

5/12/88

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MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE is made as of May 16, 1988, by and between LASALLE NATIONAL BANK, a national banking association, not personally, but as Trustee under the provisions of a Trust Agreement dated April 26, 1988, and known as Trust No. 113172 (the "Mortgagor"), and INTER-AMERICAN INSURANCE COMPANY OF ILLINOIS, an Illinois corporation (the "Mortgagee").

R E C I T A L S:

Mortgagor has concurrently executed and delivered to Mortgagee (1) a Mortgage Note dated this day in the original principal sum of One Million Eight Hundred Twenty-Five Thousand and No/100 Dollars (\$1,825,000.00), made payable to the Mortgagee, and (2) a Demand Note dated this day in the original principal sum of Thirty-Six Thousand Five Hundred and No/100 Dollars (\$36,500.00), made payable to the Mortgagee (the Mortgage Note and the Demand Note are collectively referred to as the "Notes"). By the terms of the Notes, Mortgagor promises to pay the principal sums stated in such Notes together with unpaid interest on or before June 1, 1989, with interest payable on the principal sums at the rate as is made and provided in the Notes; all of the principal and interest being payable at such place as the holders of the Notes may, from time to time, in writing appoint, and in absence of such appointment, then at the office of Inter-American Insurance Company of Illinois at 901 West Jackson Boulevard, Chicago, Illinois 60607.

NOW, THEREFORE, to secure (1) the payment of the principal of and interest on the Notes; (2) the payment of any and all other indebtedness and liabilities, now or at any time in the future owing or to become due from Mortgagor to Mortgagee, whether under this Mortgage or otherwise, however evidenced, created or incurred, whether direct, indirect, primary, secondary, fixed or contingent, including future advances, the aggregate of which shall not exceed 50% of the original principal amounts of the Notes; and (3) the performance and observance of all terms, conditions and provisions of this Mortgage, the Notes, and any other agreement or instrument concurrently or subsequently executed by Mortgagor and delivered to Mortgagee (all of the above being collectively referred to as the "Mortgagor's Obligations"):

Grant of Mortgage

Mortgagor GRANTS, REMISES, RELEASES, ASSIGNS, ALIENS and CONVEYS to the Mortgagee, its successors and assigns, the real estate and all of its estate, right, title and interest in the real estate described on Exhibit A (which real estate, together with the other property described in this Mortgage, is referred to as the "premises" or the "mortgaged premises");

This instrument was prepared by

~~and should be mailed to~~

June Wojtowicz Grady
Much Shelist Freed Denenberg Ament & Eiger, P.C.
200 North LaSalle Street - Suite 2100
Chicago, Illinois 60601-1095

after filing + recording

Please return to: Josie Carlson
Ticor Title Insurance
203 N. LaSalle St., Suite 1400
Chicago, IL 60601

Re: *N24-16509-14 BOX 15*

N24-16509-14 / Toran / 238838 Cook Co., Ill.
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...ion affects Property on Certificate
and other property

Other Assets

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances relating to the premises, and all rents, issues and profits from the premises for so long and during all such times as Mortgagor may be entitled to them (which are pledged primarily and on a parity with the premises and not secondarily), and all shades, awnings, venetian blinds, screens, screen doors, storm doors and windows, stoves and ranges, curtain fixtures, partitions, attached floor covering, now or subsequently located in or on the premises and all fixtures, apparatus, equipment or articles now or subsequently located in or on the premises used to supply heat, gas, air conditioning, water, light, power, sprinkler protection, waste removal, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing) all fixtures, apparatus, equipment and articles, other than such as constitute trade fixtures used in the operation of any business conducted upon the premises as distinguished from fixtures which relate to the use, occupancy and enjoyment of the premises, it being understood that the enumeration of any specific articles of property shall not exclude or be held to exclude any items of property not specifically mentioned. To the fullest extent permitted by law, all of the land, estate and property described above, whether affixed or annexed or not (except where otherwise specified above) and all rights conveyed and mortgaged are intended so to be as a unit and are understood, agreed and declared to form a part and parcel of the real estate and to be appropriated to the use of the real estate, and shall for the purposes of this Mortgage be deemed to be real estate and conveyed and mortgaged by this Mortgage.

Grant of Security Interest

As to any of the above items which are not part of the real estate, this Mortgage is deemed to be a Security Agreement for the purpose of creating a security interest in such items, whether now existing or subsequently acquired, which security interest Mortgagor grants for the purpose of securing the payment and performance of obligations under this Mortgage.

The Mortgagee and its successors and assigns SHALL HAVE AND HOLD the premises forever for the purposes and uses set forth in this Mortgage.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

Covenants, Warranties and Representations

1. Mortgagor covenants with, warrants and represents to Mortgagee as follows:

(a) Mortgagor promptly will pay, or cause to be paid, when due, Mortgagor's liabilities under the Notes and this Mortgage and promptly, fully and faithfully will perform, discharge, observe and comply with each and every of Mortgagor's Obligations.

(b) Mortgagor now has and shall maintain the standing, right, power and lawful authority to own the mortgaged premises, and Mortgagor has the right, power and lawful authority to carry on the business of and

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operate the mortgaged premises, to enter into, execute and deliver this Mortgage, the Notes and the other agreements to Mortgagee, to encumber the mortgaged premises to Mortgagee and to perform all of Mortgagor's Obligations and to consummate all of the transactions described in or contemplated by this Mortgage and the Notes.

(c) The execution, delivery and performance by Mortgagor of and under this Mortgage and the Notes does not and will not constitute a violation of any applicable law and does not and will not conflict with or result in a default or breach of or under or an acceleration of any obligation arising, existing or created by or under any agreement, instrument, document, mortgage, deed, trust deed, note, judgment, order, award, decree or other restriction to which Mortgagor or any of the mortgaged premises is or subsequently shall become a party or by which Mortgagor or any of the mortgaged premises is or shall become bound, or any law or regulatory provision now or subsequently affecting Mortgagor or any of the mortgaged premises.

(d) The various data and information relating to the mortgaged premises delivered and to be delivered by or for Mortgagor and beneficiary of Mortgagor to Mortgagee are and shall be correct, complete and accurate in all respects. As of this date, the premises have not been damaged by fire or other casualty.

(e) Mortgagor or the beneficiary of Mortgagor has duly filed and shall continue timely to file all federal, state and other governmental tax and similar returns which are required by law to be filed with respect to the mortgaged premises. All taxes and other sums which are shown to be payable under such returns have been and shall be timely and fully paid and Mortgagor or beneficiary shall maintain adequate reserves in amount to fully pay all such liabilities which subsequently may accrue.

(f) There is no litigation, action, claim or proceeding pending or threatened which might, in any way, manner or respect, materially or adversely affect the mortgaged premises, the collectibility of the Notes, the lien of this Mortgage, the ability of Mortgagor or the beneficiary of Mortgagor to repay the Notes or the financial condition of the mortgaged premises.

(g) Mortgagor will save and hold Mortgagee harmless of and from any and all damage, loss, cost and expense, including, but not limited to, reasonable attorneys' fees, costs and expenses, incurred by reason of or arising from or on account of or in connection with any suit or proceeding, threatened, filed and/or pending, in or to which Mortgagee is or may become or may have to become a party by reason of or arising from or on account of or in connection with

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Mortgagor's Obligations, this Mortgage, the Notes or any other agreements.

(h) Mortgagor is lawfully seized, possessed and the owner of and has good and indefeasible, marketable fee-simple title to the mortgaged premises, free and clear of all liabilities, claims, debts, exceptions, security interests, assessments, charges, impositions, levies, taxes, liens and all other types of encumbrances except (i) the lien of this Mortgage, (ii) existing leases to tenants in possession of portions of the premises, and (iii) such other encumbrances or title exceptions which Mortgagee specifically approves in writing ("Permitted Exceptions").

Maintenance, Repair and Restoration of Improvements, Payment of Prior Liens, Etc.

2. Mortgagor shall not change the use or character of the mortgaged premises, shall not abandon the premises and shall:

(a) promptly repair, restore or rebuild any buildings or improvements now or subsequently located on the premises which may become damaged or be destroyed;

(b) keep the premises in good condition and repair, without waste, and free from mechanics' liens or other liens or claims for lien not expressly subordinated to the lien of this Mortgage;

(c) pay when due any indebtedness which may be secured by a lien or charge on the premises superior to the lien of this Mortgage, and upon request exhibit satisfactory evidence of the discharge of such prior lien to Mortgagee;

(d) complete within a reasonable time any building or buildings now or at any time in the process of erection upon the premises;

(e) comply with all requirements of law, municipal ordinances, or restrictions of record with respect to the premises and the use of the premises;

(f) make no material alterations in the premises except as required by law or municipal ordinance;

(g) suffer or permit no change in the general nature of the occupancy of the premises, without Mortgagee's written consent;

(h) initiate or acquiesce in no zoning reclassification, annexation, subdivision, dedication, vacation relating to all or any part of the premises, without Mortgagee's written consent, which consent shall not unreasonably be withheld; and

(i) pay each item of indebtedness secured by this Mortgage when due according to the terms of this Mortgage or of the Notes.

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Notwithstanding the foregoing, Mortgagor shall not commence any construction upon the mortgaged premises without the prior written consent of Mortgagee, except for minor repairs to the mortgaged premises made in the ordinary course of business.

Payment of Taxes

3. Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the premises when due, and shall, upon written request, furnish to Mortgagee duplicate receipts for such taxes, assessments and charges. Mortgagor may, in good faith and with reasonable diligence, contest the validity or amount of any such taxes or assessments provided: (1) that such contest shall have the effect of preventing the collection of the tax or assessment so contested and the sale or forfeiture of the premises or any part of the premises or any interest in the premises, to satisfy the same; (2) that Mortgagor has, before such taxes or assessments shall have been increased by any interest, penalties or costs, notified Mortgagee in writing of the intention of Mortgagor to contest the same, and (3) that Mortgagor shall have deposited with Mortgagee a sum of money which (when added to funds, if any, then on deposit for such taxes) shall be sufficient in the judgment of the Mortgagee to pay in full such contested taxes and assessments and all penalties and interest that might become due on such taxes and assessments, and shall keep on deposit an amount so sufficient at all times, increasing such amount to cover additional penalties and interest whenever, in the judgment of the Mortgagee, such increase is advisable. In case the Mortgagor shall fail to prosecute such objections with reasonable diligence or shall fail to maintain sufficient funds on deposit as provided, the Mortgagee may at its option apply the money so deposited in payment of or on account of such taxes and assessments, or that part then unpaid, together with all penalties and interest. If the amount of the money so deposited shall be insufficient for the payment in full of such taxes and assessments, together with all penalties and interest, the Mortgagor shall upon demand either (a) deposit with the Mortgagee a sum which when added to the funds then on deposit shall be sufficient to make such payment in full, or (b) in case the Mortgagee shall have applied funds on deposit on account of such taxes and assessments, restore the deposit to a sufficient amount. The Mortgagee shall, upon the final disposition of such contest, apply the money so deposited in full payment of such taxes and assessments or that part then unpaid, together with all penalties and interest (provided the Mortgagor is not then in Default) when so requested in writing by the Mortgagor and furnished with sufficient funds to make such payment in full with an official bill for such taxes.

Tax and Insurance Escrows

4. If requested by Mortgagee, Mortgagor shall deposit with Mortgagee on the first day of each month amounts sufficient in the opinion of Mortgagee to create and maintain an adequate reserve fund from which to pay all taxes, assessments and other charges involving the mortgaged premises and all insurance premiums for the insurance policies specified in paragraph 6 as they become due. Upon the occurrence of an Event of Default in Mortgagor's Obligations, the Mortgagee may, but shall not be obligated, to make such payments and all sums so paid shall bear

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interest at the "default rate" defined below and shall be fully secured by this Mortgage.

Such amounts shall be held by Mortgagee without liability for the payment of interest and may be commingled with other assets of the Mortgagee. If the Mortgagee retains such reserve funds, then Mortgagor shall deliver to the Mortgagee all bills for such taxes, assessments or other charges and insurance premiums received by Mortgagor and the Mortgagee, upon receipt of the bills, shall pay from such fund all taxes, assessments and other charges and insurance premiums as they become due. The Mortgagee shall not be required to determine the accuracy of any bill or the validity of any such taxes, assessments, other charges and insurance premiums. To the extent such fund is insufficient, Mortgagor shall pay before any penalty or interest accrues all such taxes, assessments, other charges and insurance premiums and deliver to Mortgagee at least ten days prior to the due dates of such taxes, assessments and other charges and twenty days prior to the due date of such insurance premiums receipts evidencing such payments. Nothing contained in this Mortgage shall prevent Mortgagor, so long as there has been no Event of Default (as defined below) under the Mortgagor's Obligations from contesting the amount of any such taxes, assessments and other charges, provided Mortgagor deposits with Mortgagee an amount which, in the sole discretion of Lender, is sufficient to pay the entire amount of such contested taxes, assessments and other charges plus any and all penalties or interest which may be added.

Mortgagee's Interest in and Use of Deposits

5. In the event of a default under any of Mortgagor's Obligations, the Mortgagee may at its option, without being required to do so, apply any moneys at the time on deposit with Mortgagee as any one or more of the same may be applicable, on any of Mortgagor's Obligations, in such order and manner as the Mortgagee may elect, and, to the extent such funds are insufficient, the Mortgagee may at its sole discretion advance funds to pay any of Mortgagor's Obligations, including tax and insurance payments, and the amounts so advanced shall be due and payable immediately upon notice and shall bear interest at the rate provided in the Note as the rate applicable after maturity or default. When the indebtedness secured by this Mortgage has been fully paid, any remaining deposits shall be paid to Mortgagor or to the then owner or owners of the premises. Such deposits are pledged as additional security for the performance of Mortgagor's Obligations and shall not be subject to the direction or control of the Mortgagor; provided, however, that the Mortgagee shall not be liable for any failure to apply to the payment of taxes and assessments any amount so deposited unless Mortgagor, while not in default, shall have requested Mortgagee in writing to make application of such funds to the payment of the particular taxes or assessments for payment of which they were deposited, accompanied by the bills for such taxes and assessments, in ample time before the scheduled due date for payment.

Insurance

6. Mortgagor shall keep all buildings and improvements now or subsequently situated on the premises insured against loss or damage by fire, tornado, windstorm and extended coverage perils, loss of rents, and such other hazards as may reasonably be

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required by Mortgagee, including, without limitation on the generality of the foregoing, war damage insurance whenever in the opinion of the Mortgagee such protection is necessary and is available from an agency of the United States of America. Mortgagor shall also provide liability insurance with such limits for personal injury and death and property damage as Mortgagee may require. All policies of insurance to be furnished under this Mortgage (the "Policies") shall be in forms, companies and amounts satisfactory to Mortgagee, with standard mortgagee clauses attached to all policies in favor of and in form satisfactory to Mortgagee, containing a standard waiver of subrogation clause, including a provision requiring that the coverage evidenced by such Policies shall not be terminated or materially modified without ten (10) days prior written notice to the Mortgagee. Mortgagor shall deliver all Policies, including additional and renewal Policies, to Mortgagee, and, in the case of insurance about to expire, shall deliver renewal policies not less than ten (10) days prior to their respective dates of expiration.

Adjustment of Losses with Insurer and Application of Proceeds of Insurance

7. In case of loss, the Mortgagee (or after entry of decree of foreclosure, purchaser at the same, or the decree creditor, as the case may be) is authorized either (a) to settle and adjust any claim under such insurance Policies without consent of Mortgagor, or (b) to allow Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss. In either case Mortgagee is authorized to collect and receipt for any such insurance money. If (a) Mortgagor is obligated to restore or replace the damaged or destroyed buildings or improvements under the terms of any lease or leases which are or may be prior to the lien of the Mortgage, (b) such damage or destruction does not result in cancellation or termination of such lease, and (c) the insurers do not deny liability as to the insureds, such proceeds, after deducting any expenses incurred in their collection, shall be used to reimburse Mortgagor for the cost of rebuilding or restoration of buildings and improvements on the premises.

In all other cases, such insurance proceeds may, at the option of Mortgagee, either be applied in reduction of the indebtedness secured by this Mortgage, whether due or not, or be held by the Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoration of buildings or improvements on the premises. The buildings and improvements shall be so restored or rebuilt as to be of at least equal value and substantially the same character as prior to such damage or destruction. In the event Mortgagor is entitled to reimbursement out of insurance proceeds, such proceeds shall be made available, from time to time, upon the Mortgagee being furnished with satisfactory evidence of the estimated cost of completion and with such architect's certificates, waivers of lien, contractors' sworn statements and other evidence of cost and of payments as the Mortgagee may reasonably require and approve, and if the estimated cost of the work exceeds ten percent (10%) of the original principal amount of the indebtedness secured by this Mortgage, with all plans and specifications for such rebuilding or restoration as the Mortgagee may reasonably require and approve. No payment made prior to the final completion of the work shall exceed ninety percent (90%) of the value of the work performed, from time to time, and at all times the undisbursed balance of such proceeds

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remaining in the hands of the Mortgagee shall be at least sufficient to pay for the cost of completion of the work free and clear of liens.

In case of loss after foreclosure proceedings have been instituted, the proceeds of any such Policies, if not applied in rebuilding or restoring the buildings or improvements, shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance, if any, shall be paid to the owner of the equity of redemption if he shall then be entitled to the same or as the court may direct. In case of the foreclosure of this Mortgage, the court in its decree may provide that the Mortgagee's clause attached to each of the insurance Policies may be cancelled and that the decree creditor may cause a new loss clause to be attached to each of the Policies making the loss payable to such decree creditor; and any such foreclosure decree may further provide that in case of one or more redemptions under such decree, pursuant to the statute in such case made and provided, then and in every such case, each successive redepton may cause the preceding loss clause attached to each insurance Policy to be cancelled and a new loss clause to be attached, making the loss thereunder payable to such redepton. In the event of foreclosure sale, Mortgagee is authorized, without the consent of the Mortgagor, to assign any and all insurance Policies to the purchaser at the sale, or to take such other steps as Mortgagee may deem advisable, to cause the interest of such purchaser to be protected by any of the such insurance Policies.

Advancements to Protect Security

8. If Mortgagor shall neglect or refuse to keep the premises in good repair, to maintain and to pay the premiums for insurance which may be required, or to pay and discharge all taxes, assessments and charges of every nature assessed against Mortgagor or the premises, so as to protect and preserve the security intended by this Mortgage, all as provided for under the terms of this Mortgage, or to pay all liens and encumbrances when due, whether such liens or encumbrances are permitted by Mortgagee or not, or if Mortgagor shall permit any lien or encumbrance on the premises to be in default, Mortgagee may, at its option, cause such repairs or replacements to be made, obtain such insurance or pay said taxes, assessments, charges and pay such liens and encumbrances and cure such defaults and any amounts paid as a result, together with interest at the default rate, from the date of payment, shall be immediately due and payable by Mortgagor to Mortgagee, and until paid shall be added to and become a part of the indebtedness evidenced by the Notes and secured by this Mortgage, and the same may be collected in any suit upon the Notes, or Mortgagee, by payment of any tax, assessment or charge may, at its discretion, be subrogated to the rights of the governmental subdivision levying such tax, assessment or charge. No such advances shall be deemed to relieve Mortgagor from any default or impair any rights or remedy of Mortgagee, and the exercise by Mortgagee of the right to make advances shall be optional with Mortgagee and not obligatory and Mortgagee shall not in any case be liable to Mortgagor for a failure to exercise any such right.

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Restriction on Transfers and Encumbrances

9. Mortgagor shall keep the mortgaged premises free and clear of all liens, claims and encumbrances except for Permitted Exceptions described in paragraph 1(h) ("Encumbrances"), and Mortgagor shall promptly pay or cause to be paid, as and when due and payable or when declared due and payable, any indebtedness which may become or be secured by such an Encumbrance and, immediately upon request by Mortgagee, shall deliver to Mortgagee evidence satisfactory to Mortgagee of the payment and discharge of such indebtedness. To prevent default, Mortgagor or the beneficiary of Mortgagor may indemnify Mortgagee, by a means determined solely by and reasonably acceptable to Mortgagee, against loss by reason of such an Encumbrance which Mortgagor may desire to contest. If, in accordance with the terms of this Mortgage, Mortgagee makes payment of any such Encumbrance, Mortgagee shall be subrogated to the rights of such claimant, notwithstanding that the Encumbrance may be released of record.

Mortgagor shall not, at any time or times after this date, pledge, hypothecate or otherwise encumber all or any portion of the premises or Mortgagor's interest in the premises, nor shall the beneficiary of Mortgagor pledge, hypothecate or otherwise encumber all or any portion of its beneficial interest in Mortgagor, and neither Mortgagor nor Mortgagor's beneficiary shall lease any furniture, fixtures or equipment in connection with the use of the premises. Without the prior written consent of Mortgagee, which consent may be withheld with or without cause, Mortgagor shall not sell or otherwise transfer or assign all or any portion of the premises or Mortgagor's interest in the premises, nor shall the beneficiary of Mortgagor sell or otherwise transfer all or any portion of its or their beneficial interest in the Mortgagor. If the beneficiary is a partnership or a corporation, there shall be no transfer or assignment of fifty percent (50%) or more of the partnership interests or the voting stock ownership, whichever is applicable, without the prior written consent of Mortgagee.

Mortgagor covenants that no lien of any mechanics or materialmen has attached, or will validly attach to the premises or any part of them; that Mortgagor will pay all sums that if not paid may result in the acquisition or creation of a lien prior to or of equal priority with or junior to the lien of this Mortgage, or which may result in conferring upon a tenant of any part of the premises a right to recover such sums as prepaid rent or as a credit or offset against any future rental obligation; that Mortgagor will not use the premises for any purpose that violates any federal or state law, governmental regulation or local ordinance; and that Mortgagor will not grant any other lien or security interest on any part of the mortgaged premises without full disclosure to and prior written consent by Mortgagee.

Prepayment Privilege

10. The Mortgagor shall not have the privilege of making prepayments on the principal of the Notes except as expressly provided in the Notes. Upon occurrence of an Event of Default and following acceleration by Mortgagee of the maturity of Mortgagor's liabilities as provided in this Mortgage, a tender of payment by Mortgagor, the beneficiary of Mortgagor, or any other party, or a payment received upon or on account of a foreclosure of this Mort-

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gage or Mortgagee's exercise of any of its other rights or remedies under this Mortgage, the Notes, or under any applicable law or in equity shall be deemed to be a voluntary prepayment made by Mortgagor and, therefore, such payment must, to the extent permitted by law, include the premiums and other payments required under the prepayment privilege, if any, contained in the Notes.

Effect of Extensions of Time

11. If the payment of all or any part of the indebtedness is extended or varied or if any part of the security is released, all persons now or at any later time liable for the indebtedness, or interested in the premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions of this Mortgage shall continue in full force, the right of recourse against all such persons being expressly reserved by the Mortgagee, notwithstanding such extension, variation or release.

Effect of Changes in Laws Regarding Taxation

12. In the event of the enactment after this date of any law imposing a tax upon the issuance of the Notes or deducting from the value of land for the purpose of taxation any lien on the land, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens required in this Mortgage to be paid by Mortgagor, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the Mortgagee's interest in the premises, or the manner of collection of taxes, so as to affect this Mortgage or the debt secured by this Mortgage or the holder of this Mortgage, then, and in any such event, the Mortgagor, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee for such taxes and assessments; provided, however, that if in the opinion of counsel for the Mortgagee (a) it might be unlawful to require Mortgagor to make such payment or (b) the making of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, the Mortgagee may elect, by notice in writing given to the Mortgagor, to declare all of the indebtedness secured by this Mortgage to be and become due and payable sixty (60) days from the giving of such notice.

Expenses of Mortgagee

13. Mortgagor indemnifies Mortgagee and agrees to save it harmless from any and all loss, damage or expense, including attorneys' fees, resulting from or arising out of the execution and delivery of the Mortgage and the same is made a part of the indebtedness secured by this Mortgage. All sums paid by Mortgagee, including attorneys' fees, to cure default by Mortgagor, for the expense of any litigation to prosecute or defend the rights and lien created by this Mortgage in any action or proceeding to which Mortgagee is made a party by reason of this Mortgage or the Notes, or in which it becomes necessary to defend or uphold the lien of this Mortgage, shall be paid by Mortgagee, together with interest from the date of payment at the default rate, and any such sums and interest shall be immediately due and payable and secured by this Mortgage, having the benefit of the lien created as a part of this Mortgage and with its priority, all without relief from valuation or appraisal laws.

Default

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

(a) Failure of Mortgagor or the beneficiary of Mortgagor to pay, when due, any amounts becoming due and payable under the Notes or this Mortgage.

(b) Failure of Mortgagor, within thirty (30) days after notice and demand, promptly, fully and faithfully to satisfy, perform, discharge, observe and comply with each and every of Mortgagor's Obligations, unless such performance by its nature, requires more than thirty (30) days to complete, in which case, Mortgagor shall have begun such performance within such thirty (30) days and constantly is pursuing such performance with due diligence.

(c) Commencement of construction upon the mortgaged premises in violation of paragraph 2 above, or the sale, transfer, assignment, pledge, hypothecation or encumbrance of the mortgaged premises or any interest in the mortgaged premises prohibited under paragraph 2 above.

(d) A petition in bankruptcy is filed by or against Mortgagor, or any beneficiary or beneficiaries of Mortgagor, or a custodian, receiver or trustee for any of the mortgaged premises or any of its or their property is appointed and, if appointed without its or their consent, is not discharged within thirty (30) days, or if it makes or they make an assignment for the benefit of creditors, or if it is or they are adjudged insolvent by any state or federal court of competent jurisdiction, or an attachment or execution is levied against any of the mortgaged premises and is not discharged within thirty (30) days.

(e) Mortgagor's beneficiary or any guarantor shall transfer a substantial portion (as determined by Mortgagee in its discretion) of his, her or its assets to any other person, or entity, without replacement with other assets of equal value acceptable to Mortgagee or without Mortgagee's prior written consent.

(f) Default, including foreclosure and/or sale of collateral, under any other obligation secured by all or part of the premises, whether or not such obligation has been consented to by Mortgagee prior to such default.

Remedies Upon Default

15. Upon the occurrence of an Event of Default, Mortgagee, after notice and demand insofar as required under this Mortgage, in its sole discretion and at its sole election, without notice of such election, and without further demand, may do any one or more of the following:

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(a) Declare all of Mortgagor's liabilities immediately due and payable and collect the same at once by foreclosure or otherwise, without notice of broken covenant or condition (and in case of such default and the exercise of such option, Mortgagor's liabilities shall bear interest, from the date of such default, at the highest rate provided in the Notes).

(b) Either with or without process of law, enter upon and take immediate possession of the mortgaged premises, expel and remove any persons, goods or chattels occupying or upon the same, receive all rents, and issue receipts for such rents, manage, control and operate the mortgaged premises as fully as Mortgagor might do if in possession of the mortgaged premises, including without limitation, the making of all repairs and replacements deemed necessary by Mortgagee and the leasing of the same, or any part of the mortgaged premises, from time to time, and, after deducting all reasonable attorneys' fees and all costs and expenses incurred in the protection, care, maintenance, management and operation of the mortgaged premises, apply the remaining net income, if any, to Mortgagor's Obligations or upon any deficiency decree entered in any foreclosure proceeding. At the option of Mortgagee, such entry and taking of possession shall be accomplished either by actual entry and possession or by written notice served personally upon or sent by registered mail to the Mortgagor at the address of Mortgagor last appearing on the records of Mortgagee. Mortgagor and the beneficiary of Mortgagor each agree to surrender possession of the mortgaged premises to Mortgagee immediately upon the occurrence of an Event of Default. If Mortgagor or the beneficiary of Mortgagor shall remain in physical possession of the mortgaged premises, or any part of the mortgaged premises, after any such default, such possession shall be as a tenant of Mortgagee, and Mortgagor and the beneficiary agree to pay to Mortgagee or to any receiver appointed as provided below, after such default, a reasonable monthly rental for the mortgaged premises, or the part of the mortgaged premises so occupied by the Mortgagor or the beneficiary and to be paid in advance on the first day of each calendar month, and, in default of so doing, Mortgagor or the beneficiary (as the case may be) may be dispossessed by the usual summary proceedings. In the event Mortgagor or the beneficiary of Mortgagor shall so remain in possession of all, or any part of, the mortgaged premises, the reasonable monthly rental shall be in amounts established by Mortgagee in its reasonable discretion. This covenant shall be effective irrespective of whether any foreclosure proceeding shall have been instituted and irrespective of any application for, or appointment of, a receiver.

(c) File one or more suits at law or in equity for the foreclosure of this Mortgage or to collect the indebtedness secured by this Mortgage. In the event of the commencement of any such suit by Mortgagee, Mortgagee shall have the right, either before or after

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sale, without notice and without requiring bond (notice and bond being hereby waived), without regard to the solvency or insolvency of Mortgagor at the time of application and without regard to the then value of the mortgaged premises or whether the same is then occupied, to make application for and obtain the appointment of a receiver for the mortgaged premises. Such receiver shall have the power to collect the rents during the pendency of such suit and, in case of a sale and a deficiency, during the full statutory period of redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect the rents, and shall have all other powers which may be necessary or usual in such cases for the protection, possession, control, management and operation of the mortgaged premises. The Court before which suit is pending may from time to time authorize the receiver to apply the net income in his hands in payment, in whole or in part, of Mortgagor's Obligations. In case of a sale pursuant to foreclosure, the premises may be sold as one parcel or, if appropriate, may be divided and sold as separate parcels.

(d) Exercise any other remedies or rights permitted or provided under or by the laws or decisions of the State in which the mortgaged premises is located (including all rights of a secured party under the Uniform Commercial Code of the State of Illinois), accruing to a mortgagee and/or secured party upon a default by a Mortgagor and/or debtor.

The failure of the Mortgagee to exercise the option for acceleration of maturity and/or foreclosure following any Event of Default or to exercise any other option granted to Mortgagee in any one or more instances, or the acceptance by Mortgagee of partial payments, shall not constitute a waiver of any such default, nor extend or affect the grace period, if any, but such option shall remain continuously in force. Acceleration of maturity, once claimed by Mortgagee, may be rescinded at the option of Mortgagee by written acknowledgment to that effect, but the tender and acceptance of partial payments alone shall not in any way affect or rescind such acceleration or maturity, nor extend or affect the grace period, if any.

Foreclosure; Expense of Litigation

16. When any indebtedness secured by this Mortgage shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien for such indebtedness. In any suit to foreclose the lien or enforce any other remedy of the Mortgagee under this Mortgage or the Notes, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee

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may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises and all prepayment premiums or similar charges, if any, provided in the Notes. All expenditures and expenses and prepayment premiums of the nature mentioned in this paragraph, and such expenses and fees as may be incurred in the protection of the premises and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Notes or the premises, including probate and bankruptcy proceedings, or in preparations for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest at the post maturity rate and shall be secured by this Mortgage.

Application of Proceeds of Foreclosure Sale

17. The proceeds of any foreclosure sale of the premises shall be distributed and applied in the following order of priority: First, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in the preceding paragraph; second, all other items which under the terms of this Mortgage constitute secured indebtedness additional to that evidenced by the Notes, with interest as provided; third, all principal and interest remaining unpaid on the Notes; fourth, any excess to Mortgagor, its successors or assigns, as their rights may appear.

Appointment of Mortgagee In Possession or Receiver

18. Upon or at any time after the filing of a complaint to foreclose this Mortgage, the court in which such complaint is filed may appoint Mortgagee as mortgagee in possession or may appoint a receiver of the premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency at the time of application of the person or persons, if any, liable for the payment of the indebtedness secured by this Mortgage and without regard to the then value of the Premises or whether the same shall then be occupied as a homestead or not. Such receiver or mortgagee in possession shall have the power to collect the rents, issues and profits of the premises during the pendency of such foreclosure suit, as well as during any further times when Mortgagor, its successors or assigns, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the premises during such period. The court from time to time may authorize the receiver or mortgagee in possession to apply the net income held by either of them in payment in whole or in part of the indebtedness and other sums secured by this Mortgage, or in payment of any tax, special assessment or other lien which may or may not become superior to the lien of this Mortgage or superior to an order foreclosing this Mortgage, providing such application is made prior to the foreclosure sale. In case of a judicial sale, the premises, or so much of the premises as may then be affected by this Mortgage, may be sold in one parcel.

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Assignment of Rents and Leases

19. To further secure Mortgagor's Obligations, Mortgagor sells, assigns and transfers to the Mortgagee all the rents, issues and profits now due and which may become due under or by virtue of any lease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of the premises or any part of the premises, which may exist or which may be entered after this date or which may be made or agreed to by the Mortgagee under the powers granted in this Mortgage, it being the intention to establish an absolute transfer and assignment of all of such leases and agreements, and all the proceeds of such leases and agreements, to the Mortgagee, and Mortgagor appoints irrevocably the Mortgagee its true and lawful attorney in its name and place (with or without taking possession of the premises) to rent, lease or let all or any portion of the premises to any party or parties at such rental and upon such terms as Mortgagee shall, in its discretion, determine, and to collect all of the proceeds, rents, issues and profits arising from or accruing at any time after this date, and all now due or that may become due under each and every of the leases and agreements, written or verbal, or other tenancy existing, or which may exist on the premises, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as the Mortgagee would have upon taking possession.

The Mortgagor represents and agrees that no rent has been or will be paid by any person in possession of any portion of the premises for more than one installment in advance and that the payment of none of the rents to accrue for any portion of the premises has been or will be waived, released, reduced, discounted or otherwise discharged or compromised by the Mortgagor. If any lease provides for the abatement of rent during repair of the premises demised by reason of fire or other casualty, the Mortgagor shall furnish to the Mortgagee rental insurance, the policies to be in amount and form and written by such insurance companies as shall be satisfactory to the Mortgagee. Mortgagor agrees that it has not and will not assign any part of the rents or profits of the premises, except to a purchaser or grantee of the premises.

Nothing contained in this Mortgage shall be construed as constituting the Mortgagee a mortgagee in possession in the absence of the taking of actual possession of the premises by the Mortgagee pursuant to paragraph 15(b). In the exercise of the powers granted under this Mortgage to the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being expressly waived and released by Mortgagor.

The Mortgagor further agrees to assign and transfer to the Mortgagee all future leases upon all or any part of the premises and to execute and deliver, at the request of the Mortgagee, all such further assurances and assignments in the premises as the Mortgagee shall from time to time require. All future leases must be acceptable to Mortgagor in form and in substance. Further, no lease shall be modified, amended or terminated, nor shall Mortgagee allow any tenant under such lease to assign such lease or sublet any part of the leased premises, without Mortgagee's prior written consent.

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Although it is the intention of the parties that the assignment contained in this paragraph 19 shall be a present assignment, it is expressly understood and agreed, anything contained in this Mortgage to the contrary notwithstanding, that the Mortgagee shall not exercise any of the rights or powers conferred upon it by this paragraph until an Event of Default shall exist under this Mortgage.

Application of Income Received by Mortgagee

20. The Mortgagee in the exercise of the rights and powers conferred upon it by paragraph 15(b) shall have full power to use and apply the proceeds, rents, issues and profits of the premises to the payment of or on account of the following, in such order as the Mortgagee may determine:

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

(b) to the payment of taxes and special assessments now due or which may subsequently become due on the premises;

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

(d) to the payment of any Mortgagor's Obligations or any deficiency which may result from any foreclosure sale.

Mortgagee's Right of Inspection

21. Mortgagee shall have the right to inspect the premises and the books and records of Mortgagor's beneficiary at all reasonable times and access to the premises and to such books and records shall be permitted for that purpose.

Condemnation

22. Mortgagor assigns and transfers to Mortgagee the entire proceeds of any award or any claim for damages for any of the mortgaged property taken or damaged under the power of eminent domain or by condemnation. If the holders of any other mortgage liens then of record agree to use such proceeds to repair and restore the premises, then Mortgagee shall agree to apply the proceeds for restoration and repair purposes. Otherwise, the Mortgagee may elect to apply the proceeds of the award upon or in reduction of the indebtedness secured by this Mortgage, whether

due or not, or to require Mortgagor to restore or rebuild, in which event the proceeds shall be held by Mortgagee and used to reimburse Mortgagor for the cost of the rebuilding or restoring of buildings or improvements on the premises, in accordance with plans and specifications to be submitted to and approved by Mortgagee. If the Mortgagor is obligated to restore or replace the damaged or destroyed buildings or improvements under the terms of any lease or leases which are or may be prior to the lien of this Mortgage and if such taking does not result in cancellation or termination of such lease, the award shall be used to reimburse Mortgagor for the cost of the rebuilding or restoring of buildings or improvements on the premises, provided Mortgagor is not then in default under this Mortgage. In the event Mortgagor is required or authorized under this paragraph to rebuild or restore, the proceeds of the award shall be paid out in the same manner as is provided in paragraph 7 for the payment of insurance proceeds toward the cost of rebuilding or restoration. If the amount of such award is insufficient to cover the cost of rebuilding or restoration, Mortgagor shall pay such cost in excess of the award, before being entitled to reimbursement out of the award. Any surplus which may remain out of the award after payment of such cost of rebuilding or restoration shall, at the option of Mortgagee, be applied on account of Mortgagor's Obligations or be paid to any other party entitled to such surplus. In the event that the proceeds of any such award are paid to Mortgagee but are not sufficient to pay in full the indebtedness secured by this Mortgage, such payment shall be deemed to be a partial prepayment of principal on the Notes and Mortgagee shall release from the lien of this Mortgage so much real estate as is provided in the Notes in the event of a partial prepayment by Mortgagor.

Environmental Compliance

23. Mortgagor and Mortgagee's beneficiary warrant that as of the date of this Mortgage there has been no use of the premises that would give rise to liability under any laws, statutes, ordinances, rules or regulations of any governmental authority having jurisdiction as to environmental matters. Mortgagor, at its cost and expense, shall comply with all laws, statutes, ordinances, rules and regulations of any governmental authority ("Agency") having jurisdiction concerning environmental matters, including, but not limited to, any discharge into the air, waterways, sewers, soil or ground water of any substance or "pollutant". Mortgagee and its agents and representatives shall have access to the premises and to the books and records of the Mortgagor and the beneficiary of Mortgagor and any occupant of the premises claiming under the Mortgagor for the purpose of ascertaining the nature of the activities being conducted on the premises and to determine the type, kind and quantity of all products, materials and substances brought on to or made at the premises. Mortgagor and all occupants of the premises claiming under Mortgagor shall provide to the Mortgagee copies of all manifests, schedules, correspondence and other documents of all types and kinds when filed or provided to an Agency or otherwise required to be maintained by an Agency or as such are received from any Agency. At Mortgagor's sole cost, Mortgagee and its agents and representatives shall have the right to take samples in quantity sufficient for scientific analysis of all products, materials and substances present on the premises including, but not limited to, samples of products, materials or substances brought onto or made or produced on the premises by the Mortgagor or an occupant claim-

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ing under Mortgagor or otherwise present on the premises. Alternatively, at Mortgagee's option, all samples may be provided by Mortgagor, at Mortgagor's cost. The Mortgagor shall indemnify, defend and hold harmless the Mortgagee and its successors from any environmental matters. This undertaking shall survive the repayment of the indebtedness secured by this Mortgage.

Release upon Payment and Discharge of Mortgagor's Obligations

24. If Mortgagor shall fully pay all principal and interest on the Notes, and all other Mortgagor's Obligations and comply with all of the other terms and provisions to be performed and complied with by Mortgagor, then this Mortgage shall be null and void. Mortgagee shall release this Mortgage by proper instrument upon payment and discharge of all Mortgagor's Obligations.

Giving Notice

25. Any notice which either party may desire or be required to give to the other party shall be in writing and shall be mailed by certified mail, addressed as follows:

To the Mortgagor: 135 South LaSalle
Chicago, Illinois 60690

To the Mortgagee: 901 West Jackson Boulevard
Chicago, Illinois 60607

or at such other place as either party may by notice in writing designate as a place for service of notice.

Waiver of Claims and Defenses

26. Notwithstanding anything contained in this Mortgage, Mortgagee shall not be obligated to perform or discharge, and does not undertake to perform or discharge, any obligation, duty or liability of Mortgagor under this Mortgage or any other loan documents and Mortgagor shall and does agree to defend, indemnify and save the Mortgagee harmless from: any and all liabilities, losses or damages which Mortgagee may incur or pay under or with respect to any of the collateral secured by this Mortgage or under or by reason of its exercise of rights under this Mortgage; and any and all claims and demands which may be asserted against Mortgagee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in any of the loan documents or relating to the collateral secured by this Mortgage. Mortgagee shall not have responsibility for the control, care, management or repair of the premises or be responsible or liable for any negligence in the management, operation, upkeep, repair or control of the premises resulting in loss, injury or death or any tenant, licensee, employee, stranger or other person. No liability shall be enforced or asserted against Mortgagee in its exercise of the powers granted to it under this Mortgage and Mortgagor expressly waives and releases any such liability. Should Mortgagee incur any such liability, loss or damage under any of the leases or by reason of any provision of this Mortgage, or in the defense of any claim or demands, Mortgagor agrees to reimburse Mortgagee immediately upon demand for the full amount of such claim, including costs, expen-

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ses and attorneys' fees, all of which shall be additional advances by the Mortgagee secured by the lien of this Mortgage.

Waiver of Right of Redemption

27. Mortgagor waives any and all rights of redemption from sale under any order of foreclosure of this Mortgage on its own behalf and on behalf of each and every person acquiring an interest in or title to the premises subsequent to the date of this Mortgage. If this Mortgage is executed by a corporate mortgagor, the beneficiary of such corporate mortgagor has directed the Mortgagee to waive such rights of redemption. In addition, Mortgagor waives all rights of homestead exemption in or relating to such premises.

Waiver of Statute of Limitations

28. Time is of the essence in all Mortgagor's obligations under this Mortgage and, to the extent permitted by law, Mortgagor waives all present or future statutes of limitations with respect to any debt, demand or obligation secured under this Mortgage in any action or proceeding for the purpose of enforcing this Mortgage or the rights or remedies under this Mortgage, including the right to assert any claim barred by a statute of limitations as an offset, counterclaim or defense in any action to enforce this Mortgage or the indebtedness secured by this Mortgage.

Non-Waiver of Default

29. No failure by Mortgagee in the exercise of any of its rights under this Mortgage shall preclude Mortgagee from the exercise of such right in the event of subsequent default by Mortgagor, and no delay by Mortgagee in the exercise of its rights under this Mortgage shall preclude Mortgagee from the exercise so long as Mortgagor is in default. Mortgagee may enforce any one or more of its rights or remedies hereunder successively or concurrently.

Commitment Terms Incorporated

30. The loan to be secured is to be disbursed by Mortgagee to Mortgagor in accordance with the terms of the Commitment dated May 11, 1988. Any advances or indebtedness arising and accruing under the Commitment from time to time shall be secured to the same extent as though the Commitment were fully incorporated in this Mortgage and if any default shall occur in the agreements contained in the Commitment, the same shall constitute a default under this Mortgage and entitle Mortgagee to all the rights and remedies conferred upon Mortgagee by the terms of this Mortgage or by law, as in the case of any other default.

Modification of Indebtedness and Release of Collateral

31. Mortgagee at his option may extend the time for the payment of the indebtedness or reduce the payments or accept a renewal note or notes or release all or part of the premises without the consent of any junior lienholders or the Mortgagor if Mortgagor has then parted with title to the premises and no sale of the premises or forbearance on the part of the Mortgagee or its assigns, or extension of the time for the payment of the debt

secured or reduction in payments, or acceptance of renewals or release of all or part of the premises shall affect the priority of this Mortgage or the security of it or shall operate to release, modify, change or affect the original liability of the Mortgagor or a subsequent mortgagor, surety or guarantor, either in whole or in part, nor shall the full force and effect of the security of this Mortgage be altered.

Furnishing of Financial Statements to Mortgagee

32. Mortgagor shall furnish the following to Mortgagee:

(a) within thirty (30) days after the close of each quarter, a quarterly operating statement of income and expenses for the premises, in form and substance acceptable to Mortgagee, signed and certified by Mortgagor's beneficiary;

(b) within ninety (90) days after the close of each year, an annual operating statement of income and expenses for the premises, in form and substance acceptable to Mortgagee, signed and certified by Mortgagor's beneficiary;

(c) within ninety (90) days after the end of the year, statements of the financial condition of Mortgagor's beneficiary and any guarantor, in form and substance acceptable to Mortgagee, signed and certified by Mortgagor's beneficiary and any guarantor, respectively;

(d) within ninety (90) days after the end of each year, a rent roll for the premises as of the end of such year, in form and substance acceptable to Mortgagee, signed and certified by Mortgagor's beneficiary, and containing, without limitation, the following information: the name of each tenant, the space occupied by such tenant, the rent and any additional rent due and payable by each tenant, the last day on which each tenant paid rent and whether any tenant was in default under any of the terms of its lease as of the date such rent roll was certified; and

(e) all such interim unaudited financial statements and other information as Mortgagee may require from time to time.

Management Agreement

33. The premises shall at all times be operated under a management agreement, acceptable to Mortgagee in form and substance, with a property management company acceptable to Mortgagee. The management agreement shall provide that it is terminable at Mortgagee's sole option upon the occurrence of a default under the Notes or this Mortgage and that the management agent shall execute such waiver of lien and subordination agreement as Mortgagee may request from time to time.

Post Maturity Rate

34. "Post maturity rate" or "default rate" as used in this Mortgage shall mean such rate as defined in the Notes, but if not so defined in the Notes, then the terms shall mean interest at a rate which is three percent (3%) per year in excess of the rate payable prior to maturity.

Filing and Recording Fees

35. Mortgagor will pay all filing, registration or recording fees, and all expenses incident to the execution and acknowledgment of this Mortgage and all federal, state, county and municipal taxes, and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Notes and this Mortgage.

Business Purpose

36. Mortgagor or the beneficiaries of Mortgagor has been advised by its counsel that the proceeds of the loan secured by this Mortgage will be used for the purposes specified in Paragraph 6404 of Chapter 17 of the Illinois Revised Statutes, and that the principal obligation secured by this Mortgage comes within the purview of such paragraph.

Binding on Successors and Assigns

37. This Mortgage shall extend to and be binding upon Mortgagor and all persons claiming under or through Mortgagor, and the word "Mortgagor" when used in this Mortgage shall include the named Mortgagor and any subsequent owner or owners of the equity of redemption of the premises. The word "Mortgagee" shall include the successors and assigns of the named Mortgagee, and the holder or holders, from time to time of the Notes.

Applicable Law

38. This Mortgage is executed under and shall be construed in accordance with the laws of the State of Illinois.

All Covenants to Run With Land

39. All the covenants contained in this Mortgage shall run with the land.

Captions

40. 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 of this Mortgage.

Separability

41. Each of the provisions of this Mortgage shall be separable and distinct, several provisions such that the unenforceability, voidability or illegality of any provision shall not render the rest of this Mortgage null and void, but the remaining provisions will remain in full force and effect.

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It is further agreed by the parties hereto that whenever and wherever the provisions of this Mortgage contains any reference to the right of the Mortgagee to be indemnified, saved harmless, or reimbursed by Mortgagor for any costs, claims, loss, fines, penalties, damages or expenses of any nature, including without limitation, attorney's fees, arising in any way out of the execution of this instrument or the relationship of Mortgagee/Mortgagor under this instrument, then such obligation, if any, on the part of the Mortgagor shall be construed to be only a right of reimbursement in favor of Mortgagee out of the trust estate held under Trust No. 113172, from time to time, so far as the same may reach; and in no case shall any claim of liability or right of reimbursement be asserted against the LaSalle National Bank individually, all such personal liability, if any, being hereby expressly waived; and this agreement shall extend to and insure for the benefit of the parties hereto, their respective successors and assigns and all parties claiming by, through and under them. In event of conflict between the terms of this rider and of the Mortgage to which it is attached, or any question of apparent or claimed liability or obligation resting upon the said trustee, the exculpatory provisions of the rider shall be controlling. It is further agreed that Mortgagor will not make any warranties.

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Corporate Mortgagor

42. In the event one or more of the undersigned is a corporation, the officers executing on its behalf represent that they are such officers, that they have been duly authorized and empowered by appropriate Resolution duly adopted by its Board of Directors to execute and deliver this Mortgage and the Notes secured by this Mortgage for and on behalf of the corporation and that the beneficiary or beneficiaries authorized under the trust agreement have directed the undersigned to execute this Mortgage.

Exculpation

43. THIS MORTGAGE is executed by LaSalle National Bank, not personally, but as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee (and that Bank warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing contained in this Mortgage or the Notes shall be construed as creating any liability on the Bank personally to pay the Notes or any interest or any indebtedness accruing under the Notes, or to perform any covenant either express or implied contained in this Mortgage (it being understood and agreed that each of the provisions of this Mortgage, except the warranty contained in this exculpation clause, shall constitute a condition and not a covenant or agreement, regardless of whether the same may be couched in language of a promise or covenant or agreement), all such liability, if any, being expressly waived by Mortgagee and by every person now or subsequently claiming any right or security under this Mortgage, and that so far as the Bank is personally concerned, the legal holder or holders of the Notes shall look solely to any one or more of: (1) the premises conveyed by this Mortgage and the rents, issues and profits from the premises, for the payment of the Notes by the enforcement of the lien created by this Mortgage, in the manner provided in this Mortgage and the Notes; (2) any other security given to secure Mortgagor's Obligations; or (3) the personal liability of the guarantors, if any.

ATTEST:

LASALLE NATIONAL BANK,
not personally, but as
Trustee as described.

By: [Signature]
Its: President

By: [Signature]
Its: Ass. Vice President

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EXHIBIT A

LEGAL DESCRIPTION

LOTS 9, 10 AND 11 IN BLOCK 20 OF DUNCAN'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF THE EAST ONE-HALF OF THE NORTHEAST QUARTER OF SECTION 17, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

The title to the Real Estate has been registered under "An Act Concerning Land Titles," commonly known as the Torrens Act.

(Affects Lot 11)

Permanent Tax Nos.

17-17-228-007

Volume 591

(Affects the North 1/2 of Lot 11)

17-17-228-008

(Affects the South 1/2 of Lot 11)

17-17-228-009

(Affects Lots 9 and 10)

Street Address: 812 West Van Buren, Chicago, Illinois

Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

I, Kathy Pacana, a Notary Public in and for the County and State named above, DO CERTIFY that J. KIT SILVER of LaSalle National Bank and William H. Dillon of that Bank who are personally known to me to be the same persons whose names are subscribed to the above instrument as Assistant Vice President and Assistant Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the instrument as their own free and voluntary act and as the free and voluntary act of the Bank, as Trustee as described, for the uses and purposes set forth in the instrument; and that Assistant Secretary then and there acknowledged that (he) (she), as custodian of the corporate seal of the Bank, did affix the corporate seal of the Bank to the instrument as (his) (her) own free and voluntary act and as the free and voluntary act of the Bank, as Trustee as described, for the uses and purposes set forth in the instrument.

GIVEN under my hand and Notarial Seal this 18th day of May, 1988.

Kathy Pacana
Notary Public

My Commission expires:

6-11-88

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Property of Cook County Clerk

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IN DUPLICATE

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Submitted by _____
 Address _____
 Promised _____
 Deliver _____
 Address _____
 Date _____
 Dear _____
 Address _____
 Notified _____
 Title _____

TICOR-TITLE INSURANCE
 69 WEST WASHINGTON STREET
 CHICAGO, ILLINOIS 60602
 BOX

0401123
 REGISTRY OF TITLES
 HARRY (BNS) YORRELL
 1508 MAY 26 PM 2:15

0401123

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Office

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