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MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (hereinafter called this "Mortgage") made this 25th day of July, 1988, by LASALLE NATIONAL BANK, a national banking association, not personally but solely as trustee under Trust Agreement dated June 26, 1984, and known as Trust No. 108573 (the "Land Trust"), having an office at 135 South LaSalle Street, Chicago, Illinois 60603 ("Owner"), and by CR ASSOCIATES, an Illinois general partnership with an office and principal place of business at 40 Skokie Boulevard, Suite 600, Northbrook, Illinois 60062, Attention: Kenneth L. Tucker ("Beneficiary") (Owner and Beneficiary being sometimes individually and collectively hereinafter referred to as "Mortgagor") in favor of JOHN M. HART, TRUSTEE FOR HART ADVISERS I TRUST under a Declaration of Trust dated July 13, 1988, having an office at One State Street, Hartford, Connecticut 06103 ("Mortgagee"),

W I T N E S S E T H

WHEREAS, CR Associates is the holder and owner of one hundred percent (100%) of the beneficial interest in the Land Trust;

WHEREAS, Mortgagor is justly indebted to Mortgagee in the principal amount of Twenty-One Million and No/100 Dollars (\$21,000,000.00) or so much thereof as shall be advanced (the "Loan") as evidenced by that Secured Promissory Note (the "Note") of even date herewith for said principal amount executed by Mortgagor and delivered to Mortgagee, with interest at the rate or rates therein provided, both principal and interest being payable as therein provided, and all amounts remaining unpaid thereon being finally due and payable on December 1, 1998, a copy of the Note being attached hereto as Schedule C and incorporated herein and made a part hereof, which Note contains provisions for acceleration in the event of default, contains provisions limiting prepayments, and provides for payment of costs of collection, including attorneys' fees, in the event of default, and waives presentment and notice of protest; and

WHEREAS, as a condition to the incurring of said indebtedness, Mortgagor agreed to execute and deliver this Mortgage to secure the payment of the Note and the performance of the covenants and conditions of this Mortgage and any extension, renewal or modification thereof; and

WHEREAS, the Loan and all disbursements thereunder are further subject to the provisions of that certain Construction Loan Agreement of even date herewith by and between Owner, Beneficiary and Mortgagee (the "Loan Agreement"); and

THIS INSTRUMENT WAS PREPARED BY AND UPON RECORDING SHOULD BE RETURNED TO:

RODNEY J. DILLMAN, ESQ.
DAY, BERRY & HOWARD
CITYPLACE
HARTFORD, CONNECTICUT 06103

7/29/88 legal description affects property on certificate no's 1454453, 1454459, 1454461, 1454465, 1454467, 1454469, 1454471
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WHEREAS, Mortgagor has executed and delivered to Mortgagee that certain Assignment of Leases and Rents of even date herewith (the "Assignment") as additional security for its obligations under the Note and the Mortgage; and

WHEREAS, Owner represents and covenants that it has full power and authority to execute and deliver the Note, the Assignment, this Mortgage, and all other documents and instruments required of it by Mortgagee in connection with the making or giving of the Loan, and Beneficiary represents, covenants and warrants that it has full power and authority to execute and deliver the Assignment, this Mortgage, and all other documents and instruments required of it by Mortgagee in connection with the making or giving of the Loan (the Note, this Mortgage, the Loan Agreement, the Assignment, and all such other documents and instruments being sometimes collectively referred to herein as the "Loan Documents" and individually as a "Loan Document");

NOW THEREFORE, in order to secure to Mortgagee the repayment of the indebtedness evidenced by the Note (including without limitation, the principal amount thereof, interest thereunder and all other sums payable thereunder) and all other sums payable hereunder, and the performance of the covenants and agreements of Mortgagor contained herein, Mortgagor does hereby grant, bargain, sell, transfer, assign, convey, confirm and mortgage unto Mortgagee, its successors and assigns forever, the following:

THE MORTGAGED PROPERTY

The following described premises situated in the Village of Chicago Ridge, County of Cook and State of Illinois, to wit: The land described in detail in Schedule A which is attached hereto and incorporated herein and made a part hereof (the "Land").

TOGETHER WITH (1) all buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Land, and (2) all building materials, supplies and other property stored at or delivered to the Land or any other location for incorporation into the improvements located or to be located on the Land, and all fixtures, machinery, appliances, equipment, furniture and personal property of every nature whatsoever now or hereafter owned by Mortgagor and located in or on, or attached to, and used or intended to be used in connection with the operation of, the Land, buildings, structures or other improvements, or in connection with any construction being conducted or which may be conducted thereon, and owned by Mortgagor, and all extensions, additions, improvements, betterments, renewals, substitutions and replacements to any of the foregoing, and all of the right, title and interest of Mortgagor in and to such personal property which, to the fullest extent permitted by law, shall be conclusively deemed fixtures and a part of the real property encumbered hereby (collectively, the "Improvements").

TOGETHER WITH (1) all estate, right, title and interest of Mortgagor of whatever character, whether now owned or hereafter acquired, in and to (a) all streets, roads and public places, open or proposed, in front of or adjoining the Land, and the

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land lying in the bed of such streets, roads and public places, and (b) all other sidewalks, alleys, ways, passages, strips and gores of land adjoining or used or intended to be used in connection with any of the Land or the Improvements, or any part thereof; and (2) all water courses, easements, rights-of-way and rights of use or passage, public or private, and all estates, interests, benefits, powers, rights (including, without limitation, any and all lateral support, drainage, slope, sewer, water, air, mineral, oil, gas and subsurface rights), privileges, licenses, profits, rents, royalties, tenements, hereditaments, reversions and subreversions, remainders and subremainders and appurtenances whatsoever in any way belonging, relating or appertaining to any of the Land or the Improvements, or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Mortgagor (collectively, the "Appurtenances").

The Land, the Improvements and the Appurtenances are collectively herein sometimes referred to as the "Premises".

TOGETHER WITH (i) all estate, right, title and interest of Mortgagor of, in and to all judgments, insurance proceeds, awards of damages and settlements hereafter made resulting from condemnation proceedings or the taking of the Premises or any part thereof under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Premises or any part thereof, or to any rights appurtenant thereto, and all proceeds of any sales or other dispositions of the Premises or any part thereof, and Mortgagee is hereby authorized to collect and receive said awards and proceeds and to give proper receipts and acquittances therefor, and (if it so elects) to apply the same toward the payment of the indebtedness and other sums secured hereby, notwithstanding the fact that the amount owing thereon may not then be due and payable; and (ii) all contract rights, general intangibles, governmental permits, licenses and approvals, actions and rights in action, including without limitation all rights to insurance proceeds and unearned premiums, arising from or relating to the Premises; and (iii) all proceeds, products, replacements, additions, substitutions, renewals and accessions of and to the Premises.

TOGETHER WITH all rents, royalties, issues, profits, revenues, income and other benefits to which Mortgagor may now or hereafter be entitled from the Premises to be applied against the indebtedness and other sums secured hereby; provided, however, that permission is hereby given to Mortgagor, so long as no Event of Default has occurred hereunder, to collect and use such rents, royalties, issues, profits, revenues, income and other benefits as they become due and payable, but not in advance thereof. Mortgagee shall be entitled, at its option upon the occurrence of an Event of Default, as hereinafter defined, to all rents, royalties, issues, profits, revenues, income and other benefits from the Premises whether or not Mortgagee takes possession of the Premises. Upon the occurrence of an Event of Default, the permission hereby given to Mortgagor to collect such rents, royalties, issues, profits, revenues, income and other benefits from the Premises shall terminate. Neither the exercise of any rights under this paragraph by Mortgagee nor the application of any such rents, royalties, issues, profits, revenues, income or other benefits to the indebtedness and other sums secured hereby, shall cure or waive any Event of Default or notice of any Event of Default hereunder or invalidate any act done pursuant hereto or to any such

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notice, but shall be cumulative of all other rights and remedies.

The foregoing provisions hereof shall constitute an absolute and present assignment of the rents, royalties, issues, profits, revenues, income and other benefits from the Premises, subject, however, to the conditional permission given to Mortgagor to collect and use such rents, royalties, issues, profits, revenues, income and other benefits as hereinabove provided, and the existence or exercise of such right of Mortgagor shall not operate to subordinate this assignment to any subsequent assignment, in whole or in part, by Mortgagor, and any such subsequent assignment by Mortgagor shall be subject to the rights of Mortgagee hereunder.

TOGETHER WITH all right, title and interest of Mortgagor in and to any and all leases, subleases and occupancy or similar agreements (collectively, "leases") now or hereafter on or affecting the Premises, together with all security therefor and all guaranties thereof and all moneys payable thereunder, and all books and records which reflect payments made under the leases and all security therefor, subject, however, to the conditional permission hereinabove given to Mortgagor to collect the rents, royalties, issues, profits, revenues, income and other benefits arising under any such lease. Mortgagee shall have the right, at any time and from time to time, to notify any lessee of the rights of Mortgagee as provided by this paragraph.

TOGETHER WITH any and all further or greater estate, right, title, interest, claim, and demand whatsoever of Mortgagor, whether now owned or hereafter acquired, in or to any of the property described in the foregoing paragraphs or any rights or interests appurtenant thereto.

The Premises and all of the other property, rights, title and interests described in the foregoing paragraphs, are herein sometimes referred to collectively as the "Mortgaged Property."

TO HAVE AND TO HOLD the above granted and bargained Mortgaged Property and all parts thereof unto Mortgagee, its successors and assigns forever, to its and their own proper use and benefit forever, subject however, to the terms and conditions herein.

Provided, however, that if Mortgagor shall promptly pay or cause to be paid to Mortgagee the Indebtedness (as hereinafter defined), at the times and in the manner stipulated therein, herein, and in all other instruments securing the Indebtedness, all without any deduction or credit for taxes or other similar charges paid by Mortgagor and shall keep, perform and observe all the covenants and promises in the Note, and any renewal, extension or modification thereof, and in this Mortgage and in all other instruments securing the Indebtedness, to be kept, performed or observed by Mortgagor, then this Mortgage, and the grants, conveyances and assignments therein contained, shall cease and be void; otherwise to remain in full force and effect.

Mortgagor further covenants and agrees with Mortgagee or any successor in title as holder of the Note as follows:

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ARTICLE ONE

Covenants of Mortgage

1.01 Performance of Note, Mortgage, and Other Documents.

Mortgagor shall cause to be performed, observed and complied with all provisions hereof, of the Note and every other Loan Document, and will promptly pay to Mortgagee the principal with interest thereon and all other sums required to be paid by Mortgagor under the Note and pursuant to the provisions of this Mortgage and of every Loan Document when payment shall become due (the entire principal amount of the Note, all accrued interest thereon and all obligations and indebtedness herein described being referred to herein as the "Indebtedness").

1.02 General Representations, Covenants and Warranties.

Owner represents and covenants and Beneficiary represents, covenants and warrants that (a) subject only to the rights of others provided in the instruments and other matters described in Schedule B attached hereto and made a part hereof, Mortgagor is seized of an indefeasible estate in fee simple in, and has good and absolute title to, the Mortgaged Property, and has good right, full power and lawful authority to mortgage and pledge the same as provided herein and Mortgagee may at all times peaceably and quietly enter upon, hold, occupy, and enjoy the Mortgaged Property in accordance with the terms hereof; (b) the Mortgaged Property is free and clear of all liens, security interests, charges, encumbrances and other exceptions to title whatsoever except those described in Schedule B; (c) Mortgagor will maintain and preserve the lien of this Mortgage until the Indebtedness has been paid in full; (d) Owner is a duly organized and validly existing land trust under the laws of the State of Illinois; (e) Beneficiary is a duly organized and validly existing general partnership under the laws of the State of Illinois, the sole partners of which are Chicago Ridge Commons Limited Partnership, an Illinois limited partnership and CRID, Inc. a Pennsylvania corporation; (f) all due partnership and corporate action has been taken to make and constitute the Note, this Mortgage, and any and all other instruments executed by Beneficiary in connection with the Indebtedness, and the same do constitute, legal, valid and binding obligations enforceable in accordance with their respective terms, subject to the application of bankruptcy and other laws affecting the rights of creditors generally; (g) there are no provisions in any indenture, contract, agreement or other document affecting Beneficiary or any shareholder or any partner of any partner of Beneficiary, or to which Owner, Beneficiary or any such shareholder or partner of Beneficiary is a party or by which Owner, Beneficiary or any such shareholder or partner of Beneficiary or their respective properties are bound, which prohibit or limit the execution of the Note, this Mortgage or any other instruments executed by Owner or Beneficiary in connection with the Indebtedness, or the observance by Mortgagor of any of the terms and conditions hereof or thereof, and such actions by Mortgagor will not violate any provisions of any law, rule or regulation, order, writ, adoption of which is known to Mortgagor to be presently under consideration; (h) Beneficiary, each partner of Beneficiary and each co-maker, endorser or guarantor (if any) of the Indebtedness (said co-maker(s), endorser(s) or guarantor(s) being herein referred to jointly and severally as "Guarantor") are now able to meet their respective debts as they mature, the fair market value of their respective assets exceeds their respective liabilities and no bankruptcy or insolvency case or proceedings are pending or contemplated by or against Owner, Beneficiary, any partner of Beneficiary or Guarantor; (i) all reports, statements and other data furnished

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by Beneficiary, any partner of Beneficiary or Guarantor to Mortgagee in connection with the Loan are true, correct and complete in all material respects and do not omit to state any fact or circumstance necessary to make the statements contained therein not misleading; (j) there are no actions, suits or proceedings pending, or to the knowledge of Mortgagor threatened, against or affecting Owner, Beneficiary, any partner of Beneficiary, Guarantor or the Mortgaged Property in any court or before any federal, state, municipal or other governmental agency, nor are Owner, Beneficiary, any partner of Beneficiary or Guarantor in default with respect to any order of any court or governmental agency; (k) all costs arising from construction of any improvements and the purchase of all equipment located on, or constituting part of, the Mortgaged Property which have been incurred prior to the date of this Mortgage have been paid; (l) the Land has frontage on, and direct access for ingress and egress to, the street(s) described in a survey submitted to Mortgagee; (m) electric, gas, sewer, water facilities and any other necessary utilities are, and at all times hereafter shall be, available in sufficient capacity to service the Mortgaged Property satisfactorily during the term of the Note, and any easements necessary to the furnishing of such utility service by Mortgagor have been obtained and duly recorded; and (n) none of Owner, Beneficiary, any partner of Beneficiary or any Guarantor has received a notice of default under the terms of any instrument evidencing or securing any indebtedness of any of them, and there has occurred no event which would, if uncured or uncorrected, constitute a default under any such instrument with the giving of notice, passage of time or both. Mortgagor fully warrants and will forever defend the title to the Mortgaged Property against the claims of all persons whatsoever claiming or to claim the same or any part thereof

1.03 Compliance with Laws; Notice. Owner represents and covenants and Beneficiary represents, covenants and warrants that the Mortgaged Property presently complies with and will continue to comply with all applicable restrictive covenants, applicable zoning and subdivision ordinances and building codes, all applicable health and environmental laws and regulations and all other applicable laws, rules and regulations. If Mortgagor receives notice from any federal, state or other governmental body that it is not in compliance with any such covenant, ordinance, code, law or regulation Mortgagor will provide Mortgagee with a copy of such notice promptly.

1.04 Taxes and Other Charges

1.04.1 Taxes and Assessments. Subject to the provisions of this paragraph 1.04, Mortgagor shall pay promptly when due all taxes, assessments, rates, dues, charges, fees, levies, fines, impositions, liabilities, obligations and encumbrances of every kind whatsoever now or hereafter imposed, levied or assessed upon or against the Mortgaged Property or any part thereof, or upon or against this Mortgage or the Indebtedness or upon or against the interest of Mortgagee in the Mortgaged Property, as well as all income taxes, assessments and other governmental charges levied and imposed by the United States of America or any state, county, municipality or other taxing authority upon or against Mortgagor or in respect of the Mortgaged Property or any part thereof; provided, however, that Mortgagor may in good faith, by appropriate proceedings (including without limitation payment of the asserted tax or assessment under protest if such payment must be made in order to contest such tax or assessment), contest the validity,

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applicability or amount of any asserted tax or assessment; provided such contest does not delay, postpone or otherwise jeopardize the payment of insurance proceeds, and pending such contest Mortgagor shall not be deemed in default hereunder if on or before the due date of the asserted tax or assessment Mortgagor establishes an escrow acceptable to Mortgagee in an amount estimated by Mortgagee to be adequate to cover the payment of such tax or assessment with interest, costs and penalties; and, if the amount of such escrow is insufficient to pay any amount adjudged by a court of competent jurisdiction to be due, with all interest, costs and penalties thereon, Mortgagor shall pay such deficiency no later than the date such judgment becomes final.

1.04.2 Tax Escrow. In order to secure the performance and discharge of Mortgagor's obligations under this paragraph 1.04, but not in lieu of such obligations, Mortgagor will pay over to Mortgagee an amount equal to one-twelfth (1/12th) of the most recent ascertainable annual general real estate taxes, assessments and charges (which charges for purposes of this paragraph shall include without limitation water and sewer rents) of the nature described in paragraph 1.04.1 for each month that has elapsed since the last date to which such taxes, assessments and charges were paid; and Mortgagor will, in addition, pay over to Mortgagee together with each installment on the Note sufficient funds (as estimated from time to time by Mortgagee in its sole discretion) to permit Mortgagee to pay when due said taxes, assessments and charges. Upon demand by Mortgagee, Mortgagor shall deliver to Mortgagee such additional moneys as are required to make up any deficiencies in the amounts necessary to enable Mortgagee to pay such taxes, assessments and similar charges. Such deposits shall not be, nor be deemed to be, trust funds but may be commingled with the general funds of Mortgagee, and no interest shall be payable in respect thereof. In event of a default under any of the terms, covenants and conditions in the Note, this Mortgage or any other Loan Document to be kept, performed or observed by Mortgagor, Mortgagee may apply to the reduction of the sums secured hereby, in such manner as Mortgagee shall determine, any amount under this paragraph 1.04.2 remaining to Mortgagor's credit.

1.04.3 No Credit Against the Indebtedness. Mortgagor shall not claim, demand or be entitled to receive any credit on account of the Indebtedness for any part of the taxes, assessments or similar impositions assessed against the Mortgaged Property or any part thereof or that are applicable to the Indebtedness or to Mortgagee's interest in the Mortgaged Property. No deduction shall be claimed from the taxable value of the Mortgaged Property or any part thereof by reason of the Note, this Mortgage or any other instrument securing the Note.

1.04.4 Insurance.

(a) Mortgagor shall at its sole expense obtain for, deliver to, assign to and maintain for the benefit of Mortgagee, during the life of this Mortgage, insurance policies in such amounts as Mortgagee may require, insuring the Mortgaged Property against all insurable hazards, casualties and contingencies (including, without limitation, loss of rentals or business interruption and liability insurance naming Mortgagor and Mortgagee as named insureds), as Mortgagee may require, and shall pay promptly when due any premiums on such insurance policies and on any renewals thereof. Such policies shall

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include, but not be limited to, All Risk Replacement Cost Insurance with an Agreed Amount endorsement, flood insurance if the Land is located in a flood risk area as determined by the U.S. Department of Housing and Urban Development, Rental Insurance for twelve months rental income, and general liability insurance, worker's compensation insurance, builder's risk insurance and coverage under the Illinois Structural Work Act, all in such amounts as Mortgagee may require. Mortgagor shall also maintain such insurance policies as may be required pursuant to the terms and conditions of any leases at the Mortgaged Property. The form of such policies and the companies issuing them shall be acceptable to Mortgagee and all such companies shall have a Best's rating of A+10 or better. Such policies may provide for ninety percent (90%) co-insurance provided that the insurance carrier acknowledges that the coverage thereunder equals full replacement value. All such policies and renewals thereof shall be held by Mortgagee and shall contain a noncontributory standard Mortgagee's endorsement satisfactory to Mortgagee making losses payable to Mortgagee. At least fifteen (15) days prior to the expiration date of all such policies, renewals thereof satisfactory to Mortgagee shall be delivered to Mortgagee. Within fifteen (15) days after the anniversary or effective date of each policy, Mortgagor shall deliver to Mortgagee receipts evidencing the payment of all premiums on such insurance policies and renewals. In the event of loss, Mortgagor will give immediate written notice to Mortgagee and Mortgagee may make proof of loss if not made promptly by Mortgagor. All such policies shall provide that they shall not be cancelled or terminated without at least thirty (30) days' prior written notice to Mortgagee. In the event of foreclosure of this Mortgage or any other transfer of title to the Mortgaged Property in extinguishment of the indebtedness, all right, title and interest of Mortgagor in and to all insurance policies and renewals thereof in force shall pass to the purchaser or grantee.

(b) Mortgagor shall at its sole expense obtain for, deliver to and maintain for the benefit of, Mortgagee during the life of this Mortgage liability insurance policies relating to the Mortgaged Property, in such amounts, with such companies and in such form as may be required by Mortgagee. Mortgagee may require such policies to contain an endorsement, in form satisfactory to Mortgagee, naming Mortgagee as an additional insured thereunder. Mortgagor shall pay promptly when due any premiums on such insurance policies and renewals thereof.

(c) Mortgagor shall not carry any additional or separate insurance concurrent in form or contributing in the event of loss with that required to be maintained hereunder, or in excess of the amounts required hereunder, unless such insurance shall comply with the provisions of this paragraph 1.04.4 (including the loss payable provisions herein set forth). Mortgagor immediately shall notify Mortgagee if any such additional, separate or excess insurance shall be carried and shall deliver to Mortgagee duplicate originals of all policies of such insurance and renewals thereof.

1.04.5 Casualty.

Mortgagor shall promptly notify Mortgagee of any loss whether covered by insurance or not affecting the Mortgaged Property. In case of loss or damage by fire or other casualty to the Mortgaged Property, Mortgagee is authorized (i) to settle and adjust any claim under insurance policies which insure

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against such risks, or (ii) to allow Mortgagor to agree with the insurance company or companies on the amount to be paid in regard to such loss. In either case, Mortgagee is authorized to collect and receive any such insurance money and each insurance company is hereby authorized and directed to make payment for all such losses directly to Mortgagee alone and not to Mortgagor or to Mortgagor and Mortgagee jointly. After deducting from such insurance proceeds any expenses incurred by Mortgagee in the collection or handling of such funds, such insurance proceeds may, at the option of Mortgagee and without payment by Mortgagor of the Prepayment Fee (as defined in the Note); be applied in the reduction of the Indebtedness secured hereby, whether due or not; provided, however, if an uncured Event of Default (as hereinafter defined) does not then exist and if no condition then exists which will, with the passage of time, the giving of notice or both, constitute an Event of Default, such proceeds shall be held by Mortgagee without any allowance of interest, and shall be used to reimburse Mortgagor for the cost of rebuilding or restoration of the buildings or improvements on the Land upon the terms and conditions contained in this paragraph 1.04.5 if but only if, (i) Mortgagor demonstrates to Mortgagee that the Mortgaged Property can be restored to an economically feasible operation; (ii) such proceeds are sufficient to complete the rebuilding or restoration or, if insufficient, that Mortgagor has funds which, together with the available proceeds, are sufficient to complete such rebuilding or restoration; (iii) all leases in existence at the Mortgaged Property immediately prior to such damage or destruction shall continue in full force and effect during the period of restoration and thereafter; and (iv) Mortgagor satisfies such other conditions to the use of such proceeds to reimburse Mortgagor as Mortgagee may reasonably impose thereon. If Mortgagee makes such proceeds available to reimburse Mortgagor for the cost of the rebuilding or restoration of the Mortgaged Property, such proceeds shall be made available in the manner and under the conditions that Mortgagee may require, including without limitation, (a) that in the event such proceeds shall be insufficient to restore or rebuild the Mortgaged Property, Mortgagor shall deposit promptly with Mortgagee funds, without allowance for interest, which, together with such proceeds, shall be sufficient in Mortgagee's judgment to restore and rebuild the Mortgaged Property; (b) that Mortgagor shall use its best efforts to obtain a waiver of the right of subrogation from any insurer under such policies of insurance who, at that time, claims that no liability exists as to Mortgagor or the then owner or the insured under such policies; (c) that the excess of such proceeds above the amount necessary to complete such restoration and compensate Mortgagor for all other losses shall be applied, at Mortgagee's option, on account of the Indebtedness or obligation hereby secured (in inverse order of maturity without payment of any prepayment premium); (d) Mortgagor shall have delivered to Mortgagee and Mortgagee shall have reviewed and approved in writing the plans and specifications for the restoration work and the same shall have been approved by all governmental authorities having jurisdiction; (e) Mortgagor shall have furnished to Mortgagee for Mortgagee's approval a detailed budget and cost breakdown for said restoration work signed by Mortgagor and describing the nature and type of expenses and amounts thereof estimated by Mortgagor for said restoration work including, but not limited to, the cost of material and supplies, architect and designer fees, general contractor's fees, and the anticipated monthly disbursement schedule, and Mortgagee shall have given to Mortgagor written approval of such budget and cost breakdown (if

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Mortgagor determines that its actual expenses differ from its estimated budget, it will so advise Mortgagee promptly); (f) in Mortgagee's reasonable judgment, such restoration work can be completed prior to the maturity of the Note; and (g) following such restoration or rebuilding, there shall be no material change in the rent roll. In the event any of the conditions described above are not or cannot be satisfied, then such proceeds shall be disposed of as otherwise provided in this Section 1.04. Under no circumstances shall Mortgagee become obligated to take any action to restore the Mortgaged Property.

All proceeds released or applied by Mortgagee to the restoration of the Mortgaged Property pursuant to the provisions of this paragraph 1.04.5 shall be released and/or applied on the cost of restoration (including within the term "restoration" any repair, reconstruction or alteration) as such restoration progresses, in amounts which shall equal ninety percent (90%) of the amounts from time to time certified by an architect approved by Mortgagee to have been incurred in such restoration of any and all of said property (i.e., 90% of the total amount expended by the contractor for the project under a contract approved by Mortgagee and billed by the contractor to Mortgagor) and performed by a contractor reasonably satisfactory to Mortgagee and who shall furnish such corporate surety bond, if any, as may be reasonably required by Mortgagee, in accordance with the plans and specifications therefore previously approved by Mortgagee and the remaining ten percent (10%) upon completion of such restoration and delivery to Mortgagee of evidence reasonably satisfactory to Mortgagee that no mechanics' lien exists with respect to the work of such restoration; that the restoration work has been completed in accordance with plans and specifications for said work approved by Mortgagee; that there has been no material change in the rent roll following such restoration or rebuilding; and that all governmental approvals required for the completion of said restoration work have been obtained and the same are in form and substance reasonably satisfactory to Mortgagee.

If within a reasonable period of time after the occurrence of any loss or damage to the Mortgaged Property which constitutes less than a total loss, Mortgagor shall not have submitted to Mortgagee and received Mortgagee's approval of plans and specifications for the repair, restoration or rebuilding of such loss or damage or shall not have obtained approval of such plans and specifications from all governmental authorities whose approval is required, or if, after such plans and specifications are approved by Mortgagee and by all such governmental authorities, Mortgagor shall fail to commence promptly such repair, restoration or rebuilding, or if thereafter Mortgagor fails to carry out diligently such repair, restoration or rebuilding or is delinquent in the payment to mechanics, materialmen or others of the costs incurred in connection with such work, or if any other condition of this paragraph 1.04.5 is not satisfied within a reasonable period of time after the occurrence of any such loss or damage, then Mortgagee, in addition to all other rights herein set forth, and, after giving Mortgagor at least thirty (30) days' written notice of the nonfulfillment of one or more of the foregoing conditions may, failing Mortgagor's fulfillment of said conditions within said thirty (30) day period, and failing Mortgagor's commencement of fulfillment of said conditions within said thirty (30) day period and thereafter diligently pursuing the same, at Mortgagee's option, (i) declare that an

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Event of Default has occurred and/or apply all proceeds to the payment of any Indebtedness hereby secured and the applicable Prepayment Fee; and/or (ii) Mortgagee, or any lawfully appointed receiver of the Mortgaged Property, may at their respective options, perform or cause to be performed such repair, restoration or rebuilding, and may take such other steps as they deem advisable to carry out such repair, restoration or rebuilding, and may enter upon the Mortgaged Property for any of the foregoing purposes, and Mortgagor hereby waives, for itself and all others holding under it, any claim against Mortgagee or such receiver (other than a claim based upon the alleged gross negligence or intentional misconduct of Mortgagee or any such receiver) arising out of anything done by them or any of them pursuant to this paragraph 1.04.5 and Mortgagee may in its sole and absolute discretion apply any proceeds held by it to reimburse itself and/or such receiver for all amounts expended or incurred by it in connection with the performance of such work, including attorneys' fees, and any excess costs shall be paid by Mortgagor to Mortgagee and Mortgagor's obligation to pay such excess costs shall be secured by the lien of this Mortgage and shall bear interest at the Default Rate (as hereinafter defined) until paid.

1.05 Condemnation.

Mortgagor, immediately upon obtaining knowledge of the institution of any proceeding for the condemnation of the Mortgaged Property or any portion thereof, shall notify Mortgagee of the pendency thereof. Mortgagor hereby assigns, transfers and sets over unto Mortgagee all compensation, rights of action, the entire proceeds of any award and any claim for damages for any of the Mortgaged Property taken or damaged under the power of eminent domain or by condemnation or by sale in lieu thereof. Mortgagee may, at its option, commence, appear in and prosecute, in its own name or in the name of Mortgagor, any action or proceeding, or make any compromise or settlement, in connection with such condemnation, taking under the power of eminent domain or sale in lieu thereof. After deducting therefrom all of its expenses, including reasonable attorneys' fees, Mortgagee may elect to apply the proceeds of the award upon or in reduction of the Indebtedness secured hereby without payment by Mortgagor of the Prepayment Fee (as defined in the Note), whether due or not, or hold such proceeds without any allowance of interest and make them available for restoration or rebuilding of the Mortgaged Property. In the event that Mortgagee elects to make such proceeds available to reimburse Mortgagor for the cost of the rebuilding or restoration of the buildings or improvements on the Land, such proceeds shall be made available in the manner and under the conditions that Mortgagee may require in the manner provided under paragraph 1.04.5 above. Mortgagee hereby agrees that such proceeds shall be made available to Mortgagor, as aforesaid, provided the condemnation, taking under the power of eminent domain or sale in lieu thereof shall not (i) affect any improvements located on the Mortgaged Property; (ii) restrict or decrease access to the Mortgaged Property from any public street adjoining the Mortgaged Property; or (iii) decrease the ratio of parking spaces to gross rentable area below 5:1000. If the proceeds are made available by Mortgagee to reimburse Mortgagor for the cost of such rebuilding or restoration, any surplus which may remain out of such award after payment of such cost of rebuilding or restoration shall at the option of Mortgagee be applied on account of the indebtedness secured hereby or be paid to Mortgagor. Mortgagor agrees to execute such further assignments

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of any compensation, awards, damages, rights of action and proceeds, as Mortgagee may require. Notwithstanding any such condemnation, Mortgagor shall continue to pay interest, computed at the rate provided in the Note, on the entire unpaid principal amount thereof.

1.06 Care of Mortgaged Property.

(a) Mortgagor shall preserve and maintain the Mortgaged Property in good condition and repair. Mortgagor shall not permit, commit or suffer any waste, impairment or deterioration of the Mortgaged Property or of any part thereof, and will not take any action which will increase the risk of fire or other hazard to the Mortgaged Property or to any part thereof.

(b) Mortgagee and its representatives, employees and contractors may enter upon and inspect the Mortgaged Property at any reasonable time during the life of this Mortgage.

(c) If any part of the Mortgaged Property shall be lost, damaged or destroyed by fire or any other cause, Mortgagor will give immediate written notice thereof to Mortgagee and shall promptly restore the Mortgaged Property to the equivalent of its original condition regardless of whether or not there shall be any insurance proceeds therefor. If a part of the Mortgaged Property shall be lost, physically damaged or destroyed through condemnation, Mortgagor will promptly restore, repair or alter the remaining property in a manner satisfactory to Mortgagee.

(d) No work required to be performed under this paragraph shall be undertaken until plans and specifications therefor, prepared by an architect or engineer satisfactory to Mortgagee, have been submitted to and approved in writing by Mortgagee.

(e) No part of the Improvements on the Mortgaged Property shall be removed, demolished or altered, without the prior written consent of Mortgagee. Notwithstanding the foregoing, Mortgagor shall have the right, without the consent of Mortgagee, to remove and dispose of, free from the lien of this Mortgage, tangible personal property constituting part of the Mortgaged Property which shall have become worn out or obsolete; provided, however, that, either simultaneously with or prior to such removal or disposition, any such item shall be replaced with another item or items of equal utility and of a value at least equal to that of the replaced item when first acquired, which item or items shall be owned by Mortgagor and shall be free from any security interest, ownership interest or any other right or claim of any other person, and, by such removal and replacement, Mortgagor shall be deemed to have elected to subject said replacement item to the lien and security interest of this Mortgage.

1.07 Taxes Affecting Mortgagee's Interest. If any state, federal, municipal or other governmental law, order, rule or regulation, passed subsequent to the date hereof, in any manner, changes or modifies existing laws governing the taxation of mortgages or debts secured by mortgages, or the manner of collecting taxes so as adversely to affect the security of this Mortgage or to reduce the net income to Mortgagee in respect of the Indebtedness, then Mortgagor shall pay the amount of such tax on or before the due date thereof, and if Mortgagor shall

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not pay such amount or if the payment of such amount by Mortgagor shall be prohibited, the entire balance of the Indebtedness shall without notice be due and payable forthwith at the option of Mortgagee.

1.08 Mechanic's and Other Liens. Mortgagor shall not permit or suffer any mechanic's, laborer's, materialman's, statutory or other lien (other than any lien for taxes not yet due) to be created upon the Mortgaged Property, or any part thereof, and if any such lien shall be created upon the Mortgaged Property, Mortgagor shall, within thirty (30) days, cause said lien to be released or contest the validity of said lien and either (i) establish an escrow, (ii) post a bond, or (iii) obtain a title insurance policy endorsement, acceptable to Mortgagee in an amount sufficient to cover the payment of said lien, with interest costs and penalties.

1.09 Further Assurances. At any time and from time to time upon Mortgagee's request, Mortgagor shall make, execute and deliver, or cause to be made, executed and delivered, to Mortgagee and, where appropriate, shall cause to be recorded or filed, and from time to time thereafter to be re-recorded and refiled, at such time and in such offices and places as shall be deemed desirable by Mortgagee, any and all such further mortgages, instruments of further assurance, certificates and such other documents as Mortgagee may consider necessary or desirable in order to effectuate, complete or perfect, or to continue and preserve, the obligations of Mortgagor under the Note and this Mortgage, and the lien of this Mortgage as a lien upon all of the Mortgaged Property, whether now owned or hereafter acquired by Mortgagor, and unto all and every person or persons deriving any estate, right, title or interest under this Mortgage. Upon any failure by Mortgagor to do so, Mortgagee may make, execute, record, file, re-record or refile any and all such mortgages, instruments, certificates and documents for and in the name of Mortgagor, and Mortgagor hereby irrevocably appoints Mortgagee the agent and attorney-in-fact of Mortgagor to do so.

1.10 Security Agreement and Financing Statements. Mortgagor (as Debtor) hereby grants to Mortgagee (as Creditor and Secured Party) a security interest in (a) all building materials, supplies and other property for incorporation into the Improvements, (b) all fixtures, machinery, appliances, equipment, furniture and personal property of every nature whatsoever constituting part of the Mortgaged Property (including governmental permits, licenses and approvals), and (c) all of Mortgagor's contract rights in contracts and agreements now or hereafter existing with respect to the Mortgaged Property.

This Mortgage is a self-operative security agreement with respect to the Mortgaged Property, but Mortgagor agrees to execute and deliver on demand such other security agreements, financing statements and other instruments as Mortgagee may request in order to preserve and maintain the priority of the lien created hereby, perfect its security interest or to impose the lien hereof more specifically upon any of such property. Mortgagee shall have all the rights and remedies in addition to those specified herein of a secured party under the Uniform Commercial Code.

1.11 Assignment of Rents. The assignment of all rents, royalties, issues, profits, revenues, income and other benefits

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from the Premises which is contained under the section of this Mortgage entitled "The Mortgaged Property," shall be fully operative without any further action on the part of either party and specifically Mortgagee shall be entitled, at its option, upon the occurrence of an Event of Default hereunder, to all rents, royalties, issues, profits, revenues, income and other benefits from the Premises whether or not Mortgagee takes possession of such property. Mortgagor hereby further grants to Mortgagee the right (a) to enter upon and take possession of the Mortgaged Property for the purposes of collecting said rents, royalties, issues, profits, revenues, income and other benefits, (b) to dispossess by the usual summary proceedings any tenant defaulting in the payment thereof to Mortgagee, (c) to let the Mortgaged Property or any part thereof, and (d) to apply said rents, royalties, issues, profits, revenues, income and other benefits, after payment of all necessary charges and expenses, on account of the Indebtedness. Such assignment and grant shall continue in effect until the Indebtedness is paid, the execution of this Mortgage constituting and evidencing the irrevocable consent of Mortgagor to the entry upon and taking possession of the Mortgaged Property by Mortgagee pursuant to such grant, whether or not foreclosure has been instituted. Neither the exercise of any rights under this paragraph by Mortgagee nor the application of any such rents, royalties, issues, profits, revenues, income or other benefits to the Indebtedness and other sums secured hereby, shall cure or waive any default or notice of default hereunder or invalidate any act done pursuant hereto or to any such notice, but shall be cumulative of all other rights and remedies.

1.12 Leases Affecting Encumbered Property. Mortgagor represents that the schedule of leases set forth in Schedule D is true and correct; that all such leases are presently in effect and that no default exists in such leases. As any such lease shall expire or terminate or as any new lease shall be made, Mortgagor shall so notify Mortgagee and provide a certified copy of any new lease to Mortgagee in order that at all times Mortgagee shall have a current copy and list of all leases affecting the Premises. The assignment of the leases which is contained under the section of this Mortgage entitled "The Mortgaged Property" shall not be deemed to impose upon Mortgagee any of the obligations or duties of Mortgagee provided in any such lease (including, without limitation, any liability under the covenant of quiet enjoyment contained in any lease in the event that any tenant shall have been joined as a party defendant in any action to foreclose this Mortgage and shall have been barred and foreclosed thereby of all right, title and interest and equity of redemption in the Mortgaged Property), and Mortgagor shall comply with and observe its obligations as landlord under all leases affecting the Mortgaged Property. Mortgagor, if required by Mortgagee, shall furnish promptly to Mortgagee original or certified copies of all such leases now existing or hereafter created. Mortgagor shall not, without the express prior written consent of Mortgagee, enter into any new lease (other than a Pre-Approved Lease, as hereinafter defined) amend, modify, extend, terminate or cancel, accept the surrender of, subordinate, accelerate the payment of rent as to, or change the terms of any renewal option of any of the leases or permit or suffer an assignment or sublease. Mortgagor shall not accept payment of rent more than one (1) month in advance without the prior written consent of Mortgagee. "Pre-Approved Lease" shall mean a lease of less than 5,000 rentable square feet on a lease form approved by Mortgagee and providing for rental not less than that required by the leasing plan approved by Mortgagee.

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With respect to said assignment of the leases, Mortgagor shall, from time to time upon request of Mortgagee, specifically assign to Mortgagee as additional security hereunder, by an instrument in writing in such form as may be approved by Mortgagee, all right, title and interest of Mortgagor in and to any and all leases now or hereafter on or affecting the Mortgaged Property, together with all security therefor and all moneys payable thereunder, subject to the conditional permission hereinabove given to Mortgagor to collect the rentals under any such lease. Mortgagor shall also execute and deliver to Mortgagee any notification, financing statement or other document reasonably required by Mortgagee to perfect the foregoing assignment as to any such lease. The provisions of this paragraph 1.12 shall be subject to the provisions of said assignment of the leases contained in the section of this Mortgage entitled "The Mortgaged Property".

1.13 After-Acquired Property. To the extent permitted by and subject to applicable law, the lien of this Mortgage will automatically attach, without further act, to all after-acquired property located in or on, or attached to, or used or intended to be used in connection with, or with the operation of, the Mortgaged Property or any part thereof; provided, however, that, upon request of Mortgagee, Beneficiary shall execute and deliver such instrument or instruments as shall reasonably be requested by Mortgagee to confirm such lien, and Beneficiary hereby appoints Mortgagee Mortgagor's attorney-in-fact to execute all such instruments, which power is coupled with an interest and is irrevocable and which power Mortgagee hereby agrees not to exercise unless Mortgagor shall fail to execute any such instrument within ten (10) days of Mortgagee's request.

1.14 Expenses. Mortgagor will pay when due and payable all appraisal fees, recording fees, taxes, brokerage fees and commissions, abstract fees, title policy fees, escrow fees, reasonable attorneys' fees, court costs, fees of inspecting architect(s) and engineer(s) and all other costs and expenses of every character which have been incurred or which may hereafter be incurred by Mortgagee in connection with: (a) Mortgagee's commitment; (b) the preparation and execution of Loan Documents; (c) the funding of the Loan; (d) in the event an Event of Default occurs, preparation for enforcement of this Mortgage or any other Loan Documents, whether or not suit or other action is actually commenced or undertaken; (e) enforcement of this Mortgage or any other Loan Documents; (f) court or administrative proceedings of any kind to which Mortgagee may be a party, either as plaintiff or defendant, by reason of the Note, the Mortgage or any other Loan Documents; (g) preparation for and actions taken in connection with Mortgagee's taking possession of the Mortgaged Property; (h) negotiations with Mortgagor, Guarantor or any of their respective agents in connection with the existence or cure of any Event of Default; (i) any proposed refinancing by Mortgagee or any other person or entity of the debt secured hereby; (j) the transfer of the Mortgaged Property in lieu of foreclosure; and (k) the approval by Mortgagee of actions taken or proposed to be taken by Mortgagor, Guarantor or other person or entity which approval is required by the terms of this Mortgage or any other Loan Document. Mortgagor will, upon demand by Mortgagee, reimburse Mortgagee or any takeout lender for all such expenses which have been incurred or which shall be incurred by either of them; and will indemnify and hold harmless Mortgagee from and against, and reimburse it for, all claims, demands, liabilities, losses,

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damages, judgments, penalties, costs and expenses (including, without limitation, attorneys' fees) which may be imposed upon, asserted against, or incurred or paid by it by reason of, on account of or in connection with any bodily injury or death or property damage occurring in or upon or in the vicinity of the Mortgaged Property through any cause whatsoever or asserted against it on account of any act performed or omitted to be performed hereunder or on account of any transaction arising out of or in any way connected with the Mortgaged Property, this Mortgage or the Indebtedness.

1.15 Mortgagee's Performance of Defaults. If Mortgagor defaults in the payment of any tax, assessment, encumbrance or other imposition, in its obligation to furnish insurance hereunder, or in the performance or observance of any other covenant, condition or term in this Mortgage, the Note or in any other instrument securing the Note, Mortgagee may, to preserve its interest in the Mortgaged Property, perform or observe the same, and all payments made (whether such payments are regular or accelerated payments) and costs and expenses incurred or paid by Mortgagee in connection therewith shall become due and payable immediately. The amounts so incurred or paid by Mortgagee, together with interest thereon at the Default Rate (as defined in Section 3.14) from the date incurred until paid by Mortgagor, shall be added to the Indebtedness and secured by the lien of this Mortgage to the extent permitted by law. Mortgagee is hereby empowered to enter and to authorize others to enter upon the Mortgaged Property or any part thereof for the purpose of performing or observing any such defaulted covenant, condition or term, without thereby becoming liable to Mortgagor or any person in possession holding under Mortgagor.

1.16 Books and Records. Mortgagor shall keep and maintain at all times complete, true and accurate books of accounts and records reflecting the results of the operation of the Mortgaged Property. Mortgagor shall furnish to Mortgagee: (a) within ninety (90) days after the end of Mortgagor's fiscal year, a statement of income and expenses with respect to the Mortgaged Property, in form required by Mortgagee; (b) within ninety (90) days after the end of Mortgagor's fiscal year, statements of financial condition of Mortgagor and Guarantor, in form as required by Mortgagee, and (c) within thirty (30) days after the end of such fiscal year, a rent schedule of the Mortgaged Property, as of the end of such fiscal year certified by Mortgagor, showing the name of each tenant and the space occupied, the lease expiration date, the rent, additional rent and percentage rent paid and/or due and payable, the last date to which rent was paid and whether or not such tenant was then in default under any of the terms of his lease.

Mortgagor shall also furnish such interim unaudited financial statements and other information as Mortgagee may require. Mortgagee and its designated agents shall have the right to inspect Mortgagor's books and records with respect to the Mortgaged Property at all reasonable times.

Mortgagor also shall furnish updated financial information of the type previously provided in connection with the Loan by or on behalf of Mortgagor, its principals or any Guarantor, such information to be furnished within ninety (90) days after the end of the fiscal year for the person to whom such information relates, in each case certified by a general partner of Mortgagor or the chief financial officer of Mortgagor, or the person to whom such information relates.

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1.17 Estoppel Affidavits. Mortgagor, upon written request from Mortgagee, shall furnish (a) a written statement, duly acknowledged, setting forth the unpaid principal of and interest on the Indebtedness, and whether or not any offsets or defenses exist against such principal and interest or other sums, and (b) a lease ratification and estoppel agreement as to any lease affecting the Mortgaged Property in form and substance satisfactory to Mortgagee, which shall be executed by Mortgagor and by each lessee, stating, if such be the case, that the lease is in full force and effect, that it has not been amended or modified, and that there is no default thereunder, that the lessee has accepted and is in possession and occupancy of the leased premises, paying the full rental called for therein on a current basis, that no rental payments have been made more than one month in advance, that there are no offsets, claims or defenses to the payment of the rent or enforcement of the terms of the lease, that all work required to be performed by the lessor under the lease has been completed, and stating the date of commencement and termination of the original lease term and the terms of any renewals or extensions of the lease term.

1.18 Use of Property.

(a) Mortgagor covenants that the Mortgaged Property will be used as a shopping center with related amenities and for no other purposes, and Mortgagor shall not declare, advertise or market the Mortgaged Property as an existing or proposed condominium, cooperative or other common interest community.

(b) Mortgagor shall not suffer or permit the Mortgaged Property, or any portion thereof, to be used by the public, as such, without restriction or in such manner as might reasonably tend to impair Mortgagor's right title and interest in and to the Mortgaged Property or any portion thereof, or in such manner as might reasonably make possible a claim or claims of adverse usage or adverse possession by the public, as such, or of implied dedication of the Mortgaged Property or any portion thereof.

(c) If, at any time, the then-existing use or occupancy of any part of the Mortgaged Property shall, pursuant to any zoning or other law, ordinance or regulation, be permitted only so long as such use or occupancy shall continue, Mortgagor will not cause or permit such use or occupancy to be discontinued without the prior written consent of Mortgagee.

1.19 Business Loan. To induce Mortgagee to disburse the principal amount of the Note, Owner represents and covenants and Beneficiary warrants, represents and covenants that the loan evidenced by the Note and secured hereby is a business loan (as such term is used in Section 4(1)(c) of paragraph 6404 of Chapter 17 of the Illinois Revised Statutes, as amended) to Mortgagor, that Mortgagor is involved in a commercial or industrial enterprise which is carried on for the purpose of investment or profit in connection with the Mortgaged Property and that the funds represented by the Note will be used solely to further such commercial or industrial enterprises.

1.20 Use of Mortgagee's Name. Mortgagor shall not use Mortgagee's name or the name of any person, firm or corporation controlling, controlled by or under common control with Mortgagee in connection with any of Mortgagor's activities, except as such use may be required by applicable law or

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Except as stated in that certain Environmental Site Investigation prepared by Twin City Testing Corporation dated August 5, 1986 and that certain Environmental Review prepared by Environmental Resources Management-North Central, Inc. dated October 20, 1986,

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regulation of any governmental body, or by any financing institution with which Mortgagor may be doing business.

1.21 Environmental Matters. Mortgagor represents and covenants that:

(a) No toxic or hazardous substances, including without limitation asbestos and the group of organic compounds known as polychlorinated biphenyls, have been, are or shall be generated, treated, stored or disposed of, or otherwise deposited in or located on the Premises, including without limitation the surface and subsurface waters of the Premises;

(b) No activity has been, is or shall be undertaken on the Premises which has caused or would cause (i) the Premises to become a hazardous waste treatment, storage or disposal facility within the meaning of, or otherwise bring the Premises within the ambit of, the Resource Conservation and Recovery Act of 1976, 42 U.S.C. §6901 et seq., as the same may be amended from time to time ("RCRA"), or any similar state laws, regulations or local ordinances, (ii) a release or threatened release of hazardous waste from the Premises within the meaning of, or otherwise bring the Premises within the ambit of, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§9601-9657, as the same may be amended from time to time ("CERCLA"), or the Toxic Substances Control Act, 15 U.S.C. §§2601-2629 ("TSCA"), or any similar state laws, regulations or local ordinances, or (iii) the discharge of pollutants or effluents into any water source or system, or the discharge into the air of any emissions, which would require a permit under the Federal Water Pollution Control Act, 33 U.S.C. §1251 et seq., or the Clean Air Act, 42 U.S.C. §7401, et seq., or any similar state laws, regulations or local ordinances;

(c) Neither Mortgagor, nor any tenant or other occupant of the Premises, nor any other party has caused or suffered to occur, and Mortgagor will not hereafter cause or suffer to occur, a discharge, spillage, uncontrolled loss, seepage or filtration of oil or petroleum or chemical liquids or solids, liquid or gaseous products or hazardous waste (a "spill"), as those terms are used in Chapter 111-1/2 of the Illinois Revised Statutes, as the same may be amended from time to time (the "Act"), at, upon, under or within the Premises or any contiguous real estate, and neither Mortgagor, nor any tenant or other occupant of the Premises, nor any other party has been, is or will be involved in operations at or near the Premises, nor are there or will there be any substances or conditions in or on the Premises, which could support a claim or cause of action or lead to the imposition on Mortgagor or any other owner of the Premises of liability or the creation of a lien on the Premises, under RCRA, CERCLA, TSCA, the Act, or any other Federal, state or local environmental laws, regulations or ordinances (collectively, the "Environmental Laws");

(d) Mortgagor shall comply strictly and in all respects with the requirements of the Environmental Laws and shall notify Mortgagee promptly in the event of any spill upon the Premises, and shall promptly forward to Mortgagee copies of all orders, notices, permits, applications or other communications and reports in connection with any such spill or any other matters relating to the Environmental Laws as they may affect the Premises;

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(e) Mortgagor, promptly upon the written request of Mortgagee at any time and from time to time, shall provide Mortgagee with an environmental site assessment or environmental audit report, or any update of such an assessment or report, all in scope, form and content satisfactory to Mortgagee;

(f) In the event of any spill affecting the Premises, whether or not the same originates or emanates from the Premises or any such contiguous real estate, and/or if Mortgagor shall fail to comply with any of the requirements of the Environmental Laws, Mortgagee may, at its election, but without the obligation so to do, give such notices and/or cause such work to be performed at the Premises and/or take any and all other actions as Mortgagee shall deem necessary or advisable in order to remedy said spill or cure said failure of compliance, and any amounts paid as a result thereof, together with interest thereon at the Default Rate (as hereinafter defined) from the date of payment by Mortgagee, shall be immediately due and payable by Mortgagor to Mortgagee and until paid shall be added to and become a part of the indebtedness secured by this Mortgage and shall have the benefit of the lien hereby created as a part thereof.

ARTICLE TWO

Defaults

2.01 Event of Default. The term Event of Default wherever used in this Mortgage, shall mean any one or more of the following events:

(a) Failure by Mortgagor to pay when due (i) any periodic installment of interest which shall become due and payable under the Note; or (ii) the outstanding principal balance on the Note, together with interest accrued thereon, upon acceleration, at maturity or upon prepayment of the Note; or (iii) any deposits for taxes and assessments when due hereunder; or (iv) any other sums to be paid by Mortgagor hereunder or under any other instrument securing the Note, when due hereunder or thereunder. Notwithstanding the foregoing, Mortgagor shall have the right, not more than two times in any twelve month period, subject to the late charges as described in the Note, to pay any periodic installment of principal or interest within ten (10) days following the due date thereof.

(b) Failure by Mortgagor to duly keep, perform and observe any other covenant, condition or agreement in the Note, this Mortgage or any other Loan Document within ten (10) days of the receipt by Mortgagor of written notice from Mortgagee of such failure, or such longer time as may be necessary to cure said failure, but not to exceed thirty (30) days.

(c) If any material inaccuracy shall exist in any of the financial statements, certificates or in any other information furnished by or to be furnished by Mortgagor to Mortgagee pursuant to the provisions of this Mortgage or furnished or to be furnished to Mortgagee to induce Mortgagee to make the Loan.

(d) Breach of any warranty or untruth of any representation of Owner, Beneficiary, any partner of Beneficiary, Mortgagor or Guarantor contained in the Note, this Mortgage, any guaranty agreement, the Loan Documents or

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any other instrument securing the Note.

(e) If (i) a petition is filed against Owner, Beneficiary, any partner of Beneficiary, Mortgagor or any Guarantor under any bankruptcy, reorganization, arrangement, composition, readjustment, liquidation, dissolution or insolvency law, and is not dismissed within ninety (90) days after such filing; or (ii) Owner, Beneficiary, any partner of Beneficiary or any Guarantor (x) files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under any such law, or (y) makes any general assignment for the benefit of creditors or admits in writing its inability, or fails, to pay its debts generally as they become due, or consents to the appointment of a receiver, custodian, liquidator or trustee of itself, or of all or any part of its property; or (iii) Owner, Beneficiary, any partner of Beneficiary, Mortgagor or any Guarantor is "insolvent," as hereafter defined; or (iv) any trustee, custodian, receiver or liquidator of Owner, Beneficiary, any partner of Beneficiary, Guarantor or of all or any part of the Mortgaged Property or of any or all of the rents or income thereof is appointed by court order and such order remains in effect for more than ninety (90) days, or an order for relief is entered with respect to Owner, Beneficiary, any partner of Beneficiary or any Guarantor; or (v) Owner, Beneficiary, any partner of beneficiary or any Guarantor is adjudicated a bankrupt or insolvent or any of the property of any of them is sequestered by court order and such order remains in effect for more than ninety (90) days. For purposes of this paragraph, a person or entity shall be deemed to be insolvent if he or it is unable to pay its debts as they become due or if the fair market value of his or its assets do not exceed his or its aggregate liabilities.

(f) The entry by any court of last resort of a decision that an undertaking by Mortgagor as herein provided to pay taxes, assessments, levies, liabilities, obligations and encumbrances is legally inoperative or cannot be enforced, or in the event of the passage of any law changing in any way or respect the laws now in force for the taxation of mortgages or debts secured thereby for any purpose, or the manner of collection of any such taxes, so as to affect adversely this Mortgage or the Indebtedness or other sums secured hereby.

(g) The occurrence of a default, after the expiration of any applicable cure period, under the Permitted Encumbrance (as hereinafter defined) or under any other

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encumbrance, mortgage or lien affecting all or any portion of the Mortgaged Property, including but not limited to those certain Tax Increment Allocation Bonds (Series 1987) in the amount of \$3,750,000.00, or any other event permitting acceleration of the maturity of any of the Indebtedness or any other such default or event with respect to any other indebtedness of Mortgagor to Mortgagee. Mortgagor shall promptly notify Mortgagee in writing of the occurrence of any such default or event.

(h) The occurrence of a default, after the expiration of any applicable cure period, by Mortgagor as landlord under the lease with Phar-Mor or the occurrence of a default by Mortgagor as landlord under any two of the "Anchor Leases" as so described in Schedule D hereto.

(i) The occurrence of a default, after the expiration of any applicable cure period, under any other instrument now or hereafter evidencing or securing the Indebtedness or any part thereof, or executed in connection therewith, including, without limitation, any future notes or mortgages executed by Mortgagor in connection with the Indebtedness.

(j) Dissolution of Beneficiary, any partner of Beneficiary or any Guarantor.

(k) The Mortgaged Property ceases to be managed by Tucker Management, Inc. or a nationally recognized mall leasing and management company satisfactory to Mortgagee.

ARTICLE THREE

Remedies

3.01 Acceleration of Maturity. If an Event of Default shall have occurred, Mortgagee may declare without demand or notice the outstanding Indebtedness to be due and payable immediately, and upon such declaration such Indebtedness shall immediately become and be due and payable without demand or notice.

3.02 Foreclosure.

(a) If an Event of Default shall have occurred, regardless of whether Mortgagee has declared the Indebtedness to be immediately due and payable, Mortgagee may, in any combination, foreclose this Mortgage and take such other action as the law allows to enforce this Mortgage, to realize upon the security hereof and to enforce any or all of the other instruments securing the Indebtedness. In any such foreclosure proceeding, the Mortgaged Property, or any part thereof, may be sold in one or more parcels, at Mortgagee's option, and without obligation to have the Mortgaged Property marshalled. The proceeds of any such sale shall be applied as follows:

FIRST, to the payment of all necessary costs and expenses incident to such foreclosure sale, including but not limited to all court costs and charges of every

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character in the event foreclosed by suit, and reasonable attorneys' fees;

SECOND, to the payment in full of the Indebtedness in such order as Mortgagee may elect;

THIRD, to discharge junior liens, if the court so directs; and

FOURTH, the remainder, if any, shall be paid to Mortgagor's successors or assigns.

(b) It is agreed that if default be made in the payment of the Indebtedness, the holder of the Indebtedness or any part thereof on which the payment is delinquent shall have the option to proceed with foreclosure in satisfaction of such item either through the courts or by proceeding as if under a full foreclosure, conducting the sale as herein provided, and without declaring the entire Indebtedness due; provided that if sale is made because of default of a part of the Indebtedness, such sale may be made subject to the unmatured part of the Indebtedness; and it is agreed that such sale, if so made, shall not in any manner affect the unmatured part of the Indebtedness but as to such unmatured part of the Indebtedness, this Mortgage shall remain in full force and effect just as though no sale had been made under the provision of this paragraph. It is further agreed that several sales may be made hereunder without exhausting the rights of sale for any unmatured part of the Indebtedness, it being the purpose to provide for a foreclosure and sale of the Mortgaged Property, or any part thereof, for any matured portion of the Indebtedness without exhausting the power to foreclose and to sell the Mortgaged Property, or any part thereof, for any other part of the Indebtedness whether matured at the time or maturing subsequently thereto. In the event there is a foreclosure sale hereunder and at the time of such sale Mortgagor or Mortgagor's successors or assigns are occupying the Mortgaged Property, or any part thereof, each and all shall immediately become the tenant of the purchaser at such sale, which tenancy shall be a tenancy at sufferance, terminable at will of either landlord or tenant, at a reasonable rental based upon the value of the property occupied, such rental to be due to the purchaser. An action of unlawful detainer shall lie if the tenant holds over after a demand in writing for possession of said property and premises.

(c) Upon any sale held by Mortgagee or by any receiver or public officer, Mortgagee may bid for and purchase the Mortgaged Property, or any part thereof, and, upon compliance with the terms of sale, may hold, retain and possess and dispose of such property in its own absolute right without further accountability.

(d) Upon any such sale, Mortgagee may, if permitted by law, and after allowing for costs and expenses of the sale, compensation and other charges, in paying the purchase price, apply any portion of or all of the Indebtedness and other sums due to Mortgagee under the Note, this Mortgage or any other instrument securing the Indebtedness, in lieu of cash, to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon, to the extent of the purchase price.

3.03 Mortgagee's Right to Enter and Take Possession, Operate and Apply Income.

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(a) If an Event of Default shall have occurred, Mortgagor, upon demand of Mortgagee, shall forthwith surrender to Mortgagee the actual possession of Mortgaged Property and if and to the extent permitted by law, Mortgagee itself, or by such officers or agents as it may appoint, may enter and take possession of all rents, royalties, issues, profits, revenues, income and other benefits thereof, without proof of depreciation in the value of the Mortgaged Property, inadequacy of the value of the Mortgaged Property as security for the debt, or insolvency of Mortgagor; and Mortgagee or the receiver may lease the Mortgaged Property, or any part thereof, in the name of Mortgagor, Mortgagee or the receiver, and may receive the rents, royalties, issues, profits, revenues, income and other benefits and apply the same as hereinafter set forth.

(b) If Mortgagor shall for any reason fail to surrender or deliver the Mortgaged Property or any part thereof after Mortgagee's demand, Mortgagee may obtain a judgment or decree conferring on Mortgagee the right to immediate possession or requiring Mortgagor to deliver immediate possession of all or part of the Mortgaged Property to Mortgagee, to the entry of which judgment or decree Mortgagor hereby specifically consents. Mortgagor shall pay to Mortgagee, upon demand, all costs and expenses of obtaining such judgment or decree and reasonable compensation to Mortgagee, its attorneys and agents, and all such costs, expenses and compensation shall, until paid, be secured by the lien of this Mortgage.

(c) Upon every such entering upon or taking of possession, Mortgagee may hold, store, use, manage and control the Mortgaged Property and conduct the business thereof, and, from time to time:

(i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, personal and other mortgaged property;

(ii) insure or keep the Mortgaged Property insured;

(iii) manage and operate the Mortgaged Property and exercise all the rights and powers of Mortgagor in its name or otherwise with respect to the same;

(iv) enter into agreements with others to exercise the powers herein granted Mortgagee, all as Mortgagee from time to time may determine; and Mortgagee may collect and receive all the rents, royalties, issues, profits, revenues, income and other benefits thereof, including those past due as well as those accruing thereafter; and shall apply the moneys so received by Mortgagee in such priority as Mortgagee may determine to (1) the payment of interest, principal and other payments due and payable on the Note, or pursuant to this Mortgage, (2) the deposits for taxes and assessments due, (3) the cost of insurance, taxes, assessments and other expenses of operating, maintaining, repairing and improving the Mortgaged Property, including, without limitation, renting commissions and rental collection commissions paid to an agent of Mortgagee or of the receiver; (4) the compensation, expenses and disbursements of the agents, attorneys and other

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representatives of Mortgagee, and (5) amounts advanced for any purpose recognized under this subparagraph (c).

(d) All costs, expenses and liabilities of every character incurred by Mortgagee in managing, operating and maintaining the Mortgaged Property, not paid out of rent as provided above, shall constitute advances and be demand obligations of Mortgagor, shall bear interest at the Default Rate and shall constitute a portion of the Indebtedness and be secured hereby to the extent permitted by law. While in possession of the Mortgaged Property, Mortgagee or the receiver shall be liable to account only for rents, royalties, issues, profits, revenues, income and benefits actually received.

(e) Mortgagee may remain in possession of the Mortgaged Property, in the event of foreclosure, until the foreclosure sale and thereafter during the entire period of redemption. Mortgagee shall incur no liability for, nor shall Mortgagor assert any claim or set off as a result of, any action taken while Mortgagee is in possession of the Mortgaged Property. In the event no foreclosure proceedings are commenced, Mortgagee may remain in possession as long as there exists an Event of Default. The same right of taking possession, however, shall exist if any subsequent Event of Default shall occur and be continuing.

3.04 Receiver. Upon the occurrence of an Event of Default, either before or after the foreclosure sale, a receiver of the Mortgaged Property, or any part thereof, may be appointed by the court without notice, without regard to the solvency or insolvency of Mortgagor, without regard to the then value of the Mortgaged Property, and without regard to whether they are then occupied as a homestead. The receiver shall have the power to collect the rents and income of the Mortgaged Property during the pendency of the foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not. The receiver shall have all other powers for the protection, possession, management and operation of the Mortgaged Property which an absolute owner would have, including, but not limited to the authority to enter into leases for all or any part of the Mortgaged Property, which leases have a term which exceeds the term of the Loan, but the net rents in the hands of the receiver shall be applied to the Indebtedness or to such expenses of the receivership or foreclosure suit as the court may direct. Mortgagor does hereby consent to the appointment of such receiver or receivers and agrees not to oppose any application therefor by Mortgagee; provided, however, that the appointment of any receiver, trustee or other appointee by virtue of any court order, statute or regulation shall not impair or in any manner prejudice the rights of Mortgagee to receive payment of the rents and income pursuant to this Mortgage.

3.05 Waiver of Appraisement, Valuation, Stay, Extension and Redemption Laws; Marshalling. Mortgagor agrees to the full extent permitted by law that after an Event of Default neither Mortgagor nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisement, valuation, stay, notice or election to mature or declare due the whole of the Indebtedness, extension, redemption or moratorium laws, or any exemption from execution or sale of the Mortgaged Property or any part thereof, now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage; or the absolute sale of the Mortgaged Property,

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or any part thereof, or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers thereof, and Mortgagor, for itself and all who may at any time claim through or under it, hereby waives, to the full extent that it may lawfully so do, all benefit or advantage of any such law or laws and any and all right to have the assets comprising the Mortgaged Property marshalled upon any foreclosure hereof and agrees that any court having jurisdiction to foreclose this Mortgage may sell the Mortgaged Property in part or as an entirety. If any law now in force of which Mortgagor, its successors and assigns, might take advantage despite this paragraph shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this paragraph. Without limiting the generality of the foregoing, Mortgagor hereby waives all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on its own behalf of the trust estate and each and every person who may hereafter acquire any interest in or title to the Mortgaged Property.

3.06 Leases. Mortgagee, at its option, is authorized to foreclose this Mortgage subject to the rights of any tenants of the Mortgaged Property, and the failure to make any such tenants parties defendant to any such foreclosure proceedings and to foreclose their rights will not be, nor be asserted by Mortgagor to be, a defense to any proceedings instituted by Mortgagee to collect the sums secured hereby or to collect any deficiency remaining unpaid after the foreclosure sale of the Mortgaged Property. Unless otherwise agreed by Mortgagee in writing, all leases and tenancies of the Mortgaged Property executed subsequent to the date hereof, or any part thereof, shall be subordinate and inferior to the lien of this Mortgage, except that from time to time Mortgagee may execute and file with the Registrar of Titles of the jurisdiction where this Mortgage is registered, subordination statements with respect to such of said leases as Mortgagee may designate, whereby the leases so designated by Mortgagee will be made superior to the lien of this Mortgage. From and after filing of such subordination statements, the leases therein referred to shall be superior to the lien of this Mortgage and shall not be affected by any foreclosure hereof. All such leases and tenancies shall contain a provision to the effect that the tenant recognizes the right of Mortgagee to effect such subordination of this Mortgage and consents thereto.

3.07 Suits To Protect the Property. Mortgagee shall have the power and authority to institute and maintain any suits and proceedings as Mortgagee may deem advisable (a) to prevent any impairment of the Mortgaged Property by any acts which may be unlawful or any violation of this Mortgage, (b) to preserve and protect its interest in the Mortgaged Property, (c) to foreclose this Mortgage, and (d) to restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order might impair the security hereunder or be prejudicial to Mortgagee's interest.

3.08 Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial case or proceedings affecting Owner, Beneficiary, any partner of Beneficiary or any Guarantor, their respective creditors or their respective properties, Mortgagee to the extent permitted by law, shall be entitled to

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file such proofs of claim and other documents as may be necessary or advisable in order to have its claims allowed in such case or proceedings for the entire Indebtedness, at the date of the institution of such case or proceedings, and for any additional amounts which may become due and payable hereunder or under the Note after such date.

3.09 Application of Moneys by Mortgagee.

(a) If an Event of Default shall occur, then, upon Mortgagee's demand, Mortgagor will pay to Mortgagee the entire amount of the Indebtedness; and if Mortgagor shall fail to pay the same forthwith upon such demand, Mortgagee shall be entitled, unless precluded under the Note from seeking a deficiency judgment against Mortgagor, to sue for and to recover judgment against Mortgagor for the whole amount so due and unpaid together with costs and expenses, including, without limitation, the reasonable compensation, expenses and disbursements of Mortgagee's agents, attorneys and other representatives, either before, after or during the pendency of any proceedings for the enforcement of this Mortgage, and the right of Mortgagee to recover such judgment shall not be affected by any taking possession or foreclosure sale hereunder, or by the exercise of any other right, power or remedy for the enforcement of the terms of this Mortgage, or the foreclosure of the lien hereof.

(b) In case of a foreclosure sale of all or any part of the Mortgaged Property and of the application of the proceeds of sale to the payment of the Indebtedness, Mortgagee shall, unless precluded under the Note from seeking a deficiency judgment against Mortgagor, be entitled to enforce payment from Mortgagor of all amounts then remaining due and unpaid and to recover judgment against Mortgagor for any portion thereof remaining unpaid, with interest.

(c) Mortgagor hereby agrees, to the extent permitted by law, that no recovery of any such judgment by Mortgagee and no attachment or levy of any execution upon any of the Mortgaged Property or any other property shall in any way affect the lien of this Mortgage upon the Mortgaged Property or any part thereof or any lien, rights, powers or remedies of Mortgagee hereunder, but such liens, rights, powers and remedies shall continue unimpaired as before.

(d) Any moneys collected or received by Mortgagee under this paragraph 3.09 shall be applied to the payment of compensation, expenses and disbursements of the agents, attorneys and other representatives of Mortgagee, and the balance remaining shall be applied to the payment of the Indebtedness.

(e) The provisions of this paragraph 3.09 shall not be deemed to limit or otherwise modify the provisions of any guaranty of the Indebtedness.

3.10 Delay or Omission No Waiver. No delay or omission of Mortgagee or of any holder of the Note to exercise any right, power or remedy accruing upon any Event of Default shall exhaust or impair any such right, power or remedy or shall be construed to waive any such Event of Default or to constitute acquiescence therein. Every right, power and remedy given to Mortgagee may be exercised from time to time and as often as may be deemed expedient by Mortgagee.

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3.11 No Waiver of One Default To Affect Another. No waiver of any Event of Default hereunder shall extend to or affect any subsequent or any other Event of Default then existing, or impair any rights, powers or remedies consequent thereon. If Mortgagee (a) grants forbearance or an extension of time for the payment of any of the Indebtedness; (b) takes other or additional security for the payment thereof; (c) waives or does not exercise any right granted in the Note, this Mortgage or any other instrument evidencing or securing the Indebtedness or any part thereof or otherwise governing Mortgagor's responsibilities in connection with the Indebtedness or the Mortgaged Property; (d) releases any part of the Mortgaged Property from the lien of this Mortgage or any other instrument securing the Indebtedness or any part thereof; (e) consents to the filing of any map, plat or replat of the Land or any part thereof; (f) consents to the granting of any easement on the Land; or (g) makes or consents to any agreement changing the terms of this Mortgage or subordinating the lien or any charge hereof, no such act or omission shall release, discharge, modify, change or affect the original liability under this Mortgage or otherwise of Mortgagor, or any subsequent purchaser of the Mortgaged Property or any part thereof or any maker, co-signer, endorser, surety or guarantor. No such act or omission shall preclude Mortgagee from exercising any right, power or privilege herein granted or intended to be granted in case of any Event of Default then existing or of any subsequent Event of Default nor, except as otherwise expressly provided in an instrument or instruments executed by Mortgagee, shall the lien of this Mortgage be altered thereby.

3.12 Remedies Cumulative. No right, power or remedy conferred upon or reserved to Mortgagee by the Note, this Mortgage or any other instrument evidencing or securing the Indebtedness or otherwise governing Mortgagor's responsibilities in connection with the Indebtedness or the Mortgaged Property or any part thereof, is exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or under the Note or any other instrument evidencing or securing the Indebtedness or any part thereof, or now or hereafter existing at law, in equity or by statute.

3.13 Discontinuance of Proceedings; Position of Parties Restored. If Mortgagee shall have proceeded to enforce the right or remedy under this Mortgage by foreclosure, entry or otherwise and such proceedings shall have been discontinued or abandoned for any reason, or such proceedings shall have resulted in a final determination adverse to Mortgagee, then and in every such case Mortgagor and Mortgagee shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Mortgagee shall continue as if no such proceedings had occurred or had been taken.

3.14 Interest After Event of Default; Default Rate. If an Event of Default shall have occurred, the Indebtedness shall, at Mortgagee's option, bear interest at the Default Rate set forth in the Note (the "Default Rate"). In such event, any deferred interest provision, as contained in the Note, shall be inoperative, and interest at the Default Rate shall be currently payable.

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ARTICLE FOUR

Transfer or Further Encumbrance of Mortgaged Property

4.01 Option to Accelerate; Consent of Mortgagee. In the event of any sale, conveyance, transfer, pledge or further encumbrance of the Mortgaged Property, or of any interest in or any part of the Mortgaged Property, or of any interest in Owner, Beneficiary, any partner of Beneficiary or any Guarantor, or in the event of any other change in the ownership or composition of Owner, Beneficiary, any partner of Beneficiary or any Guarantor, or any further assignment of rents from the Mortgaged Property or any part thereof, or any lease of all or substantially all of the Mortgaged Property, the Land or the Improvements, without the prior written consent of Mortgagee, then, at Mortgagee's option, Mortgagee may declare the Indebtedness to be due and payable immediately, and upon such declaration the Indebtedness shall immediately become and be due and payable without demand or notice. Mortgagee's consent shall be within its sole and absolute discretion, and Mortgagee specifically reserves the right to condition its consent upon (by way of illustration but not by way of limitation) its approval of the financial and/or management ability of the purchaser, transferee, lessee, pledgee or assignee, upon an agreement to escalate the interest rate of the Note to Mortgagee's then current interest rate for similarly situated properties, upon the assumption of the obligations and liabilities of the Note and this Mortgage by the purchaser, transferee, lessee, pledgee or assignee, upon the receipt of guarantees of the Indebtedness satisfactory to Mortgagee and upon payment to Mortgagee of a reasonable assumption fee.

4.02 Subsequent Owner. Any purchaser, transferee, lessee, pledgee or assignee shall be deemed to have assumed and agreed to pay the Indebtedness and to have assumed and agreed to be bound by the terms and conditions of this Mortgage (including, without limitation, the terms of this paragraph) unless Mortgagee specifically agrees in writing to the contrary. Mortgagor agrees that, in the event ownership of the Mortgaged Property, or any part thereof, or the beneficial interest in the Land Trust becomes vested in a person other than Mortgagor, Mortgagee may, without notice to Mortgagor, deal in any way with such successors in interest with reference to this Mortgage and the Note and all obligations hereby secured without in any way vitiating or discharging Mortgagor's liability hereunder or under the Note and other obligations hereby secured. No transfer or encumbrance of the Mortgaged Property or any interest therein and no forbearance or assumption by any person with respect to this Mortgage and no extension to any person of the time for payment of the Indebtedness shall operate to release, discharge, modify, change or affect the liability of Mortgagor or the Guarantor, either in whole or in part, unless Mortgagor specifically agrees in writing to the contrary.

4.03 Permitted Encumbrance. Notwithstanding the foregoing, the subordinate mortgage described in Schedule B-1 attached hereto shall be a permitted encumbrance (the "Permitted Encumbrance") of the Mortgaged Property.

ARTICLE FIVE

Miscellaneous Provisions

5.01 Heirs, Successors and Assigns Included in Parties. Whenever one of the parties hereto is named or referred to herein, the heirs, executors, administrators, successors and assigns of such party shall be included, and all covenants and

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agreements contained in this Mortgage by or on behalf of Mortgagor or Mortgagee shall bind and inure to the benefit of their respective heirs, executors, administrators, successors and assigns, whether so expressed or not.

5.02 Addresses for Notices, etc.

(a) Any notice, report, demand or other instrument authorized or required to be given or furnished under this Mortgage to Mortgagor or Mortgagee shall be deemed given or furnished (i) when addressed to the party intended to receive the same, at the address of such party set forth below, and delivered at such address or (ii) two (2) days after the same is deposited in the United States mail as first class certified mail, return receipt requested, postage paid, whether or not the same is actually received by such party.

Mortgagee: John M. Hart, Trustee for
Hart Advisers I Trust
One State Street
Hartford, Connecticut 06103

Mortgagor: LaSalle National Bank, Trustee
Trust No. 108573
125 South LaSalle Street
Chicago, Illinois 60603

and

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

Copy to: Livingston Fairbank, Esq.
Rudnick & Wolfe
203 N. LaSalle St.
Chicago, Illinois 60601

(b) Either party may change the address to which any such notice, report, demand or other instrument is to be delivered or mailed, by furnishing written notice of such change to the other party, but no such notice of change shall be effective unless and until received by such other party.

5.03 Headings. The headings of the articles, sections, paragraphs and subdivisions of this Mortgage are for convenience of reference only, are not to be considered a part hereof and shall not limit or expand or otherwise affect any of the terms hereof.

5.04 Provisions Subject to Applicable Laws; Invalid Provisions To Affect No Others. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any law and are intended to be limited to the extent necessary so that they will not render this Mortgage invalid or unenforceable. In the event that any of the covenants, agreements, terms or provisions contained in the Note, in this Mortgage or in any other Loan Documents shall be deemed invalid, illegal or unenforceable in any respect, the validity of the remaining covenants,

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agreements, terms or provisions contained herein, in the Note or in any other Loan Documents shall be in no way affected, prejudiced or disturbed thereby.

5.05 Changes. Neither this Mortgage nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. Any agreement hereafter made by Mortgagor and Mortgagee relating to this Mortgage shall be superior to the rights of the holder of any intervening lien or encumbrance. The modification of this Mortgage, the Note or any other Loan Document or the release of any part of the Mortgaged Property from the lien hereof shall not impair the priority of the lien hereof.

5.06 Governing Law. This Mortgage is made by Mortgagor and accepted by Mortgagee in the State of Illinois under the laws of such State and shall be construed, interpreted, enforced and governed by and in accordance with the laws of such State.

5.07 Management. Mortgagor covenants that at all times prior to the payment in full of the Indebtedness, the Mortgaged Property shall be managed by Tucker Management, Inc. or a nationally recognized mall leasing and management company which shall have been approved in writing by Mortgagee and pursuant to a management agreement which shall have been approved in writing by Mortgagee prior to the execution thereof.

5.08 Required Notices. Mortgagor shall notify Mortgagee promptly of the occurrence of any of the following: (i) receipt of notice from any governmental authority relating to the Mortgaged Property; (ii) receipt of any notice of termination from any tenant leasing all or any portion of the Mortgaged Property or any notice from a tenant pursuant to an Anchor Lease; (iii) any change in the occupancy of the Mortgaged Property; (iv) receipt of any notice from the holder of any other lien or security interest in the Mortgaged Property; or (v) commencement of any judicial or administrative proceedings by or against or otherwise affecting Owner, Beneficiary, any partner of Beneficiary, Guarantor, the Mortgaged Property or any entity controlled by or under common control with Beneficiary or Guarantor, or any other action by any creditor thereof as a result of any default under the terms of any loan.

5.09 Maximum Amount of Indebtedness Secured Hereby. This Mortgage shall secure not only the Indebtedness but also such amounts and expenses expended or incurred by Mortgagee to protect and preserve its interest in the Mortgaged Property and which are made within twenty (20) years from the date hereof to the same extent as if such amounts were made on the date of the execution hereof, although there may be no advance made at the time such amounts are spent. At no time, however, shall the principal amount and other indebtedness secured by this Mortgage, not including sums advanced pursuant hereto to protect the security of this Mortgage, exceed Thirty Million and No/100 Dollars (\$30,000,000.00).

5.10 Beneficiary as a Party. Beneficiary joins in this Mortgage for the purposes of conveying a security interest in certain personal property and for making the representations, covenants and warranties contained herein.

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Property of Cook County

RIDER ATTACHED TO AND MADE A PART OF THE TRUST DEED OR MORTGAGE
DATED July 28, 1988 UNDER TRUST NO. 108573

This Mortgage or Trust Deed in the nature of a mortgage is executed by LA SALLE NATIONAL BANK, not personally but as trustee under Trust No. 108573 in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said LA SALLE NATIONAL BANK hereby warrants that it possesses full power and authority to execute the Instrument) and it is expressly understood and agreed that nothing contained herein or in the note, or in any other instrument given to evidence the indebtedness secured hereby shall be construed as creating any liability on the part of said mortgagor or grantor, or on said LA SALLE NATIONAL BANK personally to pay said note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant, either express or implied, herein contained, all such liability, if any, being hereby expressly waived by the mortgagor or Trustee under said Trust Deed, the legal owners or holders of the note, and by every person now or hereafter claiming any right or security hereunder; and that so far as the mortgagor or grantor and said LA SALLE NATIONAL BANK personally are concerned, the legal holder of the note and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby mortgaged or conveyed for the payment thereof, by the enforcement of the lien created in the manner herein and in said note provided or by action to enforce the personal liability of the guarantor or guarantors, if any.

Form XX0133

EXHIBIT 1 PART HEREIN

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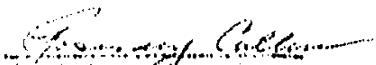
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IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the 25th day of July, 1988.

WITNESS:

LASALLE NATIONAL BANK, Trustee
as aforesaid (and not personally)

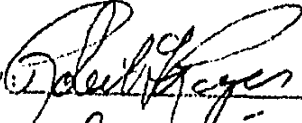
Attorn:


Attorney

By: 
Its ASSISTANT VICE PRESIDENT

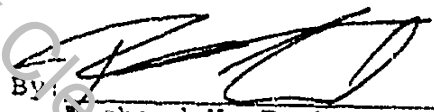
CR ASSOCIATES

By: CRID, INC.
A General Partner

By: 
Its President

By: Chicago Ridge Commons
Limited Partnership
A General Partner

By Tucker Investments, Inc.
Its General Partner

By: 
Richard H. Tucker
Its Vice President

Property of Cook County Clerk's Office

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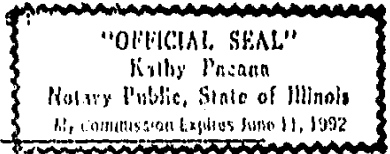
STATE OF ILLINOIS)
)
COUNTY OF Cook) SS.

I, Kathy Pacana, a Notary Public in and for and residing in said County and State DO HEREBY CERTIFY THAT Rosemary Collins the Assistant Secretary of LaSalle National Bank, a national banking association, not personally but solely as Trustee under Trust Agreement dated June 26, 1984 and known as Trust No. 108573, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Assistant Vice President appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said LaSalle National Bank for the uses and purposes therein set forth.

GIVEN under my hand and notorial seal this 28th day of July, 1988.

Kathy Pacana

Notary Public
My Commission Expires



[SEAL]

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STATE OF ILLINOIS)
COUNTY OF COOK) ss.

I, Denise M. Horton, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Robert G. Rogers, President of CRID, Inc., a Pennsylvania corporation, as a general partner of CR Associates, an Illinois general partnership, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Robert G. Rogers, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said CRID, Inc. and of said CR Associates for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 20th day of July, 1988.

Denise M. Horton

Notary Public
My Commission Expires
OFFICIAL SEAL
DENISE D. HORTON
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires Sept. 7, 1990

[SEAL]

Property of Cook County Clerk's Office

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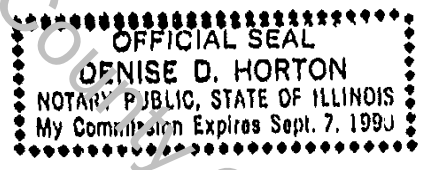
STATE OF ILLINOIS)
COUNTY OF COOK) ss.

I, Denise D. Horton, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Richard H. Tucker, the Vice President of Tucker Investments, Inc., an Illinois corporation and a general partner of Chicago Ridge Commons Limited Partnership, an Illinois limited partnership, as a general partner of CR Associates, an Illinois general partnership, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such general partner, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said Chicago Ridge Commons Limited Partnership and of said CR Associates for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 28th day of July, 1988.

Denise D. Horton

Notary Public
My Commission Expires:



Clerk's Office

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LEGAL DESCRIPTION

That part of the East half (1/2) of the Southwest 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 Southwest 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 27.60 feet to its intersection with a line drawn parallel and 185.13 feet Northerly and at right angles to the said Northerly line of the Southwest Highway; thence Northerly along said parallel line, a distance of 100.4 feet; thence Southwesterly at right angles to said parallel line, a distance of 179.32 feet to its intersection with the said Northerly line of the Southwest Highway; thence Southwesterly along said Northerly line, a distance of 551.33 feet to the intersection of said Northerly line with a line drawn 10 feet Northerly of, at right angles to and parallel with the original Northerly line of the Chicago and Calumet Terminal Railway Company; thence Northerly along said parallel line, a distance of 231.27 feet; thence Northerly on a line parallel with and 235.75 feet Northerly of and at right angles to the aforesaid Northerly line of the Southwest Highway, a distance of 100 feet; thence Northerly on a straight line a distance of 228.07 feet to a point which is 543.23 feet Northerly of, measured at right angles to, the Northerly line of said Southwest Highway; said straight line when extended Southwesterly, a distance of 1436.0 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 680 feet Northerly of the intersection of the Northerly property line of the aforesaid certain industrial parcel and the said Northerly property line of the railroad; thence Northerly on a line cutting an angle of 66 degrees 07 minutes 30 seconds with the last described line, and said line being 235.75 feet Northerly of, measured at right angles to, and parallel with the Northerly line described line, and said line being 235.75 feet Northerly of, measured at right angles to, the point of intersection of the East line of the West 1/2 of the East half (1/2) of the Southwest Quarter (1/4) of said Section 7, thence North along said East line to the point of intersection of the South line of the North 1/2 of the East half (1/2) of said Southwest Quarter (1/4), thence South along said East line to the point of beginning, a copy of the above described tract and part lying within Ready Industrial Park, located in the Office of the Registrar of Titles on March 3, 1979, as Document Number 1079107.

2

DATE: JUNE 10, 1988

JUNE 1988

Prop

LEGAL DESCRIPTION: A 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, IN COOK COUNTY, ILLINOIS, SAID PART DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF SAID SOUTHEAST 1/4 BEING 170 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SOUTHEAST 1/4; THENCE S 00° 02' W, A DISTANCE OF 4.66 FEET, ALONG SAID EAST LINE OF THE SOUTHEAST 1/4 TO A POINT; THENCE N 90° 00' W, A DISTANCE OF 419.44 FEET ALONG A LINE PARALLEL WITH THE NORTH LINE OF SAID SOUTHEAST 1/4 TO A POINT; THENCE N E 3° 19' 29" W, A DISTANCE OF 90.85 FEET, ALONG A LINE TO A POINT; THENCE S 53° 10' 19" W, A DISTANCE OF 243.79 FEET TO A POINT; THENCE N 12° 39' 32" W, A DISTANCE OF 10.48 FEET ALONG A LINE TO A POINT; THENCE N 80° 20' W, ALONG A LINE PARALLEL WITH SAID NORTH LINE OF SOUTHEAST 1/4, A DISTANCE OF 214 FEET TO A POINT; THENCE N 00° 06' E, A DISTANCE OF 3100 FEET ALONG A LINE 350 FEET EAST OF, MEASURED AT RIGHT ANGLES TO AND PARALLEL WITH THE WEST LINE OF SAID EAST 1/2 OF THE SOUTHEAST 1/4, TO A POINT; THENCE N 90° 00' E, A DISTANCE OF 980.60 FEET ALONG A LINE 10 FEET SOUTH OF, MEASURED PARALLEL WITH THE EAST LINE OF SAID SECTION 7 AND PARALLEL WITH SAID NORTH LINE OF THE SOUTHEAST 1/4, TO THE PLACE OF BEGINNING.

DATE: _____ Day _____ Month _____

24-07-401-011, 019, 020, 026, - 028 TRAC 053
99th + RIDGE PLAND

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That part of the East Half (½) of the Southeast Quarter (¼) 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 Southeast Quarter (¼) and running thence South along said West line of Ridgeland Avenue, 140 feet; thence West parallel with the North line of said Southeast Quarter (¼) to a point 230 feet West of the East line of said Southeast Quarter (¼) for a place of beginning; thence continuing West on said parallel line 100 feet; thence North parallel with the East line of said Southeast Quarter (¼) to a point on said North line of said Southeast Quarter (¼) 330 feet West of the East line of said Southeast Quarter (¼); thence East along said North line of said Southeast Quarter (¼) 100 feet; thence South parallel with the East line of said Southeast Quarter (¼) to the place of beginning (excepting from said tract of land the North 33 feet thereof).

ALSO

That part of the East Half (½) of the Southeast Quarter (¼) 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 Southeast Quarter (¼) and running thence South along said West line of Ridgeland Avenue 140 feet; thence West parallel with the North line of said Southeast Quarter (¼) to a point 230 feet West of the East line of said Southeast Quarter (¼); thence North to a point on the North line of said Southeast Quarter (¼); said point being 230 feet West of the East line of said Southeast Quarter (¼); thence East along said North line of said Southeast Quarter (¼) to the place 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 3202779.

Certificate No. 1454471

A Triangular Parcel of Property in the East Half (½) of the Southeast Quarter (¼) of Section 7, Township 37 North, Range 13, described as follows: Beginning at a point in the Northern line of Baltimore and Ohio Chicago Terminal Railroad Company, 231.39 feet Northwesterly from the intersection of said property line with the Northerly line of Southwest Highway, thence Northwestwardly along said Railroad property line 430 feet to a point; thence Southeastwardly in a straight line to a point in the Northerly line of a certain parcel of industrial property, said parcel being 263.25 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.

Certificate No. 1454453

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The West 330 feet of the East 730 feet of the South East Quarter of the North 140 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.

Certificate No. 1454459

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) 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 1330.73 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 751.41 feet to the intersection with the Northerly property line of the Baltimore and Ohio Chicago Terminal Railroad Company, said property line being 40 feet Northeasterly of at right angles to, 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 430 feet Northwest 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 245.75 feet in width by rectangular measurement from the Northerly line of the South West Highway, thence Southeasterly, a distance of 121.60 feet along a straight line which when extended Southeasterly intersects the Northerly line of the aforesaid industrial parcel at a point 400 feet Northeasterly as measured along said Northerly property line from the Northerly property line of the said Baltimore and Ohio Chicago Terminal Railroad Company, thence Northeasterly on a line forming an angle of 113 degrees 32 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 to, 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 280.81 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 30.0 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 330 feet East of, measured at right angles to and parallel with the West line of the East Half (1/2) of the South East Quarter (1/4) of said Section 7.

Certificate No. 1454461

Office of Cook County Clerk's Office

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SCHEDULE B

[Description of Encumbrances]

1. NOTE: The second installment of 1987 taxes, and the 1988 taxes, are not yet due and payable.
2. Encroachment of 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.
3. Easement in favor of Illinois Bell Telephone Company and the Commonwealth Edison Company of the right to install and maintain electric and communication facilities, as created by the grant from La Salle National Bank, as Trustee under Trust Agreement dated June 26, 1984 and known as Trust Number 108573, filed March 11, 1988 as LR document 3693122.
4. Terms, provisions and conditions of unrecorded sign easement dated May 29, 1987 by La Salle National Bank, as Trustee under Trust Agreement dated June 26, 1984 and known as Trust Number 081573, to the Lake View Trust & Savings Bank, as Trustee under Trust Agreement dated March 7, 1983 and known as Trust Number 6385.

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SCHEDULE B-1
(Permitted Encumbrance)

NONE

Property of Cook County Clerk's Office

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SCHEDULE C

SECURED PROMISSORY NOTE

\$21,000,000.00

Chicago, Illinois
July __, 1988

FOR VALUE RECEIVED, the undersigned, LASALLE NATIONAL BANK ("Trustee"), a national banking association having an office at 135 South LaSalle Street, Chicago, Illinois 60603, not personally but solely as Trustee under Trust Agreement dated June 26, 1984, and known as Trust No. 108573 (the "Land Trust"), for the benefit of CR ASSOCIATES, an Illinois general partnership, having its principal office and place of business at 40 Skokie Boulevard, Suite 600, Northbrook, Illinois 60062, Attention: Kenneth L. Tucker (Trustee is hereinafter referred to as "Maker"), hereby promises to pay to the order of JOHN M. HART, TRUSTEE FOR HART ADVISERS I TRUST under a Declaration of Trust dated July 13, 1988 ("Payee"), or any subsequent assignee or holder hereof (Payee or any subsequent assignee or holder hereof sometimes being hereinafter referred to as "Holder"), at Payee's principal office and place of business at One State Street, Hartford, Connecticut 06103, or at such other place as Holder may from time to time direct, the principal sum of TWENTY ONE MILLION AND NO/100 DOLLARS (\$21,000,000.00), or so much thereof as may be advanced and remain unpaid to Holder from time to time, together with interest thereon from the date hereof until December 1, 1988 at the rate of nine percent (9%) per annum, and with interest thereon from December 1, 1988 until December 1, 1998 (the "Maturity Date") at the rate of Nine and 88/100 percent (9.88%) per annum, principal and interest to be paid as follows:

1. Installment Payments

1. Interest only shall be paid on the date of the initial disbursement of all or any portion of the aforesaid principal sum to the first day of the first month following the said date of disbursement;

2. Thereafter, interest only shall be paid monthly in arrears on the outstanding principal balance at the rate of nine percent (9%) per annum until November 30, 1988.

3. From December 1, 1988 until the Maturity Date, interest only shall be paid monthly in arrears at the rate of Nine and 88/100 percent (9.88%) per annum, commencing with the payment due on January 1, 1989.

All indebtedness evidenced by this Note shall be due and payable in full on the Maturity Date.

All monthly installment payments on account of the indebtedness evidenced by this Note shall be applied first to costs and expenses of Holder payable hereunder, then to Prepayment Fees (as hereinafter defined), then to any late charges due hereunder, next to any interest due on this Note at the aforesaid rates on the unpaid principal balance and the remainder to principal. Interest shall be computed on the basis of a 30-day month and a 360-day year.

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All monthly payments shall be due and payable on the first day of each month. Maker shall pay a late charge equal to five percent (5%) of the overdue amount per month on all monthly installment payments on account of the indebtedness evidenced by this Note which have not been made when due.

II. Optional Prepayment of Principal

The privilege is reserved of prepaying the entire (but not less than the entire) balance of principal together with all accrued interest and all other amounts then due and payable under this Note on any installment due date after December 1, 1993, subject to giving not less than sixty (60) days' prior written notice to Holder and upon the payment of a prepayment fee (the "Prepayment Fee"). The Prepayment Fee shall be equal to seven percent (7%) of the principal balance hereof if such prepayment is made during the year commencing on December 1, 1993 and ending on November 30, 1994. The Prepayment Fee shall be equal to five and one-half percent (5.5%) of the principal balance hereof if such prepayment is made during the year commencing on December 1, 1994 and ending on November 30, 1995. The Prepayment Fee shall be equal to four percent (4%) of the principal balance hereof if such prepayment is made during the year commencing on December 1, 1995 and ending on November 30, 1996. The Prepayment Fee shall be equal to two and one-half percent (2.5%) of the principal balance hereof if such prepayment is made during the year commencing on December 1, 1996 and ending on November 30, 1997. There shall be no Prepayment Fee due for any such prepayment made during the period from and after December 1, 1997, and there shall be no Prepayment Fee due for any prepayment made in accordance with paragraphs 1.04.5 and 1.05 of that certain Mortgage and Security Agreement from Maker to Holder of even date herewith, (the "Mortgage") following a casualty or condemnation involving the Mortgaged Property (as defined in the Mortgage), except as otherwise provided therein. If the maturity of this Note shall be accelerated for any reason, the tender of payment by Maker or anyone on behalf of Maker, of the amount necessary to satisfy all sums due under this Note shall constitute an evasion of the payment terms of this Note and shall be deemed to be a voluntary prepayment under this Note, and any such prepayment shall require the concurrent payment to Holder of the aforesaid Prepayment Fee and any other amount payable to Holder as provided above. If such acceleration shall occur during a period during which Maker is prohibited from prepaying this Note, the Prepayment Fee due hereunder shall be deemed to be ten percent (10%) of the principal balance hereunder.

III. Miscellaneous

1. Acceleration; Default Interest Rate. Subject to the applicable notice and cure provisions contained in Article Two of the Mortgage, the whole of the principal sum and interest thereon shall become due and payable at the option of Holder after default in the payment of any such principal or interest or in the performance or observance by the undersigned of any of the covenants, agreements or conditions of this Note, or upon the occurrence of an Event of Default as defined in the Mortgage referred to herein or upon the occurrence of a default under any other instrument now or hereafter evidencing or securing the

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indebtedness evidenced hereby (this Note, the Mortgage, and all such other instruments are hereinafter sometimes referred to as "the Loan Documents"). While any default exists in the making of any payment due hereunder or in the performance or observance by the undersigned of any of the covenants, agreements or conditions of the Loan Documents or if an Event of Default (as defined in the Mortgage) shall have occurred, Maker agrees that, without notice or demand from Holder, the rate of interest payable hereunder on the principal balance then outstanding of this Note shall be increased to the lesser of Thirteen and 88/100 percent (13.88%) per annum or the highest amount permitted by applicable law (the "Default Rate"), and Maker promises to pay such increased interest on each installment due date. Maker further agrees that such increased interest which has accrued prior to the time of curing any such default as is referred to in this paragraph shall be paid at the time of and as a condition precedent to the curing of any such default. During the existence of any such default, Holder may apply payments received on any amounts due hereunder or under the terms of any instrument now or hereafter evidencing or securing said indebtedness as Holder may determine and if Holder so elects, notice of election being expressly waived, the principal remaining unpaid with accrued interest shall at once become due and payable.

The failure of Holder to exercise the option for acceleration following any event of default as aforesaid, or to exercise any other option or remedy granted to it under any of the Loan Documents in any one or more instances, or the acceptance by Holder of partial payments or partial performance, shall not constitute a waiver of any such default, but such option shall remain continuously in force while such default is outstanding. Acceleration of maturity, once claimed hereunder by Holder, may at Holder's option, be rescinded by written acknowledgement to that effect, but the tender and acceptance of partial payment or partial performance alone shall not in any way affect or rescind such acceleration.

2. Waiver; Extension; Exercise of Remedies

Maker, for itself and for its successors, transferees and assigns and all guarantors and endorsers, hereby waives diligence, presentment and demand for payment, protest, notice of protest and nonpayment, dishonor and notice of dishonor and notice of the intention to accelerate, and agrees that this Note and any or all payments becoming due hereunder may be extended from time to time without in any way affecting or diminishing their liability.

No extension of the time for the payment of this Note or any installment hereof made by agreement with any person now or hereafter liable for the payment of this Note shall operate to release, discharge, modify, change or affect the original liability under this Note, either in whole or in part, of any Maker, guarantor or endorser not a party to such agreement.

No delay in the exercise of any right or remedy hereunder shall be deemed a waiver of such right or remedy, nor shall the exercise of any right or remedy be deemed an election of remedies or a waiver of any other right or remedy. Without limiting the generality of the foregoing, the failure of Holder promptly after the occurrence of any default hereunder to exercise its right to declare the indebtedness remaining unmatured hereunder to be immediately due and payable shall not

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constitute a waiver of such right while such default continues nor a waiver of such right in connection with any future default on the part of Maker.

3. Payment of Costs. Following the expiration of any applicable cure period, upon the occurrence of any default under this Note, the undersigned hereby expressly agrees to pay all costs of collection or enforcement of every kind, including but not limited to all reasonable attorneys' fees, court costs, and expenses of every kind incurred by Holder in connection with the protection or realization of any or all of the security for this Note, whether or not any lawsuit is ever filed with respect thereto.

4. Business Purpose. Maker, on behalf of its beneficiaries, covenants and agrees that all of the proceeds of this Note will be used solely for business purposes and in furtherance of the regular business affairs of Maker, and that the entire indebtedness evidenced by this Note represents a "business loan" as that term is defined in, and for all purposes of, Section 4(1)(c) of paragraph 6404 of Chapter 17, Illinois Revised Statutes.

5. Mortgage. This Note is given to evidence a loan in the principal amount up to TWENTY ONE MILLION AND NO/100 DOLLARS (\$21,000,000.00), and is secured by, inter alia, a Mortgage and Security Agreement of even date herewith ("the Mortgage") which is a lien on real property (the "Property") located in Chicago Ridge, Illinois, and shall be governed by and construed in accordance with the laws of said state.

6. Incorporation of Loan Documents. All of the agreements, conditions, covenants, provisions and stipulations contained in the Loan Documents which are to be kept and performed by the undersigned, including, without limitation, paragraph 4.01 of the Mortgage which provides for the acceleration of the indebtedness evidenced by this Note upon the sale, conveyance, transfer, pledge or further encumbrance of the Property, are hereby made a part of this Note to the same extent and with the same force and effect as if they were fully set forth in this Note, and Maker covenants and agrees to keep and perform them, or cause them to be kept and performed, strictly in accordance with their terms.

7. Notices. All notices, demands and requests required or desired to be given hereunder shall be in writing and shall be delivered in person or by United States registered or certified mail, return receipt requested, postage prepaid, as follows:

TO THE UNDERSIGNED:

Lasalle National Bank, Trustee
Trust No. 108573
135 South Lasalle Street
Chicago, Illinois 60603

COPY TO:

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

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Livingston Fairbank, Jr., Esq.
Rudnick & Wolfe
203 North LaSalle Street
Suite 1800
Chicago, Illinois 60601

TO HOLDER:

John M. Hart, Trustee
Hart Advisers I Trust
One State Street
Hartford, Connecticut 06103

or at such changed addresses as may from time to time be designated by the party to be addressed by written notice to the other in the manner herein provided. Notices, demands and requests given by mail in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder two days after the time such notice, demand or request shall be deposited in the mails.

8. Headings. Paragraph and section headings contained herein are for convenience of reference only and are not intended to define, limit or describe the scope or intent of any provision of this Note.

9. Right of Setoff. Maker and each endorser, guarantor and surety of this Note, and each other person liable or who shall become liable for all or any part of the indebtedness evidenced by this Note, hereby give Holder a lien and right of setoff for all of their respective liabilities in respect of such indebtedness upon and against all of their respective deposits, credits and property (other than the Property), now or hereafter in the possession or control of Holder or in transit to Holder. Holder may at anytime apply the same, or any part thereof, to any liability of Maker or any such other person, whether matured or unmatured.

10. Enforceability of Provisions. If any one or more of the provisions of this Note shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part, or in any respect, or if any one or more of the provisions of this Note shall operate, or would prospectively operate, to invalidate this Note, then such provision or provisions only shall be deemed to be null and void and of no force or effect and shall not affect any other provision of this Note, and the remaining provisions of this Note shall remain operative and in full force and effect, shall be valid, legal and enforceable, and shall in no way be affected, prejudiced or disturbed thereby.

11. Modifications. This Note may not be modified or terminated orally, but only by a written instrument signed by the party against whom enforcement of any such modification or termination is sought. Time is and shall be of the essence in the performance of all obligations under this Note.

12. Interpretations. As used in this Note, words of any gender shall be deemed to apply equally to any other gender, the plural shall include the singular and the singular shall

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include the plural (as the context shall require), and the word "person" shall refer to individuals, entities, authorities and other natural juridical persons of every type.

13. Joint and Several Obligations. If this Note is now, or hereafter shall be, signed by more than one person, it shall be the joint and several obligation of all such persons (including, without limitation, all makers, endorsers, guarantors and sureties, if any) and shall be binding on all such persons and their respective heirs, executors, administrators, legal representatives, successors and assigns. This Note and all covenants, agreements and provisions set forth in this Note shall inure to the benefit of Holder and its successors and assigns.

14. Usury. It is the intention of Maker and Holder to conform strictly to the Interest Law (as hereinafter defined). Accordingly, it is agreed that, notwithstanding any provisions to the contrary in this Note, in any of the Loan Documents or in any documents otherwise relating hereto, the aggregate of all interest, or consideration constituting interest under the Interest Law, that is taken, reserved, contracted for, charged or received under this Note or under any of the aforesaid documents or otherwise in connection with this loan transaction shall under no circumstances exceed the maximum amount of interest allowed by the Interest Law. If any excess interest is provided for in this Note, in any of the Loan Documents or in any documents otherwise relating hereto, then (a) the provisions of this paragraph shall govern and control, (b) neither Maker nor Maker's heirs, executors, administrators, legal representatives, successors or assigns shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum amount of interest allowed by the Interest Law, (c) any such excess shall be deemed a mistake and cancelled automatically and, if theretofore paid, shall be credited against the indebtedness evidenced by this Note (or if this Note shall have been paid in full, refunded to Maker) and (d) the effective rate of interest shall be automatically subject to reduction to the Maximum Legal Rate of Interest (as hereinafter defined). To the extent permitted by the Interest Law, all sums paid or agreed to be paid to Holder for the use, forbearance or detention of the indebtedness evidenced by this Note shall be amortized, prorated, allocated and spread throughout the full term of this Note. For purposes of this Note, "Interest Law" shall mean any present law of the State of Illinois (meaning the internal laws of said state and not the laws of said state relating to choice of law), the United States of America or any other jurisdiction, which has application to the interest and other charges under this Note, under any of the Loan Documents or under any documents otherwise relating hereto and to the classification of Maker under such law. For purposes of this Note, the "Maximum Legal Rate of Interest" shall mean the maximum effective contract rate of interest that Holder may from time to time, by agreement with Maker, legally charge Maker and in regard to which Maker would be prevented successfully from raising the claim or defense of usury under the Interest Law as now or hereafter construed by courts of appropriate jurisdiction.

15. Limitation of Liability. Notwithstanding anything herein to the contrary, Holder agrees (a) not to seek or enforce any judgment for any deficiency against Maker, beneficiary of Maker or any partner of said beneficiary, in the

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event of foreclosure of the Mortgage, except to the extent such a judgment may be legally required to enable Holder to realize upon any security for all or any part of the indebtedness evidenced by this Note (including, without limitation, any insurance proceeds, condemnation awards, accounts receivable, deposits and any rents or other income misapplied by Maker at any time or collected by or on behalf of Maker after Maker's permission to collect same under the Loan Documents has terminated), and (b) that, in the event any suit is brought on this Note, any judgment obtained against Maker, or any partner of Maker in such a suit shall be enforced only against the Property and any other security for all or any part of the indebtedness evidenced by this Note (including, without limitation, the aforesaid items of security). Nothing herein contained, however, shall be construed to (i) be a release or impairment of all or any part of said indebtedness, nor of the lien of the Mortgage or any other security for all or any part of said indebtedness, (ii) preclude Holder from foreclosing the Mortgage in case of a default and/or from enforcing any of Holder's other rights except as expressly stated in this paragraph, (iii) prejudice the rights of Holder as to any of the conditions of this Note or any of the Loan Documents, (iv) preclude Holder from securing a deficiency, money judgment or other judgment against any subsequent owner of the Property who assumes all or any part of the indebtedness evidenced by this Note, or as against any person (other than those specifically exculpated above) now or hereafter liable for payment of all or any of the indebtedness evidenced by this Note, (v) be a release or impairment of the obligations and liability of Maker, or any partner of Maker, under any guaranty or indemnification agreements presently in effect or hereafter given in connection with the indebtedness evidenced by this Note, or (vi) preclude Holder from securing a judgment, order or injunction in connection with damages arising from any fraud or material misrepresentation under the Loan Documents or any commission of waste upon the Property.

16. Trustee's Exculpation. This Note is executed by LASALLE NATIONAL BANK not personally but solely as Trustee, as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee. All the terms, provisions, stipulations, covenants and conditions to be performed by said bank are undertaken by it solely as Trustee, as aforesaid, and not individually and all statements herein made are made on information and belief and are to be construed accordingly, and no personal liability shall be asserted or be enforceable against said Trustee by reason of any of the terms, provisions, stipulations, covenants and/or statements contained in this Note.

17. Lender's Exculpation. This loan transaction is entered into by John M. Hart not personally but solely as trustee, as aforesaid, in the exercise of the power and authority conferred upon and vested in him as such trustee. All the terms, provisions, stipulations, covenants and conditions to be performed by John M. Hart are undertaken by him solely as trustee, as aforesaid, and not individually and any statements herein made are made on information and belief and are to be construed accordingly, and no personal liability shall be asserted or be enforceable against said trustee by reason of any of the terms, provisions, stipulations, covenants and/or statements contained in this Note, and all liability asserted or enforced against said trustee by reason of any of the terms,

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provisions, stipulations, covenants and/or statements contained in any document evidencing this loan transaction shall be limited to the assets of the trust created by the Declaration of Trust.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Note at _____, _____ as of the date and year first above written.

LASALLE NATIONAL BANK, TRUSTEE
as aforesaid

By _____

Its

Property of Cook County Clerk's Office

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SCHEDULE D

<u>Tenant</u>	<u>Sq. Ft.</u>	<u>Term</u>
The Answer	3,450	12 years
Canada Fashions	1,625	5 years
Clothestime	3,675	10 years
Dimensions	6,000	5 years
Dress Barn	3,580	5 years
Gussini	2,625	5 years
IPCO	1,350	10 years
Kid's Mart	2,254	10 years
Marshall's	27,000	10 years
Phar-Mor Drug	45,000	15 years
Plitt Theaters	25,000	20 years
Shoe-Town	5,396	5 years
T.H. Mandy	4,295	5 years
T.J. Maxx	25,037	10 years

Property of Cook County Clerk's Office

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Property of Cook County Clerk's Office

LAWYERS TITLE
 INSURANCE COMPANY
 29 SOUTH LA SALLE STREET
 CHICAGO, ILLINOIS 60601
 BOX 334