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Cosmopolitan Bank and Trust
801 N. Clark Street
Chicago, IL 60610

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SEND TAX NOTICES TO:
Cosmopolitan Bank and Trust
801 N. Clark Street
Chicago, IL 60610

This Assignment of Rents prepared by:
Dranias, Harrington & Wilson
77 W. Washington Street, Suite 1020
Chicago, Illinois 60602

*Cosmopolitan Bank and Trust
Successor Trustee to
Cosmopolitan National Bank of Chicago

COSMOPOLITAN BANK AND TRUST

ASSIGNMENT OF RENTS

THIS ASSIGNMENT OF RENTS IS DATED November 12, 1999, between COSMOPOLITAN BANK AND TRUST, not personally but as Trustee of Trust Number 24090 under the provisions of a Trust Agreement dated April 24, 1978, whose address is 801 North Clark Street Chicago, Illinois 60610 (referred to below as "Grantor"); and Cosmopolitan Bank and Trust, whose address is 801 North Clark Street Chicago, Illinois 60610 (referred to below as "Lender").

ASSIGNMENT. For valuable consideration, Grantor assigns and conveys to Lender all of Grantor's right, title, and interest in and to the Rents from the following described Property located in Cook County, State of Illinois:

LOTS 1, 2, 3 AND 4 (EXCEPT PART OF SAID LOTS LYING WEST OF A LINE 14 FEET EAST OF AND PARALLEL TO THE EAST LINE OF LA SALLE STREET CONVEYED TO CITY FOR WIDENING) IN THE SUBDIVISION OF LOTS 4, 5 AND 6 AND THE SOUTH 1/2 OF LOT 3 IN BLOCK 35 IN WOLCOTT'S ADDITION TO CHICAGO IN THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

The Property's address is commonly known as 743-47 N. LaSalle Street Chicago, Illinois. The Property's tax identification number is 17-09-204-002-000 and 17-09-204-003-000.

I.

DEFINITIONS

The following words shall have the following meanings when used in this Assignment. Terms not otherwise defined in this Assignment shall have the meanings attributed to such terms in the Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

1.1 **Assignment.** The word "Assignment" means this Assignment of Rents between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Rents.

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- 1.2 **Existing Indebtedness.** The words "Existing Indebtedness" mean an existing obligation which may be secured by this Assignment.
- 1.3 **Event of Default.** The words "Event of Default" mean and include without limitation any of the Events of Default set forth below in the section titled "Events of Default."
- 1.4 **Grantor.** The word "Grantor" means COSMOPOLITAN BANK AND TRUST, Trustee under that certain Trust Agreement dated April 24, 1978 and known as trust number 24090, as well as any related parties in interest, assignees or successors to this assignment.
- 1.5 **Indebtedness.** The word "indebtedness" means all principal and interest payable under the Secured Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses Incurred by Lender to enforce obligations of Grantor under this Assignment, together with interest on such amounts as provided in this Assignment. In addition to the Secured Note, the word "INDEBTEDNESS" includes all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender or any one or more of them, as well as all claims by Lender against Grantor, or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Secured Note, whether voluntary or otherwise, whether due or not due absolute or contingent, liquidated or unliquidated and whether Grantor may be liable individually or jointly with others whether obligated as guarantor or otherwise, and whether recovery upon such Indebtedness may be or hereafter may become barred by any statute of limitations, and whether such Indebtedness may be or hereafter may become otherwise unenforceable.
- 1.6 **Lender.** The word "Lender" means Cosmopolitan Bank and Trust, its successors and assigns.
- 1.7 **Secured Note.** The word "Secured Note" means the promissory note dated November 12, 1999, in the original principal amount of \$4,700,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancing of, consolidations of, and substitutions for the promissory note or agreement.
- 1.8 **Property.** The word "Property" means the real property, and all improvements thereon, described above in the "Assignment" section.
- 1.9 **Loan Documents.** The words "Loan Documents" mean and include without limitation the First Mortgage Agreement dated November 12, 1999 between the Borrower and Lender, the Construction Loan Promissory Note dated November 12, 1999 by Borrower, the Hazardous Materials Indemnity Agreement dated November 12, 1999 and the Collateral Assignment of Beneficial Interest dated November 12, 1999, as amended, modified or supplemented from time to time.
- 1.10 **Rents.** The word "Rents" means all rents, revenues, income, issues, profits and proceeds from the Property, whether due now or later, including without limitation all Rents from all leases described on any exhibit attached to this Assignment.

II.

TERMS AND PROVISIONS

THIS ASSIGNMENT IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF GRANTOR UNDER THE SECURED NOTE, THIS ASSIGNMENT, AND THE RELATED DOCUMENTS. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Assignment, Grantor shall pay to Lender all amounts secured by this Assignment as they become due, and shall strictly perform all of Grantor's obligations under this Assignment. Unless and until Lender exercises its right to collect the Rents as provided below and so long as there is no default under this Assignment, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents, provided that the granting of the right to collect the Rents shall not constitute Lenders consent to the use of cash collateral in a bankruptcy proceeding.

GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE RENTS. With

respect to the Rents, Grantor represents and warrants to Lender that:

- a) **Ownership.** Grantor is entitled to receive the Rents free and clear of all rights, loans, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.
- b) **Right to Assign.** Grantor has the full right, power, and authority to enter into this Assignment and to assign and convey the Rents to Lender.
- c) **No prior Assignment.** Grantor has not previously assigned or conveyed the Rents to any other person by any instrument now in force.
- d) **No Further Transfer.** Grantor will not sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Rents except as provided in this Agreement.

LENDER'S RIGHT TO COLLECT RENTS. Lender shall have the right at any time, and even though no default shall have occurred under this Assignment, to collect and receive the Rents. For this purpose, Lender is hereby given and granted the following rights, powers and authority:

- a) **Notice to Tenants.** Lender may send notices to any and all tenants of the Property advising them of this Assignment and directing all Rents to be paid directly to Lender or Lender's agent.
- b) **Enter the Property.** Lender may enter upon and take possession of the Property; demand, collect and receive from the tenants or from any other persons liable therefor, all of the Rents; institute and carry on all legal proceedings necessary for the protection of the Property, including such proceedings as may be necessary to recover possession of the Property; collect the Rents and remove any tenant or tenants or other persons from the Property.
- c) **Maintain the Property.** Lender may enter upon the Property to maintain the Property and keep the same in repair; to pay the costs thereof and of all services of all employees, including their equipment, and of all continuing costs and expenses of maintaining the Property in proper repair and condition and also to pay all taxes, assessments and water utilities, and the premiums on fire and other insurance effected by Lender on the Property.
- d) **Compliance with Laws.** Lender may do any and all things to execute and comply with the laws of the State of Illinois and also all other laws, rules, orders, ordinances and requirements of all other governmental agencies affecting the Property.
- e) **Lease the Property.** Lender may rent or lease the whole or any part of the Property for such term or terms and on such conditions as Lender may deem appropriate.
- f) **Employ Agents.** Lender may engage such agent or agents as Lender may deem appropriate, either in Lender's name or in Grantor's name, to rent and manage the Property, including the collection and application of Rents.

g) **Other Acts.** Lender may do all such other things and acts with respect to the Property as Lender may deem appropriate and may act exclusively and solely in the place and stead of Grantor and to have all of the powers of a Grantor for the purposes stated above.

h) **No Requirement to Act.** Lender shall not be required to do any of the foregoing acts or things, and the fact that Lender shall have performed one or more of the foregoing acts or things shall not require Lender to do any other specific act or thing.

2.4 **APPLICATION OF RENTS.** All costs and expenses incurred by Lender in connection with the Property shall be for Grantor's account and Lender may pay such costs and expenses from the Rents. Lender, in its discretion, shall determine the application of any and all Rents received by it: however, any such Rents received by Lender which are not applied to such costs and expenses shall be applied to the Indebtedness. All expenditures made by Lender under this Assignment and not reimbursed from the Rents shall become a part of the Indebtedness secured by this Assignment, and shall be payable on demand, with interest at the Secured Note rate from date of expenditure until paid.

2.5 **FULL PERFORMANCE.** If Grantor pays all of the Indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Assignment, and the Loan Documents, Lender shall execute and deliver to Grantor a suitable satisfaction of this Assignment and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Property. Any termination fee required by law shall be paid by Grantor, if permitted by applicable law. If, however, payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment (a) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (b) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property or (c) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Assignment and this Assignment shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Assignment or of any note or other instrument or agreement evidencing the Indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Assignment.

2.6 **EXPENDITURES BY LENDER.** If Grantor fails to comply with any provision of this Assignment, including any obligation to maintain Existing Indebtedness in good standing as required below, or if any action or proceeding commenced that would materially affect Lender's interest in the Property, Lender on Grantor's behalf may but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate charged under the Secured Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Secured Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Secured Note, or (c) be treated as a balloon payment which will be due and payable at the Secured Note's maturity. This Assignment also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

2.7 **DEFAULT.** Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Assignment:

Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse all the rights provided for in the Lender's Right to Collect Section, above. If the Rents are collected by over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender shall have Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds,

- b) **Collect Rents.** Lender shall have the right, without notice to Grantor, to take possession of the
- a) **Accelerate Indebtedness.** Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any Prepayment Premium which Grantor would be required to pay.

rights or remedies provided by law: thereafter, Lender may exercise any one or more of the following rights and remedies, in addition to any other

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time

- i) **Insecurity.** Lender reasonably deems itself insecure.
- j) **Existing Indebtedness.** A default shall occur under any Existing Indebtedness or under any instrument on the Property securing any Existing Indebtedness, or commencement of any suit or other action to foreclose any existing lien on the Property.

Adverse Change. A material adverse change occurs in Grantor's or beneficiary of Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

- g) **Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Lender:

- f) **Foreclosure, Forfeiture etc.** Commencement of foreclosure or forfeiture proceedings whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor (other than Lender) or by any governmental agency against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure or forfeiture proceeding, provided that Grantor gives Lender written notice of such claim and furnishes reserves or a surety bond for the claim satisfactory to

Insolvency. The dissolution or termination of the Trust, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

- d) **Other Defaults.** Failure of Grantor to comply with any term, obligation, covenant, or condition contained in any other agreement between Grantor and Lender.

False Statements. Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor under this Assignment or the Loan Documents is false or misleading in any material respect, either now or at the time made or furnished.

- b) **Compliance Default.** Failure to comply with any other term, obligation, covenant or condition contained in this Assignment or in any of the Loan Documents.
- a) **Default on Indebtedness.** Failure of Grantor to make any payment when due on the Indebtedness.

instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Mortgagee In Possession. Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The mortgagee in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Other Remedies. Lender shall have all other rights and remedies provided in this Assignment or the Loan Documents or by law.

Waiver, Election of Remedies. A waiver by any party of a breach of a provision of this Assignment shall not constitute a waiver of, estop the enforcement of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor under this Assignment after failure of Grantor to perform shall not affect Lender's right to declare a default and exercise its remedies under this Assignment.

Attorneys Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the rate provided for in the Secured Note. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction) appeals and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveys' reports, and appraisal fees, and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Assignment:

a) Amendments. This Assignment, together with any Loan Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Assignment. No alteration or amendment to this Assignment shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

b) Applicable Law. This Assignment has been delivered to Lender and accepted by Lender in the State of Illinois. This Assignment shall be governed by and construed in accordance with the laws of the State of Illinois.

c) Preservation of Collateral Interest. Grantor shall not enter into any agreement with the holder of any

GRANTOR'S LIABILITY. This Assignment is executed by Grantor, not personally but as Trustee as provided above in the exercise of the power and the authority conferred upon and vested in it as such Trustee (and Grantor thereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing in this Assignment or in Secured Note shall be construed as creating any liability on the part of Grantor personally to pay the Secured Note or any interest that may accrue thereon, or any other Indebtedness under this Assignment, or to perform any covenant either express or implied contained in this Assignment, all such liability, if any, being expressly waived by Lender and by

2.10

Waivers and Consents. Lender shall not be deemed to have waived nor shall be estopped from the enforcement of any rights under this Assignment (or under any Loan Documents) unless the waiver or estoppel of Lender's rights is consented-to by Lender in writing. No delay or omission on the part of Lender in exercising any right shall operate as a waiver or an estoppel of enforcement of such right or any other right. A waiver by any party of a provision of this Assignment shall not constitute a waiver or prejudice the party's right otherwise to demand strict compliance with any other provision. No prior waiver from Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver or estoppel of enforcement of any of Lender's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Lender is required in this Assignment, the granting of such consent by Lender in any instance shall be attributable only to the specific instance for which consent was actually obtained and shall not constitute continuing consent to subsequent instances where such consent is required.

Waiver of Right of Redemption. NOTWITHSTANDING ANY PROVISIONS TO THE CONTRARY CONTAINED IN THIS ASSIGNMENT, GRANTOR HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION FROM SALE UNDER ANY ORDER OR JUDGMENT OF FORECLOSURE ON BEHALF OF LENDER AND ON BEHALF OF EACH AND EVERY PERSON, EXCEPT JUDGMENT CREDITORS OF GRANTOR ACQUIRING ANY INTEREST IN OR TITLE TO THE PROPERTY SUBSEQUENT TO THE DATE OF THIS ASSIGNMENT.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all Indebtedness secured by this Assignment.

Successors and Assigns. Subject to the limitations stated in this Assignment on transfer of Grantor's interest, this Assignment shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Assignment and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Assignment or liability under the Indebtedness.

Severability. If a court of competent jurisdiction finds any provision of this Assignment to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Assignment in all other respects shall remain valid and enforceable.

other security agreement which has priority over this Assignment by which that security agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.



Notary Public

Patricia A. Krenzel

Assignment on behalf of the corporation.

On November 12, 1999, before me, the undersigned Notary Public, personally appeared Spring Alexander of COSMOPOLITAN BANK AND TRUST, and known to me to be an authorized agent of the corporation that executed the Assignment of Rents and acknowledged the Assignment to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Assignment and in fact executed the

Todd W. Cordell and

COUNTY OF COOK

STATE OF ILLINOIS

~~Trust Administrator~~

Attest:

Spring Alexander

~~Trust Officer~~

By:

Edmund Quill

and known as Trust Number 24090.

*COSMOPOLITAN BANK AND TRUST, as Trustee and not personally under Trust Agreement dated April 24, 1978

GRANTOR:

*Cosmopolitan Bank and Trust
Successor Trustee to
Cosmopolitan National Bank of Chicago

CORPORATE SEAL TO BE HEREUNTO AFFIXED.

*COSMOPOLITAN BANK & TRUST ACKNOWLEDGES IT HAS READ ALL THE PROVISIONS OF THIS ASSIGNMENT AND NOT PERSONALLY, BUT AS TRUSTEE AS PROVIDED ABOVE, HAS CAUSED THIS ASSIGNMENT TO BE SIGNED BY ITS DULY AUTHORIZED OFFICERS AND ITS

every person now or hereafter claiming any right or security under this Assignment, and that so far as Grantor and its successors personally are concerned, the legal holder or holders of the Secured Note and the owner or owners of any Indebtedness shall look solely to the Property for the payment of the Secured Note and Indebtedness, by the enforcement of the lien created by this Assignment in the manner provided in the Secured Note and herein or by action to enforce the personal liability of any guarantor.