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This instrument was prepared by

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Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 01/15/2016 10:46 AM Pg: 1 of 9

Mail To:
FREEDOM TITLE CORPORATION
2260 HICKS ROAD SUITE 415
ROLLING MEADOWS, IL 60008

6715910 2/3

ASSIGNMENT OF RENTS AND LEASES

THIS ASSIGNMENT OF RENTS AND LEASES (this "**Assignment**") is made and executed the 14th day of January, 2016 by **1246 PRATT LLC**, a Delaware limited liability company ("**Borrower**"), whose mailing address is 155 N. Michigan Avenue, Suite 9003, Chicago, IL 60601, to, in favor of and for the benefit of **STATE FARM LIFE INSURANCE COMPANY**, an Illinois corporation ("**State Farm**"), whose mailing address is One State Farm Plaza, Bloomington, Illinois 61710.

RECITALS

A. State Farm has made a loan to Borrower (the "**Loan**") which is evidenced by that certain Promissory Note executed by Borrower to and in favor of State Farm of even date herewith in the principal amount of Fifteen Million Six Hundred Sixty Five Thousand and 00/100 Dollars (\$15,665,000.00) (the "**Note**").

B. The Note is secured by (i) a Mortgage and Security Agreement executed by Borrower to and in favor of State Farm of even date herewith (the "**Mortgage**") granting to State Farm, among other things, a first priority lien and encumbrance upon the **Real Estate** (as defined in the Mortgage) and **Improvements** (as defined in the Mortgage) legally described in **Exhibit A** attached to this Assignment (the "**Secured Property**"); and (ii) certain other **Loan Documents** (as defined in the Mortgage) also executed by Borrower to and in favor of State Farm of even date herewith.

C. As a material inducement to State Farm to make the Loan, Borrower makes this Assignment.

Loan No. 14361

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AGREEMENTS

NOW, THEREFORE, in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

1. **Assignment of Rents and Leases.**

1.1. **Definitions.** For purposes of this Assignment, the following definitions shall apply:

1.1.1. **"Major Leases"**: There are no Leases that constitute Major Leases.

1.1.2. **"Minor Leases"**: Leases that are not Major Leases; provided, however, if any Minor Lease, after modification, meets the definition of a Major Lease, such Minor Lease shall thereupon become a Major Lease.

1.1.3. **"Leases"**: All Major Leases and Minor Leases.

1.1.4. **"Guaranties"**: Any and all guaranties of the payment of rent by and performance of all other obligations of the tenant(s) under the Leases.

1.2. **Assignment of Rents.** Subject to the terms and conditions of this Assignment, Borrower hereby absolutely, unconditionally and irrevocably transfers, conveys, assigns and grants to State Farm all of Borrower's right, title and interest in and to all rents, issues, profits, proceeds, income, revenues, royalties, advantages, avails, claims against guarantors, security and other deposits (whether in cash, letter of credit or other form), advance rentals, damages, insurance and condemnation proceeds and any and all other payments or benefits now or hereafter derived, directly or indirectly, from Real Estate and Improvements, whether under the Leases or otherwise (collectively, the **"Rents"**).

1.3. **Assignment of Leases.** Subject to the terms and conditions of this Assignment, Borrower hereby absolutely, unconditionally and irrevocably transfers, conveys, assigns and grants to State Farm all of Borrower's right, title and interest as landlord in, to and under all Leases, now or hereafter existing or entered into, together with any and all Guaranties.

1.4. **Absolute Assignments.** The foregoing assignments of Rents and Leases are present and absolute assignments and not assignments for or as security only. State Farm's right to the Rents and Leases is not contingent upon its possession of the Secured Property.

1.5. **License.** State Farm hereby grants to and confers upon Borrower a revocable license (the **"License"**) to collect and retain the Rents as the same become due and payable under the Leases, but not in excess of thirty (30) days in advance, so long as, and only so long as, no **Event of Default** (as defined below) exists under this Assignment. Upon the occurrence of an

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Event of Default under this Assignment, the License shall immediately and automatically be revoked, cease and terminate without notice.

Upon any such revocation and termination of the License, State Farm shall have the right to notify all tenants under the Leases to pay the Rents then due and thereafter coming due directly to State Farm. After such revocation and termination of the License, any and all Rents received by Borrower shall be remitted to State Farm not later than three (3) business days following Borrower's receipt of the same.

Borrower hereby authorizes and directs any tenant under the Leases, upon receipt of written notice from State Farm stating that an Event of Default has occurred or exists under this Assignment, to pay directly to State Farm the Rents then due and thereafter coming due under the Leases. Borrower agrees that any tenant shall have the right to rely upon any such notice from State Farm without any obligation, and without any right, to inquire as to whether any such Event of Default has actually occurred or exists and notwithstanding any claim of Borrower to the contrary. Borrower shall have no claim (and hereby waives any claim) against any tenant for the Rents paid by such tenant directly to State Farm following its receipt of any such notice from State Farm.

1.6 Covenants.

1.6.1. General. All Leases shall be written on Borrower's standard form of lease or on such other form of lease, each of which shall have been approved by State Farm. With the exception of residential Leases, Borrower shall furnish State Farm with executed copies of all Leases within fifteen (15) days after execution thereof. All proposed Leases and extensions, renewals, amendments or modifications of existing Leases shall (a) be at rental rates (including rental concessions) that are at least equal to those charged for comparable properties within the submarket area of the Secured Property; (b) have been negotiated at arm's length with bona fide independent third party tenants; and (c) in Borrower's prudent business judgment, not materially impair the value of the Secured Property. All Leases shall state that they are subordinate to the Mortgage and shall include an agreement by the tenant to attorn to State Farm. In no event shall Borrower be required to obtain State Farm's consent prior to the execution of any residential Lease otherwise in compliance with this Paragraph 1.6.1.

1.6.2. Negative Covenants. Borrower shall not, without the prior written consent of State Farm, (a) enter into any new Major Lease or extend, renew, amend or modify any Major Lease (other than extensions, renewals, amendments or modifications in accordance with the terms of a Major Lease previously approved by State Farm); (b) consent to or permit the assignment or subletting of any Major Lease (other than assignments or subleases in accordance with the terms of a Major Lease previously approved by State Farm); (c) amend or modify any Minor Lease so as to cause such Minor Lease to become a Major Lease; (d) cancel or terminate any Lease except that Borrower may terminate or cancel Leases, that are not Major Leases, in the normal course of business in a manner which is consistent with sound and customary leasing and management practices for similar properties in the community in which

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the Secured Property is located; or (e) alter, amend, modify, change or terminate the terms of any guaranties of any Major Lease.

1.6.3. Affirmative Covenants. So long as no Event of Default is in existence under any of the Loan Documents and subject to Sections 1.6.1 and 1.6.2(c) and (d) above, Borrower may enter into, extend, renew, amend, modify or permit the assignment or sublease of any of the Minor Leases.

1.6.4. Major Leases. Any Major Lease submitted for State Farm's consent shall be accompanied by (a) a lease abstract; (b) a then-current rent roll for the Secured Property; (c) the floor plan for the demised premises; and (d) tenant financial statements. State Farm shall require a tenant estoppel certificate and a subordination, non-disturbance and attornment agreement for Major Leases on State Farm's then current form.

1.6.5. Consent. Any consent to be given or denied with respect to any Lease shall be given or denied no later than ten (10) business days after the actual receipt by State Farm of the Lease to be approved and any other additional information reasonably requested by State Farm regarding such Lease; or such consent shall be deemed given; provided, however, such ten (10) business day period shall commence only upon State Farm's receipt of all information reasonably necessary to make an informed decision about the Lease and a written notice from Borrower accompanying such Lease and additional information, which notice includes a statement in capitalized letters substantially as follows:

PURSUANT TO SECTION 1.6 OF THE ASSIGNMENT OF RENTS AND LEASES, STATE FARM HAS TEN (10) BUSINESS DAYS FROM THE RECEIPT OF THIS NOTICE TO APPROVE OR DISAPPROVE THE LEASE AND MATERIALS ACCOMPANYING THIS NOTICE OR SUCH LEASE AND MATERIALS SHALL BE DEEMED APPROVED.

1.6.6. Servicing Fees. State Farm shall have the right to impose a **Servicing Fee** (as defined in the Mortgage) in connection with the review of any documentation submitted for State Farm's approval hereunder. Borrower shall also be responsible for the payment of all fees and expenses of State Farm's outside counsel in the event State Farm, in its sole discretion, shall determine that the assistance of an attorney is necessary.

2. Default and Remedies.

2.1. Default.

2.1.1. It shall constitute an event of default (an "**Event of Default**") of and under this Assignment and under the other Loan Documents if Borrower shall fail to timely perform or observe any of the non-monetary covenants, agreements or conditions of this Assignment and such failure shall remain uncured for thirty (30) days (the "**Grace**")

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Period") after notice to Borrower of the occurrence of such failure; provided, however, that State Farm may, at its option, extend any applicable Grace Period up to ninety (90) days (subject to further extension by State Farm, at State Farm's sole discretion) if State Farm determines in good faith that: (i) such default cannot reasonably be cured within such Grace Period but can be cured within ninety (90) days; (ii) no lien or security interest created by the Loan Documents shall be impaired prior to the anticipated completion of such cure; and (iii) State Farm's immediate exercise of any remedies provided in this Mortgage or by law is not necessary for the protection or preservation of the Secured Property or State Farm's security interest therein or lien thereon, and Borrower shall immediately commence and diligently pursue the cure of such default.

2.1.2. It shall constitute an Event of Default of and under this Assignment and under the other Loan Documents if Borrower shall fail to perform timely perform or observe any of the monetary covenants or agreements of this Assignment on the dates or within the times required with respect any of the same, beyond the applicable grace or notice and cure periods. If and to the extent there is no notice or grace period otherwise specified under this Assignment for such monetary covenant or agreement, then it shall be an Event of Default only if Borrower shall fail to pay such amount within five (5) days of Borrower's receipt of written notice from State Farm that the same is due and payable.

2.1.3. It shall constitute an Event of Default of and under this Assignment if there shall occur under the Note, Mortgage and other Loan Documents an "**Event of Default**" as defined in any of those Loan Documents.

2.2. Remedies.

2.2.1. Upon the occurrence of an Event of Default, the License shall automatically be revoked, cease and terminate without notice to Borrower and without regard to the adequacy or inadequacy of State Farm's security under this Assignment, the Mortgage or the other Loan Documents. Thereupon, State Farm shall be entitled to exercise any and all rights and remedies provided in this Assignment, the Mortgage and the other Loan Documents. The application of any Rents collected by State Farm shall be in accordance with the terms of the Mortgage.

2.2.2. The rights and remedies provided in this Assignment shall not be deemed exclusive of any rights or remedies granted to State Farm in the Mortgage or by law, but shall be deemed special and additional rights and remedies and shall be cumulative with those rights and remedies granted in the Mortgage or by law.

3. Miscellaneous.

3.1. Perfection. This Assignment shall be perfected upon its recordation in the official public records of Cook County, Illinois. Neither possession of the Rents nor the appointment of a receiver of the Secured Property shall be required for such perfection.

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3.2. Assignment. State Farm may assign its rights in and under this Assignment to any subsequent holder of the Note and Mortgage and to any person acquiring title to the Secured Property through foreclosure of the Mortgage or otherwise.

3.3. Obligations. State Farm shall not be obligated to perform or discharge, nor, by its acceptance of this Assignment, does it undertake to perform or discharge, any obligation, duty or liability of Borrower, as landlord under the Leases, or otherwise. Nothing herein contained shall be construed as causing State Farm to be a "Mortgagee in Possession" and State Farm shall have no liability of a Mortgagee in Possession by exercising its rights under this Assignment, all such liability being expressly waived and released by Borrower.

3.4. Ownership. Borrower represents and warrants that (a) it is the absolute owner of the Rents and Leases with full right, power and authority to execute and deliver this Assignment; and (b) there is no outstanding assignment or pledge of the Rents or Leases or any one thereof.

3.5. Notices. Any Notice required to be given hereunder shall be given in the manner specified in the Mortgage.

3.6. Conflict. In the event of a conflict between the provisions of this Assignment and any other Loan Documents, this Assignment shall control.

3.7. Cooperation. Borrower agrees to cooperate with any reasonable request of State Farm to implement the provisions of this Assignment.

3.8. Successors and Assigns. Whenever the word "Borrower" is used herein, it is agreed and understood that the same includes and shall be binding upon Borrower's successors and assigns and any party holding title to the Secured Property by, through or under Borrower. All of the rights, powers, privileges and immunities herein granted and assigned to State Farm shall also inure to its successors and assigns, including all holders of the Note and Mortgage.

3.9. Waiver of Trial by Jury. Borrower hereby waives, to the fullest extent permitted by **Applicable Law** (as defined in the Note), the right to trial by jury in any action, proceeding or counterclaim filed by any party, whether in contract, tort or otherwise, relating, directly or indirectly, to this Assignment or any acts or omissions of Borrower in connection therewith or contemplated thereby.

3.10 Limitation of Liability. The provisions of Paragraph V of the Note are incorporated by reference into this Assignment to the same extent and with the same force as if fully set forth herein.

[Signature Page follows]

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EXHIBIT A
Legal Description

LOT 13 IN BLOCK 6 IN L. E. INGALL'S SUBDIVISION OF BLOCKS 5 AND 6 OF THE CIRCUIT COURT PARTITION BEING A SUBDIVISION OF THE EAST 1/2 OF THE NORTHWEST 1/4 AND THE NORTHEAST FRACTIONAL 1/4 OF SECTION 32, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 11-32-124-014


STREET ADDRESS: 1246 West Pratt, Chicago, IL 60626

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IN WITNESS WHEREOF, Borrower has executed this Assignment as of the day and year first above written.

1246 PRATT LLC, a Delaware limited liability company

By: 1246 Pratt Management SPE, Inc., a Delaware corporation,
Manager

By: 
Donal P. Barry, Sr., President

Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS:
 COUNTY OF COOK)

Before me, a Notary Public in and for said state, personally appeared Donal P. Barry, Sr., the President of 1246 Pratt Management SPE, Inc., a Delaware corporation, the Manager of **1246 PRATT LLC**, a Delaware limited liability company, who acknowledges that he did sign the foregoing instrument in his capacity as President of 1246 Pratt Management SPE, Inc., a Delaware corporation, the Manager of **1246 PRATT LLC**, and that the same is his free act and deed this 16 day of January, 2016.

KarB
 Notary Public

Commission Expiration: 4/14/18

[Seal]

