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Doc#: 0335844003
Eugene "Gene" Moore Fee: \$40.50
Cook County Recorder of Deeds
Date: 12/24/2003 08:26 AM Pg: 1 of 9

prepared by
Carole Kenin Ganguzza, Esq.
Weil, Gotshal & Manges
701 Brickell Avenue
Suite 2100
Miami, Florida 33131

08-08-1103-021

ASSIGNMENT OF RENTS AND LEASES

This Assignment of Rents and Leases (this "Agreement") is executed as of October 8, 2003, by HQ Global Workplaces, Inc., a Delaware corporation, ("Borrower"), whose address for notice hereunder is 16305 Dallas Parkway, Suite 1400, Addison, Texas 75001, for the benefit of BNP Paribas, individually and as Administrative Agent and Collateral Agent for the Secured Parties (as defined in the Credit Agreement (hereinafter defined)) and the L/C Secured Parties (as defined in the Credit Agreement) ("Lender"), whose address for notice is 787 Seventh, New York, New York 10013.

WHEREAS, Mortgagor is the owner and holder of the lessee's interest in that certain lease dated March 16, 1982, the present lessor under which lease is Great Lakes REIT, LP, and the present lessee under which lease is the Mortgagor (the "Master Lease"), with respect to Suite 1200 (the "Premises") in that certain building located on the real estate located at 1600 Golf Road, Corporate Center, Rolling Meadows, Illinois 60008, in the County of Cook and State of Illinois (the "State"), and more fully described in Exhibit A attached hereto, which leased Premises forms a portion of the Property described below;

WHEREAS, the lessor's interest in the Master Lease and the property described in Exhibit A is currently held by Great Lakes REIT LP; and

WHEREAS, pursuant to the Second Amended Joint Plan of Reorganization of HQ Global Holdings Inc., HQ Global Workplaces, Inc. and its Subsidiaries dated July 18, 2003, as modified submitted by HQ Global Holdings Inc., HQ Global Workplaces, Inc. and its Subsidiaries and the United States Bankruptcy Court, District of Delaware (the "Court"), Case No. 02-10760 (MFW). In Re: HQ Global Holdings, Inc., a Delaware Corporation, et al, Debtors and confirmed by the Court pursuant to Findings of Fact, Conclusions of Law and Order Confirming the Second Amended Joint Plan of Reorganization of HQ Global Holdings, Inc. and its Debtor Subsidiaries, as modified. HQ Global Holdings Inc., a Delaware corporation ("Holdings"), Mortgagor, certain of its Subsidiaries, (such Subsidiaries, together with Holdings and Mortgagor, the "Borrower") entered into, inter alia, (i) that certain Credit Agreement dated October 8, 2003 by and among Mortgagor, as Borrower, HQ Global Holdings, Inc. and the Lenders and Issuers party thereto and BNP Paribas, as Administrative Agent and Collateral Agent (as the same may be amended, restated, modified or otherwise supplemented and in effect from time to time, hereinafter the "Credit Agreement"), under which the Secured Parties agreed to make available to Borrower certain loans and other financial accommodations which loans

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and financial accommodations are in the form of revolving credit loans to Borrower and letters of credit for the account of Borrower, all in the aggregate principal amount not to exceed at any time \$20,000,000 (the "Loan") and (ii) that certain Subordinated Secured Letter of Credit Facility dated October 8, 2003 by and among Mortgagor, as Borrower, HQ Global Holdings, Inc. and the Lenders and Issuers party thereto and BNP Paribas, as Administrative Agent and Collateral Agent (as the same may be amended, restated, modified or otherwise supplemented and in effect from time to time, hereinafter the "Letter of Credit Facility") under which the L/C Secured Parties have made available a letter of credit facility in an amount not to exceed \$12,441,409.60;

AGREEMENT:

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender agree as follows:

1. **Absolute Assignment.** Borrower unconditionally and absolutely assigns to Lender all of its respective right, title and interest in and to: (a) all leases, subleases, occupancy agreements, licenses, usufructs, rental contracts and other agreements now or hereafter existing relating to the use or occupancy of the Premises located on the parcel of real property described in Exhibit A hereto (collectively, the "Property"), together with all guarantees, modifications, extensions and renewals thereof (collectively, the "Leases"); and (b) all rents, issues, profits, income and proceeds due or to become due from tenants of the Property, including rentals and all other payments of any kind under the Leases, together with all deposits (including security deposits) of tenants thereunder (collectively, the "Rents"). This Agreement is an absolute assignment to Lender and not an assignment as security for the performance of the obligations under the Loan Documents (defined below), or any other indebtedness.

2. **Rights of Lender.** Subject to the provisions of Section 6 below, during the continuance of an Event of Default (as defined in the Credit Agreement), Lender shall have the right, power and authority to: (a) notify any person that the Leases have been assigned to Lender and that all Rents are to be paid directly to Lender, whether or not Lender has commenced or completed foreclosure or taken possession of the Property; (b) settle, compromise, release, extend the time of payment of, and make allowances, adjustments and discounts of any Rents or other obligations under the Leases; (c) enforce payment of Rents and other rights under the Leases, prosecute any action or proceeding, and defend against any claim with respect to Rents and Leases; (d) enter upon, take possession of and operate the Property; (e) lease all or any part of the Property; and/or (f) perform any and all obligations of Borrower under the Leases and exercise any and all rights of Borrower therein contained to the full extent of Borrower's rights and obligations thereunder, with or without the bringing of any action or the appointment of a receiver. At Lender's request, during the continuance of an Event of Default, Borrower shall deliver a copy of this Agreement to each tenant under a Lease and to each manager and managing agent or operator of the Property. Borrower irrevocably directs any tenant, manager, managing agent, or operator of the Property, without any requirement for notice to or consent by Borrower, to comply with all demands of Lender under this Agreement and to turn over to Lender on demand all Rents which it receives.

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3. **No Obligation**. Notwithstanding Lender's rights hereunder, Lender shall not be obligated to perform, and Lender does not undertake to perform, any obligation, duty or liability with respect to the Leases, Rents or Property on account of this Agreement. Lender shall have no responsibility on account of this Agreement for the control, care, maintenance or repair of the Property, for any waste committed on the Property, for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property.

4. **Right to Apply Rents**. Lender shall have the right, but not the obligation, to use and apply any Rents received by Lender hereunder in such order and such manner as Lender may determine for:

- (a) **Enforcement or Defense**. The payment of costs and expenses of enforcing or defending the terms of this Agreement or the rights of Lender hereunder, and collecting any Rents;
- (b) **Credit Agreement**. Interest, principal or other amounts payable pursuant to (1) the Credit Agreement and the Letter of Credit Facility and (2) any of the other Loan Documents and the Letter of Credit Facility (each as defined and described in the Credit Agreement); and
- (c) **Operating Expenses**. Payment of costs and expenses of the operation and maintenance of the Property, including (1) rentals and other charges payable by Borrower under any ground lease or other agreement affecting the Property; (2) ground rent, electricity, telephone, water and other utility costs, taxes, assessments, water charges and sewer rents and other utility and governmental charges levied, assessed or imposed against the Property; (3) insurance premiums; (4) costs and expenses with respect to any litigation affecting the Property, the Leases or the Rents; (5) wages and salaries of employees, commissions of agents and attorneys' fees and expenses; and (6) all other carrying costs, fees, charges, reserves, and expenses whatsoever relating to the Property.

After the payment of all such costs and expenses and after Lender has established such reserves as it, in its sole discretion, deems necessary for the proper management of the Property, Lender shall apply all remaining Rents received by it to the reduction of the Loan.

5. **No Waiver**. The exercise or nonexercise by Lender of the rights granted in this Agreement or the collection and application of Rents by Lender or its agent shall not be a waiver of any default by Borrower under this Agreement or any other Loan Document. No action or failure to act by Lender with respect to any obligations of Borrower under the Loan Documents, or any security or guaranty given for the payment or performance thereof, shall in any manner affect, impair or prejudice any of Lender's rights and privileges under this Agreement, or discharge, release or modify any of Borrower's duties or obligations hereunder.

6. **Revocable License**. Notwithstanding that this Agreement is an absolute assignment of the Rents and Leases and not merely the collateral assignment of, or the grant of a lien or security interest in the Rents and Leases, Lender grants to Borrower a revocable license to collect and receive the Rents and to retain, use and enjoy such Rents. Such license may be

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revoked by Lender upon the occurrence of any Event of Default. Borrower shall apply any Rents which it receives to the payment of debt service on the Note and other payments due under the Credit Agreement, ground rent, taxes, assessments, water charges, sewer rents and other governmental charges levied, assessed or imposed against the Property, insurance premiums, operation and maintenance charges relating to the Property, and other obligations of lessor under the Leases before using such proceeds for any other purpose, unless approved by Lender.

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7. **Term.** This Agreement shall continue in full force and effect until (a) all amounts due under the Loan Documents are paid in full, and (b) all other obligations of Borrower under the Loan Documents are fully satisfied.

8. **Appointment.** Borrower irrevocably appoints Lender its true and lawful attorney in fact, which appointment is coupled with an interest, to execute any or all of the rights or powers described herein with the same force and effect as if executed by Borrower, and Borrower ratifies and confirms any and all acts done or omitted to be done by Lender, its agents, servants, employees or attorneys in, to or about the Property.

9. **Liability of Lender.** Lender shall not in any way be liable to Borrower for any action or inaction of Lender, its employees or agents under this Agreement, except for Lender's gross negligence or willful misconduct.

10. **Indemnification.** Borrower shall indemnify, defend and hold harmless Lender from and against all liability, loss, damage, cost or expense which it may incur under this Agreement or under any of the Leases, including any claim against Lender by reason of any alleged obligation, undertaking, action, or inaction on its part to perform or discharge any terms, covenants or conditions of the Leases or with respect to Rents, and including attorneys' fees and expenses, including those arising from the joint, concurrent, or comparative negligence of Lender; however, Borrower shall not be liable under such indemnification to the extent such liability, loss, damage, cost or expense results solely from Lender's gross negligence or willful misconduct. Any amount covered by this indemnity shall be payable on demand, and shall bear interest from the date of demand until the same is paid by Borrower to Lender at a rate equal to the Default Rate (as defined in the Credit Agreement).

11. **Modification.** This Agreement may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of such change is sought.

12. **Successors and Assigns.** This Agreement shall inure to the benefit of Lender and its successors and assigns and shall be binding on Borrower and its successors and assigns.

13. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State where the Premises are located.

14. **Conflict.** If any conflict or inconsistency exists between the absolute assignment of the Rents and the Leases in this Agreement and the assignment of the Rents and Leases as security in the Mortgage of even date herewith made by Borrower in favor of Lender and encumbering the Premises, the terms of this Agreement shall control.

15. **Waiver of Jury Trial.** BORROWER AND LENDER HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF EITHER PARTY OR ANY EXERCISE BY ANY PARTY OF

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THEIR RESPECTIVE RIGHTS UNDER THE LOAN DOCUMENTS OR IN ANY WAY RELATING TO THE LOAN (INCLUDING, WITHOUT LIMITATION, ANY ACTION TO RESCIND OR CANCEL THIS AGREEMENT, AND ANY CLAIMS OR DEFENSES ASSERTING THAT THIS AGREEMENT WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE). THIS WAIVER IS A MATERIAL INDUCEMENT FOR LENDER TO ACCEPT THIS AGREEMENT.

[SIGNATURE APPEARS ON FOLLOWING PAGE]

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Executed as of the date first written above.

Signed, sealed and
delivered in the presence:

HQ Global Workplaces Inc., a Delaware
corporation

Pam Chreene
Print Name: PAM CHREENE

By: [Signature]
Ken Pearson, Vice President and General Counsel

[Signature]
Print Name: Stephen M. Callahan

Address: 15305 Dallas Parkway
Suite 1400
Addison, Texas 75001

STATE OF TEXAS

COUNTY OF DALLAS

ss.:

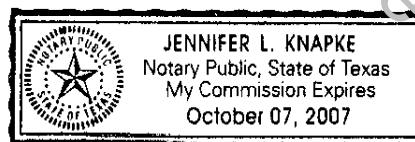
The foregoing instrument was acknowledged before me this 20th day of October, 2003, by Ken Pearson, as Vice President and General Counsel of HQ Global Workplaces, Inc., a Delaware corporation, on behalf of said corporation. He is personally known to me.

[Signature]
Signature of Notary Public

Jennifer L. Knapke
Printed Name of Notary Public

My Commission Expires:

[SEAL]



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EXHIBIT A

[DESCRIPTION OF LAND]



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08	08	403	021		49	16053
AREA	SUB-AREA	BLOCK	PARCEL	UNIT	WARRANT	CODE

OFFICE OF THE CLERK OF COOK COUNTY, ILLINOIS

PERMANENT REAL ESTATE INDEX NUMBER AND LEGAL DESCRIPTION

VOLUME

49

TAX CODE

AREA SUB-AREA BLOCK PARCEL UNIT
08- 08- 403- 021

16053

1985 DIVISION

403 - 002
Block 403 Parcel 002

58-62 VENTURE SUB

8/

SEC.	TOWN	RANGE	LOT	SUB-LOT	LOT	BLOCK
9	41	11				

BEG AT SE COR LOT 4 TH N 89deg 51'05" W ALG S/L LOT

2&4 334.79FT TH S 88deg 15'10"W ALG S/L LOT 2 162.03FT

TH N 0deg 17'57" W 1128.93FT TH N 89deg 42'03" E 137FT

TH S 0deg 17'57" E 159.65FT TH S 50deg 40'22" E 149.69

FT TH S 0deg 17'57" E 19.37FT TH N 89deg 42'03" E 227.47

FT TO A PNT ON E/L LOT 4 TH S 0deg 17'57" E 853.38FT TO

POB

(2)

(4)

PRYOR 306113

1600 GOLF ROAD, CORPORATE CENTER
Rolling Meadows 60008