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THIS INSTRUMENT PREPARED
BY AND RETURN TO:

Doc#: 0911833065 Fee: \$102.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 04/28/2009 10:51 AM Pg: 1 of 13

COURTNEY E. MAYSTER
Schain, Burney, Ross & Citron, Ltd.
222 North LaSalle Street
Suite 1910
Chicago, Illinois 60601

COLLATERAL ASSIGNMENT OF LEASES AND RENTS

THIS COLLATERAL ASSIGNMENT OF LEASES AND RENTS ("Assignment") is made as of this 22nd day of April, 2009, by **BETHANY HOMES AND METHODIST HOSPITAL**, an Illinois not-for-profit corporation ("Assignor") with a mailing address of 5025 North Paulina, Chicago, Illinois 60640, Attention: Stephen A. Dahl, President and CEO, to **MB FINANCIAL BANK, N.A.** ("Assignee"), having its principal office at 6111 North River Road, Rosemont, Illinois, 60018, Attention: Bernard T. Bartilad, and pertains to the real estate described in Exhibit "A" attached hereto and made a part hereof and all improvements thereon ("Premises").

RECITALS

A. Assignor (herein referred to as or in other Bond Financing documents as "Borrower") is an obligor with respect to certain tax-exempt bond financing in the principal amount of **FIFTEEN MILLION AND 00/100 DOLLARS (\$15,000,000.00)** issued by the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under the laws of the State of Illinois (the "Issuer") and known as Senior Living Facility Revenue Bond (Bethany Gardens Project), Series 2009 dated April 22, 2009 (the "Bond" or "Bond Financing").

B. Relative to the Bond Financing, Assignor has executed various instruments evidencing and/or securing such Bond Financing including a certain Bond and Loan Agreement dated as of April 1, 2009 (the "Loan Agreement") by and among the Issuer, Assignor and Assignee, as purchaser of the Bond. Such Loan Agreement, as well as the Bond and Related Documents (as defined in the Loan Agreement), are acknowledged to set forth and contain definite, certain and binding promises of payment and performance of Assignor with respect to such Bond Financing.

C. As an express condition and inducement to Assignee to agree to purchase the Bond and facilitate such Bond Financing, Assignee requires various additional documented and perfected collateral and security for the Bond and Bond Financing, including this Assignment.

D. Any reference herein to any debt, indebtedness or obligations secured hereby shall mean such Bond and Bond Financing obligations, as further set forth in the Loan Agreement.

Box 400-CTCC

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E. The execution and delivery of this Assignment to Assignee is a condition precedent to Assignee's obligation to purchase the Bond and to facilitate the Bond Financing.

THE GRANT

NOW, THEREFORE, as additional security for the prompt payment when due of all principal of and interest on the Bond; payment in full and performance of all obligations of Assignor under the Loan Documents; payment in full of all expenses and charges, legal or otherwise, including attorney's fees and expenses paid or incurred by Assignee in realizing or protecting this Assignment or the Bond; and any and all obligations, indebtedness, and liability of Assignor (and of any other borrower for whose indebtedness this Assignment is pledged as collateral) to Assignee, whether such obligations, indebtedness, or liability are now existing or hereafter created, direct or indirect, absolute or contingent, joint and several or joint or several, due or to become due, however created, evidenced, or arising and however acquired by Assignee, and all renewals and extensions thereof (all collectively, the "Liabilities") and in consideration of the matters recited above, Assignor hereby grants, sells, assigns, and transfers to Assignee all of Assignor's right, title and interest in, to, and under the following (collectively, the "Assigned Security"):

(a) That certain lease or those certain leases described in Exhibit "B" attached hereto and made a part hereof (collectively "Identified Leases");

(b) Any and all leases, options, contracts for sale, or other agreements executed hereafter for the occupancy, sale or use (including concessions) of all or any part of the Premises (collectively "Future Leases");

(c) Any and all addenda, extensions, renewals, amendments, and modifications, to or of the Identified Leases and Future Leases, whether now or hereafter existing (being referred to herein collectively with the Identified Leases and Future Leases as the "Leases," and each of the Leases being referred to herein as a "Lease");

(d) All rents, escrow deposits, income, revenues, issues, profits, condemnation awards, use and occupancy payments, damages, monies and security payable or receivable under or with respect to the Leases or pursuant to any of the provisions thereof, whether as rent or otherwise, and profits arising from the Leases or from the use and occupation of all or any portion of the Premises described in any of the Leases or in the Mortgage (collectively "Rents");

(e) All proceeds payable under any policy of insurance covering loss of Rents for any cause ("Insurance Proceeds");

(f) All rights, powers, privileges, options and other benefits of Assignor as lessor under such Leases (collectively "Assignor's Rights"), including, without limitation (a) the immediate and continuing right to receive and collect all Rents, and (b) the right to make all waivers, agreements and settlements, to give and receive all notices, consents and releases, to take such action upon the happening of a default under any of the Leases, including the commencement, conduct and consummation of such legal proceedings as may be permitted under any provision of

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any of the Leases or by law, and to do any and all other things whatsoever which the Assignor is or may become entitled to do under any of the Leases; and

- (g) All guaranties of the tenants' performance of the Leases ("Guaranties").

This Assignment constitutes a present, perfected and absolute assignment. This Assignment confers upon Assignee a power coupled with an interest and cannot be revoked by Assignor.

GENERAL AGREEMENTS

1. Present Status. Assignor represents and warrants that:
 - (a) Assignor is the sole owner of the entire lessor's interest in the Identified Leases;
 - (b) intentionally deleted;
 - (c) Neither Assignor nor any lessee is in default under any of the terms, covenants, or conditions of the Identified Leases;
 - (d) Other than this Assignment, no Rent has been assigned or anticipated and no Assignor's Rights or Guaranties have been assigned;
 - (e) No Rent for any period subsequent to the date of this Assignment, other than security or other deposits provided for in the Leases, has been collected in advance of the times when due under the terms of the respective Identified Leases; and Assignor shall not claim or permit any lessee or any person in possession of any portion of the Premises to claim any right of set-off against any such Rent; and
 - (f) Assignor has delivered to Assignee true and complete copies of all Identified Leases described in Exhibit "B" and that such Identified Leases are all of the Leases currently in effect affecting the Premises.

2. Future Performance. Assignor covenants:
 - (a) To observe and perform all of the obligations imposed upon the lessor under the Leases and not to do or permit to be done anything to impair the security thereof;
 - (b) Not to consent to or allow the assignment or subletting of the lessee's interest in any of the Leases without the prior written consent of Assignee except in the ordinary course of Borrower's business;
 - (c) Not to collect any of the Rents, other than security or other deposits provided for in the Leases, in advance of the time when the same becomes due;

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- (d) Not to hereafter assign, sell, pledge, or encumber any of the Assigned Security except as hereinafter set forth;
- (e) Except in the ordinary course of business, not to alter, modify, or change the terms of any Lease, Assignor's Rights or Guaranty, cancel or terminate the same, accept a surrender thereof, or in any manner release or discharge any lessee from any obligation or covenant of any Lease, Assignor's Rights or Guaranty, without the prior written consent of Assignee;
- (f) At Assignee's request, to assign and transfer to Assignee specifically in writing any and all Future Leases and to execute and deliver, at the request of Assignee, all such further assurances and assignments pertaining to the Premises as Assignee may from time to time require;
- (g) To warrant and defend the Assigned Security against all adverse claims, whether now or hereafter arising;
- (h) To enforce or secure the performance of each and every material obligation, covenant, condition and agreement to be performed by the tenant under each and every Lease, Assignor's Rights and Guaranty;
- (i) To observe and comply with all provisions of law applicable to the operation, use, occupancy, maintenance and ownership of the Premises;
- (j) To give prompt, written notice to the Assignee of any notice given by a lessee claiming default on the part of the Assignor with respect to any Lease, Assignor's Rights or Guaranty, and to also appear in and defend any action or proceeding arising under, growing out of or in any manner connected with any Assigned Security;
- (k) Not to lease or otherwise permit the use of all or any portion of the Premises for rent that is below the fair market rent for such property;
- (l) If any of the Leases provide for the abatement of rent during repair of the premises demised thereunder by reason of fire or other casualty, the Assignor shall furnish rental insurance to Assignee in amount and form, and written by insurance companies, as shall be satisfactory to Assignee; and
- (m) Not hereafter permit any of the Assigned Security to become subordinate to any lien other than the lien of the Mortgage and any liens to which the Mortgage is now, or may pursuant to its terms become, subordinate; nor terminate, modify or amend any of the Leases, Assignor's Rights or Guaranties or any of the terms thereof without the prior written consent of Assignee, and any attempted termination, modification or amendment of any of the Leases, Assignor's Rights or Guaranties without such written consent shall be null and void.

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DEFAULTS AND REMEDIES

3. Absence of Default. Although this Assignment is intended to be a present assignment, Assignor shall have the right to collect at the time of, but not prior to, the payment dates provided in the Leases, all Rents, and to retain, use, and enjoy the same; provided that none of the following events shall occur, each of which shall constitute a default ("Default") hereunder:

(a) to pay any amount of Secured Indebtedness when due, whether interest, principal or otherwise and whether as an installment, on the Maturity Date (as defined in the Loan Agreement) or otherwise;

(b) any "Event of Default" as defined and provided for in the Loan Agreement or the Mortgage

All Rents which accrue prior to a Default but are paid thereafter shall be paid to the Assignee.

4. Exercise of Assignee's Rights. Any time after the occurrence of a Default, Assignee may, at its option, take the actions described below, without in any way waiving such Default, without notice and without regard to the adequacy of the security for the Liabilities. Assignee may act either in person or by an agent or by a receiver appointed by a court. Assignee may:

(a) Take possession of all or any part of the Premises or any other property described in any or all of the Leases, the Mortgage and the other Loan Documents, to have, hold, manage, lease, sell, and operate the same on such terms and for such periods of time as Assignee may deem proper;

(b) Either with or without taking possession of such Premises, in Assignee's own name, sue for or otherwise collect and receive all Rents, including those past due and unpaid, with full power to make, from time to time, all alterations, renovations, repairs or replacements to or of any part of the Premises as may seem proper to Assignee and to apply such Rents, in payment of any or all of the following, in such order and manner as Assignee may in its sole discretion determine, any statute, law, custom, or use to the contrary notwithstanding:

(i) All expenses of managing the Premises, including, without limitation, the salaries, fees, and wages of any managing agent and such other employees as Assignee may deem necessary or desirable;

(ii) All expenses of operating and maintaining the Premises, including, without limitation, all taxes, charges, claims, assessments, water rents, sewer rents, any other liens, premiums for all insurance that Assignee may deem necessary or desirable, and the cost of all alterations, renovations, repairs, or replacements;

(iii) All expenses incident to taking and retaining possession of the Premises; and

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- (iv) The Liabilities, including, without limitation, all costs and attorneys' fees;
- (c) At Assignee's option, perform Assignor's obligations hereunder or pursuant to any of the Assigned Security, or cure Assignor's default, in such manner and to such extent as Assignee deems appropriate;
- (d) Make, enforce, modify and accept surrender of the Leases, Assignor's Rights and Guaranties;
- (e) Perform any and all other acts necessary or proper to protect the security of this Assignment;
- (f) Apply for, and the Assignor hereby consents to, the appointment of a receiver of the Premises or any portion thereof, whether or not foreclosure proceedings have been commenced under the Mortgage, and if such proceedings have been commenced, whether or not a foreclosure sale has occurred, and
- (g) Avail itself of any rights, powers or remedies granted in the other Loan Documents, which remedies are cumulative to those granted herein.

The Assignor hereby appoints irrevocably the Assignee its true and lawful attorney in its name and stead and authorizes Assignee to take any or all of the actions described above. Powers of attorney conferred upon Assignee pursuant to this Assignment are powers coupled with an interest and cannot be revoked, modified or altered without Assignee's written consent. The exercise by Assignee of the rights, powers and remedies granted it in this Paragraph 4, collection of the Rents and their application as provided herein, shall not be considered a waiver of any Default. Assignor's obligations hereunder shall survive foreclosure of the Mortgage, and Assignor covenants to observe and comply with all its obligations under this Assignment and the other Loan Documents throughout any period of redemption after foreclosure of the Mortgage.

5. Non-Liability of Assignee and Indemnity. Assignee shall not be liable for any loss sustained by Assignor resulting from Assignee's failure to let the Premises after a Default or from any other act or omission of Assignee in managing, using, occupying or maintaining the Premises after a Default unless such loss is directly and solely caused by the willful misconduct and bad faith of Assignee. Assignee shall not be obligated to perform or discharge, nor does Assignee hereby undertake to perform or discharge, any obligation, duty, or liability of Assignor or any other party under any Assigned Security or under or by reason of this Assignment. This Assignment shall not operate to make Assignee responsible for: (i) the control, care, management, or repair of the Premises; (ii) the carrying out of any of the terms and conditions of any Lease; (iii) any waste committed on the property by the lessees or by any other parties or for any dangerous or defective conditions of the Premises; or (iv) 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. This Assignment shall not be construed as constituting the Assignee a "mortgagee in possession" of the Premises. Assignee has not received any security deposit with respect to any Lease, and assumes no responsibility for any such security deposit until such time such security deposit (specified as

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such with specific reference to the Lease pursuant to which deposited) may be transferred to Assignee and accepted by Assignee by notice to the tenant under such Lease.

Assignor shall, and does hereby agree to, protect, defend, indemnify, and hold Assignee harmless from and against any and all claims, liability, loss, cost, damage or expense, including reasonable attorney's fees, which Assignee may or might incur by reason of: (a) the Leases, Lessor's Rights or Guaranties; (b) this Assignment; (c) any alleged obligations or undertakings on Assignee's part to perform or discharge any of the terms, covenants, or agreements contained in the Leases; or (d) any action taken or omitted by Assignee or its agents under this Assignment, unless constituting willful misconduct or gross negligence. Should Assignee incur any such liability, loss or damage, the amount thereof, including costs, expenses, and reasonable attorneys' fees, shall be paid by Assignor upon demand of Assignee and shall constitute a part of the Liabilities.

6. Collection of Rent. Assignor hereby and irrevocably authorizes and directs the lessee named in any Lease, whether now or hereafter existing, the occupant of all or any part of the Premises, or the obligor named in any Guaranty, upon receipt from Assignee of written notice to the effect that Assignee is then the holder of the Bond and that a Default exists, to pay over to Assignee all Rents, arising or accruing under such Lease or from all or any part of the premises described therein and to continue so to do until otherwise notified by Assignee. Assignor agrees that lessees shall have the right to rely upon such demand and notice from Assignee and shall pay such Rents to Assignee without any obligation or right to determine the actual existence of any such Default or the Assignee's right to receive such Rents, notwithstanding any notice from or claim of Assignor to the contrary, and without the need for a judicial determination that a Default has occurred. Assignor shall have no right or claim against such lessees for any such Rents so paid by tenants to Assignee. Assignor agrees that it will at Assignee's request take such action as Assignee may from time to time request to assist Assignee in exercising any rights hereunder, including joining in a written direction to lessees to pay Rents to Assignee.

7. Other Security. Assignee may take or release other security for the Liabilities, release any party primarily or secondarily liable therefor, apply any other security held by it to the satisfaction thereof; all without prejudice to any of its rights under this Assignment.

8. Waivers. Nothing contained in this Assignment and no act done or omitted by Assignee pursuant to the rights, powers and remedies granted it shall be deemed to be a waiver by Assignee of its rights, powers and remedies under the other Loan Documents. This Assignment is made and accepted without prejudice to any of the rights, powers and remedies possessed by Assignee under any of the other Loan Documents. The right of Assignee to collect the Liabilities and to enforce any other security held by it may be exercised by Assignee either prior to, simultaneously with, or subsequent to any action taken by it hereunder.

9. Amounts Held in Trust for Assignee. Any amounts received by Assignor or its agents for performance of any actions prohibited by the terms of this Assignment, including any amounts received in connection with any cancellation, modification or amendment of any of the Leases prohibited by the terms of this Assignment, and any amounts received by Assignor as Rents, from and after the date of any Default, shall be held by Assignor as trustee for Assignee and all such amounts shall be accounted for to Assignee and shall not be commingled with other funds of the

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Assignor. Any person acquiring or receiving all or any portion of such trust funds shall acquire or receive the same in trust for Assignee as if such person had actual or constructive notice that such funds were impressed with a trust in accordance herewith. By way of example, such notice may be given by an instrument recorded with the Recorder of Deeds of the county in which the Premises are located stating that Assignor has received or will receive such amounts in trust for Assignee.

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10. Notices. Any notice that Assignee or Assignor may desire or be required to give to either of the others shall be in writing and shall be mailed or delivered to the intended recipient at its address set forth above or at such other address as the intended recipient may in writing designate to the sender. Copies of notices to Assignee shall be sent to Schain, Burney, Ross & Citron, Ltd., 222 North LaSalle Street, Suite 1910, Chicago, Illinois 60601, Attention: David J. O'Keefe. Such notice shall be deemed to have been delivered on the date of delivery if hand-delivered, the next business day after delivery to a nationally recognized overnight courier service if by such courier service, or two (2) business days after mailing by United States registered or certified mail, return receipt requested, postage prepaid. Except as otherwise specifically required, notice of the exercise of any right or option granted to Assignee by this Assignment is not required to be given.

11. Governing Law. The state and local laws applicable to this Assignment shall be the laws of the State of Illinois. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage.

12. Severability. If any provision of this Assignment, or any paragraph, sentence, clause, phrase, or word, or their application, in any circumstance, is held invalid, the validity of the remainder of this Assignment shall be construed as if such invalid part were never included.

13. Headings. The headings of sections and paragraphs in this Assignment are for convenience or reference only and shall not be construed in any way to limit or define the content, scope, or intent of the provisions of this Assignment.

14. Grammar. As used in this Assignment, singular and plural nouns, and masculine, feminine, and neuter pronouns, shall be fully interchangeable where the context so requires.

15. Successors and Assigns. This Assignment shall be binding upon Assignor, its successors, assigns, legal representatives, and all other persons or entities claiming under or through Assignor. The word "Assignee," when used herein, shall include Assignee's successors, assigns, and legal representatives, including all other holders, from time to time, of the Bond.

16. Conflicts. In case of any conflict between the terms of this Assignment and those of the Mortgage, the terms of the Mortgage shall prevail.

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17. Waiver of Jury Trial. ASSIGNOR AND ASSIGNEE WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (i) UNDER THIS ASSIGNMENT, THE OTHER LOAN DOCUMENTS OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR THEREWITH, OR (ii) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION WITH THIS ASSIGNMENT OR THE OTHER LOAN DOCUMENTS. ASSIGNOR AND ASSIGNEE AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

[SIGNATURE APPEARS ON FOLLOWING PAGE]

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IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed as of the date stated above.

BETHANY HOMES AND METHODIST HOSPITAL, an Illinois not-for-profit corporation

By: _____

Name: **Stephen A. Dahl**

Its: President and CEO

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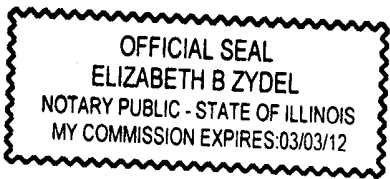
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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Elizabeth B. Zydel, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Stephen A. Dahl, the President ³ CEO of **BETHANY HOMES AND METHODIST HOSPITAL**, an Illinois not-for-profit corporation, personally known to me to be the same person whose name is subscribed to the foregoing **Collateral Assignment of Leases and Rents**, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and seal, this 22nd day of April, 2009.



Elizabeth B. Zydel
Notary Public

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EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL 1:

THAT PART OF LOT 3 IN WHITE'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 AND PART OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE MAP THEREOF RECORDED JANUARY 6, 1882 AS DOCUMENT 368124 IN BOOK 16 OF PLATS, PAGE 64, LYING WEST OF CALDWELL AVENUE, AS DEDICATED BY INSTRUMENT RECORDED APRIL 22, 1936 AS DOCUMENT 11796781, IN COOK COUNTY, ILLINOIS AND LYING EAST OF WAUKEGAN ROAD, AS WIDENED, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE NORTH 50 LINKS LYING EAST OF THE EASTERLY LINE OF WAUKEGAN ROAD AND LYING WEST OF THE WESTERLY LINE OF CALDWELL AVENUE OF THE SOUTHWEST 1/4 OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WESTERLY LINE OF CALDWELL AVENUE ALSO BEING THE EAST LINE OF LOT 104, EXTENDED NORTH IN ROBBIN'S RESUBDIVISION, A SUBDIVISION IN THE NORTH 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 19, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THAT PART OF LOT 5 IN WHITE'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 AND PART OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE MAP THEREOF RECORDED JANUARY 6, 1882 AS DOCUMENT 368124 IN BOOK 16 OF PLATS, PAGE 64, LYING WEST OF CALDWELL AVENUE, AS DEDICATED BY INSTRUMENT APRIL 22, 1936 AS DOCUMENT 11796781, IN COOK COUNTY, ILLINOIS AND LYING EAST OF WAUKEGAN ROAD, AS WIDENED, IN COOK COUNTY, ILLINOIS.

ALSO KNOWN AS

THAT PART OF LOT 5, LYING WITHIN THE NORTHWEST 1/4 OF SECTION 19 AND LYING WESTERLY OF THE EASTERLY LINE OF CALDWELL ROAD IN WHITE'S SUBDIVISION OF THE WEST 1/2 OF THE NORTHEAST 1/4 AND PART OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 8425 WAUKEGAN ROAD, MORTON GROVE, ILLINOIS

PINS:
10-19-120-002-0000
10-19-200-005-0000
10-19-303-064-0000

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EXHIBIT "B"

IDENTIFIED LEASE(S)

