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Doc#: 0812733168 Fee: \$48.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 05/06/2008 11:39 AM Pg: 1 of 7

Steven F. Ginsberg, Esq.  
Levenfeld Pearlstein, LLC  
2 North LaSalle Street  
Suite 1300 Chicago, Illinois 60602

## ASSIGNMENT OF RENTS AND LEASES

ASSIGNMENT, made this 2nd day of May, 2008.

### RECITALS:

- 8 3 7/68 7 220K
- A. **2010 N. HALSTED, LLC**, an Illinois limited liability company whose address is 908 North Halsted, Chicago, Illinois 60622, ("Owner"), is present owner in fee simple of real property located in the city of Chicago, Cook County, Illinois, described as follows:
- Commonly Known As: 2010 East Halsted, Chicago, Illinois  
Parcel I.D. #: 14-32-228-041-0000
- B. **NATIONAL CITY BANK**, (the "Bank") has made or agreed to make a certain loan or loans in the principal sum of \$15,000,000.00 (collectively the "Loan") to **L.I. DEVELOPMENT VII, LLC, 2010 N. HALSTED, LLC, 2118 HALSTED ASSOCIATES, LLC, 2299 N. CLYBOURN, LLC, 2731 N. CLARK, LLC, LI. 853, LLC and 841 W. ARMITAGE, LLC** (collectively, the "Borrower"), which is evidenced by a certain promissory note of even date herewith (the "Note"), secured in part by an assignment of leases covering all or a portion of the property owned by the Owner described above (the "Property"); and
- C. A part or all of the Property has been demised or will be demised under leases (the "Leases") between Owner and certain tenants now or hereinafter existing at the Property (the "Lessees"); and
- D. The Bank, as a condition to making or renewing the Loan, requires an assignment of all the rights, interest and privileges, which the Owner has and may have in any lease or leases, now existing or hereafter made, affecting the Property, or any part thereof, with all rents, income and profits due and becoming due therefrom, including, but not limited to, the Lease, and the rents, issues and profits therein provided, as additional security for payment of the Loan.

Box 400-CTCC

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NOW, THEREFORE, in consideration of the foregoing and for good and valuable consideration, the receipt of which is acknowledged by Owner, Owner hereby assigns, transfers, and sets over unto Bank all the rights, interests and privileges, which the Owner has and may have in any lease or leases, now existing or hereafter made, affecting the Property, or any part thereof, with all rents, income and profits due and becoming due therefrom, including, but not limited to, the Lease, and rents, issues and profits therein provided and all monies due and to become due in connection with the exercise by the Lessee of any option, if any, to purchase the Property, all as additional security for payment and performance of the Loan of the following (the "Indebtedness"):

The principal sum of money and said interest and late charges and prepayment premiums in accordance with the terms, provisions and limitations of this Assignment and the Note, and all extensions, modifications and renewals thereof, and for the purpose of further securing the payment of any and all sums, indebtedness and liabilities of any and every kind now or hereafter owing and to become due from the Borrower to the Bank or to the holder or assignee of the Note or this Assignment or under any other instrument, obligations, contracts or agreements, or dealings of any and every kind now or hereafter existing or entered into between the Borrower or Owner and the Bank or otherwise and whether direct, indirect, primary, secondary, fixed or contingent, together with interest and charges as provided in the Note and in any other agreements obligations and liabilities of Owner and Borrower to Mortgagee, whether absolute or contingent, whether now existing or hereafter created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) under (i) any agreement, device or arrangement designed to protect Owner and Borrower from fluctuations of interest rates, exchange rates or forward rates, including, but not limited to, dollar-denominated or cross-currency exchange agreements, forward currency exchange agreements, interest rate caps, collars or floors, forward rate currency or interest rate options, puts, warrants, swaps, swap options, U.S. Treasury locks and U.S. Treasury options. (ii) any other interest rate hedging transactions, such as, but not limited to, managing the Owner's or Borrower's interest rate risk associated with any pending or potential capital market transactions such as fixed rate bond issues and (iii) any and all cancellations, buybacks, reversals, terminations or assignments of any of the foregoing by and between the parties herein, and including all present and future indebtedness incurred or arising by reason of a guaranty to Bank by Owner of present or future indebtedness or obligations of third parties to Bank, and of present and future indebtedness originally owing by Owner to third parties and assigned by said third parties to Bank, and any and all renewals or extensions of any of the foregoing.

1. Owner covenants and agrees to and with Bank that Owner will not without the prior written consent of Bank, which with respect to items (a), (b), (d) and/or (f) below may not be unreasonably withheld or delayed:

- (a) Cancel or forfeit the Leases (by summary proceedings or otherwise);
- (b) Accept a surrender thereof;
- (c) Reduce the rent;
- (d) Modify the Leases in any material way, either orally or in writing;

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- (e) Grant any material concession, in connection with the Leases, either orally or in writing;
- (f) Consent to an assignment of the Lessees' interest in the Leases, or to a sub-letting;
- (g) Collect, or accept payment of, rent under the Leases in advance, except as required to be paid in advance by the terms of the Leases;
- (h) Subordinate, or consent to subordination of the interest of the Lessees in the Leases; and any of the above acts, if done without the prior written consent of Bank, shall be null and void.

2. Bank, by acceptance of this assignment, covenants and agrees to and with the Owner, that, until an Event of Default shall occur in the performance of Owner's covenants or in making of the payments provided for in the Note beyond any applicable notice or cure period, or in the terms and conditions of the Loan, Owner may receive, collect and enjoy the rents, issues, and profits accruing under the Lease; but upon the happening of any default in the performance of the covenants or any Event of Default in the making of the payments provided for in the Loan, or any default in the terms and conditions in the Loan beyond any applicable notice or cure period, Bank may, at its option, receive and collect all the said rents, issues, and profits so long as such default or defaults shall exist, and during the pendency of any foreclosure proceedings and during any redemption period; provided, however, that the Bank as a result of the receipt and collection of such rents, issues and profits shall not be deemed an owner or operator of the Property as may be defined in any state or federal environmental law or regulation.

3. Subject to the rights of Owner set forth herein, the assignment contained herein constitutes a present and absolute collateral assignment of all of Lessor's rights, interest and privileges in the lease or leases affecting the Property.

4. Owner, upon any default or defaults under the Loan beyond any applicable notice or cure period, hereby authorizes Bank, at its option, to enter upon the Property, by its officers, agents or employees, for the collection of the rents and for the operation and maintenance of said premises, Owner hereby authorizing the Bank, in general, to perform all acts necessary for the operation and maintenance of the Property in the same manner and to the same extent that Owner might reasonably so act. Bank shall, after payment of all proper charges and expenses, credit the net amount of income which it may receive by virtue of this assignment, to any amounts due Bank from Owner under the Loan. The manner of application of such net income and the item which shall be credited shall be within the sole discretion of Bank.

5. Owner hereby covenants and warrants to Bank (a) that the Leases, if any, are in full force and effect according to their original terms and that to Owner's knowledge there is no default now existing under the Leases, and (b) that Owner has not (i) executed any prior assignment of any Lease, or the rents thereunder, which is still existing, (ii) performed any acts or executed any other instrument which might prevent Bank from operating under any of the terms or conditions of this Assignment or which would limit Bank in such operation, (iii)

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executed or granted any modification whatever of any Lease, either orally or in writing or consented to subordination of the interest of the Lessee in any Lease.

6. Owner hereby irrevocably authorizes and directs Lessees and any successors to the interest of any Lessee, upon receipt of any written request of Bank stating that a default exists beyond any applicable notice or cure periods in the payments due under, or in the performance of any of the terms, covenants or conditions of, the Loan, to pay to Bank the rents due and to become due under the Leases. Owner agrees that Lessees shall have the right to rely upon any such statement and request by Bank that Lessees shall pay such rents to Bank, without any obligation or right to inquire as to whether such default actually exists and notwithstanding any notice from or claim of Owner to the contrary, and that Owner shall have no right or claim against Lessee for any such rents so paid by Lessees to Bank. Upon the curing of all defaults, Bank shall give written notice thereof to Lessees and thereafter, until the possible receipt of any further similar written requests of Bank, Lessees shall pay the rents to Owner.

7. Bank shall have none of the obligations of the Owner under the Leases.

8. The Leases shall remain in full force and effect despite any merger of Owner's and Lessees' interest thereunder.

9. Bank may take security in addition to the security already given Bank for the payment of the principal and interest provided to be paid in or by the Loan, or release such other security, and may release any party primarily or secondarily responsible on the Loan, may grant or make extensions, renewals, modifications, or indulgences with respect to the Loan, and, if applicable, the Interest Rate Protection Agreement, and replacements or indulgences with respect to the Loan, and replacements thereof, which replacement of the Loan, may be on the same or on terms different from the present terms of the Loan, and may apply any other security thereof held by it to the satisfaction of the Loan, without prejudice to any of its rights hereunder.

10. Owner shall give Bank prompt notice of any lease of the Property it enters into, if the lease is not described in this Assignment. Such lease shall be deemed included in this Assignment from the date of its execution as though originally described herein.

11. All of the covenants and agreements hereinabove contained on the part of either party shall apply to and bind their heirs, executors, or administrators, successors or assigns. The word "Owner" shall be construed to mean any one or more persons, corporations, firms or parties who are holders of the legal title or equity of redemption and those claiming under or through them to, or in, the Property.

12. This assignment shall be governed by the laws of the State of Illinois. If any clause, provision or section of this assignment be ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision or section shall not affect any of the remaining provision thereof.

13. Capitalized terms not otherwise defined herein will have the meanings attributed to them in the Loan Agreement between the Bank and the Borrower dated of even date herewith.

*(signature page follows)*

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THE UNDERSIGNED AND BANK ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS ASSIGNMENT OR THE INDEBTEDNESS.

OWNER:

2010 N. HALSTED, LLC, an Illinois limited liability company

By: \_\_\_\_\_

Frederick S. Latsko, Manager

Property of Cook County Clerk's Office



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## EXHIBIT A

### LEGAL DESCRIPTION

LOT 20 IN BLOCK 8 IN CUSHMAN'S SUBDIVISION OF BLOCK 4 OF SHEFFIELD'S ADDITION TO CHICAGO IN SECTIONS 29 THROUGH 32, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 14-32-228-041-0000

Commonly known as: 2010 East Halsted, Chicago

Property of Cook County Clerk's Office