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SECOND ASSIGNMENT OF RENTS AND LEASES

\$ 19.00

KNOW ALL MEN BY THESE PRESENTS, that Chicago Title and Trust Company, not personally, but solely as Trustee under a Trust Agreement dated July 12, 1985 and known as Trust Number 1087135 (the "Assignor"), in consideration of the sum of Ten Dollars and other good and valuable considerations, the receipt and sufficiency whereof are hereby acknowledged, hereby assigns, transfers and sets over subject to the provisions of the following paragraph, unto the City of Chicago Heights, Illinois (the "Assignee") for further assigning to American National Bank and Trust Company of Chicago (hereinafter referred to as the "Bank"), all right, title and interest of the Assignor in, under or pursuant to any and all present or future leases or subleases, whether written or oral, or any lettings of possession of, or any agreements for the use or occupancy of, the whole or any part of the real estate and premises hereinafter described which the Assignor may have heretofore made or agreed to or may hereafter make or agree to, or which may be made or agreed to by the Bank under the powers hereinafter granted, including all amendments and supplements to and renewals thereof at any time made, and including without limitation that certain Lease Agreement dated as of December 1, 1985 between the Assignor, as Landlord, and J & J Snack Foods Corp./Midwest, an Illinois corporation, as Tenant (the "Subsidiary") (collectively, the "Leases") relating to that certain real estate situated in the County of Cook, State of Illinois, described in Schedule 1 attached hereto and made a part hereof and the improvements now or hereafter erected thereon (the "premises"), including, without limiting the generality of the foregoing, all right, title and interest of Assignor in and to all the rents (whether fixed or contingent), earnings, renewal rents and all other sums due or which may hereafter become due under or by virtue of the Leases.

The provisions of this Assignment are subject, however, to the terms and conditions of (i) that certain Mortgage dated July 15, 1985 by and between the Land Trust and Jeno's, Inc., a Minnesota corporation ("Jeno's"), (ii) that certain Security Agreement (Interest in Trust) made and entered into on July 15, 1985 by and between Gerald B. Schreiber and Jeno's and (iii) that certain Security Agreement (Fixtures and Personalty) made and entered into on July 15, 1985 by and between the Assignor and Jeno's (collectively, the "Existing Mortgage"), to which this Assignment shall be junior and subordinate.

This Instrument Prepared By:
 Randall S. Kulat
 Carlson and Hug
 135 South LaSalle Street
 Chicago, Illinois 60603

P.I.N.: 32-15-102-012 TP

KNOWEN 401 E. JOE ORA RD
 CHICAGO HEIGHTS, IL

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This Assignment is made and given as collateral security for, and shall secure (i) the payment in full of all principal of and interest on that certain promissory note (the "Note") of J & J Snack Foods Corp., a New Jersey corporation (the "Parent") and the Subsidiary (the Parent and the Subsidiary are hereinafter collectively referred to as the "Borrower") dated as of the date of issuance, payable to the order of Assignee and assigned to the Bank, in the face principal sum of \$1,300,000 expressed to bear interest prior to maturity, as set forth in the hereinafter defined Loan Agreement, (ii) the performance of all obligations, covenants, promises and agreements contained herein or in that certain Second Mortgage and Security Agreement dated as of December 1, 1985 from the Assignor to the Assignee and assigned to the Bank (the "Second Mortgage"), conveying and mortgaging the premises as security for the Note and any and all other indebtedness intended to be secured thereby, (iii) the performance of all obligations, covenants, promises and agreements contained herein conveying and mortgaging certain premises as security for the Note and any and all other indebtedness intended to be secured thereby, (iv) the performance of all obligations, covenants, promises and agreements of the Borrower contained in the Loan Agreement dated as of December 1, 1985 (the "Loan Agreement") by and between the Assignee and the Borrower, (v) the performance of all obligations, covenants, promises and agreements contained in that Security Agreement dated as of December 1, 1985 between the Subsidiary and the Assignee (the "Security Agreement"), and (vi) the payment of all expenses and charges, legal or otherwise, paid or incurred by the Bank in realizing upon or protecting the indebtedness referred to in the foregoing clauses (i), (ii), (iii), (iv) and (v) or any security therefore, including this Assignment (the Note and the other indebtedness, obligations and liabilities referred to in clauses (i), (ii), (iii), (iv), (v) and (vi) above being hereinafter collectively referred to as the "indebtedness hereby secured").

The Assignor warrants to the Bank that the Assignor has good right to make this Assignment and that the Assignor has not heretofore alienated, assigned, pledged or otherwise disposed of any of the rights, rents and other sums due or which may hereafter become due and which are intended to be assigned hereunder.

This Assignment includes and establishes, subject to the provisions of the Existing Mortgage, a present, absolute and primary transfer and assignment of all rents, earnings, income, issues and profits of the premises, but so long as no event of

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default shall exist under the Note or the Second Mortgage or the Loan Agreement and no event shall exist which by lapse of time or service of notice, or both, has or would become an event of default thereunder, the Assignor shall have the right and license to collect, use and enjoy all rents and other sums due or to become due under and by virtue of any Lease as they respectively become due, but not more than 30 days in advance.

The Assignor hereby irrevocably consents to and authorizes and directs that the tenant or other obligor under any Lease upon demand and notice from the Bank of the Bank's right to receive rents and other sums hereunder, shall pay such rents and other sums to the Bank without any obligation on the part of such tenant or other obligor to determine the actual existence of any default or event claimed by the Bank as the basis for the Bank's right to receive such rents or other sums and notwithstanding any notice from or claim of the Assignor to the contrary. The Assignor hereby waives any right or claim against any tenant or other obligor for any such rents and other sums paid by tenant or other obligor to the Bank.

Without limiting any legal rights of the Bank as the absolute assignee of the rents, issues and profits of the premises and in furtherance thereof, Assignor agrees that in the event of default under said Second Mortgage, Loan Agreement or Note or Bond, whether before or after the Note is declared due in accordance with its terms or under the terms of said Second Mortgage, Loan Agreement or Note and whether before or after satisfaction of any requirement of the lapse of time or the giving of notice or both on which acceleration after default may be conditioned, the Bank may, at its option, (i) take actual possession of the premises hereinabove described, or of any part thereof, personally or by agent or attorney, and with or without force and with or without process of law, enter upon, take and maintain possession of all or any part of said premises together with all documents, books, records, papers and accounts relating thereto, and exclude the Assignor, its agents or servants, therefrom and hold, operate, manage and control the premises, and at the expense of the premises, from time to time, cause to be made all necessary or proper repairs, renewals, replacements, useful alterations, additions, betterments and improvements to the premises as may seem judicious, and pay taxes, assessments and prior or proper charges on the premises, or any part thereof, and insure and reinsure the same, and lease the premises in such parcels and for such times and on such terms as Bank may deem fit, including leases for terms expiring beyond the maturity of the indebtedness secured by said Second Mortgage, and cancel any lease or sublease for any cause or on any ground which would entitle the Assignor to cancel the same and in such case have the right to manage and operate the said premises and to carry on the business thereof as the Bank shall deem proper or (ii) with or without taking possession of the premises, Bank may proceed to enforce the Leases and collect all sums due or to become due thereunder and by so doing Bank shall not be deemed a mortgagee in possession nor to have assumed or become responsible or liable

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for any obligations of Assignor arising thereunder or in respect thereof. Any amounts so expended by the Bank in (i) or (ii) above, shall become an additional indebtedness of the Assignor to the Bank, which amounts Assignor agrees to pay, immediately upon demand, together with interest thereon to the extent permitted by law at the Prime Rate (as defined in the Loan Agreement) plus 1%. The entering upon and taking possession of the premises, the collection of rents, issues, and profits, the exercise of any of the rights hereinabove specified and the application of collections, shall not cure, waive, modify or affect any default or event or default hereunder or under the Loan Agreement, the Second Mortgage or the Note. This Assignment does not restrict Assignor from pursuing any other remedy it may have.

Any sums received by Bank under or by virtue of this Assignment shall be applied to the payment of or on account of the following in such order and manner as Bank may elect:

(a) to the payment of all proper charges and expenses including the just and reasonable costs of Bank, their respective attorneys, agents, clerks, servants and others employed in connection with the operation, management and control of the premises and the conduct of the business thereof and, if the Bank shall elect, to the establishment of a reserve which shall be sufficient in Bank's judgment to indemnify it against any liability, loss or damage on account of any matter or thing done in good faith and in pursuance of the rights and powers contained herein;

(b) to the payment of any sum secured by a lien or encumbrance upon the premises;

(c) to the cost of completing any improvements being constructed on or about the premises; and

(d) to the reduction of the indebtedness hereby secured, whether or not the same may then be due or be otherwise adequately secured.

The manner of application of such sums and the items which shall be credited or paid out of same shall be within the sole discretion of Bank and nothing herein contained shall obligate Bank to use any such sums for a purpose other than reducing the indebtedness hereby secured unless it shall elect so to do. Bank shall be subrogated to any lien discharged out of the rents, income and profits of the premises.

The Assignor hereby further covenants that the Assignor will upon request of the Bank execute and deliver such further instruments and do and perform such other acts and things as the Bank may reasonably deem necessary or appropriate to more effectively vest in and secure to the Bank the rights and rents which are intended to be assigned to the Bank hereunder. Assignor irrevocably waives any right it now or hereafter may have to offset any claim or liability owing from it to any

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obligor on a Lease against sums due or to become due from such obligor under a Lease.

Assignor covenants and agrees to observe and perform all of the obligations imposed on it under the Leases and not to do or permit to be done anything to impair the security thereof, not to execute any Lease on terms and conditions less satisfactory to the lessor than are usual and customary in leases with a similar term and for similar types of space in the general market area where the premises is located, not to further assign or encumber its rights under the Leases to be subordinated to any other liens or encumbrances whatsoever, any such subordination to be null and void unless done with the written consent of the Bank. Assignor further covenants and agrees not to amend, modify or terminate any of the Leases without the prior written consent of the Bank. Assignor further covenants and agrees that it will, at the request of the Bank, submit the executed originals of all Leases to the Bank.

Assignor warrants that it has heretofore delivered to the Bank a true and correct copy of the Lease identified below (the "Primary Lease") that the Primary Lease has not been amended or modified in any respect, that the same continues in full force and effect and that both the lessor and the lessee thereunder are in full compliance with all of their respective covenants therein contained and that no event for terminating the Primary Lease by either the lessor or the lessee thereunder:

<u>NAME OF LESSEE</u>	<u>NAME OF LESSOR</u>	<u>DATE OF LEASE</u>
J & J SNACK FOODS CORP./ MIDWEST	The Assignor	December 1, 1985

Anything contained elsewhere in this Assignment to the contrary notwithstanding, Assignor covenants and agrees that it will not, without the prior consent of the Bank, terminate any Lease or amend or modify same in any respect and that any of such done without the prior written consent of the Bank shall be null and void.

The acceptance by the Bank of this Assignment, with all of the rights, powers, privileges and authority so created, shall not, prior to entry upon and taking of actual physical possession of the premises by the Bank, be deemed or construed to constitute the Bank a mortgagee in possession nor impose any obligation whatsoever upon the Bank, it being understood and agreed that the Bank does not hereby undertake to perform or discharge any obligation, duty or liability of the landlord under any Leases or under or by reason of this Assignment. Assignee shall have no liability to Assignor or any one for any action taken or omitted to be taken by it hereunder, except for its gross negligence or willful misconduct. Should the Bank incur any liability, loss or damage under or by reason of this Assignment or for any action taken by the Bank hereunder, or in defense against any claim or

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demand whatsoever which may be asserted against the Bank arising out of any Lease, the amount thereof, including costs, expenses and reasonable attorneys' fees, together with interest thereon at the rate applicable to the Note at the time of incurrence shall be secured by this Assignment and by the Second Mortgage, and the Assignor shall reimburse the Assignee therefore immediately upon demand, Assignor's obligation to so pay to survive payment of the indebtedness hereby secured and the release of this Assignment.

The rights and remedies of the Bank hereunder are cumulative and are not secondary to or in lieu of but are in addition to any rights or remedies which the Assignee shall have under the said Note, Second Mortgage, Loan Agreement, Security Agreement or any other instrument or document or under applicable law and the exercise by Bank of any rights and remedies herein contained shall not be deemed a waiver of any other rights or remedies of the Bank, whether arising under the Second Mortgage, Loan Agreement, Security Agreement or otherwise, each and all of which may be exercised whenever Bank deems it in its interest to do so. The rights and remedies of the Assignee may be exercised from time to time and as often as such exercise is deemed expedient and the failure of the Bank to enforce any of the terms, provisions and conditions of this Assignment for any period of time, at any time or times, shall not be construed or deemed to be a waiver of any rights under the terms hereof.

The right of the Bank to collect and receive the rents assigned hereunder or to exercise any of the rights or powers herein granted to the Bank shall, to the extent not prohibited by law, extend also to the period from and after the filing of any suits to foreclose the liens of the Second Mortgage, including any period allowed by law for the redemption of the premises after any foreclosure sale.

Assignor hereby agrees to indemnify the Bank and to hold it harmless from any liability, loss or damage including without limitation reasonable attorneys' fees which may or might be incurred by it under the Leases or by reason of this Assignment, and from any and all claims and demands whatsoever which may be asserted against Bank by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in any of the Leases.

This Assignment shall be assignable by the Bank and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective executors, administrators, legal representatives, successors and assigns of each of the parties hereto. All provisions hereof are severable and if any provisions hereof shall be invalid or unenforceable, the validity and enforceability of the remaining provisions hereof shall in no way be affected thereby.

In the event any provision of this Assignment shall be held invalid or unenforceable by any court of competent

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jurisdiction, such holding shall not invalidate or render unenforceable any provision hereof. This Assignment shall be governed exclusively by the applicable laws of the State of Illinois.

Subsequent to the initial issuance of the Bond and prior to payment in full of all principal installments thereof (or provision for the payment thereof having been made in accordance with the provisions of the Bond Ordinance), this Assignment may not be effectively amended, changed, modified, altered or terminated without the written consent of the Bank.

This Assignment may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

This Assignment is executed and delivered by Chicago Title and Trust Company, not personally, but as Trustee as aforesaid in the exercise of the power and authority conferred upon and invested in it as such Trustee. No personal liability shall be asserted or be enforceable against the Chicago Title and Trust Company, because or in respect of this Assignment or the making, issuance or transfer hereof, all such liability, if any, being expressly waived by each taker and holder hereof.

Dated as of this 1st day of December, 1985.

IN WITNESS WHEREOF, the undersigned have caused these presents to be signed as of the day and year first above written.

CHICAGO TITLE AND TRUST COMPANY,
not personally, but solely as
Trustee under a Trust Agreement
dated July 17, 1985 and known as
Trust Number 1087135

By

Its

Walter P. Mallin
ASSISTANT SECRETARY

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CITY OF CHICAGO HEIGHTS, ILLINOIS

BY *Charles Prince*
Its *MAYOR*

Accepted this 30th day of
December, 1985.

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO

BY *Jerry M. Walters*
Its *Commercial Banking Officer*

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STATE OF ILLINOIS)
COUNTY OF COOK)

The foregoing instrument was acknowledged before me
the undersigned, this 30th day of December, 1985, by

WILLIAM D. PLATON, ~~and~~ an
~~attorney in fact~~ of the Chicago Title
and Trust Company, as their own free and voluntary act for the
use and purposes therein set forth.

William Platon
Notary Public

(SEAL)

My Commission expires: 5/7/1989

Property of Cook County Clerk's Office

COOK COUNTY ILLINOIS
CLERK'S OFFICE

DEC 31 PM 4:49

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SCHEDULE I

LEGAL DESCRIPTION

A PARCEL OF LAND LOCATED IN THE SOUTH WEST 1/4 OF THE NORTH WEST 1/4 OF SECTION 15, TOWNSHIP 35 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTH LINE OF THE SOUTH WEST 1/4 OF THE NORTH WEST 1/4 OF SECTION 15 AFOREMENTIONED TOWNSHIP AND RANGE, 50 FEET EAST MEASURED ALONG SAID SOUTH LINE OR QUARTER QUARTER SECTION, FROM THE SOUTH WEST CORNER OF SAID QUARTER QUARTER SECTION; THENCE EAST ALONG THE SOUTH LINE OF SAID QUARTER QUARTER SECTION 417.00 FEET; THENCE NORTH PARALLEL WITH THE WEST LINE OF SAID QUARTER QUARTER SECTION 553.30 FEET; THENCE WEST PARALLEL WITH THE SOUTH LINE OF SAID QUARTER QUARTER SECTION TO THE EAST LINE OF STATE STREET AS NOW PLATTED IN THE CITY OF CHICAGO HEIGHTS; THENCE SOUTH ALONG SAID EAST LINE OF STATE STREET TO A POINT IN A LINE 33 FEET NORTH OF THE SOUTH LINE OF AFOREMENTIONED QUARTER QUARTER SECTION, SAID POINT BEING 67.0 FEET EAST OF THE WEST LINE OF SAID QUARTER QUARTER SECTION; THENCE WEST ALONG SAID LINE 33 FEET NORTH OF THE SOUTH LINE OF SAID QUARTER QUARTER SECTION TO A POINT 50 FEET EAST OF THE WEST LINE OF SAID QUARTER QUARTER SECTION; THENCE SOUTH 33 FEET TO THE POINT OF BEGINNING, (EXCEPTING THEREFROM THE SOUTH 33 FEET) AND EXCEPT THEREFROM THAT PART CONDEMNED IN CASE 81L29071 IN COOK COUNTY, ILLINOIS.

Cook County Clerk's Office

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