



0010211392

**ASSIGNMENT OF RENTS AND OF LESSOR'S INTEREST IN LEASES**

This Assignment of Rents and Lessor's Interest in Leases (the "Assignment") is made as of March 14, 2001, by Little Lady Foods, Inc., an Illinois corporation (the "Assignor"), to LaSalle Bank National Association, an Illinois state bank (the "Assignee") having its principal office at 3201 North Ashland Avenue, Chicago, Illinois 60657-2107

7900823 JFETH 3 OF 3 2323

**WITNESSETH:**

**WHEREAS**, Assignor is the present owner in fee simple of certain real property located in Cook County, Illinois and legally described in Exhibit A attached hereto and made a part hereof (collectively the "Premises"); and

**WHEREAS**, Assignor has obtained or will obtain certain financial accommodation from the Assignee under that certain Loan and Security Agreement dated as of March \_\_, 2001 entered into by and between Assignor and the Assignee (as the same has been, or may be, amended, supplemented or modified, the "Loan Agreement"), and that certain Reimbursement Agreement to be executed and delivered in June 2001 (the "Reimbursement Agreement") between Assignor and Assignee; and

**WHEREAS**, it is a condition precedent to the extension of credit and other financial accommodation to Assignor under the Loan Agreement and Reimbursement Agreement that the Assignor's obligations thereunder and any other indebtedness accruing thereunder, be secured by, among other things, the execution and delivery by Assignor of a mortgage and assignment of rents and leases to the Assignee; and

**WHEREAS**, Assignor will derive financial benefit and other substantial benefit from the extension of credit and other financial accommodation under the Loan Agreement and Reimbursement Agreement, and Assignor has executed and delivered a certain Mortgage dated as of March 14, 2001 in favor of the Assignee (the "Mortgage") which encumbers the Premises

**BOX 333-CTI**

NOW, THEREFORE, to secure the performance and observance of all the terms, covenants and conditions in the Loan Agreement, the Reimbursement Agreement, and this Assignment and in any other agreement, document or instrument to which reference is expressly made in this Assignment, the Reimbursement Agreement, the Loan Agreement and the Mortgage, and in order to charge the properties, interests and rights hereinafter described and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, Assignor does hereby sell, assign, transfer, convey, warrant, set over and grant unto Assignee (i) all the rents and issues from, and Assignor's right, title and interest in, any lease, whether written or oral, or any letting of, or of any agreement for the use, or occupancy of, the Premises or any part thereof, any of which may have been heretofore, or may be hereafter, made or agreed to or which may be made and agreed to by Assignor under the powers granted herein, together with any and all deposits and profits now due and/or which may become due thereunder by virtue thereof, it being the intention hereby to establish an absolute transfer and assignment of all the said leases and agreements and security deposits, and all the avails thereof, to Assignee, and (ii) without limiting the generality of the foregoing, all right, title and interest of Assignor in and to those certain leases made by and between Assignor, as lessor, and certain persons, as lessees, described generally on the attached Exhibit B (for the premises known as 2323 Pratt Boulevard) (collectively, the leases described in the foregoing clauses (i) and (ii) are referred to hereinafter as the "Leases" and individually as a "Lease"), subject to the following terms and conditions (with all capitalized terms used herein and not otherwise defined to have the meanings given in the Loan Agreement);

1. Payment of Indebtedness Secured Hereby. Assignor is assigning the Leases to secure the prompt payment when and as due and payable of the indebtedness secured hereby. As used in this Assignment, the term "indebtedness secured hereby" shall mean and refer to all of the Liabilities of the Assignor as defined in the Loan Agreement.
2. Power of Assignee. Assignor does hereby appoint irrevocably Assignee its true and lawful attorney in its name and stead (with or without taking possession of the Premises), to rent, lease, let or sell all or any portion of the Premises to any party, to collect all of said avails, rents, issues, deposits and profits arising from or accruing at any time hereafter, and all now due, or that may hereafter become due under each and all of the Leases, written or oral, or any other tenancy existing or which may hereafter exist on said Premises, with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as the Assignor would have upon taking possession of the Premises pursuant to the provisions hereinafter set forth.
3. Assignor's Representations and Warranties. Assignor represents and warrants that, to the extent any Leases are in effect on the date hereof, (i) Assignor is the sole owner of the entire lessor's interest in the Leases, (ii) the Leases are legal, valid and enforceable, are in full force and effect and have not been altered, modified or amended in any manner whatsoever, (iii) the lessees respectively named therein are

not in material default under any of the terms, covenants or conditions thereof, (iv) no rent reserved in any of the Leases has been assigned or anticipated, and (v) no such rent for any period subsequent to the date of this Assignment has been collected more than thirty (30) days in advance of the time when the same became due under the respective terms of the Leases.

4. Assignor's Covenants. Assignor covenants and agrees with Assignee that it shall, without cost, liability or expense to Assignee, (i) at all times promptly and faithfully abide by, discharge, and perform each and every covenant, condition and agreement in each of the Leases, on the part of the lessor thereunder to be kept and performed, (ii) enforce or secure the performance of all the covenants, conditions and agreements of the Leases on the part of the lessees thereunder to be kept and performed (iii) appear in and defend any action or proceeding arising under, growing out of or in any manner connected with any of the Leases or the obligations, duties or liabilities of lessor or of the lessees thereunder (iv) transfer and assign to Assignee upon request any Lease or Leases of all or any part of the Premises heretofore or hereafter entered into, and make, execute and deliver to Assignee upon demand, any and all instruments required to effect such assignment, (v) furnish to Assignee, upon request, a written statement containing the name of all lessees under all Leases and terms of all Leases, including the spaces occupied, the rental payable and the security deposits, if any, paid thereunder, (vi) exercise within five (5) days of any demand thereof by Assignee any right to request from the lessee under any of the Leases a certificate with respect to the status thereof, and (vii) not, without Assignees' prior written consent (which shall not be unreasonably withheld), execute an assignment, hypothecation or pledge of any rents of the Premises or of any of the Leases or of all or any part of the Premises, except as security for the indebtedness secured hereby, accept any prepayment of any installment of rent under any of the Leases or permit or consent to any assignment or other transfer, whether absolutely or for collateral purposes, of any of the Leases or all or any portion of the Premises demised thereunder by any lessee under any of such Leases.
5. Certain Rights of Assignor. So long as there shall exist no Event of Default (as defined in Paragraph 6 below) by Assignor, Assignor shall have the right to collect at any time, but not more than thirty (30) days prior to the date provided for the payment thereof, all rents, security deposits, income and profits arising under the Leases and to retain, use and enjoy the same.
6. Event of Default. It shall constitute an "Event of Default" under this Assignment when (a) any default occurs under the Reimbursement Agreement and the Loan Agreement, Mortgage, or in the due and punctual payment of any other indebtedness secured hereby or (b) any default occurs in the due and punctual performance of or compliance with any other term, covenant or condition in this Assignment and said default continues for a period of thirty (30) days after Assignee gives written notice

thereof to Assignor, or (c) any default occurs under any of the Ancillary Documents, as defined in the Loan Agreement or (d) if any of the representations or warranties of the Assignor made herein shall prove to be false in any material respect when made.

7. Assignee's Remedies. Upon the occurrence of an Event of Default and without regard to the adequacy of any other security therefor or whether or not the entire indebtedness secured hereby is declared to be immediately due, forthwith, upon demand of Assignee, Assignor shall surrender to Assignee and Assignee shall be entitled to take actual possession of the Premises, or any part thereof, personally or by its agents or attorneys, and Assignee in its discretion may enter upon and take and maintain possession of all or any part of the Premises, together with all documents, books, records, papers and accounts of the Premises or the then manager of the Premises relating thereto, and may exclude Assignor, its agents or servants, wholly therefrom and may, as attorney in fact or agent of Assignor, or in the name of Assignee and under the powers herein granted: (i) hold, operate, manage, and control the Premises and conduct the business, if any, thereof, either personally or by its agents, and with full power to use such measures, legal or equitable, as in Assignee's sole discretion or in the sole discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues and profits of the Premises including actions for recovery of rent, actions in forcible detainer and actions in distress for rent, hereby granting full power and authority to exercise each and every one of the rights, privileges and powers herein granted at any and all times hereafter, without notice to Assignor, (ii) cancel or terminate any of the Leases or subleases permitted pursuant thereto and approved by Assignee for any cause or on any ground which would entitle Assignor to cancel the same, (iii) elect to disaffirm any other Lease or any sublease made subsequent to the Mortgage or subordinated to the lien thereof (iv) extend or modify any of the then existing Leases and make new Leases, which extensions, modifications and new Leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness secured hereby and the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such Leases, and the options or other such provisions to be contained therein, shall be binding upon Assignor and all persons whose interests in the Premises are subject to the lien hereof and shall also be binding upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the secured indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate or sale of deed to any purchaser, (v) make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements to the Premises as to Assignee may seem necessary or desirable, (vi) insure and reinsure the Premises and all risks incidental to Assignee's possession, operation and management thereof and (vii) receive all avails, rents, issues and profits.

8. Application of Rents. Any avails, rents, issues and profits of the Premises received by Assignee pursuant hereto shall be applied in payment of or on account of the following, in such order as Assignee may determine: (i) to the payment of the operating expenses of the Premises, including reasonable compensation to Assignee or its agent or agents, and lease commissions and other compensation and expenses of seeking and procuring lessees and entering into Leases and the payment of premiums on insurance hereinabove authorized, (ii) to the payment of taxes, special assessments, and water taxes now due or which may hereafter become due on the Premises, or which may become a lien prior to the lien of the Mortgage, (iii) to the payment of all repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements of the Premises, including the cost from time to time of installing or replacing personal property in such condition as will, in the judgment of Assignee, make the Premises readily rentable, (iv) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale, or (v) with respect to any surplus of remaining funds, to the Assignor and its respective successors, or assigns, as its rights may appear.
9. No Liability. Assignee shall not be liable for any loss sustained by Assignor resulting from Assignee's failure to let the Premises after the occurrence of an Event of Default or from any other act or omission of Assignee in managing the Premises after the occurrence of an Event of Default unless such loss is caused by the willful misconduct and bad faith of Assignee. Assignee shall not be obligated to perform or discharge, and Assignee does not undertake to perform or discharge, any obligation, duty or liability under the Leases or under or by reason of this Assignment, and Assignor shall and does hereby agree to indemnify Assignee for, and to hold Assignee harmless from any and all liability, loss or damage which may or might be incurred under any of the Leases or under or by reason of this Assignment and from any and all claims and demands whatsoever which may be asserted against Assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases, unless proximately caused by Assignee's willful action or gross negligence. Should Assignee incur any such liability under the Leases, or under or by reason of the assignment or in defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby and be immediately due and payable. This Assignment shall not operate to place responsibility for the control, care, management or repair of the Premises upon Assignee, or for the carrying out of any of the terms and conditions of any of the Leases, nor shall it operate to make Assignee responsible or liable for any waste committed on the Premises by any of the lessees under the Lease or any other parties, or for any dangerous or defective conditions 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 of the lessees, licensees, employees or strangers. Nothing



herein contained shall be construed as constituting the Assignee a "mortgagee in possession" in the absence of the taking of actual possession of the Premise by Assignee pursuant to the provisions of this Assignment.

10. Cancellation of Assignment. Upon the termination of the credit facilities provided under the Reimbursement Agreement and the Loan Agreement and payment in full of the indebtedness secured hereby in accordance with the Reimbursement Agreement and the Loan Agreement, this Assignment shall become and be void and of no further effect but the affidavit, certificate, letter or statement of any officer, agent or attorney of Assignee showing any part of the indebtedness secured hereby to remain unpaid shall be and shall constitute conclusive evidence of the validity, effectiveness and continuing force of this Agreement and any person may, and is hereby authorized to rely thereon.
11. Attornment. Assignor hereby authorizes and directs the lessee named in each of the Leases, and any other or future lessee or occupant of the Premises, upon receipt from Assignee of written notice to the effect that Assignee is the holder of the Mortgage and that an Event of Default exists thereunder or under this Agreement, to pay over to the Assignee all rents, security deposits, and other sums, if any, arising or accruing under such lease and to continue to do so until otherwise notified by Assignee. If requested by a lessee, Assignee will execute and deliver a non-disturbance agreement with such lessee, provided that the terms of any such non-disturbance agreement shall be acceptable to Assignee in its sole discretion.
12. Release and Substitution of Security. Assignee may take or release other security for the indebtedness secured hereby, may release any party primarily or secondarily liable therefor and may apply any other security held by it to the satisfaction of the indebtedness secured hereby without prejudice to any of its rights under this Assignment.
13. Meaning of Term "Leases". The term "Leases" as used herein means each of the Leases hereby assigned and any extension or renewal thereof and any future leases affecting the Premises.
14. No Waivers. Nothing contained in this Assignment and no act done or omitted by Assignee pursuant to the powers and rights granted it hereunder shall be deemed to be a waiver by Assignee of its rights and remedies under the Loan Agreement, or under any document entered into pursuant to the Loan Agreement, and this Assignment is made without prejudice to any of the rights and remedies possessed by Assignee under the terms of the Loan Agreement, and any other documents executed pursuant thereto. The right of Assignee to collect the principal sum and interest thereon of the secured indebtedness and to enforce any other security therefor

held by it may be exercised by Assignee either prior to, simultaneously with or subsequent to any action taken by it hereunder.

15. Binding on Successors. This Assignment and the covenants therein contained shall inure to the benefit of Assignee and any subsequent holder of the Mortgage and shall be binding upon the Assignor and Assignee, their respective successors and assigns, and all words and phrases shall be taken to include the singular or plural and masculine, feminine or neuter gender, as may fit the case.
16. Assignment as Additional Security. This Assignment is given as additional security for all sums secured by the Mortgage. The security of this Assignment is and shall be primary and on a parity with the Premises conveyed by the Mortgage and not secondary. All amounts collected hereunder, after deducting the expenses of collection, shall be applied on account of the indebtedness secured hereby, or in such other manner as may be provided for in the Mortgage or in any general assignment of rents given as additional security for the indebtedness secured hereby. This Assignment is intended to be supplementary to and not in substitution for or in derogation of any assignment of rents to secure the indebtedness secured hereby or secured by the Mortgage or in any other document.
17. Subrogation. The Assignee shall be subrogated to any lien discharged out of the avails, rents, incomes and profits of the Premises.
18. Severability. If any provision of this Assignment or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Assignment and the applications of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the extent permitted by law.
19. Modification. No change, amendment, modification, cancellation or discharge hereof, or any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns.
20. Applicable Law. This Assignment shall be interpreted, construed and enforced under the laws of the State of Illinois.

21. Notices. All notices, requests, demands, directions and other communications provided for hereunder shall be in writing (including telecopied communication) and mailed, telecopied or delivered to the applicable party at the address indicated below:

If to the Assignee:

LaSalle Bank National Association  
3201 North Ashland Avenue  
Chicago, Illinois 60657-2107  
Attention: Mr. Michael A. Whiteside  
Fax Number: (773) 244-7432

If to Assignor:  
Little Lady Foods, Inc.  
2325 Pratt Boulevard  
Elk Grove Village, Illinois 60007  
Attention: Mr. John T. Geocaris  
Fax Number: (847) 806-0026

Any party shall have the right at any time, and from time to time, to receive notice or other communication at such other address as shall be designated by such party in a written notice given to the other parties, and given in the manner, specified in this Section 21.

Notice from one party to another relating to this Assignment shall be deemed effective if made in writing (including telecommunications) and delivered to the recipient's address, telex number or telecopier number set forth above by any of the following means: (a) hand delivery, (b) registered or certified mail, postage prepaid, with return receipt requested, (c) first class or express mail, postage prepaid, (d) Federal Express, Purolator Courier or like overnight courier service or (e) telecopy, telex or other wire transmission with request for assurance of receipt in a manner typical with respect to communication of that type. Notice made in accordance with this paragraph shall be deemed delivered upon receipt if delivered by hand or wire transmission, three (3) business days after mailing if mailed by first class registered or certified mail or one (1) business day after mailing or deposit with an overnight courier service if delivered by express mail or overnight courier. This notice provision shall be inapplicable to any judicial or non-judicial proceeding where other law governs the manner and timing of notices in foreclosure or receivership proceeds.



IN WITNESS WHEREOF, Assignor has executed this Assignment of Rents and of Lessor's Interest in Leases on the day and year first above written.

LITTLE LADY FOODS, INC.  
An Illinois Corporation

By: [Signature]  
Its: President

Property of Cook County Clerk's Office

State of Illinois )  
 ) SS.  
County of Cook )

Before me, the undersigned, a Notary Public in and for the County and State aforesaid, on this 14 day of March, 2001, appeared John T. Geocaris, known to me personally, and who, being by me first duly sworn, deposes and says that he is the President of Little Lady Foods, Inc. and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and said John T. Geocaris acknowledged his signature to be his voluntary act and the voluntary act of said corporation.

*Susan M Marchewski*  
\_\_\_\_\_  
Notary Public



My commission expires: \_\_\_\_\_

State of Illinois )  
 ) SS.  
County of Cook )

Before me, the undersigned, a Notary Public in and for the County and State aforesaid, on this \_\_\_\_\_ day of March, 2001, appeared \_\_\_\_\_ known to me personally, and who, being by me first duly sworn, deposes and says that she is the \_\_\_\_\_ of LaSalle Bank, National Association and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors and said \_\_\_\_\_ acknowledged her signature to be her voluntary act and the voluntary act of said corporation.

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

My commission expires: \_\_\_\_\_

This instrument was prepared by:

Darrell W. Pierce, Esq.  
Dykema Gossett  
55 East Monroe Street  
Suite 3050  
Chicago, Illinois 60603

After this instrument is recorded, please return to the above-named person at the above address.

EXHIBIT A

LEGAL DESCRIPTION OF PREMISES (2323 Pratt Boulevard)

THE EAST 240 FEET OF THE WEST 1270.98 FEET OF LOT 9 IN CENTEX INDUSTRIAL PARK  
UNIT NO. 2 BEING A SUBDIVISION IN SECTION 35, TOWNSHIP 41 NORTH, RANGE 11 EAST OF  
THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PERMANENT INDEX NUMBER: 08-35-403-021-0000

EXHIBIT B

LEASES (2323 Pratt Boulevard)

CHI01\26052.2  
ID\JTDE

080873.0005

Property of Cook County Clerk's Office