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Doc#: 2221512019 Fee: \$98.00

Karen A. Yarbrough

Cook County Clerk

Date: 08/03/2022 05:59 AM Pg: 1 of 10

**THIS INSTRUMENT PREPARED BY  
AND AFTER RECORDING, RETURN TO:**

Timothy W. Groves, Esq.  
Quattlebaum, Groves & Tull PLLC  
111 Center Street, Suite 1900  
Little Rock, Arkansas 72201  
(501) 379-1700

**ABSOLUTE ASSIGNMENT OF RENTS, LEASES AND CONTRACTS**

KNOW ALL PERSONS BY THESE PRESENTS:

THAT THIS ABSOLUTE ASSIGNMENT OF RENTS, LEASES AND CONTRACTS (the "Assignment") made and entered into this 29 day of June, 2022, is given by **MOTEL SLEEPERS, INC.**, a Minnesota corporation, with an address for notice hereunder at 101 Morgan Keegan Drive, Ste. B, Little Rock, Arkansas 72202 and **MSI LODGING SYSTEMS, LLC**, an Arkansas limited liability company, whose address is 101 Morgan Keegan Drive, Suite B, Little Rock, Arkansas 72202 (collectively, "Assignor"), in favor of **FIRST SECURITY BANK**, an Arkansas state bank, with an address for notice hereunder at 17810 Cantrell Road, Little Rock, Arkansas 72223, its successors and assigns ("Assignee");

WITNESSETH:

THAT FOR AND IN CONSIDERATION OF TEN DOLLARS AND NO/100 UNITED STATES DOLLARS (\$10.00) cash in hand paid by Assignee to Assignor and the debt hereinafter mentioned, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby presently bargain, grant, sell, convey, deliver, confirm and warrant unto Assignee, its successors and assigns, as a present and absolute assignment and not merely one for security, all of the right, title and interest of Assignor in and to all contracts, rental agreements, leases, subleases or other instruments now or hereafter entered into, whether oral or written, which pertain to or demise any portion of the real property located in Cook County, Illinois, and described in **Exhibit A** attached hereto (the "Premises"), together with any and all extensions and renewals thereof (all such contracts, rental agreements, leases and subleases being hereinafter collectively referred to as the "Contracts," some of which may be attached as **Exhibit B** hereto, but not essential to the conveyance and assignment represented hereby), together with any guarantees of the obligations thereunder and together with the immediate and continuing right to collect and receive all rents, income, payments and profits arising out of the Contracts or out of the Premises or any part thereof,

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together with the right to all proceeds payable to Assignor pursuant to the Contracts, including but not limited to claims for recovery of damages done to the Premises by any tenants or subtenants or for the abatement of any nuisance existing thereon as the result of the conduct of any tenant or subtenant, claims for damages resulting from default under the Contracts whether resulting from acts of insolvency or acts of bankruptcy or otherwise, and lump sum payments for the cancellation of the Contracts or the waiver of any obligation or term thereof prior to the expiration date (hereinafter collectively referred to (and intended by all parties to be considered, for purposes of 11 U.S.C. §§ 363, 552, to be included) as where applicable, the "Rents").

AND ASSIGNOR FURTHER AGREES, ASSIGNS AND COVENANTS AS FOLLOWS:

1. Performance of Contracts. To faithfully abide by, perform and discharge each and every obligation, covenant and agreement of said Contracts by Assignor to be performed; to use its best reasonable efforts to enforce or secure the performance of each and every obligation, covenant, condition and agreement of said Contracts by the party other than Assignor to be performed; not to borrow against, pledge or assign any proceeds due under the Contracts, nor consent to a subordination or assignment of the interests of the rights thereunder to any party other than Assignee except as may be done in the ordinary course of Assignor's business, nor collect the rents thereunder for more than one (1) month in advance or reduce the amount of the Rents and other payments thereunder except as may be done in the ordinary course of Assignor's business.

2. Protect Security. At Assignor's sole cost and expense, to appear in and defend any action or proceeding arising out of or in any manner connected with the Contracts or the obligations, duties or liabilities of the Assignor thereunder and to pay all costs and expenses of Assignee, including attorneys' fees, in a reasonable sum, at any such action or proceeding in which Assignee in its sole discretion may appear.

3. Representations and Warranties. Assignor hereby represents and warrants that Assignor has full right and title to assign said Contracts and Rents; that no other assignment of any interest therein has been made by Assignor; that there are no existing defaults of a material nature under the provisions of said Contracts; and that the party other than Assignor under the Contracts have no defenses, setoffs or counterclaims against Assignor.

4. Absolute and Present Assignment. It is understood and agreed the Assignment granted herein shall constitute a perfected, absolute and present assignment from Assignor to Assignee and not an assignment for security purposes only. Notwithstanding the foregoing and without limitation or payment obligations of Assignor pursuant to the Loan Agreement and Note (both defined below), unless and until a default should occur which entitles Assignee to acceleration of maturity of that certain Negotiable Term Promissory Note executed by Assignor in favor of Assignee in the amount of \$6,758,038.21 (the "Note"), executed contemporaneously herewith; (b) that certain Mortgage (with Security Agreement, Absolute Assignment of Rents and Leases, Fixture Filing and Financing Statement) executed contemporaneously herewith (the "Mortgage"), executed by Assignor in favor of Assignee; (c) a Loan and Security Agreement executed contemporaneously herewith (the "Loan Agreement") between Assignor and Assignee; (d) the Indemnification Agreement executed contemporaneously herewith (the "Indemnities"); (e)

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one or more Guaranty Agreements of even date herewith and other instruments which may secure the Note, by and between Assignor and Assignee (the Note, Mortgage, Loan Agreement, Indemnities and Guaranty Agreements are sometimes collectively referred to as the "Security Documents"), Assignor shall have the right to collect, but for no more than one (1) month in advance, proceeds of the Contracts and to retain, use and enjoy the same.

5. No Obligation Upon Assignee. Assignee's acceptance of the assignment of Contracts and Rents provided for herein shall not obligate Assignee to appear in nor defend any proceeding relating to any of the Contracts or to the Premises, take any action hereunder, expend any money, incur any expenses or perform any obligation or liability under the Contracts, or assume any obligation for any deposits delivered to Assignor by any party to the Contract. Notwithstanding the foregoing, should Assignor fail to perform, comply with or discharge any obligations of Assignee under any of the Contracts, or should the Assignee become aware of or be notified by any party under any of the Contracts of a failure on the part of Assignor to so perform, comply with or discharge its obligations under said Lease, Assignee may after thirty (30) days written notice to Assignor, at its sole discretion and without waiving or releasing Assignor from any obligation contained in this Assignment, the Note, the Indemnities or the Mortgages, remedy such failure, and Assignor hereby agrees to repay upon demand all sums reasonably incurred by Assignee in remedying any such failure, together with interest at the rate then in effect under the terms of the Note. All such sums, together with interest as aforesaid, shall become additional indebtedness due under the Note and secured by the Security Documents, but no such event shall be deemed to relieve Assignor from any default hereunder or thereunder.

6. Remedies. Upon or at any time after the occurrence of a default under one of the Security Documents entitling Assignee to accelerate the maturity of the Note after Assignee's provision of any applicable notice, or a default in the performance of any obligation, covenant or agreement contained herein after 30 days written notice to Assignor, Assignee may declare all indebtedness evidenced by the Note and secured by the Security Documents immediately due and payable, may revoke the privilege granted Assignor hereunder to collect the Rents and sums due under the Contracts, and may, at its option, without notice, either in person or by agent, with or without taking possession of or entering the Premises, with or without bringing any action or proceeding, collect all Rents and other sums payable under the Contracts and enforce the payment thereof and exercise all the rights of Assignor under the Contracts and all of the rights of Assignee hereunder, and may enter upon, take possession of, manage and operate the Premises, or any part thereof; may cancel, enforce or modify the Contracts and fix or modify the proceeds and do any acts which Assignee deems proper to protect the security hereof with or without taking possession of the Premises, and may apply the same to the costs and expenses of operation, management and collection, including reasonable attorneys' fees, to the payment of the reasonable expenses of any agent appointed by Assignee, to the payment of taxes, assessments, insurance premiums and expenditures by the upkeep of the Premises, to the performance of Assignor's obligations under the Contracts and in any such order as Assignee may determine. The entering upon and taking possession of the Premises, the collection of such proceeds and the application thereof as aforesaid, shall not cure or waive any default or waive, modify or affect notice of default which may be required by any of the Security Documents or invalidate any act pursuant to such notice or in any way operate to prevent the Assignee from pursuing any remedy which it now or hereafter may

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have under the terms or conditions of the Security Documents or any other instrument evidencing or securing indebtedness represented by the Note.

7. Assignor to Hold Assignee Harmless. Assignor shall and does hereby agree to indemnify and hold Assignee harmless of and from any and all liability, loss or damage which Assignee may or might incur under said Contracts or by reason of this Agreement, and of and from any and all claims and demands whatsoever which may be asserted against Assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said Contracts. Should Assignee incur any such liability or any costs or expenses in the defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be added to the indebtedness evidenced by the Note and secured by the Security Documents and Assignor shall reimburse Assignee therefor immediately upon demand, and the continuing failure of Assignor to do so shall constitute a default hereunder and a default under the Security Documents.

8. Security Deposits. Assignor agrees on demand to transfer to Assignee any security or other deposits held by Assignor under the terms of the Contracts. Assignor agrees such security deposits may be held by Assignee without any allowance of interest thereon and shall become the absolute property of Assignee upon occurrence of a default under any of the Security Documents entitling Assignee to accelerate maturity of the Note to be applied in accordance with the provisions of the Contracts. Until Assignee makes such demand and the deposits are paid over to Assignee, the Assignee assumes no responsibility for any such deposits.

9. Authorization. The parties other than Assignor under the Contracts are hereby irrevocably authorized and directed to recognize the claims of Assignee or any receiver appointed hereunder without investigating the reason for any action taken by Assignee or such receiver, or the validity or the amount of indebtedness owing to Assignee, or the existence of a default under any of the Security Documents entitling Assignee to accelerate maturity of the Note, or under or by reason of this Assignment, of the application to be made by Assignee. Assignor hereby irrevocably directs and authorizes payment to Assignee of all sums due under the Contracts and consents and directs that said sums shall be paid to Assignee without the necessity for either judicial determination or agreement by Assignor that a default has occurred hereunder, under any of the Security Documents, or that Assignee is entitled to exercise its rights hereunder, and to the extent such sums are paid to Assignee, all parties other than Assignor under the Contracts are to be given credit for such payments as if paid to Assignor. The sole signature of Assignee shall be sufficient for the exercise of any rights under this Assignment, and a receipt from Assignee for any sums paid and received by Assignee shall be a full discharge and release therefor to any such persons.

10. Satisfaction. Upon the recordation of a full release of the Mortgage executed by a duly authorized officer of Assignee, this Assignment shall, without the need for any further satisfaction or release, become null and void and shall be of no further effect, provided however, Assignee agrees to execute such documents as may be reasonably necessary to reassign all Rents and Contracts to Assignor, if requested by Assignor.



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11. Assignee as Creditor. Upon or at any time during the continuance of a default under the Security Documents entitling Assignee to accelerate maturity of the Note or any breach by Assignor of any obligation, covenant or agreement contained in this Assignment or any of the Security Documents, Assignor agrees that Assignee, not the Assignor, shall be and is deemed to be the creditor of the tenants or contract party(ies) other than Assignor in respect of assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution or receivership proceedings affecting such persons (without obligation on the part of Assignee, however, to file or make timely filings of claims of such proceedings or otherwise to pursue creditor's rights therein and reserving the right to Assignor to make such filing in such event), with an option to Assignee to apply any money received by Assignee as such creditor in reduction of the indebtedness owed by Assignor to Assignee.

12. Assignee Attorney-in-Fact. Assignor hereby irrevocably appoints Assignee and its successors and assigns as its agent and attorney-in-fact, which appointment is coupled with an interest, to exercise any rights or remedies hereunder and execute and deliver during the term of this Assignment such instruments as Assignee may deem necessary to make this Assignment and any further assignment effective.

13. General Assignment of Contracts and Rents. The rights contained in this Assignment are in addition to and shall be cumulative with any corresponding rights given and created pursuant to the Security Documents, assigning generally all contracts, leases rents and profits of the Premises and shall in no way limit the rights created thereunder.

14. No Mortgagee in Possession. Nothing herein contained and no actions taken pursuant to this Assignment shall be construed as constituting the Assignee a "mortgagee in possession."

15. Continuing Rights. The rights and powers of Assignee or any receiver hereunder shall continue and remain in full force and effect until the indebtedness evidenced by the Note, the other Security Documents or otherwise have been paid in full and shall continue after commencement of a foreclosure action and after foreclosure sale.

16. Successors and Assigns. This Assignment and each and every covenant, agreement and provision hereof shall be binding upon Assignor and its successors and assigns, including without limitation each and every record owner of the Premises or any other person having an interest therein, and shall inure to the benefit of Assignee and its successors and assigns. As used herein, the words "successors and assigns" shall also be deemed to mean the heirs, executors, representatives and administrators of any natural person who is a party to this Assignment.

17. Governing Law. The rights and remedies provided to Assignee by this Assignment are intended to be governed as set forth in the Loan Agreement.

18. Validity Clause. It is the intent of this Assignment to confer to Assignee the rights and benefits hereunder to the full extent allowable by law. The unenforceability or invalidity of any provisions hereof shall not render any other provision or provisions herein contained

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unenforceable or invalid. Any provisions found to be unenforceable shall be severable from this Assignment.

19. Notices. Any notice that any party hereto may desire or may be required to give to any other party shall be done in accordance with the Loan Agreement and shall constitute service of notice hereunder to Assignor or to Assignor's successors or assigns or any subsequent owner of the Premises.

20. Cumulative with Other Documents. This Assignment and the covenants, agreements, obligations and liabilities of Assignor hereunder are cumulative with and shall not supersede or be superseded by any instrument, agreement or other document executed by Assignor in connection with the Note or otherwise.

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5302\15698\2022 Consolidation Loan  
Loan Docs\Assignment of RLC 06102022

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

ASSIGNOR:

**MOTEL SLEEPERS, INC.,**  
a Minnesota corporation

By: 

Leon B. Catlett II, President

**MSI LODGING SYSTEMS, LLC,**  
an Arkansas limited liability company

By: 

Leon B. Catlett II, Manager

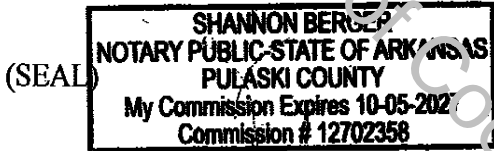
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STATE OF ARKANSAS     )  
   )ss.     ACKNOWLEDGMENT  
 COUNTY OF PULASKI     )

On this day, before me, a Notary Public, duly commissioned, qualified and acting, with and for said County and State, appeared in person the within named **Leon B. Catlett II**, being the person authorized by said corporation to execute such instrument stating his respective capacity in that behalf, to me well known, who stated that he was the President of **MOTEL SLEEPERS, INC.**, a Minnesota corporation, and was duly authorized in his respective capacity to execute the foregoing instrument for and in the name and on behalf of said corporation, and further stated and acknowledged he had so signed, executed and delivered said foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 29 day of June, 2022.



Shannon Berger  
 Notary Public  
 My commission expires: 10/05/2027

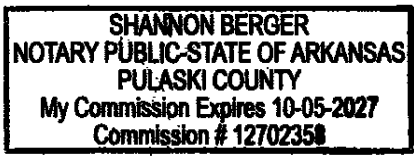
STATE OF ARKANSAS     )  
   ) ss:     ACKNOWLEDGMENT  
 COUNTY OF PULASKI     )

On this day personally appeared before the undersigned, a Notary Public within and for the County and State aforesaid, duly qualified, commissioned and acting, the within named **Leon B. Catlett II**, the Manager of **MSI LODGING SYSTEMS, L.L.C.**, an Arkansas limited liability company, and stated that he was duly authorized in his capacity to execute the foregoing instrument for and in the name and behalf of said company, and further stated and acknowledged that he had so signed, executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 29 day of June, 2022.

Shannon Berger  
 Notary Public

My commission expires:  
 \_\_\_\_\_  
 (SEAL)





**UNOFFICIAL COPY****EXHIBIT A**

Borrower/Debtor/ Mortgagor/Record Owner:	<b>MOTEL SLEEPERS, INC.</b> a Minnesota corporation 101 Morgan Keegan Drive, Suite B Little Rock, Arkansas 72202
Lender/Secured Party/ Mortgagee/Creditor:	<b>FIRST SECURITY BANK</b> an Arkansas state bank 17810 Cantrell Road Little Rock, Arkansas 72223

**Legal Description:**

Real property in the City of Chicago, County of Cook, State of Illinois, described as follows:  
 LOTS 13 AND 14 OF THE CHATHAM MARKET SUBDIVISION, BEING A SUBDIVISION  
 IN THE SOUTHWEST QUARTER AND IN THE SOUTHEAST QUARTER OF SECTION 33,  
 TOWNSHIP 38 NORTH AND IN THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP  
 37 NORTH, ALL IN RANGE 14, EAST OF THE THIRD MERIDIAN, ACCORDING TO THE  
 PLAT THEREOF RECORDED JANUARY 5, 2007 AS DOCUMENT 0700515159, IN COOK  
 COUNTY, ILLINOIS.

Address: 8538 S. Holland Road  
Chicago, Illinois

PIN(s): 20-33-405-016-0000; 20-33-405-017-000; 20-33-405-018-0000; 20-33-405-019-000

AND all bridges, easements, rights-of-way, licenses, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, minerals, landscaping, flowers, plants, shrubs, trees, timber and other emblements now or hereafter located on the above-described real property under or above the same or any part thereof or appurtenant to the title to the above-described real property, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances, reversion and reversions, remainder and remainders, whatsoever, in any way belonging, relating or appertaining to the above-described real property or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired and all rights, titles and interests in and to any vacating or hereafter vacated streets or roads adjoining the above-described real property and any and all reversionary or remainder rights.

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## EXHIBIT B

Borrower/Debtor/ Mortgagor/Record Owner:	<b>MOTEL SLEEPERS, INC.</b> a Minnesota corporation 101 Morgan Keegan Drive, Suite B Little Rock, Arkansas 72202
Lender/Secured Party/ Mortgagee/Creditor:	<b>FIRST SECURITY BANK</b> an Arkansas state bank 17810 Cantrell Road Little Rock, Arkansas 72223

[CONTRACTS]

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