

CONSTRUCTION MORTGAGE

3621984

THIS CONSTRUCTION MORTGAGE (hereinafter referred to as the "Mortgage") entered into as of the 28th day of May, 1987, by LASALLE NATIONAL BANK, not personally, but as Trustee under Trust Agreement dated June 26, 1984 and known as Trust No. 108573 (hereinafter referred to as "Trustee"), and CR ASSOCIATES, an Illinois general partnership, sole beneficiary under Trustee (hereinafter referred to as "Beneficiary") (Trustee and Beneficiary are hereinafter referred to collectively as "Mortgagor") in favor of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, having its address at 231 South LaSalle Street, Chicago, Illinois (hereinafter referred to as "Mortgagee");

WITNESSETH:

ARTICLE 1

1.1 Certain Terms of the Indebtedness. The following is a summary of certain terms of the indebtedness (as hereinafter defined) secured by this Mortgage.

(a) The Note: That certain Construction Mortgage Note (hereinafter referred to as the "Note") of even date herewith made by Mortgagor and payable to the order of Mortgagee in the original principal amount of up to EIGHTEEN MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS (\$18,650,000.00), and any and all amendments, modifications, restatements, replacements, substitutions, renewals, extensions and increases thereto.

(b) Interest Rate and Payments: Installments of interest and of principal outstanding under the Note shall be due and payable as follows:

(i) Interest only on the daily unpaid principal balance outstanding under the Note, computed at the fluctuating rate equal to One-Half Percent (.5%) per annum in excess of the "Reference Rate" (as hereinafter defined) of Mortgagee, shall be paid monthly in arrears beginning with the first day of the first month following the date hereof and thereafter on the first day of each succeeding month until the entire principal balance of the Note shall have been paid; and

(ii) All of the unpaid principal balance outstanding hereunder and the unpaid interest accrued thereon shall be due and payable, if not sooner paid and if not sooner due by acceleration or otherwise, on the Maturity Date (as hereinafter defined).

For purposes of the Note, the term "Reference Rate" at any time shall mean the rate of interest then most recently announced by Continental Illinois National Bank and Trust Company of Chicago at Chicago, Illinois, as its "Reference Rate". Changes in the rate of interest to be charged thereunder shall take effect immediately upon the announcement of any change in the Reference Rate. A certificate made by an officer of Continental Illinois National Bank and Trust Company of Chicago stating the Reference Rate in effect on any given date shall be conclusive evidence of the Reference Rate in effect on such date. In the event Continental Illinois National Bank and Trust Company of Chicago ceases to use the term "Reference Rate" in setting a base rate of interest for commercial loans to creditworthy corporate customers, then the Reference Rate therein shall be determined by reference to the rate used by Continental Illinois National Bank and Trust Company of Chicago as a base rate of interest for commercial loans as the same shall be designated by Continental

NOTE 1.0.

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Illinois National Bank and Trust Company of Chicago, or alternatively, in Continental Illinois National Bank and Trust Company of Chicago's discretion, by reference to the Reference Rate of such money center national bank as Continental Illinois National Bank and Trust Company of Chicago shall designate. The Reference Rate announced by Continental Illinois National Bank and Trust Company of Chicago or any base rate in lieu thereof is not necessarily the lowest rate charged for secured or unsecured loans. Interest shall be calculated under the Note on the basis of a 360-day year and the actual number of days elapsed in any month or portion thereof for which interest shall be due.

(c) Maturity Date: All of the unpaid principal balance outstanding hereunder and all unpaid interest accrued thereon shall become due and payable, if not sooner paid and if not sooner due by acceleration or otherwise, on June 1, 1989 (said applicable date being hereinafter referred to as the "Maturity Date"), unless extended pursuant to the terms of the Note or as otherwise agreed by Mortgagee.

(d) Prepayment: Mortgagor shall have the privilege to prepay, in whole or in part, the principal outstanding hereunder at any time without premium or penalty. Any payment in full of the Note shall include, in addition to the unpaid principal balance outstanding thereunder, all interest accrued thereon and any other sums which are secured by the Mortgage, the Loan Agreement (as hereinafter defined) and the other Loan Documents (as hereinafter defined), including but not limited to any expenses incurred by the holder of the Note in connection with the Note or in connection with this loan or in connection with any prior default or Event of Default of Mortgagor under the Note, this Mortgage, the Loan Agreement or the other Loan Documents. Mortgagor agrees that in the event Mortgagor notifies Mortgagee of Mortgagor's intention to prepay the Note, the date designated for such prepayment shall there and then become the Maturity Date, and the failure of Mortgagor to effect such prepayment as of the date so specified, shall, at Mortgagee's option, constitute an Event of Default thereunder.

1.2 Indebtedness: The principal amount of, interest payable on, and all other fees, amounts, payments, premiums, liabilities and monetary obligations due or required to be paid by Mortgagor under the Note, the Loan Agreement, this Mortgage and the other Loan Documents or under any and all amendments, modifications, restatements, replacements, substitutions, renewals, extensions and increases thereto, whether heretofore or hereafter existing, and whether direct or indirect, absolute or contingent, and including any commitment fee, loan fee, extension fee, modification fee, prepayment fee or release fee required to be paid under the Note, the Loan Agreement, this Mortgage or any of the other Loan Documents (hereinafter referred to as the "Indebtedness").

1.3 Construction Mortgage. The Note which is secured by this Mortgage evidences a debt created by one or more disbursements made by Mortgagee to Mortgagor for the purpose of financing costs in connection with the Mortgaged Property (as hereinafter defined) including costs of construction of the improvements to be located on the Mortgaged Property. All disbursements shall be made in accordance with the terms and provisions of the Loan Agreement, as the same from time to time may be amended, supplemented or modified and the terms and conditions of which are hereby incorporated herein by reference. Mortgagor hereby covenants and agrees to perform or cause to be performed and fulfilled, all the terms, covenants and conditions of the Loan Agreement, and the occurrence of a default or an Event of Default under the Loan Agreement shall constitute an Event of Default (as hereinafter defined) under this Mortgage. A true copy of the Loan Agreement may be reviewed at the offices of Mortgagee during its regular business hours or may be obtained from Mortgagee, in either case upon reasonable advance request.

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1.4. Future Advances. This Mortgage is given to secure payment of the Note, whether the entire amount thereof shall have been advanced to Mortgagor as of the date hereof, or at a later date, and to secure the payment and performance of all other liabilities and obligations of Mortgagor under the Note and the other Loan Documents, and any other amount or amounts that may be added to the Indebtedness secured hereby under the terms of this Mortgage or the other Loan Documents, all of which Indebtedness being equally secured with and having the same priority as the amounts, if any, advanced as of the date hereof. It is agreed that any future advances made by Mortgagee to or for the benefit of Mortgagor from time to time under this Mortgage or the Loan Documents and whether or not such advances are obligatory or are made at the option of Mortgagee, or otherwise, made at any time from and after the date of this Mortgage, and all interest accruing thereon, shall be equally secured by this Mortgage and shall have the same priority as all amounts, if any, advanced as of the date hereof and shall be subject to all of the terms and provisions of this Mortgage. The total amount of the 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, plus interest thereon, plus any disbursements made for the payment of taxes, levies, insurance or other liens, charges or encumbrances on the Mortgaged Property, plus interest on such disbursements at the Default Rate (as hereinafter defined), shall not exceed Five Hundred Percent (500%) of the face amount of the Note.

1.5 Obligatory Advances. It is specifically understood and agreed that all funds which are advanced by Mortgagee and employed in performance of the obligations of Mortgagor under this Mortgage or the Loan Documents or in the exercise of Mortgagee's judgment that the same are necessary or desirable to complete, operate, maintain or market the Project or to protect Lender's security under the Loan Documents shall because of economic necessity and compulsion be deemed advanced by Mortgagee under an obligation to do so regardless of the identity of the person or persons to whom such funds are furnished and shall be added to the Indebtedness evidenced by the Note and shall be equally secured by this Mortgage and shall have the same priority as all amounts, if any, advanced as of the date hereof.

ARTICLE 2

OTHER DEFINITIONS

2.1 Definitions Used In This Mortgage: The following terms shall have the following meanings:

(a) Affiliated Person: Any of the following: (i) any guarantor of any part of the Indebtedness; (ii) if Mortgagor is a trustee, any beneficiary of the trust, including the general partners of any general or limited partnership that is a beneficiary of the trust and the joint venture partners of any joint venture that is a beneficiary of the trust and the person or entities holding the controlling shareholder interests in any corporation that is a beneficiary of the trust; (iii) if Mortgagor is a general or limited partnership, the general partners thereof; (iv) if Mortgagor is a joint venture, the joint venture partners thereof; and (v) if Mortgagor is a corporation, the persons or entities holding the controlling shareholder interests therein.

(b) Beneficiary: CR Associates, an Illinois general partnership, (also named above), which owns One Hundred Percent (100%) of the beneficial interest and power of direction in, to and under LaSalle National Bank as Trustee under Trust Agreement dated June 26, 1984, and known as

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Trust No. 108573, free and clear of any lien, pledge, charge, security interest or encumbrance of any kind, except a collateral assignment of even date herewith in favor of Mortgagee, and any and all successors, transferees, assignees and subsequent owners of the beneficial interest and power of direction in and to Trustee.

(c) Bonds: Those certain Tax Increment Bonds of the Village (as hereinafter defined) issued on May 29, 1987.

(d) Buildings: The 230,000 square foot shopping center to be constructed as contemplated under the Loan Agreement and any and all buildings and other structures and improvements, and any and all additions, alterations, betterments or appurtenances thereto, now or at any time hereafter situated, placed or constructed upon the Real Estate (hereinafter defined) or any part thereof.

(e) Commitment: That certain Construction Loan Application dated May 28, 1987 from Mortgagor to Mortgagee, pursuant to which Mortgagee agreed to make and Mortgagor agreed to accept the financing evidenced by the Note.

(f) Contracts: Any and all documents, instruments, contracts or agreements pertaining to the ownership, use, occupancy, possession, development, design, construction, financing, operation, alteration, repair, marketing, sale, lease or enjoyment of the Mortgaged Property, including without limitation any contracts for labor or materials, purchase orders, service contracts, maintenance agreements, management contracts, lease agency agreements, sales agency agreements, marketing contracts, loan or financing commitments, insurance policies and surety bonds, and all rights, privileges, authority and benefits thereunder (but under no circumstances any liabilities, obligations or responsibilities thereunder).

(g) Default Rate: The rate of Four Percent (4%) per annum in excess of the rate of interest otherwise applicable under the Note, unless prohibited by applicable law, in which event at the highest rate permitted by applicable law.

(h) Escrowed Sums: The amounts to be paid by Mortgagor to Mortgagee pursuant to Article 12 hereof toward the creation of a fund for the payment of the impositions (as hereinafter defined).

(i) Event of Default: Any event or occurrence defined in Article 7 hereof.

(j) Fixtures: All systems, fittings, structures, equipment, apparatus, fixtures and other improvements and items now or hereafter temporarily or permanently attached to, installed in or used in connection with any of the Buildings or the Real Estate, including, but not limited to any and all partitions, hardware, motors, engines, boilers, furnaces, pipes, plumbing, conduit, sprinkler systems, fire extinguishing apparatus and equipment, elevator apparatus and equipment, telephone and other communications systems and equipment, security systems and equipment, master antennas and cable television systems and equipment, water tanks, swimming pools, heating, ventilating, air conditioning and refrigeration equipment and systems, laundry facilities, incinerating, gas and electric machinery and equipment.

(k) Governmental Authority: Any and all courts, boards, agencies, commissions, offices or other authorities of any nature whatsoever for any governmental unit (federal,

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state, county, district, municipal, city or otherwise) or arbitration authority, whether now or hereafter in existence.

(l) Guarantor(s): Pennsylvania Real Estate Investment Trust, a Pennsylvania common law trust, Kenneth L. Tucker, Richard Tucker, Harold E. Eisenberg and The Tucker Companies, Inc., an Illinois corporation, and their respective heirs, legal representatives, successors and assigns (individually and/or collectively, as the context may require).

(m) Guarantee(s): Those certain joint and several Payment and Completion Guarantees of even date herewith from each of the Guarantors to Mortgagee (individually and/or collectively, as the context may require).

(n) Impositions: (i) All general and special real estate and personal property taxes and assessments; and (ii) all water, gas, sewer, electricity and other utility costs, rates, rents and charges and all other costs of operating and maintaining the Mortgaged Property in accordance with the terms and conditions hereof; and (iii) any and all premiums and costs of insurance to be maintained pursuant to Section 5.7 hereof; and (iv) any and all liability of Mortgagor to tenants for security deposits, including interest thereon collected by Mortgagor in connection with any of the Leases (as hereinafter defined); and (v) any and all payments, fees and charges required under any of the Legal Requirements (as hereinafter defined) or otherwise under any easement, license or other contract, document or agreement maintained for the benefit of the Mortgaged Property or to which the Mortgaged Property or any part thereof or interest therein may be subject or to which Mortgagor or any Affiliated Person may be bound in connection with the Mortgaged Property; and (vi) any and all payments, fees and charges required under any ground lease, lease, sublease, option, articles of agreement for deed, installment contract, or other contract or agreement pursuant to which Mortgagor is granted any possessory, legal, equitable, beneficial or other interest in the Mortgaged Property; and (vii) any and all recording costs and fees; (viii) any and all payments required under any other mortgage or security agreement to which the Mortgaged Property or any portion thereof or interest therein may be subject (the foregoing reference, however, in no way implying Mortgagee's consent thereto); and (ix) any and all mortgage registration, documentary or intangible taxes, stamps, costs or fees payable in connection with this Mortgage or the recording thereof or the Indebtedness secured hereby; and (x) any and all other payments, fees, taxes, charges and assessments and any interest, costs or penalties with respect thereto, whether general or special, ordinary or extraordinary, foreseen or unforeseen, of any kind and nature whatsoever which at any time prior to or after the execution hereof may be assessed, levied or imposed upon the Indebtedness, this Mortgage, the Mortgaged Property, the Leases, or the Rents (as hereinafter defined) or the ownership, use, occupancy, receipt, or enjoyment thereof.

(o) Intangibles: All goodwill, trademarks, trade names, option rights, purchase contracts and agreements, books and records and general intangibles of the Mortgagor relating to the Mortgaged Property and all accounts, accounts receivable, contract rights, choses in action, instruments, chattel paper and other rights of the Mortgagor for payment of money for property sold or lent, for services rendered, for money lent, or for advances or deposits made, and any other intangible property of the Mortgagor related to the Mortgaged Property, including without limitation any

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and all rights of the Mortgagor in, to or with respect to any and all accounts maintained with the Mortgagee or any other party in which are held funds relating to the Impositions, insurance premiums, or tenants' security deposits by the Mortgagor with respect to the Mortgaged Property, and all rights, privileges, authority and benefits therein (but under no circumstances any of the liabilities, obligations or responsibilities thereto).

(p) Leases: Any and all leases, subleases, licenses, concessions or other agreements (written or oral, now or hereafter in effect) which grant a possessory interest in and to, or the right to use, the Mortgaged Property or any part thereof or interest therein, except for any and all leases, subleases or other agreements pursuant to which Mortgagor is granted a possessory interest in the Real Estate, and all rights, privileges, authority and benefits thereunder (but under no circumstances any liabilities, obligations or responsibilities thereunder).

(q) Legal Requirements: The terms, covenants, conditions and restrictions now or hereafter existing to which Mortgagor or any Affiliated Person may be bound or to which the Mortgaged Property is subject under (i) any and all present and future judicial decisions, orders, statutes, laws, rulings, opinions, rules, regulations, codes, permits, certificates, approvals or ordinances of any Governmental Authority in any way applicable to Mortgagor or any Affiliated Person or the Mortgaged Property, and the ownership, use, occupancy, possession, development, design, construction, financing, operation, maintenance, alteration, repair, marketing, sale, lease or enjoyment thereof, including without limitation any related to zoning, building, utility service, sewer service, fire safety, land and water use, subdivision control, condominium property, environmental protection, occupational health and safety or flood hazard; (ii) the Mortgagor's or any Affiliated Person's presently or subsequently effective corporate resolutions, bylaws, articles of incorporation, partnership agreement, limited partnership agreement, joint venture agreement or trust agreement, or other form of business association (if either, both or all be any of same); (iii) any and all Leases; (iv) any and all Contracts; (v) any lease, sublease, option, articles of agreement for deed, installment contract or other contract or agreement pursuant to which Mortgagor is granted any possessory, legal, equitable, beneficial or other interest in the Mortgaged Property; and (vi) any and all other easements, covenants, conditions, restrictions, leases or other contracts and agreements (written or oral) of any nature to which Mortgagor or any Affiliated Person may be bound or to which the Mortgaged Property may be subject.

(r) Loan Agreement: That certain Construction Loan Agreement of even date herewith between Mortgagor and Mortgagee.

(s) Loan Documents. The Commitment, the Loan Agreement, the Note, the Assignment of Leases Rents and Profits (hereinafter defined), the Security Agreement (hereinafter defined), the Guarantees, this Mortgage, and any and all other documents now or hereafter executed by Mortgagor, any Affiliated Person or any other person or entity to evidence or secure the payment of the indebtedness or the performance and discharge of the Obligations (as hereinafter defined), and any and all amendments, modifications, restatements, replacements, substitutions, renewals, extensions and increases thereto whether heretofore or hereafter entered into in connection with the Indebtedness.

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(t) Mortgaged Property: The Real Estate, Buildings, Fixtures, Personalty (as hereinafter defined) and any of Mortgagor's rights to Rents (as hereinafter defined) and rights under the Leases and Contracts, together with:

- (i) Any and all rights, privileges, authority and benefits under any lease, sublease, option, articles of agreement for deed, installment contract or other contract or agreement pursuant to which Mortgagor is granted any possessory, legal, equitable, beneficial or other interest in the Mortgaged Property; and
- (ii) Any and all rights, privileges, tenements, hereditaments, rights of way, rights of access, riparian rights, mineral rights, homestead rights, easements, appendages and appurtenances in any way appertaining thereto, and all right, title and interest of Mortgagor in and to any streets, ways, alleys, waterways, strips or gores of land adjoining the Real Estate or any part thereof; and
- (iii) Any and all betterments, additions, appurtenances, substitutions, replacements and after acquired title or interests thereof and thereto and all reversions and remainders therein; and
- (iv) Any and all of Mortgagor's right, title and interest in and to any judgment, award, remuneration, settlement, compensation, recovery or proceeds heretofore made or hereafter to be made by any Governmental Authority or insurance company to the present or any subsequent owner of the Mortgaged Property, including those for any condemnation of or casualty to the Mortgaged Property, or for any vacation of, or change of grade in, any streets serving or affecting the Mortgaged Property; and
- (v) Any and all other security and collateral of any nature whatsoever, now or hereafter given for the repayment of the Indebtedness or the performance and discharge of the Obligations.

As used in this Mortgage, the term "Mortgaged Property" shall be expressly defined as meaning all, or where the context permits or requires, any portion thereof or any interest therein.

(u) Mortgagee: The above named Mortgagee and any and all successors, transferees, assignees and subsequent holders of the Note or other Loan Documents.

(v) Mortgagor: The above named Mortgagor and any and all successors, transferees, assignees and subsequent owners of legal and equitable title to the Mortgaged Property.

(w) Obligations: Any and all of the terms, covenants, conditions, warranties, representations and other obligations (other than to repay the Indebtedness) made or undertaken by Mortgagor or others to Mortgagee or others as set forth in the Note, this Mortgage or the other Security Documents, or as set forth in any Lease or Contract or as set forth in any of the Legal Requirements to which the Mortgagor may be bound or to which the Mortgaged Property may be subject.

(x) Permitted Exceptions: With respect to the Real Estate, the easements, covenants, conditions, restrictions, building lines and other matters (if any) reflected on, but only those reflected on, Exhibit B attached hereto and made a part hereof, and the liens and security interests created by the Loan Documents.

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(y) Personalty: All right, title and interest of Mortgagor in and to all furniture, furnishings, equipment, machinery, goods, inventory and all other tangible personal property and the Intangibles of any kind or character as defined in and subject to the provisions of the Uniform Commercial Code now or hereafter located upon, within or about the Real Estate and the Buildings, together with all accessories, replacements and substitutions thereto or therefor and the proceeds therefrom.

(z) Real Estate: The real estate legally described on Exhibit A attached hereto and made a part hereof and all Buildings and Fixtures and all rights, titles and interests appurtenant thereto.

(aa) Redevelopment Agreement: That certain Redevelopment Agreement dated December 15, 1985 by and between the Village and Chicago Ridge Commons Limited Partnership, an Illinois limited partnership, the interest of which has been assigned to Beneficiary.

(bb) Rents: All of the rents, issues, revenues, royalties, income, avails, proceeds, profits and other benefits paid or payable by parties under the Leases or otherwise generated by or derived from the Mortgaged Property.

(cc) Trustee: The above named Trustee and any and all successors, transferees, assigns and subsequent owners of legal title to the Mortgaged Property.

(dd) Village: The Village of Chicago Ridge, a municipal corporation organized and incorporated under the laws of the State of Illinois.

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ARTICLE 3

GRANT

3.1 Grant: To secure the full and timely payment of the Indebtedness and the full and timely performance and discharge of the Obligations, Mortgagor has GRANTED, SOLD, CONVEYED AND MORTGAGED and by these presents does hereby GRANT, SELL, CONVEY AND MORTGAGE unto the Mortgagee the Mortgaged Property, subject to, but only to the Permitted Exceptions, TO HAVE AND TO HOLD the Mortgaged Property unto the Mortgagee, and its successors, nominees and assigns, forever, and Beneficiary, by executing and delivering this Mortgage and by directing Mortgagor to execute and deliver this Mortgage, does hereby warrant that Mortgagor is well and lawfully seized of good, absolute and indefeasible fee simple absolute title to the Mortgaged Property, free and clear of all mortgages, liens, charges, security interests and encumbrances whatsoever, except only for the Permitted Exceptions, and Beneficiary does hereby bind itself, its successors and assigns to warrant and forever defend fee simple absolute title to the Mortgaged Property unto the Mortgagee, and the quiet and peaceful enjoyment and possession thereof, against every person whomsoever claiming or to claim the same or any part thereof or interest therein.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES

Trustee hereby unconditionally represents and Beneficiary hereby unconditionally represents and warrants to Mortgagee as follows:

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4.1 Organization and Power: Mortgagor, and all Affiliated Persons and Guarantors (a) have each complied with all conditions prerequisite to their doing business in the State where the Real Estate is located and (b) have all requisite power and all governmental certificates of authority, licenses, permits, certificates, approvals, qualifications and documentation to own, develop, lease, operate and sell their properties and to carry on their businesses as now being and as proposed to be conducted and to execute, deliver and perform the terms, covenants and conditions of the Loan Documents, including the power and authority to borrow money, guarantee debts and mortgage and grant security interests in their properties.

4.2 Validity of Loan Documents: The execution, delivery and performance of the Loan Documents (a) have been duly authorized by all necessary trust, partnership and corporate action to be binding and enforceable in accordance with the respective terms thereof; (b) have received all necessary prior governmental approval to be binding and enforceable in accordance with the respective terms thereof; and (c) will not violate, be in conflict with, result in a breach of or constitute (upon notice or the passage of time, or both) a default under, any Legal Requirement or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Mortgagor's property or assets, except as contemplated by the provisions of the Loan Documents, and accordingly the Loan Documents constitute the legal, valid and binding obligations of Mortgagor, and others obligated under the terms of the Loan Documents, and are enforceable in accordance with their respective terms.

4.3 Title to Mortgaged Property and Lien of this Instrument: Mortgagor has good and marketable fee simple absolute title to the Real Estate, Buildings and Fixtures, and Beneficiary has good and marketable title to the Personalty, free and clear of any mortgages, liens, charges, encumbrances, security interests and adverse claims whatsoever except the Permitted Exceptions, and this Mortgage constitutes a valid, subsisting, first priority lien Mortgage on the Real Estate, Buildings and Fixtures and a valid, subsisting first priority security interest in and to the Personalty, Leases, Contracts and Rents, all in accordance with the terms hereof. Beneficiary is the sole owner of One Hundred Percent (100%) of the beneficial interest and power of direction in, to and under Trustee, free and clear of any liens, charges, encumbrances and adverse claims whatsoever, except for the collateral assignment to Mortgagee thereof of even date herewith.

4.4 Taxes and other Payments: Mortgagor and each Affiliated Person has filed all Federal, state, county, municipal and city income and other tax returns required to have been filed by them and have paid all taxes which have become due pursuant to such returns or pursuant to any assessments received by them and related to the Mortgaged Premises or, in any case, in which the liability or non-payment of which would have a material adverse effect on their ability to perform their obligations hereunder or any other Loan Document, and neither Mortgagor nor any Affiliated Person knows of any basis for any additional assessment in respect of any such taxes. Mortgagor and each Affiliated Person has paid or will pay in full (except for such retainages as may be permitted or required by any Legal Requirement to be withheld by Mortgagor) all sums owing or claimed under the Legal Requirements, and no claim or right for same currently exists or will be permitted to exist.

4.5 Litigation: There are no actions, suits or proceedings pending or, to the best of Mortgagor's knowledge, threatened, against or affecting Mortgagor, any of the Guarantors or the Mortgaged Property, or involving the validity or enforceability

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of the Mortgage or the priority of the lien and security interest thereof which would have a material adverse affect upon the Mortgaged Property or the financial condition of any of the Guarantors, and no event has occurred (including specifically Mortgagor's execution of the Loan Documents and its consummation of the loan represented thereby) which will violate, be in conflict with, result in the breach of or constitute (upon notice or the passage of time, or both) a default under, any Legal Requirement or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Mortgagor's or any of the Guarantors' property other than the lien and security interest created by the Loan Documents.

4.6 Permits and Approvals: All permits, certificates, consents, approvals and licenses required from any Governmental Authority or private authority in connection with the organization, existence and conduct of the business of Mortgagor and any Affiliated Person have been duly and validly issued and are and will at all times thereafter be in full force and effect, and all fees due in connection therewith have been paid.

4.7 Zoning: The Mortgaged Property is duly and validly zoned so as to permit the use, occupancy, operation and disposition of the Mortgaged Property for commercial purposes as contemplated under the Loan Documents, and such zoning is final and unconditional and in full force and effect. Neither the zoning nor any other right to construct, use or operate the Mortgaged Property will be in any way dependent upon or related to any property other than the Real Estate, and no easement over any other property or any off-site improvement or construction will be necessary in connection with the contemplated use, occupancy, operation and disposition of the Mortgaged Property.

4.8 No Violation of Legal Requirements: Neither the contemplated use, occupancy, operation or disposition of the Mortgaged Property, nor the organization, existence and conduct of the business of Mortgagor or any Affiliated Person violates or will violate any Legal Requirement to which the Mortgaged Property may be subject or, in any case, in which the liability or penalty for the violation of such Legal Requirement would have a material adverse effect upon their ability to perform their obligations hereunder or under any other Loan Document.

4.9 Utilities: All utility services necessary and sufficient for the full use, occupancy, operation and disposition of the Mortgaged Property for its contemplated purposes are available to the Mortgaged Property without the necessity of any on-site or off-site improvements, including water, storm sewer and sanitary sewer. All streets, roads, highways, bridges and waterways necessary for access to and full use, occupancy, operation and disposition of the Mortgaged Property as contemplated have been completed, have been dedicated to the appropriate municipal authority and are open and available to the Mortgaged Property without further condition or cost to Mortgagor.

4.10 Condition of Mortgaged Property. The Buildings, when completed, will be in good physical order, repair and condition, structurally sound and wind and water tight, and all plumbing, electrical, heating and ventilation, air conditioning, elevator and other mechanical systems and equipment will be in good operating order, repair and condition, and Mortgagor shall not be aware of any material faults or defects in the physical condition of the Mortgaged Property or its mechanical systems and equipment which Mortgagor has not promptly advised Mortgagee or Mortgagee's Architect.

4.11 Financial and Other Information: Neither this Mortgage nor any document, financial statement, credit information, certificate, operating statement or other statement furnished to Mortgagee by Mortgagor or any Affiliated Person or any other

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person, either pursuant to the terms and provisions of this Mortgage or in connection with the Loan Documents, contains or will contain any untrue statement of a material fact or omits or will omit to state a fact material to the submitted document or to the Mortgaged Property. The financial and operating information reflected on the statements that were submitted to Mortgagee is in all material respects true and correct. Said financial and operating statements, and any other financial and operating statements heretofore or hereafter submitted to Mortgagee, have been or shall be prepared in accordance with sound accounting principles consistently applied. Since the dates of said financial and operating statements, there have been no material changes in the assets, liabilities, financial condition, business or properties of said persons, entities or operations.

4.12 No Brokerage Commissions: No brokerage fees or commissions are payable in connection with the loan to be disbursed by Mortgagee hereunder, except for the loan fee payable to Mortgagee set forth in the Loan Agreement.

4.13 Business Purpose: The loan provided for herein constitutes a business loan within the meaning of Section 4(1)(c) of Paragraph 6404, Chapter 17 of the Illinois Revised Statutes. The interest and other charges provided in the Loan Agreement, the Note, this Mortgage and other Loan Documents are not usurious under applicable law.

ARTICLE 5

AFFIRMATIVE COVENANTS

Mortgagor hereby unconditionally covenants and agrees with Mortgagee as follows:

5.1 Payment and Performance: Mortgagor shall pay or cause to be paid the Indebtedness, as and when all or any payment thereunder is due under the Note, this Mortgage or the Loan Documents on or before the due dates thereof and shall perform or cause to be performed all of the Obligations in full on or before the dates the Obligations or any part thereof are required to be performed and shall commit or suffer no act or event which (upon notice or the passage of time, or both) would constitute a default of the Obligations.

5.2 Existence: Mortgagor and every Affiliated Person shall preserve and keep in full force and effect their existence, rights, franchises and trade names.

5.3 Compliance with Legal Requirements: Mortgagor and every Affiliated Person shall promptly and faithfully comply with, conform to and obey all present and future Legal Requirements whether or not same shall necessitate structural changes in, improvements to, or interfere with the use or enjoyment of, the Mortgaged Property and shall not commit or suffer any act or event which (upon notice or the passage of time, or both) would constitute a default of the Legal Requirements.

5.4 First Lien Status: Mortgagor shall protect the first priority lien and security interest of this Mortgage and the other Loan Documents and shall not place, or permit to be placed, or otherwise mortgage, pledge, hypothecate or encumber the Mortgaged Property with, any other lien, attachment, levy or security interest of any nature whatsoever (whether mechanics, judgment, tax, statutory, constitutional, contractual or other) regardless of whether same is allegedly or expressly subordinate and inferior to the liens and security interests created by this Mortgage and the other Loan Documents, and if any such lien or security interest is asserted against the Mortgaged Property, or any Affiliated Person's interest therein or interest in Mortgagor

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or any Affiliated Person, Mortgagor shall promptly, and at its own cost and expense, pay the underlying claim in full or take such other action so as to cause same to be released.

5.5 Payment of Impositions: Subject to the provisions of Article 12, Mortgagor shall duly pay and discharge, or cause to be paid and discharged, the Impositions not later than the due date thereof, or the day any fine, penalty, interest or cost may be added thereto or imposed, or the day any lien may be filed for the nonpayment thereof (if such day is used to determine the due date of the respective item); provided, however, that Mortgagor may, if permitted by law and if such installment payment would not create or permit the filing of a lien against the Mortgaged Property, pay the Impositions in installments. Mortgagor shall deliver to Mortgagee, within thirty (30) days of being due and payable, copies of paid receipts or other proof satisfactory to Mortgagee, in its sole discretion, evidencing the payment of such Impositions.

5.6 Maintain and Repair. Mortgagor hereby covenants and agrees to keep the Mortgaged Property, including, but not limited to, the parking areas and improvements and any and all ingress and egress easements, in high quality physical and cosmetic order, repair and condition and covenants and agrees to undertake and complete all such repairs, replacements, restorations, rehabilitation, remodelling, renewals, additions, betterments, improvements and alterations thereof and thereto, interior and exterior, cosmetic and non-cosmetic, structural and non-structural, ordinary and extraordinary, foreseen and unforeseen, which are necessary or appropriate in Mortgagee's judgment at any time during the time the Indebtedness remains unpaid to keep maintain or return the Mortgaged Property to such high quality physical and cosmetic order, repair and condition, subject to ordinary wear and tear. Mortgagor covenants and agrees to use its best efforts to prevent any act or occurrence which might impair the value or usefulness of the Mortgaged Property for the use, occupancy, operation and disposition contemplated by the Loan Documents.

5.7 Insurance: Mortgagor will procure for, deliver to and maintain for the benefit of the Mortgagee during the term of this Mortgage, all insurance required by Mortgagee, including, without limitation, (a) during any period of construction on the Mortgaged Property, a so-called Builder's Risk - All-Risk fire and casualty insurance (completed value form) and, after, completion of the Project (as defined in the Loan Agreement), fire and casualty insurance insuring the Mortgaged Property against loss or damage by fire, lightning, windstorm, hail, explosion, aircraft, smoke damage, sprinkler leakage, vehicle damage, vandalism, malicious mischief, all other perils and casualties insured against under "extended coverage" or "all risk" policies, and such other insurable casualties and perils or affording such other or additional coverage as from time to time may be required by Mortgagee of one hundred percent (100%) of the full insurable replacement value of the Mortgaged Property, without reduction for depreciation and including an agreed amount endorsement; (b) a policy or policies of comprehensive general public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Mortgaged Property and the adjoining streets, sidewalks and passageways, and affording protection in such amounts as are required under Mortgagee's insurance guidelines; (c) Worker's Compensation insurance in required statutory amounts, and (d) loss of rents, insurance and/or business interruption insurance in amounts and for such periods of time after damage as Mortgagee shall require; and (e) Federal Flood Insurance in the maximum obtainable amount, but in no event less than the amount of the Indebtedness, if the Mortgaged Property is in a "flood plain area" as defined by the Federal Insurance Administration pursuant to the Federal Flood Disaster Protection Act of 1973, as amended; and (f) such other

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insurance of the types and in such amounts as Mortgagee may require, but in any event not less than that customarily carried by persons owning or operating like properties. The companies issuing such policy or policies shall be rated "A" or better by Best's rating bureau and licensed to do business in the state where the real estate is located. Each policy of insurance required to be carried hereunder shall name Mortgagee as an additional insured and shall contain such amounts, forms, expiration dates and other terms as shall be in all respects satisfactory to Mortgagee. Each policy of insurance required to be carried hereunder shall contain an agreement by the insurer that such coverage shall not be terminated, reduced or affected in any manner regardless of any breach or violation by Mortgagor of any warranties, declarations or conditions in such policy, and that such coverage shall not be cancelled, endorsed, altered or reissued to effect a change in coverage for any reason and to any extent whatsoever unless such insurer shall have first given Mortgagee thirty (30) days prior written notice thereof. At least fifteen (15) days prior to the expiration date of each such policy, a renewal thereof satisfactory to the Mortgagee, together with a receipt for payment of the renewal premium for each such renewal, shall be delivered to the Mortgagee. Mortgagor shall deliver to the Mortgagee duplicate policies and receipts evidencing the payment for all such insurance policies and renewals. The delivery of the insurance policies shall constitute an assignment as further security for the Indebtedness secured hereby of all prepaid premiums. In the event of the foreclosure of this Mortgage or any other transfer of title to the Mortgaged Property or extinguishment in whole or in part of the Indebtedness secured hereby, all right, title and interest of Mortgagor in and to all insurance policies then in force shall pass to the purchaser or grantee, if such rights are so assignable. Mortgagee shall have the right and option, but shall not be obliged to, make premium payments to prevent any cancellation, endorsement, alteration or reissuance and such payments shall be accepted by the insurer to prevent same.

5.8 Adjustment of Losses with Insurer and Application of Proceeds of Insurance. Mortgagor hereby assigns to Mortgagee all proceeds from any insurance policies pertaining to the Mortgaged Property. Mortgagor hereby authorizes and empowers Mortgagee as attorney-in-fact for Mortgagor, if Mortgagee elects itself to do so, or alternatively to direct Mortgagor, to make proof of loss, to adjust and compromise any claim under the insurance policies, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Mortgagee's costs and expenses, including attorneys' fees, incurred in the collection of such proceeds, and each insurance company is hereby authorized and directed to make payment for such loss or damage directly to Mortgagee alone instead of to Mortgagor and instead of to Mortgagor and Mortgagee jointly; provided, however, that nothing contained in this paragraph 5.8 shall require Mortgagee to incur any expense or take any action thereunder. In the event Mortgagee does not proceed to make or file proofs of loss or damage within the time limits set forth in the insurance policies, then Mortgagor shall be entitled to do so and to adjust or compromise any loss subject to Mortgagee's review and approval; provided, however, that even in such event, the insurance company shall nevertheless make such payment directly to Mortgagee alone. In the event that the damage or destruction occurs following the completion of the Project (as defined in the Loan Agreement) (except for any work to be undertaken by Tenants under the terms of the Leases), or in the event that the damage or destruction has a restoration value equal to or less than Fifty Thousand Dollars (\$50,000.00) the Mortgagee agrees that any insurance proceeds held by Mortgagee shall be made available for repair and restoration of the Mortgaged Property as set forth under in Paragraph 5.9 below, provided that the following additional conditions have been fulfilled: (a) at the time of the damage or destruction, there

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shall have occurred no Event of Default or no event which, with the giving of notice or the passing of time, or both, would constitute an Event of Default under this Mortgage or any other Loan Document; and (b) the amount of such insurance proceeds, after deduction of Mortgagee's costs and expenses incurred in the collection thereof, plus such additional funds as are deposited by Mortgagor with Mortgagee within ten (10) days of Mortgagee's request for same, are sufficient in Mortgagee's judgment to pay for such repair, rebuilding and restoration in full; and (c) the damage or destruction does not have the effect of terminating the lease of any Inducement Tenant (as defined in the Loan Agreement) and the period of time estimated to be necessary for repair or restoration of the Mortgaged Property shall not cause a breach of any deadline or delivery date in the lease of any Inducement Tenant or, alternatively, any Inducement Tenant shall have agreed to appropriate extensions of such deadlines or delivery dates in order to accommodate any such delay, in either case as evidenced by estoppel certificates of the Inducement Tenants reflecting that their leases are in full force and effect and will remain so notwithstanding the damage or destruction and any delays in completion caused as a result thereof; and (d) Mortgagor shall have delivered to Mortgagee a revised construction schedule indicating to Mortgagee's satisfaction that (i) the rebuilding and restoration of the Project will be completed sufficiently in advance of the Maturity Date (or the extended Maturity Date, if applicable) to permit Mortgagor to meet the projections delivered to Mortgagee prior to the closing of the loan secured hereby, and (ii) the premises to be delivered to all Inducement Tenants will be completed within the deadlines for completion or delivery dates set forth in their respective leases or within any extensions of such performance dates; and (e) during the period of rebuilding, rent loss insurance or other funds deposited in advance by Mortgagor are and shall be unconditionally available and are and shall be sufficient and used to continue to make timely and full payment of all amounts becoming due and payable under the Note and other Loan Documents; and (f) Mortgagor shall as soon as practicable thereafter commence the rebuilding, restoration and repair of the Mortgaged Property pursuant to plans and specifications approved by Mortgagee and shall prosecute the same with diligence and without delay so that the same are completed as soon as practicable thereafter, but in any event so that the Project is completed no later than as contemplated by subparagraphs (d)(i) and (d)(ii) above; and (g) Mortgagee does not otherwise determine in its judgment and discretion that such loss or casualty has adversely affected the economic viability of the Project or Mortgagor's ability to repay the Indebtedness. Prior to completion of the Project or in the event that any of the conditions recited above are not fulfilled, Mortgagee shall have the right and option, in its sole discretion, to apply the insurance proceeds, after deducting therefrom Mortgagee's costs and expenses incurred in the collection thereof, either as a credit on the Indebtedness, whether then matured or to mature in the future, in such order of application as Mortgagee shall determine in its discretion or to permit all proceeds to be used for restoration. In the event that such insurance proceeds are utilized for the repair or restoration of the Project, the fact of such utilization shall not constitute nor be deemed to constitute an extension of the Maturity Date unless otherwise expressly agreed in writing by Mortgagee. If such proceeds are not sufficient to repay the Indebtedness in full, then Mortgagee shall have the right and option to declare the balance remaining unpaid on the Note and this Mortgage to be immediately due and payable.

5.9 Application of Insurance Proceeds to Repair: If the proceeds of the insurance described in Section 5.7 hereof are required or allowed by Mortgagee to be used for restoration, repair or replacement (hereinafter referred to as the "Work") of the Mortgaged Property by reason of the provisions of Section 5.8 above or by reason of the exercise by Mortgagee of its right and

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option to use such proceeds for the aforesaid purpose rather than applying such proceeds to the Indebtedness, such proceeds shall be paid out by Mortgagee from time to time to Mortgagor (or, at the option of Mortgagee, jointly to Mortgagor and the persons furnishing labor and/or material incident to such restoration, repair or replacement or directly to such persons) as the Work progresses, subject to such conditions as Mortgagee shall require, including the conditions required for construction disbursements as set forth in the Loan Agreement. If, upon completion of the Work, any portion of the insurance proceeds has not been disbursed to Mortgagor (or one or more of the other aforesaid persons), Mortgagee may, at Mortgagee's option, disburse such balance to Mortgagor or apply such balance toward the payment of the Indebtedness. Nothing herein shall be interpreted to prohibit Mortgagee from applying at any time the whole or any part of such insurance proceeds to the curing of any Event of Default.

5.10 Financial Statements: Mortgagor and each Affiliated Person shall furnish financial statements to Mortgagee regarding such matters and at such times as and when required under the Loan Agreement.

5.12 Inspection: Mortgagor shall permit Mortgagee and its agents, representatives and employees, to inspect the Mortgaged Property, and all books, records and documents pertaining thereto at all reasonable times.

5.13 Management, Leasing and Operation: Mortgagor shall provide competent, responsible and diligent management for the Mortgaged Property, with individuals devoting such time and attention as is necessary and appropriate to develop, operate and maintain the Mortgaged Property as a high-quality regional shopping center. Mortgagor shall employ management and leasing agents approved by Mortgagee and the terms and conditions of any management agreement or lease agency or commission agreement or any change or replacement of any such franchisor or agent shall, at Mortgagee's option, be subject to approval by Mortgagee. In the event of default hereunder or default thereunder, Mortgagee shall have the right to terminate, or direct Mortgagor to terminate, such management or leasing agreement immediately and to retain, or direct Mortgagor to retain, a new management or leasing agent who shall, at Mortgagee's option, be subject to approval by Mortgagee. Mortgagor further covenants and agrees at Mortgagee's direction to establish and maintain such cash reserves or segregated accounts as Mortgagee may require, and, at Mortgagee's direction, to include in the Escrowed Sums paid to Mortgagee under Article 12 hereof such amounts as Mortgagee may deem necessary to provide for such reserves or accounts. Mortgagor further covenants and agrees that all Rents generated by or derived from the Mortgaged Property shall be utilized solely for expenses directly attributable to the Mortgaged Property, including Mortgagor's liabilities and obligations with respect to the Indebtedness, the Impositions, and the Legal Requirements hereunder, including without limitation Mortgagor's obligations under Article 12, so that all of the foregoing are paid in full on or before the dates when due and so that no accounts payable with respect to the Mortgaged Property shall be allowed to remain unpaid for more than sixty (60) days, and none of the Rents generated by or derived from the Mortgaged Property shall be diverted by Mortgagor and utilized for any other purposes unless the foregoing covenants and conditions have been fully satisfied.

5.14 Performance of Leases: Mortgagor shall (a) duly and punctually keep, perform and comply with any and all terms, conditions, representations, warranties, covenants and agreements under each of the Leases affecting the Mortgaged Property; (b) use all efforts necessary to maintain each of the Leases in force and effect during the full term thereof, (c) appear in and defend

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any action or proceeding arising under or in any manner connected with any of the Leases or the representations, warranties, covenants and agreements of it or the other party or parties thereto; (d) fulfill any obligations and liabilities under each of the Leases with respect to security deposits; (e) not receive or collect any Rents, in cash or by promissory note, from any present or future tenant of the Mortgaged Property or any part thereof for a period of more than one (1) month in advance of the date on which such payment is due; and (f) otherwise perform and fully comply with the terms, covenants and conditions of that certain Assignment of Leases, Rents and Profits of even date herewith executed by Mortgagor and Beneficiary regarding the Leases.

5.15 Changes in Laws Regarding Taxation. It is expressly agreed by the parties hereto that in case the United States, or any state, or any political subdivision shall hereafter enact any law imposing a tax on notes, bonds or other evidences of indebtedness secured by mortgages on real estate, or in case the laws of the United States or any state or political subdivision shall be in any way changed, as a result of which Mortgagee may become chargeable with the payment of any tax upon the Indebtedness or this Mortgage, then and in any such event Mortgagor covenants and agrees to pay to the Mortgagee, within thirty (30) days after written notice thereof, the amount of any such tax. In default of such payment, or if, in the opinion of counsel for Mortgagee, it might be unlawful for Mortgagor to be required to make such payment or the payment of such tax might be construed as the imposition of interest beyond the maximum amount permitted by applicable law, then in such event the whole of the Indebtedness hereby secured shall, at the option of the Mortgagee, become immediately due and payable upon Mortgagee's demand.

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ARTICLE 6

NEGATIVE COVENANTS

Mortgagor hereby covenants and agrees with Mortgagee that, until the entire Indebtedness shall have been paid in full and all of the Obligations shall have been fully performed and discharged:

6.1 Use Restrictions: Mortgagor shall not use, maintain, operate or occupy, or allow the use, maintenance, operation or occupancy of, the Mortgaged Property in any manner which would (a) violate any of the Legal Requirements; (b) be dangerous unless safeguarded as required by law; (c) constitute a public or private nuisance; (d) make void, voidable or cancellable, or increase the premium of, any insurance then in force with respect thereto; or (e) alter the current use and occupancy of the Mortgaged Property. Without limitation of the foregoing, Mortgagor agrees that it shall not file or subject the Mortgaged Property to any declaration of condominium or convert the Mortgaged Property to a condominium, co-operative or other form of multiple ownership and governance, and Mortgagor's doing or attempt to do so, or public announcement of its intent to do so, without Mortgagee's prior written consent, shall constitute an Event of Default hereunder.

6.2 Maintenance of Mortgagor's and Affiliated Persons' Interests; Restrictions On Transfer and Financing. Mortgagor hereby covenants and agrees that any sale, conveyance, assignment, further encumbrance or other transfer of title to the Mortgaged Property or any part thereof or interest therein, or any interest in Mortgagor or any Affiliated Person, whether legal or equitable, whether voluntary or by operation of law, without the Mortgagee's prior written consent shall constitute an Event of Default hereunder. For the purpose of, and without limiting the generality of, the preceding sentence, it shall be deemed to be

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an unpermitted transfer and therefore an Event of Default hereunder, giving Mortgagee the rights and remedies at its election under Article 8 hereof, if without Mortgagee's prior written consent:

(a) Mortgagor shall sell, convey, assign or alien the Mortgaged Property or any part thereof or interest therein or enter into any contract, agreement, installment contract, articles of agreement for deed, commitment or option to do so; or

(b) Mortgagor shall create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any mortgage, pledge, lien, attachment, levy (whether mechanics, judgment, tax, statutory, constitutional, contractual or other), security interest, encumbrance or charge on, or conditional sale or other title retention agreement with respect to the Mortgaged Property or any portion thereof or interest therein, regardless of whether same is allegedly or expressly subordinate and inferior to the liens and security interests created by this Mortgage and the Loan Documents, other than the Permitted Exceptions; or

(c) any Affiliated Person shall sell, assign, transfer, convey, alien, pledge, hypothecate, mortgage, grant a security interest in, or alter in any way an interest it holds in the Mortgagor or the Mortgaged Property (whether in the form of a beneficial or partnership interest therein, or in the form of a power of direction, control or management, or otherwise) or in any entity which holds an interest in the Mortgagor (whether in the form of a beneficial or partnership interest therein or power of direction, control or management or otherwise), at the time this Mortgage is executed, or enter into any contract, agreement, installment contract, articles of agreement, commitment or option to do so, unless the same is expressly permitted under the Loan Documents; or

(d) Mortgagor or any Affiliated Person shall terminate or dissolve its corporate, trust or partnership existence, or fall from good standing, or merge into or consolidate with any other corporation, partnership, firm or association, or convey, transfer, distribute, lease or otherwise dispose of all or substantially all of its property, assets or business; or

(e) The Mortgaged Property or any part thereof or interest therein shall be leased, including by master lease or ground lease, except as may otherwise be expressly permitted under the Loan Documents.

Any consent by the Mortgagee, or any waiver of an Event of Default, under this paragraph shall not constitute a consent to, or waiver of any rights, remedy or power of the Mortgagee upon a subsequent Event of Default under this paragraph.

ARTICLE 7

EVENTS OF DEFAULT

The term "Event of Default," as used herein and in the Loan Documents, shall mean the occurrence or happening, at any time and from time to time, of any one or more of the following:

7.1 Payment of Indebtedness: If Mortgagor shall fail, refuse or neglect to pay, in full, any installment or portion of the Indebtedness, whether of principal, interest or any other amount, as and when the same shall become due and payable, and

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such default is not cured within the time period, if any, provided under the Note for curing such default, or if the Indebtedness is not paid in full at the Maturity Date.

7.2 Performance of Obligations: If Mortgagor shall fail, refuse or neglect to perform and discharge fully any of the Obligations as and when required under the Loan Documents, and such failure, refusal or neglect shall either be incurable, or, if curable, shall remain uncured for a period of ten (10) days after any applicable payment date in the case of monetary defaults other than monetary defaults under the Note, or shall remain uncured for a period of thirty (30) days after written notice thereof from Mortgagee to Mortgagor in case of any non-monetary defaults; provided, however, that if any such non-monetary default is curable but requires work to be performed, acts to be done or conditions to be remedied, as the case may be, which cannot reasonably be performed, done or remedied within such thirty (30) day period, then no Event of Default shall be deemed to have occurred if Mortgagor commences to cure such default immediately and thereafter diligently prosecutes the same to completion within forty-five (45) days after such notice.

7.3 False Representation: If any representation or warranty made by Mortgagor or by any Affiliated Person or others in, under or pursuant to the Loan Documents shall be false or misleading in any material respect regardless of whether such representation or warranty was qualified to the best of Mortgagor's or any Affiliated Person's knowledge, or if any material inaccuracy shall exist in any of the financial statements, operating information or other information furnished to Mortgagee in connection with the Loan Documents to induce Mortgagee to enter into the Loan Documents, and such default is incurable, or, if curable shall remain uncured for a period of thirty (30) days after written notice thereof from Mortgagee to Mortgagor; provided, however, that if such default is curable but requires work to be performed, acts to be done or conditions to be remedied, as the case may be, which cannot reasonably be performed, done or remedied within such thirty (30) day period, then no Event of Default shall be deemed to have occurred if Mortgagor commences to cure such default immediately and thereafter diligently prosecutes the same to completion within forty-five (45) days after such notice.

7.4 Failure to Notify Mortgagee of Default or False Representation: If Mortgagor or any Affiliated Person shall fail to notify Mortgagee in writing as soon as practicable upon learning that any representation or warranty made by Mortgagor or by any Affiliated Person to Mortgagee is false or misleading in any material respect or upon learning of the occurrence of any event which with the passage of time or the giving of notice or both would constitute an Event of Default under the Loan Documents or the Legal Requirements.

7.5 Failure to Obtain Mortgagee's Consent to Transfer or Financing: If Mortgagor or any Affiliated Person shall make any unpermitted transfer or financing in violation of Paragraph 6.2 hereof without obtaining Mortgagee's prior written consent.

7.6 Judgment; Levy or Attachment: If any final judgment for the payment of money in excess of Seventy-Five Thousand Dollars (\$75,000.00) shall be rendered against Mortgagor or any Affiliated Person and the same shall not be discharged within a period of thirty (30) days after such judgment becomes final (unless stayed and bonded pending appeal), or if any writ, attachment, levy, citation, lien or distress warrant shall be issued against the Mortgaged Property or any part thereof or interest therein, and the same is not discharged within thirty (30) days of when issued or filed.

7.7 Inability to Pay Impositions and Other Debts: If Mortgagor shall fail to pay any of the Impositions which could result

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in a lien upon the Mortgaged Property or any part thereof or interest therein when due, or if Mortgagor shall suffer or permit any other Impositions or other accounts payable in connection with the Mortgaged Property totalling in excess of Twenty-Five Thousand Dollars (\$25,000.00) to become more than thirty (30) days past due, or if Mortgagor, or any Affiliated Person shall generally fail or be unable to pay its debts as they become due, or shall admit in writing its inability to pay its debts as they become due, or shall make a general assignment for the benefit of creditors.

7.8 Material Adverse Change: If there occurs, in the judgment of Mortgagee, a material adverse change in the net assets or financial condition of Mortgagor or any Affiliated Person as reflected on any updated financial statement or as disclosed by any review required by Mortgagee, compared to such party's net assets or financial condition as reflected on the financial statements submitted to Mortgagee as of the date hereof.

7.9 Voluntary Bankruptcy: If Mortgagor or any Affiliated Person (a) shall voluntarily be adjudicated a bankrupt or insolvent or shall consent to or not contest the entry of an order for relief against it or him as debtor; or (b) shall seek, consent to or not contest the appointment of a receiver, trustee, custodian or other similar official for itself or himself or for all or any part of its or his property; or (c) shall file a petition or commence any case, proceeding or other action seeking to have an order for relief entered against it or him as debtor or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or him or it or his debts or other relief under any law relating to bankruptcy, insolvency, arrangement, reorganization, receivership or other debtor relief under the laws of the United States or any state or any other competent jurisdiction.

7.10 Involuntary Bankruptcy: If (a) a petition is filed, or any case, proceeding or other action is commenced against Mortgagor or any Affiliated Persons seeking to have an order for relief entered against it or him as debtor, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or him or its or his debts or other relief under any law relating to bankruptcy, insolvency, arrangement, reorganization, receivership or other debtor relief under the laws of the United States or any state or other competent jurisdiction; or (b) a court of competent jurisdiction enters an order for relief against it or him as debtor, or an order, judgment or decree is entered appointing, with or without the consent or contest of Mortgagor or any Affiliated Person, a receiver, trustee, custodian or other similar official for it or him, or for all or any part of its or his property, and such petition, case, proceeding, action, order, judgment or decree shall not be stayed within thirty (30) days after the entry thereof or shall not be dismissed within ninety (90) days after being commenced.

7.11 Tax on Indebtedness or Mortgage: If any law is passed (a) which would impose upon Mortgagee the obligation to pay the whole or any part of the Impositions or (b) which would change in any way the laws relating to the taxation of mortgages, deeds of trust or debts so as to affect this Mortgage or the Indebtedness; provided, however, that if in the opinion of Mortgagee's counsel it shall be lawful for Mortgagor to pay such imposition or reimburse Mortgagee therefor, then no Event of Default shall be deemed to have occurred if a reimbursement agreement satisfactory to Mortgagee is executed and delivered to Mortgagee and such impositions or reimbursements are thereafter paid by Mortgagor.

7.12 Default of Other Obligations or Foreclosure of Other Liens: If the Mortgagor shall default under any other indebtedness, liability or obligation pertaining to the Mortgaged Property or any part thereof or interest therein or interest in Mort-

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gagor or any Affiliated Person, or if the holder of any lien or security interest on the Mortgaged Property or any part thereof or interest therein or interest in Mortgagor or any Affiliated Person (without hereby implying Mortgagee's consent to the existence, placing, creating or permitting of any such lien or security interest) declares a default or files a claim of lien or institutes foreclosure or other proceedings for the enforcement of its remedies thereunder.

7.13 Death or Incompetence of Guarantor: If any Guarantor dies or is adjudicated incompetent, or if any order is entered appointing any trustee, conservator or receiver for any Guarantor, or is entered approving the petition in any such proceedings.

7.14 Default under Redevelopment Agreement. If the Village, Mortgagor, Beneficiary or any other party to the Redevelopment Agreement shall default under or fail to perform or satisfy any requirement, condition or contingency under the Redevelopment Agreement, and the same is not cured with the time period, if any, allowed for curing same under said Redevelopment Agreement.

7.15 Default under the Bonds. If Mortgagor or Beneficiary shall default under any term or condition of the Bonds and such default is not cured within the time period, if any, allowed for curing same under the Bond documents.

7.16 Default under the Leases. If Mortgagor or Beneficiary shall default under any term or provision of any of the Leases and such default is not cured within the time period, if any, allowed for curing same thereunder.

ARTICLE 8

DEFAULT AND FORECLOSURE

8.1 Remedies: If an Event of Default shall occur, Mortgagee shall have the right and option, at Mortgagee's election and by or through a trustee or nominee or assignee or otherwise, to exercise any or all of the following rights, remedies and recourses, either successively or concurrently:

(a) Acceleration: Declare the unpaid principal balance of the Note, the accrued interest and any other accrued but unpaid portion of the Indebtedness, including, but not limited to, any unpaid loan fees, to be accelerated, without further notice, presentment, protest, demand or action of any nature whatsoever (each of which is hereby expressly waived by Mortgagor), whereupon the same shall become immediately due and payable.

(b) Entry on Mortgaged Property: Enter upon the Mortgaged Property, without force or with such force as is permitted by law, and without notice or process or with such notice or process as is required by law, unless such notice or process is waivable, in which case Mortgagor hereby waives such notice and process, and take exclusive possession thereof and of all books, records and accounts relating thereto. If Mortgagor fails to surrender possession of the Mortgaged Property and remains in possession of any part thereof after an Event of Default and without Mortgagee's prior written consent thereto, Mortgagee may invoke any and all legal rights and remedies to dispossess Mortgagor, including specifically self-help, to the extent permitted by law, or one or more actions for forcible entry and detainer, trespass to try title and writ of restitution. Nothing contained in the foregoing sentence shall, however, be construed to impose any greater legal obligation or any additional legal prerequisites to acquiring possession of the Mortgaged Property after an Event of Default than would have existed under applicable law in

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the absence of such sentence, and to the extent any such legal obligation or prerequisite is waivable, Mortgagor hereby waives such obligation and prerequisite.

(c) Appointment of Trustee or Receiver: Upon, or at any time prior or after, initiating the exercise of any power of sale or instituting any foreclosure of the liens and security interests provided for herein or any other legal proceedings hereunder, make application to a court of competent jurisdiction as a matter of strict right and without notice to Mortgagor and without regard to the adequacy of the Mortgaged Property for the repayment of the Indebtedness, for appointment of a receiver of the Mortgaged Property, and Mortgagor does hereby irrevocably consent to such appointment. Any such receiver shall have all the usual powers and duties of receivers in similar cases, including the full power to hold, develop, rent, lease, manage, maintain, operate and otherwise use or permit the use of the Mortgaged Property upon such terms and conditions as said trustee or Receiver may deem to be prudent and reasonable under the circumstances as more fully set forth in Paragraph 8.2 below, and shall apply such Rents thereby received in accordance with the provisions of Paragraph 8.3 below.

(d) Operation of Mortgaged Property: Hold, develop, rent, lease, manage, maintain, operate or otherwise use or permit the use of the Mortgaged Property, either by itself or by other persons, firms or entities, in such manner, for such time and upon such other terms and conditions as Mortgagee may deem to be prudent and reasonable under the circumstances as more fully set forth in Paragraph 8.2 below, and apply all Rents and other amounts collected by Mortgagee in connection therewith in accordance with the provisions of Paragraph 8.3 below. .

(e) Foreclosure: Pursuant to the procedures provided by applicable law, institute and prosecute foreclosure proceedings with respect to the Mortgaged Property and apply all proceeds collected by Mortgagee in connection with any foreclosure sale in accordance with the provisions of Paragraph 8.3 below.

(f) Other: Exercise any and all other rights, remedies and recourses granted under Note and/or other the Loan Documents or now or hereafter existing in equity or at law, by virtue of statute or otherwise.

8.2 Right and Authority of Receiver or Mortgagee In The Event of Default, Power of Attorney. Upon the occurrence of an Event of Default hereunder and entry upon the Mortgaged Property pursuant to paragraph 8.1(b) hereof or appointment of a Trustee or Receiver pursuant to Paragraph 8.1(c) hereof, and under such terms and conditions as may be deemed prudent and reasonable under the circumstances, all at Mortgagor's expense, Mortgagee or said Trustee or Receiver, as the case may be, may do or permit any one or more of the following, successively or concurrently: (a) enter upon and take possession and control of the Mortgaged Property; (b) take and maintain possession of all documents, books, records, papers and accounts related to the Mortgaged Property; (c) exclude Mortgagor, its agents and employees, wholly from the Mortgaged Property; (d) manage and operate the Mortgaged Property; (e) preserve and maintain the Mortgaged Property; (f) make repairs and alterations to the Mortgaged Property; (g) complete the construction of any improvements on the Mortgaged Property, with such changes, additions, or modifications to the plans and specifications or intended disposition and use of the improvements under construction on the Mortgaged Property as Mortgagee may in its discretion deem appropriate or desirable to place the Mortgaged Property in such condition as will, in Mortgagee's sole judgment, make it or any part thereof readily marketable or rentable; (h) conduct a marketing or leasing program with respect to the Mortgaged Property, or employ a marketing or leasing agent or agents to do so, directed to the lease or

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sale of the Mortgaged Property, under such other terms and conditions as Mortgagee may in its sole discretion deem appropriate or desirable; (i) employ such contractors, subcontractors, materialmen, architects, engineers, consultants, managers, brokers, marketing agents or other employees, agents, independent contractors or professionals, as Mortgagee may in its sole discretion deem appropriate or desirable, to implement and effectuate the rights and powers herein granted; (j) execute and deliver, in the name of Mortgagor as attorney-in-fact and agent of Mortgagor, or in its own name as Mortgagor, such documents and instruments as are necessary or appropriate to consummate authorized transactions; (k) enter such leases, whether of real or personal property, or tenancy agreements, under such terms and conditions as Mortgagee may in its sole discretion deem appropriate or desirable; (l) collect and receive the Rents from the Mortgaged Property; (m) eject tenants or repossess personal property, as provided by law, for breaches of the conditions of their leases or other agreements; (n) sue for unpaid rents, payments, income or proceeds in the name of Mortgagor or Mortgagee; (o) maintain actions in forcible detainer and actions in distress for rent; (p) compromise or give acquittance for rents, payments, income or proceeds that may become due; (q) delegate or assign any and all rights and powers given to Mortgagee by this Mortgage; and/or (r) do any acts which Mortgagee in its sole discretion deems appropriate or desirable to protect the security hereof and/or use such measures, legal or equitable, as it may in its sole discretion deem appropriate or desirable to implement and effectuate the provisions of this Mortgage. This Mortgage shall constitute a direction to and full authority to any lessee, or other third-party who has heretofore dealt or may hereafter deal with Mortgagor or Mortgagee, at the request of Mortgagee, to pay all amounts owing under any lease or other agreement to the Mortgagee without proof of the default relied upon. Any such lessee or third-party is hereby irrevocably authorized to rely upon and comply with (and shall be fully indemnified by Mortgagor in so doing) any request, notice or demand by the Mortgagee for the payment to the Mortgagee of any Rents or other sums which may be or thereafter become due under its lease or other agreement, or for the performance of any undertakings under any such lease or other agreement, and shall have no right or duty to inquire as to whether any default under this Mortgage or any of the other Security Documents has actually occurred or is then existing, and Mortgagor hereby constitutes and appoints Mortgagee, its assignees, successors, transferees and nominees, as Mortgagor's true and lawful attorney-in-fact and agent, with full power of substitution in the Mortgaged Property, in Mortgagor's name and stead, to do or permit any one or more of the foregoing described rights, remedies, powers and authorities, successively and concurrently, and said power of attorney shall be deemed a power coupled with an interest and irrevocable.

8.3 Application of Proceeds: The proceeds of any sale of, and the Rents and other amounts generated by the holding, leasing, operation or other use of, the Mortgaged Property shall be applied by Mortgagee (or the Trustee or Receiver, if one is appointed) to the extent that funds are so available to the following items in such in order of priority as Mortgagee may in its sole discretion determine:

(a) to the payment of the costs and expenses of taking possession of the Mortgaged Property and of holding, using, leasing, repairing, improving and selling the same and of otherwise enforcing its rights and remedies under the Loan Documents, including, without limitation (i) trustees' and receivers' fees, (ii) court costs, (iii) attorneys' and accountants' fees, (iv) costs of advertisement and (v) the payment of any and all Impositions, liens, security interests or other rights, titles or interests equal, superior or subordinate to the lien and security interest of this Mortgage (except those to which the Mortgaged Property has been sold subject to but without in any way implying Mortgagee's consent to the creation thereof);

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(b) to the payment of all amounts, other than the principal balance outstanding and accrued but unpaid interest which may be due to Mortgagee under the Loan Documents, together with interest thereon as provided therein;

(c) to the payment of all accrued but unpaid interest due on the Note; and

(d) to the payment of the principal balance outstanding under the Note.

8.4 Remedies Cumulative, Concurrent and Non-Exclusive; No Waiver: Mortgagee shall have all rights, remedies and recourses granted in the Loan Documents and available at law or equity (including specifically those granted by the Uniform Commercial Code in effect and applicable to the Mortgaged Property, or any portion thereof) and same (a) shall be cumulative and concurrent, (b) may be pursued separately, successively or concurrently against Mortgagor, any of the Guarantors or other Affiliated Person or others obligated under the Note, or against the Mortgaged Property, or against any one or more of them, at the sole discretion of Mortgagee, (c) may be exercised as often as occasion therefor shall arise, it being agreed by Mortgagor that the exercise or failure to exercise any of same shall in no event be construed as a waiver or release thereof or of any other right, remedy or recourse and (d) are intended to be, and shall be, nonexclusive. All the conditions, covenants, provisions and obligations herein contained, and all rights hereunder shall run with the land hereby mortgaged and shall extend to, be binding upon, and inure for the benefit of the heirs, executors, administrators, successors and assigns of the respective parties hereto. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right and power may be exercised at any time from time to time as often as and when deemed by Mortgagee to be expedient or appropriate. A delay or failure in one or more instances of invoking any right, remedy or recourse shall not constitute a waiver thereof, and any such failure shall apply to the particular instance or instances and at the particular time or times only, and even if such delay or failure shall be deemed a waiver with regard to the particular instance, such delay or failure shall not be deemed to constitute a waiver with respect to any subsequent instance or event; but all of the terms, covenants, conditions and other provisions of this Mortgage, the Note and the other Loan Documents shall survive and continue to remain in full force and effect. No change, amendment, modification, cancellation or discharge hereof, or any part thereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns. 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 same in an action at law upon the Note.

8.5 No Conditions Precedent to Exercise of Remedies: Neither Mortgagors nor any Affiliated Person shall be relieved of any of the Obligations by reason of (a) the failure of Mortgagee to comply with any request of Mortgagor or any Affiliated Person to foreclose the lien of this Mortgage or to enforce any provisions of the other Loan Documents; or (b) the release, regardless of consideration, of the Mortgaged Property or any portion thereof or the addition of any other property to the Mortgaged Property; or (c) any agreement or stipulation extending, renewing, rearranging or in any other way modifying the terms of the Loan Documents without first having obtained the consent of, given notice to or paid any consideration to Mortgagor or any Affiliated Person and in such event Mortgagor and each Affiliated Person shall continue to be liable to make payment according to

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the terms of any such extension or modification agreement unless expressly released and discharged in writing by Mortgagee; or (d) by any other act or occurrence save and except the complete payment of the Indebtedness and the complete fulfillment of all of the Obligations.

8.6 Release of and Resort to Collateral: Mortgagee may release, regardless of consideration, any part of the Mortgaged Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the lien or security interests created in or evidenced by the Loan Documents or their stature as a first priority lien and security interest in and to the Mortgaged Property. For payment of the Indebtedness, Mortgagee may resort to any other security therefor held by Mortgagee in such order and manner as Mortgagee may elect.

8.7 Waiver of Redemption, Etc., Notice and Marshalling of Assets: To the fullest extent permitted by law, Mortgagor hereby irrevocably and unconditionally waives and releases (a) all benefit that might accrue to Mortgagor or any Affiliated Person, or any person by, through or under Mortgagor or any Affiliated Person or acquiring any interest in the Mortgaged Property, by virtue of any present or future law exempting the Mortgaged Property or any part thereof from attachment, levy or sale on execution or providing for any homestead exemption, appraisal, moratorium, valuation, stay of execution, exemption from civil process, rights of redemption or extension of time for payment; (b) all notices of any Event of Default or of Mortgagee's election to exercise or its actual exercise of any right, remedy or recourse provided for under the Loan Documents; and (c) any right to a marshalling of assets or a sale in inverse order of alienation. If Mortgagor is a trustee, Mortgagor represents and warrants to Mortgagee that it has been authorized and empowered by the trust instruments and by all necessary persons having the power of direction over it as trustee to execute this Mortgage and make the foregoing waivers and releases and the other waivers and releases contained herein.

8.8 Discontinuance of Proceedings: In case Mortgagee shall have proceeded to invoke any right, remedy or recourse permitted under the Loan Documents and shall thereafter elect to discontinue or abandon same for any reason, Mortgagee shall have the unqualified right so to do and, in such an event, Mortgagor and Mortgagee shall be restored to their former positions with respect to the Indebtedness, the Obligations, the Loan Documents, the Mortgaged Property and otherwise, and the rights, remedies, recourses and powers of Mortgagee shall continue as if same had never been invoked.

8.9 Indemnity. Mortgagee shall not be obligated to perform discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability of Mortgagor, and to the extent provided by law, Mortgagor shall and does hereby agree to protect, indemnify, defend and hold Mortgagee harmless of and from any and all liability, loss, cost, expense or damage which it may or might incur in the exercise of its rights, remedies, powers and authority hereunder, and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations, undertakings or liabilities. Should Mortgagee incur any such liability, loss, cost or damage of or in the defense of any claims or demands, the amount thereof, including costs, expenses and attorneys' fees, shall be secured hereby, and Mortgagor shall reimburse Mortgagee therefor immediately upon demand, with interest occurring at the Default Rate.

8.10 Mortgagee's Expenses: Mortgagor further expressly covenants and agrees to pay Mortgagee all costs and expenses of every kind paid or incurred by Mortgagee in any way in connection with the protection of the Mortgaged Property or the maintenance of the lien of this Mortgage and the security interests under the

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other Loan Documents, or otherwise in connection with the determination and exercise by Mortgagee of any of its rights or remedies under the Loan Documents upon the occurrence of any event which, with the passage of time or the giving of notice or both, could constitute an Event of Default hereunder, whether or not such event shall ripen into an Event of Default hereunder, including any and all expenditures for documentary evidence, title insurance, minutes of foreclosure, or any abstract or opinion of title to the Mortgaged Property, and all similar fees, costs, charges and expenses, and including reasonable attorneys' fees and stenographer's fees, paid or incurred by Mortgagee in any suit or legal proceeding, or in preparation or in anticipation of declaring an Event of Default or in preparation or in anticipation of such suit or proceeding, regardless of whether such suit or proceeding is actually instituted, including, without limitation, any bankruptcy or insolvency proceeding, probate proceeding, or other proceeding in which Mortgagee may in its discretion intervene in order to protect its security, or appeal from any of the foregoing, or otherwise paid or incurred by Mortgagee in obtaining legal advice regarding its rights and remedies under the Loan Documents or in determining whether to declare an Event of Default hereunder. All such fees, costs, charges and expenses shall constitute so much additional indebtedness evidenced by the Note and secured by this Mortgage, regardless of whether the same may cause the Indebtedness secured hereby to exceed the face amount of the Note, and shall be immediately due and payable when incurred, with interest accruing thereon at the Default Rate, and shall be allowed in any decree of foreclosure hereof. No proceeding to foreclose this Mortgage, whether a decree of foreclosure shall have been entered therein or not, shall be dismissed, nor shall a release of this Mortgage be given until all such expenses, charges and costs of Mortgagee shall have been paid in full. Mortgagor's liability shall terminate as of the date of conveyance and expiration of any redemption period.

ARTICLE 9

CONDEMNATION

9.1 General: If all or any material part of the Premises shall be damaged or taken through condemnation (which term, when used in this Mortgage, shall include any damage or taking by any Governmental Authority and any transfer by private sale in lieu thereof), either temporarily or permanently, then, except as specifically hereinafter provided, the entire indebtedness secured hereby shall, at the option of the Mortgagee, become immediately due and payable. The Mortgagee shall be entitled to all compensation, awards and other payments of relief therefor and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or in Mortgagor's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. Any such compensation, awards, damages, claims, rights, actions and proceedings, and the right thereto, are hereby assigned by Mortgagor to Mortgagee and Mortgagor agrees to execute such further assignments of any compensations, awards, damages, claims, rights, actions and proceedings as the Mortgagee may require. The Mortgagee shall not be held responsible for any failure to collect any amount in connection with any such proceeding regardless of the cause of such failure. In the event that such damage or taking occurs following the completion (except for any work to be undertaken by Tenants under the terms of the Leases) and further provided that the conditions set forth in subparagraphs (a) through (g) of Section 5.8 hereof have been fulfilled with respect to such damage or taking, then Mortgagee shall allow the net proceeds of such proceeding to be used for repair or restoration as provided in Section 5.9 hereof. In all other cases, Mortgagee shall have the right and option, in its sole discretion, of applying such

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condemnation proceeds after deducting therefrom from said condemnation proceeds all of its expenses incurred in the collection and administration of such sums, including attorneys' fees, the Mortgagee shall apply the net proceeds or any part thereof, as a credit on the Indebtedness secured hereby, whether then matured or to mature in the future, without affecting the lien of this Mortgage, and if the same are insufficient to pay such amount in full, then Mortgagee shall have the right and option to declare the entire balance of the Indebtedness remaining unpaid to be immediately due and payable.

ARTICLE 10

SECURITY AGREEMENT

10.1 Security Interest: This Mortgage shall be construed as a mortgage on real property and it shall also constitute and serve as a "Security Agreement" on personal property within the meaning of, and shall constitute until the grant of this Mortgage shall terminate, a first priority security interest under the Uniform Commercial Code with respect to the Personalty, Fixtures, Leases and Rents. To this end, Mortgagor has Granted, Bargained, Conveyed, Assigned, Transferred and Set Over and by these presents does Grant, Bargain, Convey, Assign, Transfer and Set Over, unto Mortgagee a first priority security interest in all of Mortgagor's right, title and interest in, to and under the Personalty, Fixtures, Leases and Rents (hereinafter collectively referred to as the "Collateral"), to secure the full and timely payment of the Indebtedness and the full and timely performance and discharge of the Obligations.

10.2 Financing Statements: Mortgagor hereby agrees with Mortgagee to execute and deliver to Mortgagee, in form and substance satisfactory to Mortgagee, such Financing Statements and such further assurances as Mortgagee may, from time to time, consider necessary to create, perfect and preserve Mortgagee's security interest herein granted and Mortgagee may cause such statements and assurances to be recorded and filed, at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest.

10.3 Uniform Commercial Code Remedies: Mortgagee shall have all the rights, remedies and recourses with respect to the Collateral afforded to it by the aforesaid Uniform Commercial Code in addition to, and not in limitation of, the other rights, remedies and recourses afforded Mortgagee by the Loan Documents.

10.4 No Obligation of Mortgagee: The assignment and security interest herein granted shall not be deemed or construed to constitute Mortgagee as a trustee in possession of the Mortgaged Property, to obligate Mortgagee to lease the Collateral or attempt to do same, or to take any action, incur any expenses or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise.

10.5 Payment of Rents to Mortgagor Until Default: Unless and until an Event of Default occurs, Mortgagor shall be entitled to collect the Rents as and when, but not before, they become due and payable. Mortgagor hereby covenants and agrees with Mortgagee that the other parties under the Leases shall be obligated and are hereby irrevocably directed by Mortgagor, upon notice from Mortgagee of the occurrence of an Event of Default, thereafter pay directly to Mortgagee the Rents due and to become due under the Leases and attend to and pay all other obligations thereunder directly to Mortgagee without any obligation on their part to determine whether an Event of Default does actually exist.

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10.6 Remedies for Personal Property. Whenever there exists an Event of Default hereunder, the Mortgagee may exercise from time to time any rights and remedies available to it under applicable law upon default in payment of indebtedness. The Mortgagor shall, promptly upon request by the Mortgagee, assemble the Collateral and make it available to the Mortgagee at such place or places, reasonably convenient for both the Mortgagee and the Mortgagor, as the Mortgagee shall designate. Any notification required by law of intended disposition by the Mortgagor of any of the Collateral shall be deemed reasonably and properly given if given at least ten (10) days before such disposition. Without limiting the foregoing, whenever there exists a default hereunder, the Mortgagee may, with respect to so much of the Collateral as is personal property under applicable law, to the fullest extent permitted by applicable law, without further notice, advertisement, hearing or process of law of any kind, (i) notify any person obligated on the Collateral to perform directly for the Mortgagee its obligations hereunder, (ii) enforce collection of any of the Collateral by suit or otherwise, and surrender, release or exchange all or any part thereof or compromise or extend or renew for any period (whether or not longer than the original period) any obligations of any nature of any party with respect thereto, (iii) endorse any checks, drafts or other writings in the name of the Mortgagor to allow collection of the Collateral, (iv) take control of any proceeds of the Collateral, (v) enter upon any premises where any of the Collateral may be located and take possession of and remove such Collateral, (vi) sell any or all of the Collateral, free of all rights and claims of the Mortgagor therein and thereto, at any public or private sale, and (vii) bid for and purchase any or all of the Collateral at any such sale. Any proceeds of any disposition by the Mortgagee of any of the Collateral may be applied by the Mortgagee to the payment of expenses in connection with the Collateral, including attorneys' fees and legal expenses, and any balance of such proceeds shall be applied by the Mortgagee toward the payment of such of the Indebtedness and in such order of application as the Mortgagee may from time to time, in its sole discretion, elect. The Mortgagee may exercise from time to time any rights and remedies available to it under the Uniform Commercial Code or other applicable law as in effect from time to time or otherwise available to it under applicable law. The Mortgagor hereby expressly waives presentment, demand, notice of dishonor, protest and notice of protest in connection with the Note and, to the fullest extent permitted by applicable law, any and all other notices, demands, advertisements, hearings or process of law in connection with the exercise by the Mortgagee of any of its rights and remedies hereunder. The Mortgagor hereby constitutes the Mortgagee its attorney-in-fact with full power of substitution to take possession of the Collateral upon any Event of Default and, as the Mortgagee in its sole discretion deems necessary or proper, to execute and deliver all instruments required by the Mortgagor to accomplish the disposition of the Collateral; this power of attorney is a power coupled with an interest and is irrevocable while any of the Indebtedness is outstanding.

10.7 Fixture Financing Statement. This Mortgage is intended to be a financing statement within the purview of Section 9-402 of the Uniform Commercial Code with respect to those items of equipment, goods or inventory which are fixtures on the Premises. The addresses of the Mortgagor (Debtor) and Mortgagee (Secured Party) are hereinafter set forth. This Mortgage is to be filed for record in the real estate records of the county where the Real Estate are located. The Trustee is the record owner of the Real Estate.

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ARTICLE 11

ASSIGNMENT OF LEASES RENTS AND PROFITS

11.1 Assignment of Leases, Rents, and Profits: To further secure the full and timely payment of Indebtedness and the full and timely performance and discharge of the Obligations, Mortgagor hereby sells, assigns and transfers unto Mortgagee all of the Leases and the Rents now due and which may hereafter become due under or by virtue of any of the Leases which may have been heretofore or may be hereafter made or agreed to by Mortgagor or the agents of Mortgagor or which may be made or agreed to by Mortgagee under the powers herein granted, it being the intention hereby to establish an absolute and present transfer and assignment of all such Leases, Rents and all avails thereunder, to Mortgagee; provided, however, the acceptance by Mortgagee of the foregoing assignment, with all of the rights, powers, privileges and authority so created, shall not, prior to entry upon and taking possession of the Mortgaged Property by Mortgagee, be deemed or construed to constitute Mortgagee a "Mortgagee in Possession," nor thereafter or at any time or in any event obligate Mortgagee to appear in or defend any action or proceeding related to the Leases or to the Mortgaged Property, to take any actions thereunder, to expend any money, incur any expenses, or perform or discharge any obligation, duty or liability under the Leases, or to assume any obligation or responsibility for any security deposits or other deposits delivered to Mortgagor by any lessee thereunder. Reference is hereby made to that certain Assignment of Leases, Rents and Profits, of even date herewith, executed by Mortgagor to Mortgagee, which sets forth in more detail the terms and conditions of said assignment, including, without limitation, the rights, remedies, powers and authority vested in Mortgagee by virtue of said assignment, which terms, conditions, rights, remedies, powers and authority are herein incorporated by this reference. Neither Mortgagor nor Beneficiary shall have the right to terminate or enter into new leases with respect to the Mortgaged Property without giving Mortgagee prior written notice thereof and obtaining Mortgagee's prior written consent in connection therewith, except under certain circumstances, if any expressly provided for in said Assignment of Leases, Rents and Profits.

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ARTICLE 12

ESCROW

12.1 Payment of Escrowed Sums: In order to protect the security of this Mortgage and to insure the timely payment when due of the Impositions, Mortgagor hereby covenants and agrees to make additional lump sum and/or monthly payments to Mortgagee in accordance with the terms and conditions hereinafter set forth: Mortgagee shall have the right and option at any time prior to the full repayment of the Indebtedness and regardless of whether such right was previously waived or deferred in part or in whole, to collect from Mortgagor and accrue in advance for Mortgagor's future liability for real estate taxes, insurance premiums, deferred maintenance reserves and/or security deposits. Mortgagor acknowledges and agrees that the determination of which component(s) of the items specified above shall be payable and Mortgagee's determination of the amounts to be so paid in respect of each such designated component shall be made by Mortgagee at any time and from time to time in its discretion. Mortgagee shall make its determinations of amounts to be so paid based on the most recent ascertainable bills or other available information and based on Mortgagee's estimates of potential increases thereto. Accordingly, Mortgagor shall be obligated to pay to Mortgagee within thirty (30) days after the date of any demand made by Mortgagee at any time hereafter a lump sum amount deter-

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mined on an accrual basis equal to Mortgagee's estimate of the liability for each designated component of the items specified above divided by twelve, and multiplied by the number of months that have elapsed since the last date for which each such designated component was paid on an accrual basis, and thereafter commencing on the first day of the first month following the date of such demand and on the first day of each month thereafter, Mortgagor shall be obligated to pay to Mortgagee an additional amount equal to one-twelfth (1/12th) of Mortgagee's estimate of the liability for each designated component. As an alternative method, Mortgagor shall have the right and option in Mortgagee's discretion to require Mortgagor to pay to Mortgagee on the first day of each month following the date of demand, the amount which, by the payment of approximately equal monthly installments and which when added to any lump sum previously paid to Mortgagee, shall result in there accumulating with Mortgagee at least one month prior to the date when due, the amount estimated by Mortgagee to be sufficient to pay each such designated component when due. If Mortgagee determines that any amounts theretofore paid by Mortgagor are insufficient for the payment in full of any such designated component, then Mortgagee shall notify Mortgagor of the increased amounts required to provide a sufficient fund, whereupon Mortgagor shall be obligated to pay to Mortgagee the additional amount required by Mortgagee upon demand.

12.2 Mortgagee's Reliance on Tax Bills, Etc. Mortgagee in making any payment hereby authorized: (a) relating to taxes or assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity, enforceability or contestability of any such tax, assessment, sale, forfeiture, tax lien or title or claim thereof; or (b) for the purchase, discharge, compromise or settlement of any mortgage, lien, charge or encumbrance, whether prior or subordinate to this Mortgage, may do so without inquiry as to the validity, enforceability or contestability or amount of any claim for lien which may be asserted.

ARTICLE 13

MISCELLANEOUS

13.1 Performance at Mortgagor's Expense: The cost and expense of performing or complying with any and all of the Obligations shall be borne solely by Mortgagor, and no portion of such cost and expense shall be, in any way and to any extent, credited against any installment on or portion of the Indebtedness.

13.2 Survival of Obligations: Each and all of the Obligations shall survive the execution and delivery of the Loan Documents, and the consummation of the loan called for therein, and shall continue in full force and effect until the Indebtedness shall have been paid in full.

13.3 Further Assurances: Mortgagor, upon the request of Mortgagee, shall execute, acknowledge, deliver and record and/or file such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of the Loan Documents and to subject to the liens and security interests thereof any property intended by the terms thereof to be covered thereby, including specifically but without limitation, any renewals, additions, substitutions, replacements, betterments or appurtenances to the then Mortgaged Property.

13.4 Recording and Filing: Mortgagor will cause the Loan Documents and all amendments and supplements thereto and substitutions therefor to be recorded, filed, re-recorded and re-filed in such manner and in such places as Mortgagee shall reasonably

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request, and will pay all such recording, filing, re-recording and re-filing taxes, fees and other charges.

13.5 No Representation: By accepting or approving anything required to be observed, performed or fulfilled or to be given to Mortgagee pursuant to the Loan Documents, including (but not limited to) any officer's certificate, balance sheets, statement of profit and loss or other financial statement, survey, appraisal of insurance policy, Mortgagee shall not be deemed to have warranted, consented to or affirmed the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty, consent or affirmation with respect thereto by Mortgagee.

13.6 Notices: All notices or other communications required or permitted to be given hereunder shall be in writing and shall be considered properly given if sent by overnight messenger service or deposited in first class United States mail, postage prepaid registered or certified with return receipt requested, or by delivering same to the address listed below by personal delivery or by prepaid messenger or telegram, as follows:

If to Mortgagor:

LaSalle National Bank
135 South LaSalle Street
Chicago, Illinois 60603
Attention: Land Trust Department

with a copy to:

CR Associates
40 Skokie Boulevard
Suite 600
Northbrook, Illinois 60062
Attention: Kenneth L. Tucker

with a copy to:

CRID, Inc.
Cedarbrook Hill Apts. III
Wyncote, Pennsylvania 19095

If to Mortgagee:

Continental Illinois National Bank and
Trust Company of Chicago
231 South LaSalle
Chicago, Illinois 60693
Attention: Michael Baskin

with a copy to:

Coffield Ungaretti Harris & Slavin
3500 Three First National Plaza
Chicago, Illinois 60602
Attention: Jack D. Jester, Esq.

or at such other place as any party hereto may by notice in writing designate as a place for service of notice hereunder. Notice so sent shall be effective whether or not receipt thereof is acknowledged or is refused by the addressee or any person at such address.

13.7 Mortgagee's Consent: In any instance hereunder where Mortgagee's prior approval or consent is required to be obtained by Mortgagor, any Affiliated Person or otherwise, or Mortgagee's judgment or discretion is required to be exercised as to any matter, the granting or denial of such approval or consent and

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the exercise of such judgment shall be within the sole discretion of Mortgagee, and Mortgagee shall not, for any reason and to any extent, be required to grant such approval or consent or exercise such judgment in any particular manner regardless of the reasonableness of either the request or Mortgagee's judgment, unless otherwise expressly so qualified.

13.8 No Waiver: Any failure by Mortgagee to insist, or any election by Mortgagee not to insist, upon strict performance by Mortgagor of any of the terms, provisions or conditions of the other Loan Documents shall not be deemed to be a waiver of same or of any other term, provision or condition thereof, and Mortgagee shall have the right at any time or times thereafter to insist upon strict performance by Mortgagor of any and all of such terms, provisions and conditions.

13.9 Mortgagee's Right to Perform the Obligations: If Mortgagor shall fail, refuse or neglect to make any payment or perform any act required by the Loan Documents, then at any time thereafter, and without notice to or demand upon Mortgagor and without waiving or releasing any other right, remedy or recourse Mortgagee may have because of same, Mortgagee may (but shall not be obligated to) make such payment or perform such act for the account of and at the expense of Mortgagor, and shall have the right to enter the Real Estate and Buildings for such purpose and to take all such action thereon and with respect to the Mortgaged Property as it may deem necessary or appropriate. If Mortgagee shall elect to pay any Imposition or other sums due with reference to the Mortgaged Property, Mortgagee may do so in reliance on any bill, statement or assessment procured from the appropriate Governmental Authority or other issuer thereof without inquiring into the accuracy or validity hereof. Similarly, in making any payments to protect the security intended to be created by the Loan Documents, Mortgagee shall not be bound to inquire into the validity of any apparent or threatened adverse title, lien, encumbrance, claim or charge before making an advance for the purpose of preventing or removing the same. Mortgagor shall indemnify Mortgagee for all losses, expenses, damages, claims and causes of action, including attorneys' fees, incurred or accruing by reason of any acts performed by Mortgagee pursuant to the provisions of this Paragraph 13.9 or by reason of any other provision in the Loan Documents. All sums paid by Mortgagee pursuant to this Paragraph 13.9, and all other sums expended by Mortgagee to which it shall be entitled to be indemnified, together with interest thereon at the Default Rate or at the maximum rate allowed by law from the date of such payment or expenditure, shall constitute additions to the Indebtedness, shall be secured by the Loan Documents and shall be paid by Mortgagor to Mortgagee upon demand.

13.10 Subrogation: If any or all of the proceeds of the Note have been used to extinguish, extend or renew any indebtedness heretofore existing against the Mortgaged Property, then, to the extent of such funds so used, the Indebtedness and this Mortgage shall be subrogated to all of the rights, claims, liens, titles and interests heretofore existing against the Mortgaged Property to secure the indebtedness so extinguished, extended or renewed, and the former rights, claims, liens, titles and interests, if any, are not waived but rather are continued in full force and effect in favor of Mortgagee and are merged with the lien and security interest created herein as cumulative security for the repayment of the Indebtedness and the satisfaction of the Obligations. In addition, and without limitation of the foregoing, should the proceeds of the Note or any part thereof, or any amount paid out or advanced by Mortgagee hereunder or pursuant to any agreement executed by Mortgagor in connection with the Indebtedness be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any mortgage, lien, charge or encumbrance upon the Mortgaged Property or any part thereof, then as additional security hereunder, the Mort-

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gagee shall be subrogated to any and all rights, equal or superior titles, liens and equities, owned or claimed by any owner or holder of said outstanding mortgage liens, charges and indebtedness, however remote, regardless of whether said mortgages, liens, charges and indebtedness are acquired by assignment or have been released of record by the holder thereof upon payment.

13.11 Effect of Extensions of Time and Amendments on Junior Liens and Others. If the Indebtedness secured hereby, or any part thereof, shall be extended, increased or varied, or if any part of the security therefor shall be released, any person or entity now or at any time hereafter liable for the Indebtedness, whether primarily or secondarily, and all persons otherwise interested in the Mortgaged Property, shall be held to assent and agree to any such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force and effect, with the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding any such extension, variation or release. Any person or entity purporting to have or to take a junior mortgage or other lien upon the Mortgaged Property or any interest therein, and any person or entity now or at anytime hereafter liable for the Indebtedness whether primarily or secondarily, and all persons otherwise interested in the Mortgaged Property, shall be subject to the rights of the Mortgagee to amend, modify, vary, alter or supplement this Mortgage, the Note or any other Loan Document, and/or to extend the maturity of the Indebtedness, and/or to increase the amount of the Indebtedness, and/or to waive or forebear the exercise of any of its rights and remedies thereunder, and/or to release any collateral or security for the Indebtedness, 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.

13.12 Inspection: Mortgagor shall permit Mortgagee and its agents, representatives and employees to inspect the Mortgaged Property, and all books, records and documents pertaining thereto at all reasonable times.

13.13 Covenants Running with the Real Estate: All obligations contained in the Loan Documents are intended by the parties to be, and shall be construed as, covenants running with the Mortgaged Property.

13.14 Severability: The Loan Documents are intended to be performed in accordance with, and only to the extent permitted by, all applicable Legal Requirements. If any provision of any of the Loan Documents or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of the instrument in which such provision is contained nor the application of such provision to other persons or circumstances nor the other instruments referred to herein shall be affected thereby, but rather shall be enforced to the greatest extent permitted by law. It is hereby expressly stipulated and agreed to be the intent of Mortgagor and Mortgagee to at all times comply with the usury, and all other, laws relating to the Loan Documents. If, at any time, the applicable Legal Requirements render usurious any amount called for in any Loan Document, then it is Mortgagor's and Mortgagee's express intent that such document be enforced to the greatest extent permitted by law, so as to comply with the then applicable law so as to permit the recovery of the fullest amount otherwise called for in such Loan Documents.

13.15 Construction: Should any provision of this Mortgage or any other Loan Document require judicial interpretation or construction, it is agreed that the court interpreting or construing the same shall not construe this Mortgage or such Loan Document against one party more strictly by reason of the rule of

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interpretation that a document is to be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that the agents of all parties have participated in the preparation of this Mortgage and the other Loan Documents and that legal counsel was consulted by each respective party prior to its execution hereof.

13.16 Applicable Law; Business Loan: Mortgagor acknowledges and agrees: that (a) the Note, this Mortgage and other Loan Documents have been negotiated, executed and delivered in and are being held and are payable in the State of Illinois; (b) that the proceeds of the Note will be used for a "business purpose" as specified in Paragraph 6404, Section 4(1)(c) of ch. 17 of the Illinois Revised Statutes, and that accordingly, the principal obligation secured hereby constitutes a business loan which comes within the purview of said paragraph; and (c) that the Indebtedness and Obligations secured hereby are an exempted transaction under the Truth-In-Lending Act, 15 U.S.C. Sec. 1601 et seq.

13.17 Execution of Separate Loan Agreements, Financing Statements, Etc.; Estoppel Letter: Mortgagor shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, conveyances, notes, mortgages, security agreements, financing statements and assurances as Mortgagee shall require for accomplishing the purpose of this Mortgage. Without limitation of the foregoing, Mortgagor shall assign to Mortgagee, upon request, as further security for the Indebtedness secured hereby, its interests in all agreements, contracts, licenses and permits affecting the Premises, such assignments to be made by instruments satisfactory to Mortgagee, but no such assignment shall be construed as a consent by the Mortgagee to any agreement, contract, license or permit or to impose upon Mortgagee any obligations with respect thereto. From time to time, Mortgagor will furnish within ten (10) days after Mortgagee's request a written and duly acknowledged statement of the amount due under the Note and under this Mortgage and whether any alleged offsets or defenses exist against the Indebtedness secured hereby.

13.18 No Merger: It is the desire and intention of the parties hereto that this Mortgage and the lien hereof shall not merge in fee simple title to the Mortgaged Property, unless a contrary intent is ever manifested by Mortgagee as evidenced by an express statement to that effect in an appropriate document duly recorded. Therefore, it is hereby understood and agreed that should Mortgagee acquire any additional or other interests in or to the Mortgaged Property or the ownership thereof, then this Mortgage and the lien hereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

13.19 Release Upon Payment of Indebtedness and Discharge of Mortgagor's Obligations: If Mortgagor shall fully pay all principal and interest on the Note and all Indebtedness secured hereby and perform and comply with all of the other terms and provisions hereof to be performed and complied with by Mortgagor, then this Mortgage shall be satisfied, and Mortgagee shall thereupon release this Mortgage and the lien thereof by proper instrument upon payment and discharge of all Indebtedness secured hereby and, if allowed by law, upon payment to Mortgagee of a reasonable fee for the preparation of such release.

13.20 Partial Release. Mortgagor hereby grants to Mortgagee the right to make partial release or releases of the Mortgaged Property and of other security hereunder or under any other Loan Documents upon such terms and conditions and for such release price(s) as Mortgagor and Mortgagee may then agree upon, without notice to, or the consent, approval or agreement of any other party (including but not limited to any Affiliated Person, or any junior or subordinated mortgagee, or junior lien or encumbrance

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holder), notwithstanding that the Loan Agreement or other Loan Documents may set forth, contemplate or anticipate specific release prices. Any such partial release or releases shall not impair in any manner the validity or priority of this Mortgage on the portion of the Mortgaged Property or other security remaining, nor release the personal liability of any person, persons or entity obligated to pay any of the Indebtedness.

13.21 Option to Subordinate: At the option of Mortgagee, this Mortgage shall become subject and subordinate, in whole or in part (except with respect to priority of entitlement to insurance proceeds or any award in condemnation) to any and all Leases of all or any part of the Mortgaged Property upon the execution by Mortgagee and recording thereof, at any time hereafter, in the real estate records of the county wherein the Mortgaged Property are situated, of a unilateral declaration to that effect.

13.22 Contradiction Between Terms: In the event of any contradiction or inconsistency between any of the terms and provisions contained in this Mortgage and any of the terms and provisions contained in the other Loan Documents, then the terms and provisions contained in the Loan Agreement shall control.

13.23 Captions and Pronouns: The captions and headings of various paragraphs of this Mortgage are for convenience only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof. Whenever 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.

13.24 Successors and Assigns: All of the terms of the Loan Documents shall apply to, be binding upon and inure to the benefit of the parties thereto, their successors, assigns, heirs and legal representatives, and all other persons claiming by, through or under them.

13.25 Materiality: All covenants, agreements, representations and warranties made herein and in the Loan Documents delivered in support of this Mortgage shall be deemed to have been material and relied on by the Mortgagee and shall survive the execution and delivery of the Note and this Mortgage and the disbursements and advances of funds made pursuant to this Mortgage.

13.26 Entire Agreement and Modifications: The Loan Documents contain the entire agreements between the parties relating to the subject matter hereof and thereof and all prior agreements relative thereto which are not contained herein or therein are terminated. The Loan Documents may not be amended, revised, waived, discharged, released or terminated orally but only by a written instrument or instruments executed by the party against which enforcement of the amendment, revision, waiver, discharge, release or termination is asserted. Any alleged amendment, revision, waiver, discharge, release or termination which is not so documented shall not be effective as to any party.

13.27 Applicable Law: The Loan Documents shall be governed by and construed according to the laws of the State of Illinois, except to the extent that Federal law may preempt the applicability of state usury laws.

13.28 No Joint Venture; No Third-Party Beneficiary: Mortgagor acknowledges and agrees that in no event shall Mortgagee be deemed to be a partner or joint venturer with it. Without limitation of the foregoing, Mortgagee shall not be deemed to be such a partner or joint venturer on account of its becoming a mortgagee in possession or exercising any rights pursuant to this Mortgage or pursuant to any other instrument or document securing any portion of the indebtedness secured hereby, or otherwise. No

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other person shall be deemed to have any right or priority under this Mortgage to any extent or for any purpose whatsoever, nor shall any other person have any claim or right of action with respect to the Mortgaged Property or proceeds of the Indebtedness or be deemed a third-party beneficiary under this Mortgage or under the other Loan Documents.

13.29 Indemnification Regarding Environmental Matters: Mortgagor agrees to defend, indemnify and hold Mortgagee harmless, from and against (i) any loss, damage, cost, expense, injury or liability (including, without limitation, attorneys' fees and court costs) arising from the imposition or recording of a lien against the Mortgaged Property, or from the assessment against Mortgagee or the incurrence by Mortgagee of any clean-up and removal costs or defense costs under any hazardous waste, environmental protection, spill compensation, clean air and water, or other local, state or federal statute, law, ordinance or regulation of similar type (hereinafter referred to as "Statute"), with respect to the Mortgaged Property or with respect to any other real or personal property owned by Mortgagor or from any liability asserted against Mortgagee by any third party in connection with any violation of a Statute or other action by Mortgagor, its agents or any predecessor in title with respect to the Mortgaged Property, and (ii) any loss of value in the Mortgaged Property as a result of any such lien, such clean-up and removal costs, or such other liability, and (iii) any loss, damage, cost, expense, injury or liability arising from any failure or defect in title occasioned by any applicable Statute.

13.30 Trustee's Exculpation: This Mortgage is executed by LASALLE NATIONAL BANK, not personally, but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said Trustee hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in the Note shall be construed as creating any liability on said Trustee personally to pay said Note or any interest that may accrue thereon, or any Indebtedness secured hereunder, or to perform any covenants, either express or implied therein or herein contained, or with regard to any warranty contained in the Mortgage except the warranty made in this Paragraph, all such personal liability, if any, being expressly waived with respect to said Trustee by the Mortgagee and by every person now or hereafter claiming any right or security hereunder, but nothing in the preceding portions of this paragraph shall be construed in any way so as to affect or impair the lien of the Mortgage, or the Mortgagee's right to the foreclosure thereof, or be construed in any way so as to limit or restrict any of the rights and remedies of the Mortgagee in any such foreclosure proceedings or other enforcement of the payment of the Indebtedness secured hereby out of and from the security given therefor in the manner provided herein, in the Note and other instruments given to secure the Note, and further shall not in any way be construed to restrict or limit the Mortgagee's absolute right to enforce personal liability against any co-maker or endorser of the Note or any other instrument given to secure the Indebtedness.

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IN WITNESS WHEREOF, this MORTGAGE has been executed as of the day and year first above written.

MORTGAGOR:

LASALLE NATIONAL BANK,
not personally but as
Trustee as aforesaid

By: *Joseph W. Lang*
Name: JOSEPH W. LANG
Title: VICE PRESIDENT

ATTEST [SEAL]

By: *Clifford Scott-Rudnick*
Name: clifford Scott-Rudnick
Title: ASSISTANT SECRETARY

CR ASSOCIATES, an Illinois
general partnership

By: CRID, INC., a Delaware
corporation
Title: General Partner

By: *Robert H. Hayes*
Name: _____
Title: _____

ATTEST [SEAL]

By: *Marsha S. Wolf*
Name: _____
Title: Assistant Secretary

By: Chicago Ridge Commons
Limited Partnership, an
Illinois limited partner-
ship
Title: General Partner

By: Tucker Investments,
Inc., an Illinois
corporation
Title: General Partner

By: *John M. Walker*
Name: _____
Title: _____

ATTEST: (SEAL)

By: *[Signature]*
Name: _____
Title: _____

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TRUSTEE'S ACKNOWLEDGMENT

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Kathy Pacana, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that JOSEPH W. LANG and Clifford Scott Rudolph, the VICE PRESIDENT and ASSISTANT SECRETARY, respectively, of LASALLE NATIONAL BANK, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such officers, 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 bank, not personally but as Trustee as aforesaid, for the uses and purposes therein set forth, and the said ASSISTANT SECRETARY as custodian of the seal of said bank, did then affix the said seal to the foregoing instrument as said officers free and voluntary act, and as the said free and voluntary act of said bank, not personally but as Trustee aforesaid, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 29th day of May, 1987.

Kathy Pacana
Notary Public

My Commission Expires:
6-11, 1988

STATE OF Illinois)
) SS
COUNTY OF Cook)

I, Cynthia M. Lewandowski, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that Robert G. Beck's and THOMAS S. WOLF, respectively, the President and ASST. Secretary of CRID, INC., a Delaware corporation, one of the two general partners of CR ASSOCIATES, an Illinois general partnership, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such officers appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, as the free and voluntary act of said corporation, and as the free and voluntary act of said partnership for the uses and purposes therein set forth, and the said ASST. SECRETARY, as custodian of the seal of said corporation did then affix the said seal to the foregoing instrument as such officer's free and voluntary act as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 27th day of May, 1987.

Cynthia M. Lewandowski
Notary Public

My Commission Expires:
Sept 18, 1988

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EXHIBIT "A"

LEGAL DESCRIPTION

• PARCEL #1:

THAT PART OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF RIDGELAND AVENUE, WITH THE NORTH LINE OF SAID SOUTH EAST 1/4 AND RUNNING THENCE SOUTH ALONG SAID WEST LINE OF RIDGELAND AVENUE, 140 FEET; THENCE WEST PARALLEL WITH THE NORTH LINE OF SAID SOUTH EAST 1/4 TO A POINT 280 FEET WEST OF THE EAST LINE OF SAID SOUTH EAST 1/4 FOR A POINT OF BEGINNING; THENCE CONTINUING WEST ON SAID PARALLEL LINE 100 FEET; THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID SOUTH EAST 1/4 TO A POINT ON SAID NORTH LINE OF SAID SOUTH EAST 1/4 380 FEET WEST OF THE EAST LINE OF SAID SOUTH EAST 1/4; THENCE EAST ALONG SAID NORTH LINE OF SAID SOUTH EAST 1/4 100 FEET; THENCE SOUTH PARALLEL WITH THE EAST LINE OF SAID SOUTH EAST 1/4 TO THE POINT OF BEGINNING (EXCEPTING FROM SAID TRACT OF LAND THE NORTH 33 FEET THEREOF);

• PARCEL #2:

THAT PART OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF RIDGELAND AVENUE WITH THE NORTH LINE OF SAID SOUTH EAST 1/4 AND RUNNING THENCE SOUTH ALONG SAID WEST LINE OF RIDGELAND AVENUE 140 FEET; THENCE WEST PARALLEL WITH THE NORTH LINE OF SAID SOUTH EAST 1/4 TO A POINT 280 FEET WEST OF THE EAST LINE OF SAID SOUTH EAST 1/4; THENCE NORTH TO A POINT ON THE NORTH LINE OF SAID SOUTH EAST 1/4 SAID POINT BEING 280 FEET WEST OF THE EAST LINE OF SAID SOUTH EAST 1/4; THENCE EAST ALONG SAID NORTH LINE OF SAID SOUTH EAST 1/4 TO THE POINT OF BEGINNING (EXCEPTING FROM SAID TRACT OF LAND THE NORTH 33 FEET THEREOF) AND EXCEPTING THAT PART THEREOF TAKEN FOR HIGHWAYS AS SHOWN IN DEED DOCUMENT NUMBER 2202279, ALL IN COOK COUNTY, ILLINOIS;

• PARCEL #3:

THE SOUTH 107 FEET OF THE NORTH 140 FEET (AS MEASURED ALONG THE WEST LINE OF RIDGELAND AVENUE) OF THE WEST 400 FEET OF THE EAST 780 FEET (BOTH AS MEASURED ALONG THE NORTH AND SOUTH LINES THEREOF) OF THE NORTHEAST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS;

• PARCEL #4:

THE EAST 20 FEET OF THE WEST 300 FEET OF THE EAST 1,080 FEET AS MEASURED ALONG THE NORTH LINE OF THE SOUTH EAST 1/4 OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 13, OF THE NORTH 140 FEET AS MEASURED ALONG THE LINE PARALLEL WITH THE WEST LINE OF RIDGELAND AVENUE, OF THE NORTH EAST QUARTER (1/4) OF THE SOUTH EAST QUARTER (1/4) OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPTING FROM SAID TRACT OF LAND THE NORTH THIRTY-THREE (33) FEET THEREOF), IN COOK COUNTY, ILLINOIS;

• PARCEL #5:

THAT PART OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

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BEGINNING AT THE INTERSECTION OF THE WEST LINE OF RIDGELAND AVENUE WITH THE NORTH LINE OF SAID SOUTHEAST 1/4 AND RUNNING THENCE SOUTH ALONG SAID WEST LINE OF RIDGELAND AVENUE, 140 FEET; THENCE WEST PARALLEL WITH THE NORTH LINE OF SAID SOUTHEAST 1/4 TO A POINT 780 FEET WEST OF THE EAST LINE OF SAID SOUTHEAST 1/4 FOR A PLACE OF BEGINNING; THENCE CONTINUING WEST ON SAID PARALLEL LINE 300 FEET; THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID SOUTHEAST 1/4 TO A POINT ON SAID NORTH LINE OF SAID SOUTHEAST 1/4 1,080 FEET WEST OF THE EAST LINE OF SAID SOUTHEAST 1/4; THENCE EAST ALONG SAID NORTH LINE OF SAID SOUTHEAST 1/4 300 FEET; THENCE SOUTH PARALLEL WITH THE EAST LINE OF SAID SOUTHEAST 1/4 TO THE PLACE OF BEGINNING (EXCEPTING FROM SAID TRACT OF LAND THE NORTH 33 FEET THEREOF; AND EXCEPTING THEREFROM THAT PART THEREOF DESCRIBED AS THE EAST 20 FEET OF THE WEST 300 FEET OF THE EAST 1,080 FEET AS MEASURED ALONG THE NORTH LINE OF THE SOUTH EAST 1/4 OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 13, OF THE NORTH 140 FEET AS MEASURED ALONG THE LINE PARALLEL WITH THE WEST LINE OF RIDGELAND AVENUE, OF THE NORTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS;

PARCEL #6:

That part of the East Half (1/2) of the South East Quarter (1/4) of Section 7, Township 37 North, Range 13, East of the Third Principal Meridian, described as follows: Beginning at a point in the East line of the South East Quarter (1/4) of Section 7, 140 feet South of the North East Corner of said South East Quarter (1/4) of said Section 7, thence West on a line 140 feet South of as measured on the West line of Ridgeland Avenue, and parallel with the North line of said South East Quarter (1/4) a distance of 130.75 feet to the West line of the East Half (1/2) of the South East Quarter (1/4) of said Section 7, thence South along said West line of East Half (1/2) of the South East Quarter (1/4) of Section 7, a distance of 753.41 feet to the intersection with the northerly property line of the Baltimore and Ohio Chicago Terminal Railroad Company, said property line being 40 feet Northwesterly of at right angles 49, and parallel with the original northerly line of the Right-of-Way of the Chicago and Calumet Terminal Railroad Company thence Southeasterly along said northerly property line of the Baltimore and Ohio Chicago Terminal Railroad Company, a distance of 140.41 feet to a point which is 480 feet Northwesterly of (As measured along the said northerly property line of the Railroad) the point of intersection of the said northerly property line of the Railroad with the northerly line of a certain parcel of industrial property, said parcel being 245.25 feet in width by rectangular measurement from the northerly line of the South West Highway, thence Southeasterly, a distance of 183.60 feet along a straight line which when extended Southeasterly intersects the northerly line of the aforesaid industrial parcel at a point 100 feet Northwesterly as measured along said northerly property line from the northerly property line of the said Baltimore and Ohio Chicago Terminal Railroad Company, thence Northwesterly on a line forming an angle of 113 degrees 52 minutes 30 seconds with the last described line, a distance of 96.38 feet to the intersection with a line 350 feet East of, measured at right angles 12, and parallel with the West line of the East Half (1/2) of the South East Quarter (1/4) of said Section 7, thence North parallel with the said West line of the East Half (1/2) of the South East Quarter (1/4) of said Section 7, a distance of 830.04 feet to the intersection with a line 170 feet South of, measured parallel with the East line of said Section 7, and parallel with the North line of the South East Quarter (1/4) of said Section 7 thence East parallel with the North line of the South East Quarter (1/4) of said Section 7, a distance of 980.81 feet to the East line of said Section 7, thence North along said East line of Section 7, a distance of 30 feet, to the point of beginning, except therefrom the East 50.0 feet of the South 30.0 feet of the North 170.0 feet of the East half (1/2) of the Southeast Quarter (1/4) of Section 7, Township 37 North, Range 13, East of the Third Principal Meridian, all being part of the tract of land described in Document Number 1744167. Except therefrom the part thereof lying West of a line 350 ft East of, measured at right angles to and parallel with the West line of the East 1/2 of the South East 1/4 of said Section 7.

PARCEL #7:

LOTS 1, 2, 3 AND 4 IN READY INDUSTRIAL PARK SUBDIVISION OF PART OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO PLAT THEREOF REGISTERED IN THE OFFICE OF THE REGISTRAR OF TITLES OF COOK COUNTY, ON MARCH 7, 1979 AS DOCUMENT NUMBER 3079440.

PARCEL #8:

A TRIANGULAR PARCEL OF PROPERTY IN THE EAST 1/2 OF THE SOUTHEAST 1/4, SECTION 7, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

657152 BEGINNING AT A POINT IN THE NORTHERLY PROPERTY LINE OF BALTIMORE AND OHIO CHICAGO TERMINAL RAILROAD COMPANY, 251.59 FEET NORTHWESTERLY FROM THE INTERSECTION OF SAID PROPERTY LINE WITH THE NORTHERLY LINE OF SOUTHWEST HIGHWAY; THENCE NORTHWESTWARDLY ALONG SAID RAILROAD PROPERTY LINE 480 FEET TO A POINT; THEN SOUTHEASTWARDLY IN A STRAIGHT LINE TO A POINT IN THE NORTHERLY LINE OF A CERTAIN PARCEL OF INDUSTRIAL PROPERTY, SAID PARCEL

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BEING 245.25 FEET IN WIDTH BY RECTANGULAR MEASUREMENT FROM THE SAID NORTHERLY LINE OF SAID SOUTHWEST HIGHWAY, SAID POINT BEING 100 FEET NORTHEAST ALONG SAID PROPERTY LINE FROM THE SAID NORTHERLY PROPERTY LINE OF RAILROAD; THENCE SOUTHWESTWARDLY ALONG SAID PROPERTY LINE TO A POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS;

PARCEL #9:

That part of the East Half (1/2) of the Southeast Quarter (1/4) of Section 7, Township 37 North, Range 13, East of the Third Principal Meridian, lying Northerly of the Southwest Highway described as follows:- Beginning at a point on the East Line of said Southeast Quarter (1/4), a distance of 318 feet North of the intersection of said line with the Northerly line of the Southwest Highway; thence South along said East Line, a distance of 59.64 feet to its intersection with a line drawn parallel and 199.25 feet Northwestwardly and at right angles to the said Northerly line of the Southwest Highway; thence Southwestwardly along said parallel line, a distance of 560.76 feet; thence Southeasterly at right angles to said parallel line, a distance of 199.25 feet to its intersection with the said Northerly line of the Southwest Highway; thence Southwestwardly along said Northerly line a distance of 434.85 feet to the intersection of said Northerly line with a line drawn 40 feet Northerly of, at right angles to and parallel with the original Northerly line of the Right-of-Way of the Chicago and Calumet Terminal Railway Company; thence Northwestwardly along said parallel line, a distance of 251.59 feet; thence Northeasterly on a line parallel with and 245.25 feet Northerly of and at right angles to the aforesaid Northerly line of the Southwest Highway, a distance of 100 feet; thence Northwestwardly on a straight line a distance of 328.07 feet to a point which is 545.25 feet Northwestwardly of, measured at right angles to, the Northerly line of said Southwest Highway, said straight line when extended Northwestwardly, a distance of 183.60 feet intersects the Northerly property line of the Baltimore and Ohio Chicago Terminal Railroad Company at a point, which when measured along said Northerly property line of the railroad, is 480 feet Northwestwardly of the intersection of the Northerly property line of the aforesaid certain industrial parcel and the said Northerly property line of the railroad; thence Northeasterly on a line forming an angle of 66 degrees 07 minutes 30 seconds with the last described line, and said line being 545.25 feet Northwestwardly of, measured at right angles to, and parallel with the Northerly line of the aforesaid Southwest Highway, a distance of 96.38 feet, more or less, to the point of intersection of the East line of the West 350.0 feet of the East Half (1/2) of the Southeast Quarter of said Section 7; thence North along said East line to the point of intersection of the South line of the North 170.0 feet of the East Half (1/2) of said Southeast Quarter (1/4); thence East along said South line to the point of intersection with the East line of said Southeast Quarter (1/4) of Section 7; thence South along said East line to the point of beginning excepting from the above described tract: that part lying within Ready Industrial Park Subdivision, registered in the Office of the Registrar of Titles on March 7, 1979, as Document Number 3079440 and except that part lying within the Plat of Dedication of public street to the Village of Chicago Ridge, registered in the Office of the Registrar of Titles on March 7, 1979, as Document Number 3079441.

PARCEL #10

Lots, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 in Ready Industrial Park Subdivision of part of the Southeast Quarter (1/4) of Section 7, Township 37 North, Range 13, East of the Third Principal Meridian, according to Plat thereof registered in the office of the Registrar of Titles of Cook County, on March 7, 1979, as Document Number 3079440 CTF Number 1369891, Volume 2743, Page 446.

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PROPERTY ADDRESS:

99TH STREET AND RIDGELAND AVENUE
CHICAGO RIDGE, COOK COUNTY, ILLINOIS

P.I.N. 24-07-401-011 WR
24-07-401-019 WR
24-07-401-020 WR
24-07-401-025 WR
24-07-401-026 WR
24-07-401-027 WR
24-07-401-028 WR
24-07-401-029 WR
24-07-401-030 WR
24-07-401-031 WR
24-07-401-032 WR
24-07-401-033 (1)
24-07-401-034 (2)
24-07-401-035 (3)
24-07-401-036 (4)
24-07-401-037 (5)
24-07-401-038 (6)
24-07-401-039 (7)
24-07-401-040 (8)
24-07-401-041 (9)
24-07-401-042 (10)
24-07-401-043 (11)
24-07-401-044 (12)
24-07-401-045 (13)
24-07-401-046 (14)
24-07-401-049 (17)
24-07-401-050 (18)
24-07-401-051 WR
24-07-401-052 WR
24-07-401-053 WR

PROCESSED BY COOK COUNTY CLERK'S OFFICE

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EXHIBIT "B"

PERMITTED EXCEPTIONS

1. EASEMENT IN FAVOR OF THE ILLINOIS BELL TELEPHONE COMPANY AND THE COMMONWEALTH EDISON COMPANY, THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, TO CONSTRUCT, OPERATE AND MAINTAIN WIRES, CONDUITS AND OTHER FACILITIES IN CONNECTION WITH THE DISTRIBUTION OF ELECTRICITY, AS DISCLOSED BY GRANT MADE BY READY PAVING AND CONSTRUCTION COMPANY, FILED APRIL 19, 1979 AS DOCUMENT LR3086845.
2. EASEMENT IN, UPON, UNDER, OVER AND ALONG THE PART SHOWN ON THE PLAT ATTACHED THERETO OF PART OF THE LAND TO INSTALL AND MAINTAIN ALL EQUIPMENT FOR THE PURPOSE OF SERVING THE LAND AND OTHER PROPERTY WITH GAS SERVICE, TOGETHER WITH RIGHT OF ACCESS TO SAID EQUIPMENT, AS CREATED BY GRANT TO NORTHERN ILLINOIS GAS COMPANY RECORDED MAY 16, 1963 AS DOCUMENT 18798525.
3. EASEMENT FOR PUBLIC UTILITIES AND DRAINAGE, AS DISCLOSED BY PLAT OF READY INDUSTRIAL PARK SUBDIVISION, REGISTERED MARCH 7, 1979 AS DOCUMENT LR3079440 OVER THE FOLLOWING:

THE NORTH 10 FEET OF LOTS 1 THROUGH 9;
THE SOUTH 8 FEET OF LOTS 10 THROUGH 13;
THE SOUTH EAST 8 FEET AND WEST 8 FEET OF LOT 14;
THE WEST 8 FEET OF LOT 15; AND
THE EAST 8 FEET OF LOTS 16 THROUGH 18.
4. EASEMENT OVER THE LAND FOR THE PURPOSE OF INSTALLING AND MAINTAINING ALL EQUIPMENT NECESSARY TO SERVE THE SUBDIVISION AND OTHER PROPERTY WITH TELEPHONE AND ELECTRICAL SERVICE, TOGETHER WITH THE RIGHT TO OVERHANG AERIAL SERVICE WIRES AND THE RIGHT OF ACCESS TO SUCH WIRES, AS CREATED BY GRANT TO THE ILLINOIS BELL TELEPHONE COMPANY AND THE COMMONWEALTH EDISON COMPANY, AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, AND AS SHOWN ON THE PLAT OF SUBDIVISION FILED MARCH 7, 1979 AS DOCUMENT NUMBER LR3079440.
5. EASEMENT OVER THE LAND FOR THE PURPOSE OF INSTALLING AND MAINTAINING ALL EQUIPMENT NECESSARY TO SERVE THE SUBDIVISION AND OTHER PROPERTY WITH GAS SERVICE, TOGETHER WITH RIGHT OF ACCESS TO SAID EQUIPMENT, AS CREATED BY GRANT TO THE NORTHERN ILLINOIS GAS COMPANY AND ITS RESPECTIVE SUCCESSORS AND ASSIGNS, AND AS SHOWN ON THE PLAT OF SUBDIVISION FILED MARCH 7, 1979 AS DOCUMENT NUMBER LR3079440.
6. RIGHT OF WAY FOR DRAINAGE TILES, DITCHES, FEEDERS AND LATERALS.
7. EASEMENT IN FAVOR OF THE VILLAGE OF CHICAGO RIDGE CREATED BY PLAT FROM LAKE VIEW TRUST AND SAVINGS BANK, AS TRUSTEE UNDER TRUST AGREEMENT DATED JUNE 18, 1957 KNOWN AS TRUST NUMBER 1593, DATED NOVEMBER 21, 1972 AND RECORDED JANUARY 11, 1974 AS DOCUMENT 22592636 OVER THOSE PARTS OF THE LAND DESCRIBED THEREIN.
8. GRANT IN FAVOR OF THE VILLAGE OF CHICAGO RIDGE, A MUNICIPAL CORPORATION, OF A PERPETUAL EASEMENT, RIGHT, AND AUTHORITY TO REPAIR, MAINTAIN, RENEW AND OPERATE AN UNDERGROUND WATER MAIN AND APPURTENANCE, TO BE INSTALLED IN AND UNDER, THROUGH AND ACROSS A PORTION OF THE FOREGOING LAND, FILED AUGUST 23, 1966 AS DOCUMENT LR2288252.
9. RIGHTS OF THE PUBLIC, THE STATE OF ILLINOIS, AND THE MUNICIPALITY IN AND TO THAT PART OF THE LAND DEDICATED FOR MICHAEL LANE, READY DRIVE AND CHARLES STREET BY THE PLAT OF

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READY INDUSTRIAL PARK SUBDIVISION FILED MARCH 7, 1979 AS DOCUMENT LR3079440 AND DEDICATED FOR MICHAEL LANE BY THE PLAT OF DEDICATION FILED MARCH 7, 1979 AS DOCUMENT LR3079441.

10. EASEMENT FOR DRAINAGE DITCH AS CREATED BY GRANT MADE BY HILLTOP FARM FEED COMPANY TO FRANK DE YOUNG AND FLORENCE H. DE YOUNG DATED MAY 4, 1949 AND FILED MAY 9, 1949 AS DOCUMENT LR1246078.
11. EASEMENT FOR RAILROAD SIDE TRACK UPON AND ACROSS PART OF THE LAND AS CREATED BY GRANT MADE BY RIVERDALE SUPPLY COMPANY, INC. TO TRACTOR & EQUIPMENT COMPANY DATED SEPTEMBER 24, 1949 AND FILED OCTOBER 5, 1949 AS DOCUMENT LR1265079.
12. BUILDING LINE AND BUILDING AND LIQUOR RESTRICTIONS TOGETHER WITH EASEMENT FOR WIRE AND PIPE LINES AS CONTAINED IN THE WARRANTY DEED MADE BY LAYTILE CORPORATION TO EARL J. SHAFER DATED JANUARY 6, 1955 AND FILED JANUARY 6, 1955 AS DOCUMENT LR1560327.
13. EASEMENT IN, UPON, UNDER, OVER, AND ALONG THE WEST 50 FEET OF RIDGELAND AVENUE, BEING EAST OF AND ADJOINING OF THE LAND TO INSTALL AND MAINTAIN ALL EQUIPMENT FOR THE PURPOSE OF SERVING THE LAND AND OTHER PROPERTY WITH GAS SERVICE, TOGETHER WITH THE RIGHT OF ACCESS TO SAID EQUIPMENT AS CREATED BY GRANT TO NORTHERN ILLINOIS GAS COMPANY FILED JANUARY 21, 1977 AS DOCUMENT LR2917699
14. ENCROACHMENT BY CHAIN LINK FENCE LOCATED ON THE SOUTH EAST CORNER OF THE LAND ONTO PROPERTY TO THE EAST AND ADJOINING BY 3 FEET, AS DISCLOSED BY SURVEY MADE BY JOSEPH A. SCHUDT & ASSOCIATES, DATED MAY 14, 1985, ORDER NUMBER 8465-012.
15. GENERAL REAL ESTATE TAXES FOR THE YEAR 1986 (2ND INSTALLMENT ONLY) AND SUBSEQUENT YEARS.
16. UNRECORDED LEASE DATED MARCH 27, 1987 (AS SUBSEQUENTLY AMENDED) BY AND BETWEEN LA SALLE NATIONAL BANK, AS TRUSTEE UNDER TRUST AGREEMENT DATED JUNE 26, 1984 AND KNOWN AS TRUST NO. 108573, AS LANDLORD, AND MARSHALLS OF CHICAGO RIDGE, IL., INC., AS TENANT FOR AN ORIGINAL TERM OF TEN (10) YEARS.
17. UNRECORDED LEASE DATED FEBRUARY 28, 1986 BY AND BETWEEN LA SALLE NATIONAL BANK, AS TRUSTEE UNDER TRUST AGREEMENT DATED JUNE 26, 1984 AND KNOWN AS TRUST NO. 108573, AS LANDLORD, AND PLITT THEATRES, INC., AS TENANT, FOR AN ORIGINAL TERM OF TWENTY (20) YEARS.
18. UNRECORDED LEASE DATED JANUARY 17, 1986, AS SUBSEQUENTLY AMENDED, BY AND BETWEEN LA SALLE NATIONAL BANK, AS TRUSTEE UNDER TRUST AGREEMENT DATED JUNE 26, 1984 AND KNOWN AS TRUST NO. 108573, AS LANDLORD, AND NEWTON BUYING CORP., AS TENANT, FOR AN ORIGINAL TERM OF TEN (10) YEARS.
19. UNRECORDED LEASE DATED FEBRUARY 11, 1987 AND AMENDED MARCH 13, 1987 BY AND BETWEEN LA SALLE NATIONAL BANK, AS TRUSTEE UNDER TRUST AGREEMENT DATED JUNE 26, 1984 AND KNOWN AS TRUST NO. 108573, AS LANDLORD, AND PHAR-MOR, INC., AS TENANT, FOR AN INITIAL TERM OF FIFTEEN (15) YEARS.

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Cynthia M. Lewandowski, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that ~~Keith L. Moore~~ and ~~John D. Tucker~~, respectively the President and Vice President Secretary of Tucker Investments, Inc., an Illinois corporation, a managing general partner of Chicago Ridge Commons Limited Partnership, an Illinois limited partner, being a general partner of CR ASSOCIATES, an Illinois general partnership, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such officers, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, as the free and voluntary act of said corporation and as the free and voluntary act of said partnerships for the uses and purposes therein set forth, and the said Vice President Secretary, as custodian of the corporate seal of said corporation, did then affix the seal of the corporation to the foregoing instrument as the said officer's free and voluntary act and as the free and voluntary act of said corporation and said partnerships for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 20th day of May, 1987.

Cynthia M. Lewandowski
Notary Public

My Commission Expires:

Sept 12, 1988.

This Instrument was prepared by and after recording should be mailed to:

Keith L. Moore, Esq.
Coffield Ungaretti Harris & Slavin
3500 Three First National Plaza
Chicago, Illinois 60602
(312) 977-4400

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COOK COUNTY CLERK'S OFFICE
CHICAGO, ILLINOIS

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