

Baldwin

70-33-081 DN

[1:04/07/86]

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ASSIGNMENT OF RENTS AND LEASES

THIS ASSIGNMENT OF RENTS AND LEASES made as of March 15, 1986 by 2240 West Diversey, an Illinois General Partnership (hereinafter referred to as "Assignor") to the Illinois Development Finance Authority, a political subdivision, body politic and municipal corporation, having its office at Two North LaSalle Street, Chicago, Illinois, 60690 (the "Issuer").

WHEREAS, contemporaneously herewith, the Issuer has issued its Industrial Development Revenue Bond, Series 1986 (Dahlstrom Display Facility) in the principal sum of Nine Hundred Seventy-Five Thousand Dollars (\$975,000) (the "Bond") pursuant to a Bond Purchase Agreement dated as of March 15, 1986 (the "Bond Purchase Agreement") by and among the Issuer, the Assignor as Borrower and Devon Bank as purchaser of the Bond (the "Bank"); and

WHEREAS, the Issuer has agreed to loan the proceeds of the sale of the Bond to Borrower pursuant to a Loan Agreement dated as of March 15, 1986 (the "Agreement") by and between the Issuer and Borrower to enable Borrower to acquire certain land legally described on Exhibit A hereto, together with all easements and appurtenances thereto (the "Premises") and the building located thereon and to rehabilitate and equip said building (the "Facility" as defined in the Agreement); and

WHEREAS, Assignor will execute a 1986 Industrial Development Facility Note (Dahlstrom Display Facility) dated as of March 15, 1986 (the "Facility Note"), in the form which is attached as Exhibit B to the Mortgage and Security Agreement dated as of March 15, 1986 by and between Assignor as Mortgagor, and the Issuer as Mortgagee, to evidence the obligation of the Assignor to make the Loan Repayments (as defined in the Agreement) for the Facility which Facility Note is to be assigned to the Bank as collateral security for the Bond; and

WHEREAS, the Issuer has assigned certain of its rights under the Agreement, the Facility Note, the Mortgage, the Guaranty dated March 15, 1986 from Dahlstrom Display, Inc., an Illinois corporation, and this Assignment to the Bank; and

This instrument was prepared by, and upon recordation should be mailed to:

Greenbaum, Browne, Cain, Wolf & Dolin, Ltd.
180 North LaSalle Street
Suite 3100
Chicago, Illinois 60601

BOX 333 - HV

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WHEREAS, the Assignor wishes to further secure the payment of the Facility Note and the payment and performance of other obligations pursuant to the Agreement;

NOW, THEREFORE, Assignor for and in consideration of these presents, the mutual agreements herein contained, and as further and additional security to the Issuer, does hereby sell, assign and transfer unto the Issuer all leases of the Premises, or any part thereof, together with all the rents, issues and profits now due and which may hereafter become due under or by virtue of any lease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of the Premises or any part thereof, or of any building located on the Premises, or any part thereof, which may have been heretofore or may be hereafter made or agreed to or which may be made or agreed to by the Issuer under the powers herein granted, together with all guaranties of any of the foregoing, it being the intention hereby, subject to the terms hereinbelow, to establish an absolute transfer and assignment of all the said leases and agreements, and all the avails thereof, to the Issuer, and Assignor does hereby authorize the Issuer (with or without taking possession of the premises), after an Event of Default, as provided hereinafter, to rent, lease or let all or any portion of the Premises to any party or parties at such rental and upon such terms, in its discretion as it may determine, and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter, and all now due, or that may hereafter become due under each and all of the leases and agreements, written or verbal, or other tenancy existing or which may hereafter exist on the Premises, except any funds held or paid by the Assignor as security deposits, with the same rights and power and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as the Issuer would have upon taking possession of the Premises pursuant to the provisions hereinafter set forth.

Assignor further covenants, represents and agrees as follows:

1. No rent has been or will be paid by any person in possession of the Premises or any portion of the Premises for more than one installment in advance, except in the event of default under any lease of the Premises or any portion thereof, and that the payment of none of the rents to accrue for any portion of said Premises has been or will be waived, released, reduced, or discounted, or otherwise discharged or compromised by Assignor. Assignor waives any right of set-off, off-set, or recoupment against any person in possession of any portion of the Premises. Assignor agrees not to make any other or further assignment of the rents or profits or leases prior to the release of this Assignment.

2.(a) Attached as Exhibit B hereto is a schedule of all leases (including subleases) existing as of the

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present date with respect to the Premises or any part thereof (hereinafter, together with all future leases of the Premises or any portion thereof, referred to as the "Leases");

- (b) No default exists on the part of the lessor or lessee named in the Leases, or their successors and assigns, under the terms, covenants, provisions or agreements therein contained and there exists no state of facts which, with the giving of notice or lapse of time or both, would constitute a default under any of the Leases;
- (c) The Leases are valid and enforceable in accordance with their terms and, to the extent permitted by law, shall remain in full force and effect irrespective of any merger of the interest of lessor and lessee thereunder;
- (d) If any of the Leases provides for the abatement of rent during repair of the demised premises by reason of fire or other casualty, Assignor shall furnish rental insurance to the Issuer in amount and form and written by insurance companies as shall be satisfactory to the Assignee; and
- (e) Assignor shall not hereafter terminate, modify, amend, extend, or otherwise modify any of the Leases or any of the terms thereof without the prior written consent of the Issuer and any attempted termination, amendment, extension, or modification of said Leases, or any one of them by Assignor without such written consent, shall be null and void.

3. Nothing herein contained shall be construed as constituting the Issuer a "mortgagee in possession" in the absence of the taking of actual possession of the Premises by the Issuer pursuant to the provisions hereinafter contained. In the exercise of the powers herein granted to the Issuer, no liability shall be asserted or enforced against the Issue, all such liability being expressly waived and released by Assignor.

4. Assignor shall execute and deliver immediately upon the request of the Issuer, all such further leases of, and assurances and assignments in, the Premises as the Issuer shall from time to time require.

5. Although it is the intention of the parties that this Assignment is a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwith-

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standing, that the Issuer shall not exercise any of the rights and powers conferred upon it herein until the occurrence of an Event of Default hereunder. "Event of Default" as used herein shall mean the occurrence of any event or circumstance, which would constitute an "Event of Default" under Section 19 of the Mortgage. In each instance, nothing herein contained shall be deemed to affect or impair any rights which the Issuer may have under the Note, or any instrument herein mentioned.

6. Upon the occurrence of an Event of Default, Assignor agrees to surrender to the Issuer, and the Issuer shall be entitled to take actual possession of the Premises or any part thereof personally, or by its agents or attorneys, and the Issuer, in its discretion, may, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of the Premises, together with all the documents, books, records, papers and accounts of Assignor, or the then owner of the Premises, and may exclude Assignor, its agents or servants, wholly therefrom. In that event, the Issuer may, but shall not be obligated, as attorney in fact or agent of the Assignor under the powers herein granted, hold, operate, manage and control the Premises and conduct the business, if any, thereof, either personally or by its agents, with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues and profits of the Premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress of rent, hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, and with full power to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Assignor to cancel the same; to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises that may seem judicious, in its discretion, to insure and reinsure the same for all risks incidental to the Issuer's possession, operation and management thereof and to receive all such avails, rents, issues and profits.

7. The Issuer shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any leases or rental agreements relating to the Premises, and Assignor shall and does hereby agree to indemnify and hold the Issuer harmless of and from any and all liability, loss or damage which it may or might incur under any leases or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it 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 leases.

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Should the Issuer incur any such liability, loss or damage, under said leases or under or by reason of the assignment thereof, or in the defense of any claims or demands Assignor agrees to indemnify and hold the Issuer, its officers, agents, employees and the assignees and successors of the Issuer harmless with respect to such liability, loss, or damage, and to reimburse the Issuer for the amount thereof, including direct costs, direct expenses and reasonable attorneys' fees, immediately upon demand. Notwithstanding anything hereinabove contained in this paragraph 7, in the event the Issuer has signed an attornment agreement with any lessee of the Premises, the Issuer shall not disturb said lessee's quiet enjoyment under the lease, provided that said lessee shall not be in default thereunder.

8. Upon an Event of Default, the Issuer, in the exercise of the rights and powers conferred upon it by this assignment, shall have full power to use and apply the avails, rents, issues and profits of the Premises to the payment of or on account of the following, in such order as the Issuer may determine:

(a) To the payment of the operating expenses of the Premises, including cost of management and leasing thereof (which shall include reasonable compensation to the Issuer and its agent or agents, if management be delegated to an agent or agents, and it shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases) establish claims for damages, if any, and premiums on insurance hereinabove authorized;

(b) To the payment of taxes and special assessments now due or which may hereafter become due on the Premises;

(c) To the payment of all repairs, decorating, renewals, replacements, alterations, additions, or betterments, and improvements of the Premises, including, without limitation, the cost from time to time of installing or replacing such fixtures, furnishings and equipment therein, and of placing the Premises in such condition as will, in the reasonable judgment of the Issuer, make it readily rentable;

(d) To the payment of any indebtedness evidenced by the Facility Note.

9. Upon the occurrence of an Event of Default, Assignor further specifically and irrevocably authorizes and instructs each and every present and future lessee or tenant of the whole or any part of the Premises to pay all unpaid rental agreed upon in any tenancy to the Issuer upon receipt of demand from the Issuer to pay the same.

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10. It is understood and agreed that the provisions set forth in this Assignment shall be deemed a special remedy given to the Issuer, and shall not be deemed exclusive of any of the remedies granted in the Mortgage or any other instrument or agreement securing or guaranteeing the Facility Note, but shall be deemed an additional remedy and shall be cumulative with the remedies of the Facility Note, all of which remedies shall be enforceable concurrently or successively.

11. The Assignor shall not execute any other assignment of any of the Leases or of any interest therein or of any of the rents, income or profits, payable thereunder, as security for the repayment of any indebtedness other than the Facility Note. Assignor shall perform all of its respective covenants and agreements as lessor under the Leases, and will not suffer or permit to occur any release of liability of lessees or the accrual of any right in lessees to withhold payment of rents. Assignor shall give prompt notice to the Issuer of any notice of Assignor's default received from any lessees or from any other person, and furnish the Issuer with complete copies of said notice. If requested by the Issuer, Assignor shall enforce the Leases and all remedies available to them against the lessees in case of default under the Leases by lessees.

12. Notwithstanding any variation of the terms of the Facility Note, including increase or decrease in the principal amount thereof or in the rate of interest payable thereunder, any extension of time for payment thereunder, any modification thereof or any release of part or parts of the Premises, or any guarantor thereof, the Leases and the benefits hereby assigned shall continue as security in accordance with the terms of this Assignment.

13. The Issuer may take security in addition to the security already given the Issuer for the payment of the principal and interest provided to be paid in or by the Facility Note, or may release such other security, may release any party primarily or secondarily liable on the Facility Note, may grant or make extensions, renewals, modifications or indulgences with respect to the Facility Note, which extensions, renewals, modifications and indulgences may be on the same or on different terms from the present terms of the Facility Note, and may apply any other security therefor held by it to the satisfaction of the Facility Note without prejudice to any of its rights hereunder.

14. Assignor shall give the Issuer immediate notice of any additional lease entered into of any part of the Premises after the date first above written. Whether or not such notice is given, all such leases shall be deemed included under the meaning of "Leases" and in this Assignment.

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15. Failure of the Issuer to avail itself of any of the terms, covenants and conditions of this Assignment for any period of time, or at any time or times, shall not constitute a waiver thereof. The rights and remedies of the Issuer under this instrument are cumulative and are not in lieu of, but in addition to, any other rights and remedies which the Issuer shall have under the Agreement, the Facility Note, the Mortgage, the Guaranties and any other instrument or agreement securing the Facility Note. The rights and remedies of Issuer hereunder may be exercised from time to time and as often as such exercise is deemed expedient.

16. It is expressly understood that no judgment or decree which may be entered on any debt secured or intended to be secured by the Mortgage shall operate to abrogate or lessen the effect of this instrument, but that the same shall continue in full force and effect until the payment and discharge of any and all indebtedness evidenced by the Facility Note and secured by the Mortgage shall have been paid in full and all bills incurred by virtue of the authority herein contained have been fully paid out of rents, issues and profits of the premises, or by Assignor, or until such time as this instrument may be voluntarily released. This instrument shall also remain in full force and effect during the pendency of any foreclosure proceedings, both before and after sale, until the issuance of a deed pursuant to a foreclosure decree, unless the indebtedness secured by the Mortgage is fully satisfied before the expiration of any period of redemption.

17. The term "Assignor" as used here includes and shall be binding upon the respective successors, legal representatives and assigns of Assignor, and any party or parties holding any right, title or interest in the Premises by, through or under the Assignor. All of the rights, powers, privileges and immunities herein granted and assigned to the Issuer, shall also inure to the Issuer's successors and assigns. The Issuer shall have the right to assign the interests acquired hereby to any subsequent mortgagee under the Mortgage and to any person acquiring title to the Premises through foreclosure or otherwise.

18. No change, amendment, modification, abridgment, cancellation or discharge hereof or of any part hereof, shall be valid unless consented to in writing by the Issuer.

19. This Assignment is given to secure the Facility Note of Assignor to the Issuer executed simultaneously herewith. To the extent that any of the terms, covenants or conditions contained herein are in conflict with or inconsistent with any of the terms, conditions or provisions of the Facility Note, such provisions of said Facility Note shall govern. To the extent that any of the terms, covenants or conditions contained herein are in conflict with or inconsistent with any of the terms, conditions or provisions of the Mortgage, such provisions of the Mortgage shall govern.

20. Assignor shall execute and deliver to the Issuer such further instruments as the Issuer may reasonably deem necessary to make this Assignment and any further assignment effective.

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21. This Assignment shall be construed under, and any proceedings for the enforcement of any rights conferred upon the Issuer hereunder shall be governed by, the laws of the State of Illinois.

22. All notices referred to herein shall be deemed fulfilled if mailed by certified mail, return receipt requested, or registered mail, postage prepaid, in an envelope addressed to such party at its address set forth below or to such other address as either party hereto shall direct by like written notice.

To Assignor: 2240 West Diversey, an Illinois
General Partnership
2240 West Diversey
Chicago, Illinois
Attention: Mr. David R. Dahlstrom
Mr. Samuel L. Carlin

With a copy to: Sonnenschein, Carlin, Nath &
Rosenthal
8000 Sears Tower
233 South Wacker Drive
Chicago, Illinois 60606
Attention: Thomas S. Linden


To Issuer: Illinois Development Finance
Authority
2 North LaSalle Street
Chicago, Illinois 60690

To the Bank: Devon Bank
6445 North Western Avenue
Chicago, Illinois 60645
Attention: David J. Faron

With a copy to: Greenbaum, Browne, Cain,
Wolf & Dolin, Ltd.
180 North LaSalle Street
Suite 3100
Chicago, Illinois 60601

IN WITNESS WHEREOF, the undersigned has executed this Assignment as of the 15th day of March, 1986.

2240 West Diversey, an Illinois
General Partnership

By: 
David R. Dahlstrom, General
Partner

By: 
Samuel L. Carlin, General Partner

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ACCEPTANCE

The undersigned accepts the foregoing Assignment of Rents and Leases upon and subject to all of the provisions contained herein.

ILLINOIS DEVELOPMENT FINANCE
AUTHORITY

By: Ronald Bean
Executive Director

ATTEST:

By: [Signature]
Assistant Secretary

Dated as of March 15, 1986

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ACKNOWLEDGEMENT

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Teresa Garos, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that David R. Dahlstrom and Samuel L. Carlin are personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 10th day of June, 1986.

Teresa Garos
NOTARY PUBLIC

My commission expires:

June 5, 1989

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EXHIBIT 2 3 5 0 3 5

THE SOUTH 8 FEET OF LOT 11 AND ALL OF LOTS 12 TO 24, BOTH INCLUSIVE, AND THE WEST 184 FEET OF LOT 31, ALL IN BLOCK 7 IN CLYBOURN AVENUE ADDITION TO LAKEVIEW IN CHICAGO IN SECTION 30, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Commonly known as 2240 West Diversey, Chicago, Illinois

Permanent Index Numbers: 14-30-118-010-0000; 14-30-118-013-0000;
14-30-118-014-0000; 14-30-118-021-0000.

Lot 31

Lots 15-20

Lots 21-24

Lots 11-14

Property of Cook County Clerk's Office

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BJH 24 - 20

EXHIBIT B

SCHEDULE OF LEASES

All of the Assignor's right, title and interest in and to the following:

a. that certain Industrial Building Lease dated June 10, 1986 by and between 2240 West Diversey, an Illinois general partnership, as Lessor, and Dahlstrom Display, Inc., an Illinois corporation, as Lessee, demising the entire Premises for a term commencing on June 10, 1986 and ending June 1, 2016;

b. that certain Industrial Building Lease dated September 14, 1984, by and between Michael Goldstein, as Lessee and Advertising Posters Company as Lessor, recorded with the Recorder of Deeds of Cook County, Illinois, on January 8, 1986 as Document No. 86010139, as assigned to Assignor on June 10, 1986, by that certain Assignment of Rents and Leases from Thomas Raleigh, Esq., not individually, but as Trustee, pursuant to Bankruptcy Petition filed February 21, 1986 as Docket No. 02779 in the United States Bankruptcy Court, and recorded with the Recorder of Deeds of Cook County, Illinois on June 10, 1986 as Document No. 86235033.

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