

UNOFFICIAL COPY

00679470

5470477 38 001 Page 1 of 18
2000-08-31 15:35:07
Cook County Recorder 39.00



00679470

This instrument prepared by
and after recording return to:

John L. Tuohy
Chapman and Cutler
Harris Bank Building, 17th Floor
111 West Monroe Street
Chicago, IL 60603

Loan No. 158314

ASSIGNMENT OF LEASES, RENTS AND PROFITS

THIS ASSIGNMENT OF LEASES, RENTS AND PROFITS (the "Assignment"), is made and entered into as of this 14th day of August, 2000, by **ARLINGTON BLOCK 349 L.L.C., an Illinois limited liability company**, whose address is **1400 S. Wolf Road, Bldg. 100, Wheeling, Illinois 60091** (hereinafter called "Borrower"). Borrower hereby irrevocably assigns to THE LINCOLN NATIONAL LIFE INSURANCE COMPANY, an Indiana corporation ("**Lincoln**"), **Individually, and as Agent for LINCOLN LIFE & ANNUITY COMPANY OF NEW YORK, a New York corporation ("Participant")** (hereinafter collectively called "Lender"), whose mail address is c/o Lincoln Investment Management, Inc., 200 East Berry Street, P.O. Box 2390, Fort Wayne, Indiana 46802, Attention Loan Servicing, Loan No. 158314, and to its successors and assigns, all right, title and interest of the Borrower in, to and under any and all leases, subleases, rental agreements, lease guaranties, tenancies, contracts, equipment leases or any other agreements, oral or written and however denominated, which now or hereafter may be entered into with respect to the Premises (as hereinafter defined) (all of the foregoing agreements being collectively referred to herein as the "Leases"), and also together with (a) all rents, issues, profits, revenues, security deposits, income and other sums, including any penalties and any bonuses and any amounts to be paid upon the exercise of any option to purchase all or any portion of the Premises or any option to terminate any Lease, due or becoming due under the Leases, (b) any accounts receivable, book debts, books, records, papers and accounts and other funds paid or payable to Borrower, and (c) any other forms of obligations belonging or owing to the Borrower by reason of its ownership and/or operation of the Premises ((a), (b) and (c) being herein collectively referred to as the "Rents and Profits"), with full right and authority to collect such amounts and to give receipt and acquittance therefor. As used herein, the term "Premises" shall mean certain real property located in **Cook County, Illinois**, more particularly described in Exhibit A, which is attached hereto and incorporated herein by this reference (collectively the "Premises"). This Assignment shall not be construed to assign any Leases, Rents or Profits belonging or owing to Borrower by reason of its ownership and/or operation of properties or premises not described on said Exhibit A.

1. Borrower does hereby also irrevocably assign any and all agreements, however denominated, which undertake to guarantee the performance and/or payment of any obligation set forth in any Lease assigned hereby and the terms "Lease" and "Leases" shall be deemed to include any such agreements.

0631212.01
057515-451 06/23/2000

BOX 303-CTI

3
202
7808 754

10
JL

2. This Assignment shall also cover and apply to any existing or future amendments, supplements or modifications of each of the Leases and to any short or memorandum form of each Lease executed for recording purposes, whether recorded prior to, simultaneously with, or after the recordation of this instrument.

3. This Assignment is given as a source for repayment of a loan in the **aggregate original** principal amount of **Fifteen Million Dollars and No Cents (\$15,000,000.00) made by Lender to Borrower, evidenced by a note payable to Lincoln representing a retained interest in the original principal amount of Fourteen Million Dollars and No Cents (\$14,000,000.00) (the "Retainage Note") and by a note payable to Participant representing a participation in the original principal amount of One Million Dollars and No Cents (\$1,000,000.00) (the "Participant Note") (the Retainage Note and the Participant Note being referred to collectively as the "Note")**, and which Note is secured by, among other things, that certain Mortgage and Security Agreement from Borrower to Lender, of record in **Cook County, Illinois**, dated as of the date hereof (the "Mortgage"), covering the Premises, and other collateral documents in connection therewith, including but not limited to that certain Loan Agreement of even date herewith, and the Commitment and the Environmental Indemnity Agreements (as defined in the Loan Agreement) (such other documents being collectively referred to herein as the "Collateral Loan Documents"). Acceptance of this Assignment shall not impair, affect or modify any of the terms and conditions of the Note, the Mortgage, or the Collateral Loan Documents.

4. This Assignment is absolute and is effective immediately and includes any extensions or renewals of the Leases, and is in addition to the granting of a security interest under the Mortgage.

5. Prior to the occurrence of a Default (as hereinafter defined), Borrower shall have a revocable license to collect and receive the Rents and Profits. Such license shall permit Borrower to collect any and all Rents and Profits or other sums to be paid to Borrower in accordance with the terms and conditions of the Leases when same are due and payable, in trust as trustee for the benefit of Lender and to apply the rents so received in each respective month to the payment of principal, interest and all other sums then due and payable in the same month under the Note, Mortgage, and the Collateral Loan Documents and the balance of such Rents and Profits received, if any, may be used and enjoyed by Borrower, subject to the provisions of the Note, the Mortgage and the Collateral Loan Documents.

6. Notwithstanding that this Assignment is effective immediately, until notified by the Lender in writing that a Default (as hereinafter defined) has occurred under the terms and conditions of the Note, the Mortgage, or any Collateral Loan Document and that Borrower's license to collect the Rents and Profits has been terminated, lessees shall continue to pay to the Borrower the rentals coming due under said Leases as and when they accrue according to each respective Lease, it being agreed, however, that in no event shall Borrower collect rent for more than thirty (30) days in advance on any Lease.

7. Upon the occurrence of a Default, Lender may terminate Borrower's license herein granted in Lender's sole discretion at any time after such occurrence and without notice to Borrower, and Lender may thereafter, at its option, receive and collect all Rents and Profits with or without taking actual possession of the Premises or any actions equivalent thereto. Lender shall thereafter continue to receive and collect all Rents and Profits as long as the Default shall exist, and during the pendency of any foreclosure proceedings, and if there is a deficiency, during any redemption period.

8. Borrower hereby appoints Lender its true and lawful attorney with full power of substitution (such power being coupled with an interest) and with power of Lender in its own name and capacity, or in the name and capacity of Borrower, to demand, collect, receive and give complete acquittance for any and all Rents and Profits accruing from the Premises, and at Lender's discretion to file any claim or take any other action or proceeding and make any settlement of any claims, either in its own name or in the name of Borrower or otherwise, which Lender may deem necessary or desirable in order to collect and enforce the payment of the Rents and Profits.

9. Upon the occurrence of a Default, Lender shall have the unilateral right to notify, or to require Borrower to notify, any and all occupants of the Premises that such Rents and Profits shall be paid directly to Lender. At such time as lessee shall have received written notice that Borrower is in Default (as defined therein) under the Note, the Mortgage, or any Collateral Loan Document, each respective lessee of the Premises is hereby expressly authorized and directed to pay any and all amounts due Borrower pursuant to the Leases to Lender or such nominee as Lender may designate in writing delivered to and received by such lessees and each such lessee is expressly relieved of any and all duty, liability or obligation to Borrower in respect of all payments so made. For the purpose of accounting, the books and records of Lender shall be deemed prima facie correct.

10. Upon the occurrence of a Default, Lender is hereby vested with full power, by itself or through its agents, to use all measures, legal and equitable, deemed by it necessary or proper to enforce this Assignment and to collect the Rents and Profits assigned hereunder, including the right of Lender or its designee to enter upon the Premises, or any part thereof, with or without force and with or without process of law, and take possession of all or any part of the Premises together with all personal property, fixtures, documents, books, records, papers and accounts of Borrower relating thereto; and Lender may exclude the Borrower, its agents or servants, wholly therefrom. Borrower hereby grants full power and authority to Lender to exercise all rights, privileges and powers herein granted at any times hereafter, without notice to Borrower with full power, by itself or through its agents to use and apply all of the Rents and Profits for the payment of the costs of managing and operating the Premises and of any indebtedness or liability of Borrower to Lender, including but not limited to, the payment of taxes, special assessments, insurance premiums, damage claims, the cost of maintaining, repairing, rebuilding and restoring the improvements on the Premises, and of principal and interest due from Borrower to Lender under the Note, the Mortgage, or the Collateral Loan Documents, all in such order as Lender may determine. Lender shall be under no obligation to exercise or prosecute any of the rights or claims assigned to it hereunder or to perform or carry out any of the obligations of the lessor under any of the Leases and does not assume any of the liability in connection with or arising or growing out of the covenants and agreements of Borrower in the Leases. It is further understood that this Assignment shall not operate to place responsibility for the control, care, management or repair of the Premises, or parts thereof, upon Lender nor shall it operate to make Lender liable for the performance of any of the terms and conditions of any of the Leases, or any other party, or for any dangerous or defective condition of the Premises or for any negligence in the management, upkeep, repair or control of the Premises resulting in loss or injury or death to any lessee, licensee, employee or stranger. Lender shall not be liable for the act or omission of any agent if Lender shall have used reasonable care in the selection of such agent. The exercise of any right pursuant to this paragraph shall not be deemed to make Lender a mortgagee in possession.

11. Lender shall not be liable for failure to collect all or any portion of the Rents and Profits, failure to enforce performance by the lessees, failure to rent the Premises or any part thereof, or failure to do any of the things which are authorized herein.

UNOFFICIAL COPY

00679470

12. Lender may, at its option, although it shall not be obligated so to do, perform any lease covenant for and on behalf of the Borrower and may recover any money advanced for any such purpose from Borrower on demand, with interest at the Default Rate (as defined in the Note) from date of advancement, and may reimburse itself for amounts so advanced, with interest, from any Rents and Profits collected and if not so repaid then any balance shall be added to the indebtedness evidenced by the Note and shall be secured by the Mortgage. Likewise, Lender may, at its option, exercise any option or election for and on behalf of Borrower.

13. Borrower represents that all of the said Leases are in full force and effect according to their terms; that they have not been amended or modified as of this date (except by instruments of which copies have been furnished Lender); that Borrower is not in Default thereunder; that Borrower has not sold, assigned, pledged or encumbered any one of the said Leases or any of the Rents and Profits thereof; that Borrower has not heretofore given its consent that any lessee may make alterations or improvements or its consent to any assignment of any Lease by any lessee (except as has been called to Lender's attention and approved by Lender); that Borrower holds no deposit or other security for performance by any lessee (except as has been called to Lender's attention and approved by Lender); and that rent has not been paid for more than thirty (30) days in advance by any lessee.

14. Borrower further agrees that hereafter, except as expressly permitted in the Mortgage, it will not amend, modify, cancel or accept surrender of any one of the Leases nor attempt to do so, nor will it enter into, or attempt to enter into, any new lease with any lessee, nor will it give its consent that any lessee may make alterations or improvements or that any lessee may assign, without, in each case, first obtaining the express written consent of the Lender.

15. It is further understood and agreed that the acceptance by Lender of any payment or performance under any Lease or other contract with reference to the Premises, from any tenant or other person, shall not bar or abridge any of the rights of Lender under the Note, the Mortgage, or any Collateral Loan Document against such tenant or person.

16. This Assignment shall remain in full force and effect so long as the Secured Indebtedness (as defined in the Mortgage) or any extension or renewal thereof remains unpaid and, in the event of foreclosure, during any period of redemption and until the recording of the deed issued under such foreclosure proceedings and until delivery of actual and complete possession of the Premises to the grantee in such deed. This Assignment shall not affect any non-waivable right Borrower may have to redeem from foreclosure sale; but such redemption shall not terminate this Assignment unless and until the Secured Indebtedness or any judgment rendered thereon plus interest, costs and expenses and any advancements made by Borrower, with interest as above mentioned, have been fully paid. In the event of termination of this Assignment, Borrower shall approve and accept any and all outstanding Leases made by Lender or its agent; but only to the extent of a period of one year from date of termination of this Assignment.

17. Any sums paid to and received by the Lender hereunder shall be held, without allowance of interest, and shall be applied by it for the following purposes, the priority and application of such funds being within the sole discretion of the Lender:

First, to the payment of all prior charges and lien assessments levied against the Premises or any part thereof;

Second, to the payment of ground rents, if any, payable with respect to the Premises if the Premises are a leasehold estate;

Third, (i) to the payment of reasonable compensation for Lender's legal services, Lender's agents, clerks, servants and other employees engaged or employed in respect to the Premises and (ii) any amounts due and owing to Lender under the terms of the Note and/or obligations secured hereby;

Fourth, to the payment of current operating costs and expenses (including repairs, maintenance, renewals, replacements, alterations, security, improvements and necessary acquisitions of property) and expenditures for capital improvements arising in connection with the Premises;

Fifth, any amount not applied as above provided and remaining in the hands of the Lender may, at its option, be applied by the Lender to one or both of the following: (a) used for prepayment of principal in inverse order of its maturity, without reduction in the amount of the monthly installments due under the Note, or (b) be refunded to the Borrower.

18. The occurrence of any one or more of the following shall be deemed to be a default (a "Default") under this Assignment:

(a) Default under Mortgage. The occurrence of a Default under the ~~(a) Breach of Warranty. The determination by Lender that any representation or warranty made in this Assignment was incorrect in any material respect as of the date thereof;~~ or Mortgage, or

~~(b) Breach of Covenant. The failure by Borrower punctually and properly to perform any covenant or agreement contained in this Assignment; or~~

(b)

~~(c) Default Under Leases. Borrower shall be in default under its obligations under the terms and conditions of any of the Leases, or~~

~~(d) Other Documents. The occurrence of a Default under the Note, the Mortgage, or any Collateral Loan Document.~~

19. Borrower shall indemnify Lender and hold it harmless from any liability, loss or damage including, without limitation, reasonable attorneys' fees, which may or might be incurred by it under the Leases or by reason of this Assignment, and from any and all claims and demands whatsoever which may or might be asserted against Lender by reason of any alleged obligations or undertakings on Lender's part to perform or discharge any of the terms, covenants or agreements contained in any of the Leases.

20. The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties hereto. The provisions of this Assignment are covenants running with the land herein described and shall bind all persons hereafter acquiring an interest in the Premises; and it is expressly agreed that the within assignment and grant of rights and powers is coupled with an interest.

21. Whenever used herein the singular number shall include the plural, the plural the singular, and use of any gender shall include all genders.

22. If any term of this Assignment, or the application thereof to any person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Assignment, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Assignment shall be valid and enforceable to the fullest extent permitted by law.

23. It is understood that this Assignment shall not be deemed to be payment of the Secured Indebtedness except as to money actually received by Lender as and when applied as such payment; nor shall this Assignment be deemed a waiver of any Default occurring hereafter in the full performance of the conditions of the Note, the Mortgage, and the Collateral Loan Documents; nor shall the application of any money received by Lender under this Assignment towards curing such Default in any manner waive such Default or prevent foreclosure because of the same, Lender hereby expressly reserving all its rights and privileges under the Note, the Mortgage, and the Collateral Loan Documents as fully as though this Assignment had not been entered into. The rights and remedies of Lender under this Assignment are cumulative and are not in lieu of, but are in addition to any other rights or remedies which Lender shall have under the Note, the Mortgage, or any of the Collateral Loan Documents, or at law or in equity.

24. Lender's rights and remedies hereunder may be exercised as often as Lender deems expedient. The exercise of rights hereunder (including the right of entry and possession) and any related resort to judicial process to enforce the terms hereof or pursuant hereto shall not be construed as a waiver or limitation of the right to use of any foreclosure proceeding or sale under the Mortgage. Resort to judicial process to enforce any rights or terms hereof shall not be construed as an election to proceed solely through judicial process in the exercise of Lender's rights under the terms of this Assignment or the Mortgage.

25. This Assignment may not be amended, modified or changed nor shall any waiver of any provision hereof be effective, except only by instrument in writing and signed by Borrower and Lender.

26. Notices which are to be given pursuant to this Assignment shall be given as set forth in the notice section of the Mortgage.

27. This Assignment shall be construed according to and governed by the laws of *Illinois*.

28. The rights and remedies of Lender under this Assignment and under the Mortgage are cumulative and are not in lieu of, but in addition to any other rights and remedies that Lender shall have under the Note, the Mortgage, or any other instrument that constitutes security for the Note, or at law, or in equity.

29. Time is of the essence of this Assignment.

30. If suit be brought or attorneys shall be engaged to enforce the provisions hereof, or in the event Lender shall be made party to any litigation merely because of the existence of this Assignment, Lender shall be entitled to receive its costs incurred in connection herewith or in connection with the Note, the Mortgage, or any Collateral Loan Document. Said costs shall include but not be limited to reasonable attorneys' fees, and all other costs and expenses associated with court and/or administrative proceedings through the appellate level, costs of title search, continuation of abstract(s) and preparation of survey incurred by reason of any action, suit, proceeding, hearing, motion or application before any court or administrative body in which the Lender may be or become a party by reason of this Assignment, the Note, the Mortgage, or any Collateral Loan Document, including but not limited to condemnation, bankruptcy and administrative proceedings, as well as any other of the foregoing where

UNOFFICIAL COPY

00679470

a proof of claim is by law required to be filed, or in which it becomes necessary to defend or uphold the terms or lien of this Assignment, the Note, the Mortgage, or any Collateral Loan Document.

31. After full payment of all indebtedness evidenced by the Note and satisfaction of all obligations secured by the Mortgage and upon full reconveyance of the Mortgage, this Assignment shall automatically terminate and have no further force or effect.

32. TO THE EXTENT PERMITTED BY APPLICABLE LAW, **BORROWER** HEREBY IRREVOCABLY SUBMITS TO PERSONAL JURISDICTION IN **ILLINOIS** AND OF THE UNITED STATES DISTRICT COURT FOR THE **NORTHERN** DISTRICT OF **ILLINOIS** FOR THE ENFORCEMENT OF **BORROWER'S** OBLIGATIONS HEREUNDER, UNDER THE NOTE, THE MORTGAGE, AND THE COLLATERAL LOAN DOCUMENTS, AND WAIVES ANY AND ALL PERSONAL RIGHTS UNDER THE LAW OF ANY OTHER STATE TO OBJECT TO JURISDICTION WITHIN **ILLINOIS** FOR THE PURPOSES OF LITIGATION TO ENFORCE SUCH OBLIGATIONS. FURTHERMORE, TO THE EXTENT PERMITTED BY APPLICABLE LAW, **BORROWER** HEREBY WAIVES PERSONAL SERVICE OF THE SUMMONS AND COMPLAINT OR OTHER PROCESS OF THE PAPERS ISSUED THEREIN AND AGREES THAT SERVICE MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO THE **BORROWER** AT THE ADDRESS SET FORTH HEREIN.

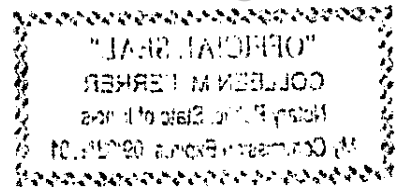
33. TO THE EXTENT PERMITTED BY APPLICABLE LAW, **BORROWER** HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND OR NATURE, IN ANY COURT IN WHICH AN ACTION MAY BE COMMENCED, ARISING OUT OF OR IN CONNECTION WITH THE NOTE, THE MORTGAGE, ANY COLLATERAL LOAN DOCUMENT, OR ANY OTHER MATTERS RELATING THERETO.

34. The terms, conditions and provisions of this Assignment are subject, in all respects, to the additional sections, if any, set forth in Exhibit B, attached hereto and incorporated herein by this reference.

UNOFFICIAL COPY

01/11/2010

Property of Cook County Clerk's Office



UNOFFICIAL COPY

00679470

EXHIBIT A

LOTS 3, 4 AND 6 IN THE ARLINGTON TOWN SQUARE SUBDIVISION, BEING A SUBDIVISION IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I. No.: 03-29-349-025-0000
03-29-349-026-0000
03-29-349-028-0000

Address: Arlington Town Square
Arlington Heights, Illinois

UNOFFICIAL COPY

00679470

EXHIBIT B ADDITIONAL PROVISIONS TO ASSIGNMENT OF LEASES, RENTS AND PROFITS

Section B1. Limitation of Personal Liability. Notwithstanding any provision of this Assignment, Note, Mortgage, or Collateral Loan Documents to the contrary, the terms and provisions set forth in Section A1 of Exhibit A to the Note are incorporated herein by this reference and shall supersede any inconsistent provision in the Note, Mortgage, or any of the Collateral Loan Documents.

Section B2. Participation. The \$15,000,000.00 Loan secured by this Assignment is represented by the Retainage Note and the Participant Note. The relationship between Lincoln and the Participant is governed by a separate participation agreement or agreements. Pursuant to such agreement(s), Lincoln has the authority to exercise all rights of the Lender under this Assignment, all rights of the Mortgagee under the Mortgage, all rights of the Holder under the Note and all rights of the Lender under the Collateral Loan Documents. Lincoln shall be conclusively deemed to have the authority to take all actions undertaken by Lincoln with respect to the foregoing instruments, and Borrower shall have no duty, obligation or right to inquire as to the authority of Lincoln to act in such capacity.

This Exhibit shall not be binding, and shall have no force and effect, unless, executed by the Borrower below:

ARLINGTON BLOCK 349 L.L.C., an Illinois limited liability company

By: Joseph Freed and Associates LLC
Its Manager

W By: _____

Title: Manager

Attest:

Secretary

Printed Name: _____

~~(SEAL)~~