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Eugene "Gene" Moore Fee: \$40.50
Cook County Recorder of Deeds
Date: 05/13/2003 04:19 PM Pg: 1 of 9

This instrument prepared by
and when recorded return to:
Michael L. Gaynor
Assistant Corporation Counsel
City of Chicago
Office of Corporation Counsel
Room 600
121 North LaSalle Street
Chicago, Illinois 60602

ASSIGNMENT OF RENTS AND LEASES

Dated as of May 13, 2003

KNOW ALL PERSONS BY THESE PRESENTS THAT

Senior Suites Chicago Rainbow Beach, LLC, an Illinois limited liability company (the "Assignor"), whose office is located at 111 East Wacker Drive, Chicago Illinois, in consideration of One Dollar paid by the City of Chicago, Illinois (the "Assignee"), whose office is located at 121 North LaSalle Street, Chicago, Illinois 60602, hereby conveys, transfers and

(a)

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assigns unto the Assignee, its successors and assigns, all the rights, interest and privileges, which the Assignor, its successors and assigns, as lessor, has and may have in the leases now existing (as more particularly described on Exhibit B attached hereto and hereby made a part hereof) or hereafter made and affecting the real property described below or any part thereof, as said leases may have been or may from time to time be hereafter, modified, extended and renewed, with all rents, income, issues and profits due and becoming due therefrom. The Assignor will, on request of the Assignee, execute assignments of any future leases affecting any part of the Premises (as defined in the hereinafter defined Mortgage).

This Assignment of Rents and Leases (this "Assignment") is made as additional security for the obligations of the Assignor under a certain Housing Loan Agreement dated of even date herewith (hereinafter, as the same may be amended, supplemented and restated from time to time called the "Loan Agreement") between the Assignor and the Assignee and for the obligations of the Assignor under his promissory note (herein such note, together with any and all amendments or supplements thereto, extensions thereof and notes which may be taken in whole or partial renewal, substitution or extension thereof, shall be called the "Note") in the principal amount of \$3,705,371, dated of even date herewith and payable to the Assignee. The obligations of the Assignor under the Loan Agreement and the Note are secured by, among other things, a certain Junior Mortgage, Security Agreement and Financing Statement dated of even date herewith (hereinafter, as the same may be amended, supplemented and restated from time to time called the "Mortgage") from the Assignor to the Assignee, which Mortgage constitutes a lien on and otherwise relates to certain interests of the Assignor in certain real estate situated in the City of Chicago, Cook County, Illinois, described in Exhibit A attached hereto and hereby made a part hereof, and described in the Mortgage, and the acceptance of this Assignment and the collection of rents or the payments under the leases hereby assigned shall not constitute a waiver of any rights of the Assignee under the terms of the Mortgage. It is expressly understood and agreed by the parties hereto that before an event of default (which is not cured within any applicable notice and/or cure periods) occurs hereunder, or under the terms of the Loan Agreement, the Mortgage or any of the other Loan Documents (as defined in the Loan Agreement) (an "Event of Default"), the Assignor shall have the right to collect said rents, income, issues and profits from the aforementioned leases and to retain, use and enjoy the same; provided, however, that even before an Event of Default occurs, no rent more than one month in advance (other than reasonable security deposits) shall be collected or accepted without the prior written consent of the Assignee. Anything to the contrary notwithstanding, after the occurrence of an Event of Default, the Assignor hereby assigns to the Assignee any award made hereafter to the Assignor in any court procedure involving any of the lessees in any bankruptcy, insolvency or reorganization proceedings in any state or federal court, and any and all payments made by lessees in lieu of rent. Upon the occurrence of an Event of Default, the Assignor hereby appoints the Assignee as its irrevocable attorney in fact to appear in any action and/or to collect any such award or payment; subject to the condition, however, that if after the occurrence of an Event of Default, said Event of Default shall be cured or waived, the appointment of the Assignee as attorney in fact for the Assignor shall cease and determine.

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The Assignor, if an Event of Default has occurred and is continuing, hereby authorizes the Assignee, at its option, to enter and take possession of the Premises and to manage and operate the same, to collect all or any rents accruing therefrom and from said leases, to let or relet the Premises or any part thereof, to cancel and modify leases, evict tenants, bring or defend any suits in connection with the possession of the Premises in its own name or the Assignor's name, make repairs as the Assignee deems appropriate, and perform such other acts, in its own name or the Assignor's name, in connection with the management and operation of the Premises as the Assignee, in its discretion, may deem proper. The Assignor, in such case, shall cooperate with the Assignee in all other respects to effectuate the terms and conditions hereof.

The receipt by the Assignee of any rents, income, issues or profits pursuant to this Assignment after the institution of foreclosure proceedings under the Mortgage shall not cure such default nor affect such proceedings or any sale pursuant thereto. Upon foreclosure of the Mortgage (for which this Assignment serves as additional security), it is understood by the Assignor and the Assignee that the Assignee's rights under this Assignment continue through the period of foreclosure.

The Assignee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by the Assignor under any of the said leases, and the Assignor hereby agrees to indemnify the Assignee for, and to defend and save it harmless from, any and all liability arising from any of said leases or from this Assignment (other than any liability arising out of the Assignee's gross negligence or willful misconduct following the Assignee's acquisition of title to or control of the Premises, unless such act is taken in response to (1) any negligent act or omission of the Assignor, the Managing Member or the Owner, if any, or (2) any breach (other than failure to repay the Loan) by the Assignor, the Managing Member or the Owner, if any, of any provisions of the instruments executed by the Assignor, the Managing Member or the Owner, if any, in connection with the Loan), and this Assignment shall not place responsibility for the control, care, management or repair of the Premises upon the Assignee, or make the Assignee responsible or liable for any negligence in the management, operation, upkeep, repair or control of the Premises resulting in loss or injury or death to any tenant, licensee, employee or stranger.

The Assignor covenants and represents that (i) the Assignor has full right and title to assign all leases assigned hereunder and the rents, income, issues and profits due or to become due thereunder; (ii) the terms of said leases have not been changed from the terms in the copy of said leases submitted to the Assignee for approval; (iii) no other assignment of any interest therein has been made other than to the Senior Lender, if any, and the Junior Lender, if any (both as defined in the Loan Agreement); (iv) there are no existing defaults under the provisions thereof; (v) all rents due under any of said leases on or before the date hereof have been paid in full to the Assignor; (vi) other than reasonable security deposits, no rents under any of said leases have heretofore been collected more than one month in advance; (vii) the Assignor has not granted any concession to any lessee under any of said leases other than as appears in the terms thereof; (viii) the Assignor will comply with all of the material terms of all of said leases; (ix) the

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Assignor will promptly give the Assignee a copy of any notice received by the Assignor concerning any material default by the Assignor under any of said leases; and (x) the Assignor will not hereafter cancel, surrender or terminate any of said leases, or exercise any option which might lead to such termination or change, or alter or modify any of said leases or consent to the release of any party liable thereunder or to the assignment of any lessee's interest in the lease to which such lessee is a party, other than in the ordinary course of business of the Assignor.

The Assignor hereby authorizes the Assignee, if an Event of Default has occurred and is continuing, to give notice in writing of this Assignment at any time to any tenant under any of said leases.

The full performance of the Loan Agreement and the Mortgage and the duly recorded release or reconveyance of the Premises and security interests described therein shall render this Assignment void and upon the written request of the Assignor, the Assignee shall execute and deliver to the Assignor a recordable release of this Assignment.

The net proceeds collected by the Assignee under the terms of this Assignment shall be applied, at the option of the Assignee, to pay all costs and expenses in connection with the management and operation of the Premises, and/or to pay all or any portion of the entire indebtedness from time to time outstanding and secured by the Loan Agreement and the Mortgage. The Assignee shall not be accountable for any monies other than said net proceeds actually received by the Assignee under the terms of this Assignment, nor shall the Assignee be liable for any failure to collect rents or other payments due from lessees under the leases assigned hereunder.

This Assignment applies to and binds the parties hereto and their respective heirs, administrators, executors, successors and assigns, as well as any subsequent owner of the real estate described herein and any assignee of the Mortgage.

This Assignment is subject and subordinate in each and every respect to any and all rights of any kind created by that certain Loan Agreement from the Assignor to Harris Trust and Saving Bank (the "Senior Lender") dated May 13, 2003 and recorded prior to the recording of this Assignment in the Office of the Cook County Recorder of Deeds, securing a note of even date therewith in the amount of \$635,500 in favor of the Senior Lender.

So long as that certain Loan Agreement from the Assignor to the Senior Lender (the "Senior Document") is in effect, in the event of any conflict between the provisions of this Agreement and the Senior Document, the provisions of the Senior Document shall prevail. Any waiver or forbearance by the Senior Lender under the Senior Loan Documents shall not impair the priority of its lien under the Senior Loan Documents.

This Assignment shall be governed as to performance and interpretation in accordance with the internal laws of the State of Illinois without regard to its conflict of laws principles.

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If any provision of this Assignment, or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstance, is held invalid, the remainder of this Assignment shall be construed as if such invalid part were never included herein and this Assignment shall be and remain valid and enforceable to the fullest extent permitted by law.

All capitalized terms used but not otherwise defined herein shall have the same meanings as set forth in the Loan Agreement.

The indebtedness evidenced by the Note shall be non-recourse to the extent and in accordance with the conditions specified therein and in the Loan Agreement.

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IN WITNESS WHEREOF, the Assignor has hereunto set its hand and seal as of the day and year first above written.

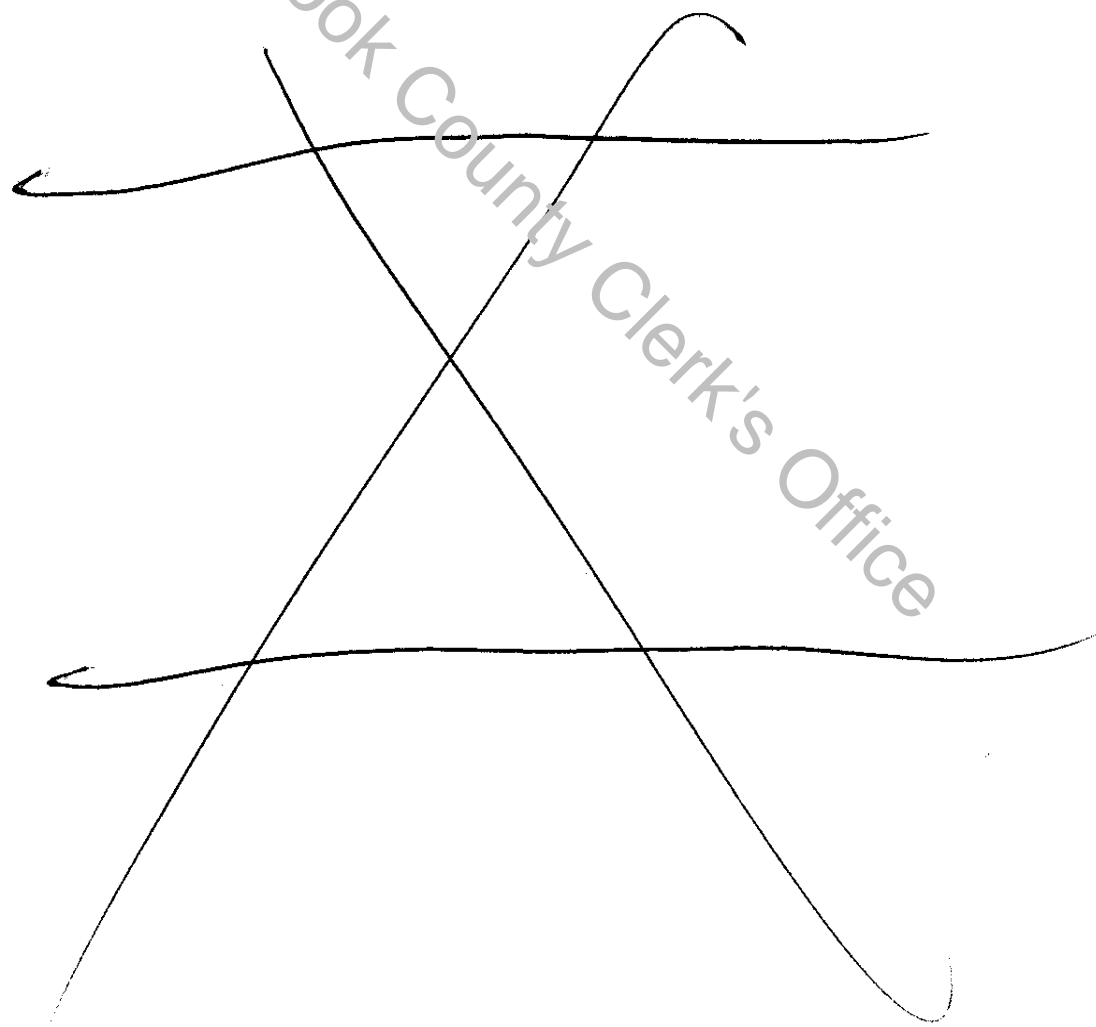
SENIOR SUITES CHICAGO RAINBOW BEACH,
LLC, an Illinois limited liability company

BY: Senior Suites Chicago Corporation, an
Illinois corporation and sole managing
member of the Assignor

By: *[Handwritten Signature]*

Its: Asst. Treasurer

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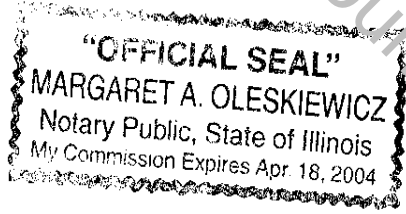
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that ROBERT M. GAWRONSKI, personally known to me to be the ASST. TREASURER of Senior Suites Chicago Corporation (the "Managing Member"), an Illinois corporation and Managing Member of Senior Suites Chicago Rainbow Beach, LLC (the "Assignor"), an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such ASST. TREASURER, (s)he signed and delivered the said instrument pursuant to authority given by the Board of Directors of the Managing Members as their free and voluntary act, and as the free and voluntary act and deed of the Managing Member and the Assignor, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 9th day of MAY, 2003.

Margaret A. Oleskiewicz
Notary Public

(SEAL)



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EXHIBIT A

Legal Description

Parcel 1:

Lots 2, 3, 4 and 5 (except the Northeast 16 feet of Lot 5 taken for public alley) in Fourth East Addition to Cheltenham Beach, a resubdivision of Lots 29, 31 and 33 in Division Number 1 of West Fall's Subdivision of 208 acres being a subdivision of the East ½ of the Southwest ¼ and the Southeast Fractional ¼ of Section 30, Township 38 North, Range 15 East of the Third Principal Meridian.

Parcel 2:

All that part of the vacated alley lying Northerly, Northeasterly and Easterly of and adjoining the Northerly, Northeasterly and Easterly lines of Lots 2, 3 and 4 and Westerly, Southwesterly and Southerly of and adjoining the Westerly, Southwesterly and Southerly line of lot 5 in Fourth East Addition aforesaid.

Parcel 3:

The Northwesterly ½ of all that part of the Northeasterly and Southwesterly 10 feet vacated alley lying Southeasterly of and adjoining the Southeasterly line of Lots 4 and 5 (except Northeasterly 16 feet taken for public alley) lying Southeasterly of and adjoining the Southeasterly line of said Lot 4 produced Northeasterly 25 feet in Fourth East Addition aforesaid.

Parcel 4:

Lots 1, 2, 3, 4, 5, 6, 7 and 8 (except the Northeasterly 16 feet thereof taken for public alley) in Third East Addition to Cheltenham Beach, being a subdivision of Lots 35, 36, 37, 38, 39 and 40 in division 1 of Westfall's Subdivision in Section 30, Township 38 North, Range 15 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 5:

The Southeasterly ½ of all that part of the Northeasterly and Southwesterly 10 feet vacated alley lying Northwesterly of and adjoining to the Northwesterly line of Lots 1 to 7 and Lot 8 (except Northeasterly 16 feet) in Third Addition aforesaid.

Address Commonly Known as:

7729-39 South Exchange Avenue and 2800-04 East 77th Place, Chicago, Illinois 60649.

Permanent Index No.:

21-30-402-033 and 21-30-402-034

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EXHIBIT B

EXISTING LEASES

NONE

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