pursuant to the provisions of Section 20 or in the event that this Mortgage shall be foreclosed by appropriate proceedings in a court of competent jurisdiction as provided for in Section 21 hereof, there shall be allocated and included as additional Indebtedness Hereby Secured, all expenses which may be paid or incurred by or on behalf of the Mortgagor or the Mortgagee for reasonable attorneys' fees, appraisers' 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, and similar data and assurances with respect to title, as the Mortgagor or the Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at the sales which may be had pursuant to such proceedings, the true conditions of the title to or the value of the Property, together with and including a reasonable compensation to the Mortgagor and there shall also be allowed and included as additional indebtedness all expenses, costs and outlays incurred by or on behalf of the Mortgagee in connection with the exercise of the Assignment (as defined in the Note) or in connection with management, maintenance, repair or leasing of the Property (including, without limitation, legal, accounting, management and leasing fees), in each case whether incurred before or after institution of foreclosure proceedings or sale pursuant to Section 20 hereof. All expenditures and expenses of the nature in this Section mentioned, and such expenses and fees as may be incurred in the protection of said Property and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by the Mortgagee or Mortgagor in any litigation or proceedings affecting the Mortgage, the Note or the Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be so much additional Indebtedness Hereby Secured and shall be immediately due and payable by the Mortgagor, with interest thereon at the rate specified in the Note.

22. Proceeds of Mortgagor's or Foreclosure Sale. The proceeds of any Mortgagor's or foreclosure sale of the Property shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the Mortgagor's sale or the foreclosure proceedings, as the case may be, including all such items as are mentioned in Section 21 hereof; Second, all other items which, under the terms hereof,

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constitute Indebtedness Hereby Secured additional to that evidenced by the Note, with interest on such items as herein provided; Third, to interest (including Additional Interest) remaining unpaid upon the Note; Fourth, to the principal remaining unpaid upon the Note; and lastly, any overplus to the Mortgagor and its successors or assigns, as their rights may appear, subject to the rights of the Junior Mortgagee.

23. Right to Possession and Receiver. Upon or at any time after the occurrence of any Event of Default hereunder, the Mortgagor or the Mortgagee shall at once become entitled to the possession, use and enjoyment of the Property, and to the rents, issues and profits thereof, from the date of such occurrence and continuing during the pendency of any proceedings of sale by the Mortgagor or foreclosure proceedings, and the period of redemption, if any. Such possession shall at once be delivered to the Mortgagor or the Mortgagee on request, and on refusal, the delivery of such possession may be enforced by the Mortgagor or the Mortgagee by any appropriate civil suit or proceeding, and the Mortgagor or the Mortgagee shall be entitled to a receiver for the Property, and of the rents, issues and profits thereof, after any such default, including the time covered by any proceedings for sale by the Mortgagor or foreclosure proceedings and the period of redemption, if any there be. The Mortgagor and/or the Mortgagee shall be entitled to such receiver as a matter of right without regard to the solvency or insolvency of Mortgagor, or of the then Owner of the Property, and without regard to the value thereof, and such receiver may be appointed by any court of competent jurisdiction upon ex parte application, and without notice (notice being hereby expressly waived) and all rents, issues and profits, income and revenue therefrom shall be applied by such receiver to the payment of the Indebtedness Hereby Secured according to law and the orders and directions of the court.

24. Insurance Upon Foreclosure. In case of an insured loss after judicial foreclosure or Mortgagor's sale proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in rebuilding or restoring the buildings or improvements, as aforesaid, shall be used to pay the amount due upon the Indebtedness Hereby Secured. In the event of judicial foreclosure or Mortgagor's sale, the Mortgagee or Mortgagor is hereby authorized, without the consent of the Mortgagor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as the Mortgagee or Mortgagor may deem advisable to cause the interest of such purchaser to be protected by any of the said insurance policies.

25. Waivers. To the full extent that the covenants and waivers contained in this Section are permitted by law, but not otherwise, Mortgagor hereby waives any and all rights under, and covenants and agrees that it will not at any time insist upon or plead or in any manner whatsoever claim or take advantage of:

(a) Any stay, exemption or extension law, or any so-called "Moratorium Law" nor or hereafter in effect; or

(b) Any law or hereafter in effect providing for the valuation or appraisal of the Property, or any part thereof prior to any sale or sales thereof pursuant to any provisions herein contained or to decree, judgment or order of court of competent jurisdiction; or

(c) Any law now or hereafter in effect providing Mortgagor, its successors or assigns, or any person claiming by, its successors or assigns, or any person claiming by, through or under Mortgagor, or any other person any right to redeem any property sold or relating to the marshalling thereof, upon judicial foreclosure or Mortgagor's sale or other enforcement

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hereof; and the Mortgagor will not invoke or utilize any such law or laws of otherwise hinder, delay or impede the execution of any right, power or remedy herein or otherwise granted or delegated to the Mortgagor or Mortgagee, but will suffer and permit the execution of every such right, power and remedy permit the execution of every such right, power and remedy as though no such law or laws have been made or enacted.

26. Assignment. As further security for the Indebtedness Hereby Secured and the Secured Obligations, Mortgagor has, concurrently herewith, executed and delivered to the Mortgagee, an Assignment of Rents and Leases (herein called the "Assignment") dated as of the date hereof, wherein and whereby, among other things, Mortgagor has assigned to the Mortgagee all of the leases, rents and issues and profits and the rights of management of the Property, all as therein more specifically set forth, and said Assignment is hereby incorporated herein by reference as fully and with the same effect as if set forth herein in length. Mortgagor agrees that it will duly perform and observe all of the terms and provisions on its part to be performed and observed under the Assignment. Mortgagor further agrees that it will duly perform and observe all of the terms and provisions on lessor's part to be performed and observed under any and all leases of the Property to the end that no default on the part of lessor shall exist thereunder. Mortgagor agrees that it shall not consent to any changes in the permitted use of the demised Property set forth in any lease of the Property, nor to the assignment of any lease or the subletting of any demised Property within the Property without the prior written consent of the Mortgagee. Nothing herein contained shall be deemed to obligate the Mortgagee to perform or discharge any obligation, duty or liability of lessor under any lease of the Property, and Mortgagor shall and does hereby indemnify and hold the Mortgagee harmless from any and all liability, loss or damage with the Mortgagee may or might incur under a lease of the Property or by reason of the Assignment; and any and all such liability, loss or damage, together with the costs and expenses, including reasonable attorneys' fees, incurred by the Mortgagee in the defense of any claims or demands therefor (whether successful or not), shall be so much additional Indebtedness Hereby Secured, and Mortgagor shall reimburse Mortgagee therefor on demand, together with interest at the default rate specified in the Note from the date of demand to the date of payment.

27. Mortgagee in Possession. Nothing herein or in the Assignment contained shall be construed as consisting the Mortgagor or Mortgagee a mortgagee in possession.

28. Title in Mortgagor's Successors. In the event that the ownership of the Property becomes vested in a person or persons other than the Mortgagor, the Mortgagor and Mortgagee may, without notice to Mortgagor, deal with such successor or successors in interest of Mortgagor with reference to this Mortgage, the Indebtedness Hereby Secured and the Secured Obligations in the same manner as with Mortgagor. Mortgagor will give immediate written notice to the Mortgagee of any conveyance, transfer or change or ownership of the Property, but nothing in this Section 28 contained shall vary or negate the provisions of Section 17 hereof.

29. Rights Cumulative. Each right, power and remedy herein conferred upon the Mortgagee or the Mortgagor is cumulative and in addition to every other right, power or remedy, existing or implied, given now or hereafter existing, at law or in equity, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the Mortgagee or Mortgagor, and the exercise or the beginning of the exercise of

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one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power or remedy; and no delay or omission of the Mortgagee or Mortgagor in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

30. Successors and Assigns. This Mortgage and each and every covenant, agreement and other provision hereof shall be binding upon the Mortgagor and its successors and assigns (including, without limitation, each and every time to time record owner of the Property or any other person having an interest therein), and shall inure to the benefit of the Mortgagee and Mortgagor and their respective successors and assigns. Wherever herein the Mortgagee is referred to, such reference shall be deemed to include the holder from time to time of the Note, whether so expressed or not; and each such from time to time holder of the Note shall have and enjoy all of the rights, privileges, powers and options, and benefits afforded the Mortgagee hereby and hereunder, and may enforce all and every of the terms and provisions hereof, as fully and to the same extent and with the same effect as if such from time to time holder were herein by name specifically granted such rights, privileges, powers, options and benefits and was herein by name designated the Mortgagee.

31. Provisions Severable. The unenforceability or invalidity of any provision or provisions hereof shall not render any other provision or provisions herein contained unenforceable or invalid.

32. Waiver of Defense. 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 act at law upon the Note.

33. Captions and Pronouns. The captions and headings of the various sections of this Mortgage are for convenience only, and are not to be construed as confining or limiting in any way the scope or intent of the provisions hereof. Wherever the context requires or permits, the singular shall include the plural, the plural shall include the singular and the masculine, feminine and neuter shall be freely interchangeable.

34. Addresses and Notices. Any notice which any part hereto may desire or may be required to give to any other party shall be in writing, and the mailing thereof by United States certified mail, return receipt requested, postage prepaid, to the following addresses, or to such other place as any party hereto may by notice in writing designate, shall constitute service of notice hereunder:

(a) If to the Mortgagee, at the place where payments are then required to be made upon the Note.

(b) If to the Mortgagor, at the address shown above in the initial paragraph hereof.

35. Further Assurances. The Mortgagor will do, execute and acknowledge and deliver all and every further acts, deeds, conveyances, transfers and assurances necessary or proper, in the sole judgment of the Mortgagee, for the better assuring, con-

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veying, mortgaging, assigning and confirming unto the Mortgagee or Mortgagor all property which is the subject matter of this Mortgage or property intended so to do, whether now owned by Mortgagor or hereafter acquired.

36. Recording. The Mortgagor will cause this Mortgage, the Assignment and all other documents securing the Indebtedness Hereby Secured at all times to be properly filed and/or recorded at Mortgagors' own expense and in such manner and in such places as may be required by law in order to fully preserve and protect the rights of the Mortgagor and the Mortgagee.

37. Successor Mortgagor. Should the Mortgagor herein named be dead or fail or refuse to act, or become disqualified from acting hereunder for any reason whatsoever, or if the Mortgagee shall at any time for any reason elect to replace the Mortgagor herein named or any successor Mortgagor, the said Mortgagee or other legal holders of the Note hereby secured shall have full power to appoint a substitute Mortgagor in writing, without notice to the Mortgagor, who shall have the same powers which are herein delegated to the said Mortgagor; and the Mortgagor herein does hereby ratify and confirm any and all acts which the said Mortgagor or his successors in this trust, or the said Mortgagee or other legal holder of said Note may do in the Property by virtue hereof.

38. Usury. It is the intent hereof that at all times the rate of interest on the loan evidenced by the Note shall not exceed the maximum rate permitted by applicable law. If the rate of interest specified in the Note, together with any other payments herein or otherwise required to be made by Mortgagor or received by Mortgagee in connection with or received by Mortgagee in connection with this loan, and deemed to be interest, shall exceed the maximum rate of interest permitted by applicable law, then such payments, to the extent they exceed such maximum rate, shall be deemed to have been made and received inadvertently, and shall, for all purposes be deemed to be a payment of and on account of the principal balance of the Indebtedness Hereby Secured and shall be applied accordingly.

39. Corporate Existence. The Mortgagor, if a corporation, further represents and warrants that it is a corporation duly organized and validly existing under the laws of the State and its incorporation; that it has duly qualified as a corporation and is duly licensed to do business in the State of Illinois, and in each and every jurisdiction wherein the nature of its business or its ownership or property makes such qualification or licensing necessary; that all corporate action necessary for the creation and issuance of the Note and the execution and delivery of this Mortgage and Assignment has been duly and validly taken; that the Note, this Mortgage and the Assignment are each, respectively, the valid and binding obligations of the Mortgagor, enforceable in accordance with their respective terms; and that neither the Note nor this Mortgage nor the Assignment, nor the performance or observance of any of the matters or things in said instruments provided for, contravene any provision of law or any provision of Mortgagor's Articles of Incorporation or By-laws, or the provisions of any covenant, indenture or agreement to which the Mortgagor is a party or by which it is bound; and the Mortgagor covenants and agrees to preserve and keep in force and effect its corporation existence and all licenses and permits necessary to the property conduct of its business.

40. Release of Lien. Upon written request of Mortgagee stating that all sums secured hereby have been paid, and upon surrender of this Mortgage and said Note to Mortgagor for cancellation and retention, and upon payment of its fees,

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## PROMISSORY NOTE

\$1,545,000

April 15, 1986

FOR VALUE RECEIVED, the undersigned LASALLE NATIONAL BANK, not individually, but solely as Trustee under Trust Agreement dated March 25, 1986 and known as Trust No. 110880 (herein called "Borrower"), promises to pay to the order of FIRST FEDERAL SAVINGS BANK OF PROVISIO TOWNSHIP (herein called "First Federal", and First Federal and each successive owner and holder of this Note being herein called the "Holder") in the manner provided herein and in the Mortgage hereinafter referred to, the principal sum of

ONE MILLION FIVE HUNDRED FORTY FIVE THOUSAND DOLLARS  
(\$1,545,000.00)

together with interest on the balance of principal remaining from time to time unpaid at the rate of two percent (2%) over the prime rate of interest announced and published from time to time by Harris Trust & Savings Bank of Chicago ("Harris") and in effect on the last business day of each month, per annum, computed daily on the basis of a 360-day year for each day all or any part of the principal balance hereof shall remain outstanding. At the election of First Federal the prime rate shall be that rate announced and published from time to time by Harris Bank in effect daily. In the event that the prime rate of interest of Harris is not available, then the prime rate of First National Bank of Chicago shall be used.

The loan evidenced hereby (herein called the "Loan") shall be disbursed for the purpose of acquiring the Property (as that term is hereinafter defined), paying certain loan fees and other costs of obtaining the Loan, all as set forth in that certain Loan Commitment Letter (herein called the "Loan Agreement") dated April 8, 1986 made by and between Borrower and First Federal.

Principal and all accrued interest upon this Note shall be due and payable on the 30th day of November, 1986 (herein called the "Maturity Date").

Payments upon this Note shall be made at such place as the Holder of this Note may from time to time in writing appoint, provided that in the absence of such appointment such payments

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Exhibit A

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shall be made at the offices of First Federal Savings Bank of Proviso Township at 4565 West Harrison Avenue, Hillside, Illinois 60162.

All reserves established by Holder pursuant to the Loan Agreement if any shall be disbursed in the sole discretion of Holder for its intended purpose. Upon disbursement such reserve shall constitute additional principal outstanding hereunder. Interest shall not be charged on any such reserves unless, and only to the extent, that said reserve shall be disbursed.

Upon the occurrence of any default hereunder, or any default or Event of Default under the Loan Agreement, the Mortgage, the Assignment hereinafter referred to or the other documents which evidence and secure the Loan (herein together called the "Loan Documents"), and continuing until such time as said default or Event of Default is cured, and after maturity, interest on the principal balance of the outstanding shall accrued at the greater of (i) the annual rate of eighteen percent (18%) of (ii) three percent (3%) per annum in excess of the rate of interest otherwise due (herein called the "Default Rate").

This Note is the Note referred to in and secured by:

(a) A Mortgage & Security Agreement (herein called the "Mortgage") to First Federal of even date herein encumbering certain real estate owned by the Borrower in Chicago, Illinois (herein called the "Property").

(b) An Assignment of Rents and Leases (herein called the "Assignment") of even date herein assigning to First Federal all of the leases, rents, issues and profits of and from the Property.

(c) An unsubordinated assignment of the beneficial interest of Borrower ("CABI").

The Mortgage, Assignment and CABI are hereby incorporated herein by reference as fully and with the same effect as if set forth herein at length. Reference is hereby made to the Mortgage, Assignment and CABI for a description of the Property, a statement of the covenants and agreements of the Borrower, a statement of the rights, remedies and security afforded thereby and all other matters herein contained.

It is understood and agreed that upon the occurrence of any default or Event of Default under the Loan Documents, at the election of the Holder hereof and without notice, the principal sum remaining unpaid hereon, together with accrued interest thereon, shall be and become at once due and payable at the place herein provided for payment.

In addition to any other rights and remedies provided herein, the Holder of this Note may collect a "Late Charge" of five percent (5%) of any payment of interest which is not paid within ten (10) days after the same is due to cover the extra expense involved in handling delinquent payments, which Late Charge shall constitute so much additional indebtedness evidenced hereby, payable on demand.

Acceptance by the Holder of any payments after this Note shall have become payable as aforesaid shall not constitute a waiver or cure of any default.

Funds representing the proceeds of the Loan which are disbursed by the Holder by mail, wire transfer or other delivery to the undersigned, to escrows, or otherwise for the benefit of the undersigned shall for all purposes be deemed outstanding

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hereunder and to have been received by the undersigned as of the date of such mailings, wire transfer or other delivery, and interest shall accrue and be payable upon such funds from and after the date of such wire transfer, mailing or other delivery and until repaid, notwithstanding, the fact that such funds may not at any time have been disbursed from such escrows.

Time is of the essence of this Note and each provision hereof.

This Note shall be governed by the laws of the State of Illinois.

All payments upon this Note shall be payable in lawful money of the United States which shall be legal tender for public and private debts at the time of payment.

The Borrower waives presentment for payment, dishonor, notice of dishonor, protest and notice of protest and all other notices of every kind and nature in connection with this Note and consents to any and all extensions of this Note or any part thereof, and releases of all or any part of the security for the payment hereof or the release of any party liable for this obligation. Any such extension or release may be made at any time and from time to time without notice to the Borrower and without discharging Borrower's liability, if any.

Any notice which any party hereto may desire or may be required to be given to any other party shall be in writing, and the mailing thereof by certified mail, return receipt requested, to the address specified in the Loan Documents or to such other place as any party hereto may by notice in writing designate, shall constitute service of notice hereunder.

It is understood and agreed that in no event and upon no contingency shall the maker or makers of this Note be required to pay interest in excess of the rate that parties may contract for under the laws of the State of Illinois. If the rate of interest specified herein, together with any other payments herein or otherwise required to be made by Borrower or received by Lender in connection with this Loan and deemed to be interest, shall exceed the maximum rate of interest permitted by applicable law, then such payments, to the extent they exceed such maximum rate, shall be deemed to have been made and received inadvertently and shall for all purposes be deemed to be a payment of and on account of the principal balance of this Loan and shall be applied accordingly.

In the event that this Note is placed in the hands of an attorney-at-law for collection after maturity or upon default, or in the event that proceedings at law, in equity or bankruptcy, receivership or other legal proceedings are instituted in connection herewith or in connection with any borrower, or in connection with the Property, or in the event that this Note is placed in the hands of an attorney-at-law to protect the rights of any Holder hereof, or to enforce any of the rights or agreements contained in the Loan Documents, Borrower hereby agrees to pay all costs and expenses, including reasonable attorneys' fees incurred by Holder in any such proceeding, of collecting or attempting to collect this Note or protecting or enforcing such rights, in addition to all principal, interest and other amounts payable hereunder.

This Note is executed by LASALLE NATIONAL BANK, not personally, but as Trustee under Trust Agreement dated March 25, 1986, and known as Trust No. 110880, as aforesaid, in the exercise of the power and authority conferred upon and vested in its as such Trustee, and it is expressly understood and agreed that nothing herein shall be construed as creating any liability on said LASALLE NATIONAL BANK, personally to pay this Note or any interest that may accrue thereon, or any other indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, all such liability, if any, being expressly waived by the holder hereof and by every person now or

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hereafter claiming any right or security hereunder, and so far as said LASALLE NATIONAL BANK personally is concerned, the legal holder of holders hereof and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises securing this Note for the payment thereof, by the enforcement of the lien created by the Mortgage securing this Note in the manner therein and in this Note provided, or by action to enforce the personal liability of the guarantors.

LASALLE NATIONAL BANK, not personally, but solely as Trustee under Trust Agreement dated March 25, 1986 and known as Trust No. 110880

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

ATTEST:

\_\_\_\_\_  
Its \_\_\_\_\_

Property of Cook County Clerk's Office

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STATE OF ILLINOIS) ) SS  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_, by  
\_\_\_\_\_, President, and  
\_\_\_\_\_,  
Secretary of \_\_\_\_\_,  
a corporation, on behalf of the corporation.

Given under my hand and Notarial Seal this \_\_\_\_\_ day  
of \_\_\_\_\_, 19 \_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires on: \_\_\_\_\_

STATE OF ILLINOIS) ) SS  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me  
this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_, by  
\_\_\_\_\_.

Given under my hand and Notarial Seal this \_\_\_\_\_ day of  
\_\_\_\_\_, 19 \_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission Expires on: \_\_\_\_\_

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Property of Cook County Clerk's Office

# UNOFFICIAL COPY

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## EXHIBIT B

### LEGAL DESCRIPTION

LOTS 16 THROUGH 32, BOTH INCLUSIVE, IN BLOCK 6 A SUBDIVISION OF BLOCK 6 OF SHEFFIELD'S ADDITION TO CHICAGO IN SECTION 32, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

commonly known as: 1642 North Halsted  
Chicago, Illinois

P.I.N.	14-32-426-064-0000	1670 28
	14-32-426-056-0000	29
	14-32-426-057-0000	30
	14-32-426-058-0000	31
	14-32-426-058-0000	32
		ML

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Mortgagor shall release and reconvey, without covenant or warranty, express or implied, the Property then held hereunder.

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41. Acceptance by Mortgagor. The Mortgagor accepts this Trust, when this Mortgage, duly executed and acknowledged, is made a public record as provided by law.

This Mortgage is executed by LASALLE NATIONAL BANK, not personally, but as Mortgagor under Trust Agreement dated March 25, 1986, and known as Trust No. 110880, as aforesaid, in the exercise of the power and authority conferred upon and vested in its as such Mortgagor, and it is expressly understood and agreed that nothing herein shall be construed as creating any liability on said LASALLE NATIONAL BANK, personally to pay this Mortgage or any interest that may accrue thereon, or any other indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, all such liability, if any, being expressly waived by the holder hereof and by every person now or hereafter claiming any right or security hereunder, and so far as said LASALLE NATIONAL BANK personally is concerned, the legal holder of holders hereof and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises securing this Note and Mortgage for the payment thereof, by the enforcement of the lien created by the Mortgage securing the Note in the manner therein and in the Note provided, or by action to enforce the personal liability of the guarantors.

LASALLE NATIONAL BANK, not personally, but solely as Trustee under Trust Agreement dated March 25, 1986, and known as Trust No. 110880

By: [Signature]  
Its \_\_\_\_\_

ATTEST:  
[Signature]  
Its \_\_\_\_\_

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8  
155-2115  
IN DUPLICATE

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REGISTRAR V OF TITLES

APR 15 3 14 PM '88

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Submitted by \_\_\_\_\_

Address \_\_\_\_\_

Principal \_\_\_\_\_

Balance of \_\_\_\_\_

Address \_\_\_\_\_

Director of Public Access

Deputy \_\_\_\_\_

Address \_\_\_\_\_

Notified \_\_\_\_\_

CHICAGO TITLE INS.  
G# 7016 2115

STATE OF ILLINOIS )

COUNTY OF COOK )

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0 3 5 0 7 2 6 5

I, Alicia Yanez a Notary Public in and for said County in the state aforesaid, DO HEREBY CERTIFY THAT JAMES A. CLARK Assistant Vice President of LA SALLE NATIONAL BANK, and William H. Dillon Assistant Secretary of said Bank 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 said instrument as their own free and voluntary act, and as the free and voluntary act of said Bank, for the uses and purposes therein set forth; and said Assistant Secretary did also then and there acknowledge that he, as custodian of the Corporate Seal of said Bank, did affix said corporate seal of said Bank to said instrument as his own free and voluntary act, and as the free and voluntary act of said Bank for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 15TH day of April A.D. 1986.

Alicia Yanez  
Notary Public

My Commission Expires: 8-9-89