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ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT, dated as of this 27 day of June, 1986, by HOTEL SWISS GRAND ASSOCIATES, an Illinois limited partnership ("Hotel Swiss") and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but as Trustee under Trust Agreement dated February 14, 1984 and known as Trust No. 60312 ("Trust") (Hotel Swiss and Trust are hereinafter collectively referred to as "Assignor"), and CITICORP REAL ESTATE, INC., a Delaware corporation ("Assignee"), as agent for itself and for the benefit of the hereinbelow defined Lenders. Citicorp is sometimes referred to herein as "Agent".

W I T N E S S E T H

WHEREAS, Assignor and Citicorp for itself and as Agent Societe Generale, Bank of Montreal, The Fuji Bank, Limited, New York Branch, Tokai Bank of California, Manufacturers Hanover Trust Company, Credit Lyonnais, New York Branch and Credit Lyonnais, Cayman Islands Branch, (collectively the "Lenders") have executed a Construction and Term Loan Agreement bearing even date herewith (the "Loan Agreement") pursuant to which Assignee has agreed to make a loan to Assignor, up to the aggregate principal amount of \$103,750,000.00 (the "Construction Loan") which Construction Loan, upon satisfaction of terms and conditions as set forth in the Loan Agreement shall convert to a term loan up to the principal amount of \$85,000,000 ("Term Loan"; the Construction Loan and the Term Loan are collectively referred to as the "Loan");

WHEREAS, as evidence of the indebtedness incurred under the Loan, Trust has executed and delivered to Lenders a Note of even date herewith, payable to Lenders in the principal amount of \$103,750,000.00 (the "Note"), payment of which is secured by a mortgage of even date herewith (the "Mortgage") from Trust covering the real estate described in the Mortgage as well as other security; and

WHEREAS, the execution and delivery of this Assignment is a condition precedent to the performance by the Assignee of its obligations under the Loan Agreement;

NOW, THEREFORE, to secure the indebtedness evidenced by the Note and the performance and observance of all obligations, covenants and conditions in the Note, the "Mortgage" and the other "Loan Documents" as defined in the Loan Agreement (the indebtedness and other obligations, covenants and conditions secured hereby being hereinafter sometimes referred to as the "Liabilities"), Assignor for good and valuable consideration, receipt whereof is hereby acknowledged, hereby grants, transfers and assigns to the Assignee all of the Assignor's right, title, interest and privileges in and to all leases, licenses, concession

This instrument prepared by and mail to:

Virginia L. Aronson
Sidley & Austin
One First National Plaza CHICAGO, ILLINOIS
Chicago, Illinois 60603

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agreements and any other agreement (except the Management Agreement (as defined in the Loan Agreement)) whereby any party has agreed to pay any money for the use and occupancy of the Premises or any part thereof (the "Leases") of or affecting all or any part of the property described in Exhibit A attached hereto and hereby incorporated herein (the "Premises"), whether heretofore, now or hereafter entered into,

TOGETHER WITH all rents, income and other benefits to which Assignor may now or hereafter be entitled under the Leases,

TOGETHER WITH all security given under the Leases and all monies payable thereunder, and all books and records owned by Assignor which contain evidence of payments made under the Leases and all security given therefor.

PROVIDED, HOWEVER, that permission is hereby given to Assignor, so long as no Event of Default (as hereinafter defined) has occurred hereunder, to collect and use rents, income and other benefits from the Leases as they become due and payable, but not more than one (1) month in advance therefor. Notwithstanding the foregoing, Assignor may collect deposits in connection with day to day hotel room occupancy agreements ("Occupancy Agreements") more than one (1) month in advance. Upon the occurrence of any Event of Default, the permission hereby given to Assignor to collect and use income, rents and other benefits from the Leases shall terminate and such permission shall be reinstated upon a cure of such Event of Default acknowledged by Assignee in writing.

The foregoing provisions hereof shall constitute an absolute and present assignment of the Leases and the rents, income and other benefits from the Leases and to the conditional permission given to Assignor to collect and use such rents, income and other benefits as hereinabove provided; and the existence or exercise of such right of Assignor shall not operate to subordinate this assignment to any subsequent assignment, in whole or in part, by Assignor, and any such subsequent assignment by Assignor shall be subject to the rights of Assignee hereunder.

Assignor further covenants and agrees with and represents to Assignee as follows:

1. Assignor will not make any further assignments of the Leases, or the rents, income or other benefits therefrom, without the prior written consent of Assignee, which consent may be withheld in Assignee's sole discretion.

2. Assignor shall not enter into any Leases of the Premises or any part thereof, or amend, alter, modify or terminate any Leases of the Premises or any part thereof (whether now existing or hereafter entered into) without the prior written consent of the Assignee or except as otherwise provided in the Loan Agreement. Assignor shall not be required to obtain Assignee's consent to Occupancy Agreements. Assignor, if required by Assignee, shall furnish promptly to Assignee original or certified copies of the Leases.

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3. Assignor shall comply with and observe its obligations as landlord under the Leases. Assignor shall not accept payment of rent under any of the Leases more than one (1) month in advance without the prior written consent of Assignee, except with respect to Occupancy Agreements.

4. Assignor shall execute and deliver to Assignee any notification, financing statement or other document reasonably required by Assignee to perfect this Assignment as to any or all of the Leases.

5. Assignee shall have the right, at any time and from time to time, to notify the lessees under any of the Leases of the rights of Assignee under this Assignment.

6. Assignee may, at its option and election, perform any agreement or obligation under the Leases which Assignor shall fail to perform, and Assignee may take any other action which Assignee deems necessary for the preservation and maintenance of its interest in the Leases. Assignee shall, either prior to or contemporaneously with the taking of any action under the immediately preceding sentence, notify Assignor of such action. Assignor agrees to reimburse Assignee for all expenses or advances made by Assignee in connection with the foregoing, together with interest thereon at the Post Maturity Rate specified in the Note from the date of the expenditure to the date of reimbursement, but no such act or expenditure of Assignee shall relieve Assignor from the consequences of such failure.

7. The term "Event of Default," whenever used herein, shall mean any one or more of the following events: (a) if Assignor shall fail to keep, perform or observe any covenant, condition or agreement hereunder and such failure shall continue for twenty (20) days after written notice thereof by Assignee to Assignor, provided, however, the time limit for curing non-monetary covenants, agreements and obligations shall be extended for a period of not more than an additional sixty (60) days, if the ability to cure the subject default within the specified time limit is not within the reasonable control of the party responsible for curing the default, and provided such party promptly and in good faith undertakes the curing of such default and diligently thereafter in good faith pursues the curing thereof to completion; or (b) if a default shall occur under any of the Loan Documents and is not cured within such cure, grace or other period, if any, provided in such Loan Document.

8. Upon the occurrence of an Event of Default, the full amount remaining unpaid under the Loan Documents shall, at the option of Assignee, be and become due and payable without notice to Assignor, and Assignee shall then have the rights, options, duties and remedies of a secured party under the Uniform Commercial Code of Illinois. Without limiting the foregoing, upon the occurrence of an Event of Default, Assignee may proceed immediately to exercise each and all of the powers, rights and privileges of Assignor to manage, direct, control and deal with the Premises and the Leases to the same extent as the Assignor, including without limitation the right to collect and receive any of the rents, income and other benefits thereunder. Any requirement of the Uniform Commercial Code for reasonable notice to the Assignor shall be met if such

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notice is mailed, postage prepaid, to Assignor, at its address as shown on the records of Assignee, at least ten (10) days prior to the date of sale, disposition or other event giving rise to the requirement of notice.

9. No delay or omission of Assignee to exercise any right or power arising from any Event of Default hereunder shall exhaust or impair any such right or power or prevent its exercise during the continuance of such Event of Default. No waiver by Assignee of any Event of Default, whether such waiver be full or partial, shall extend to or be construed to affect any subsequent Event of Default, or to impair the rights resulting therefrom. No remedy hereunder is intended to be exclusive of any other remedy given hereunder or in any other instrument or agreement between the parties hereto, but each and every remedy shall be cumulative and in addition to any other and every other remedy. The provisions herein contained are for the benefit of Assignor and no other person shall be entitled to rely upon any provisions herein contained.

10. The Leases are assigned and transferred to Assignee by way of collateral security only and, accordingly, Assignee by its acceptance hereof shall not be deemed to have assumed or become liable for any of the obligations or liabilities of Assignor under the Leases, whether provided for by the terms thereof or arising by operation of law or otherwise, and Assignor hereby acknowledges and agrees that Assignor is and will remain liable thereunder to the same extent as though this Assignment had not been made, and Assignee disclaims any assumption of the obligations imposed upon Assignor by the Leases, until such time as Assignee shall have exercised the rights and privileges conferred upon it by this Assignment and assumed full and indefeasible ownership of the collateral hereby assigned.

11. This Assignment shall remain in full force and effect until released in writing by Assignee, it being the express intent of Assignor that this Assignment shall secure the Liabilities whether such Liabilities are outstanding as of the date of this Assignment or are incurred from time to time hereafter.

12. The unenforceability or invalidity of any provisions of this Assignment shall not render any other provision or provisions hereunder contained unenforceable or invalid. This Assignment shall be binding upon Assignor and upon the successors and assigns of the Assignor and shall inure to the benefit of the Assignee and its successors and assigns. This Assignment shall be construed in accordance with, and governed by, the laws of Illinois.

13. (a) All notices, requests, demands or other instrument required or contemplated to be given or furnished under this Assignment to Assignor or Assignee shall be deemed given or furnished when sent by registered or certified mail, return receipt requested, to the following addresses:

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If to Assignee:

Citicorp Real Estate, Inc.
200 South Wacker Drive
Chicago, Illinois 60606
Attention: Regional Manager

with a copy to:

Sidley & Austin
One First National Plaza
Chicago, Illinois 60603
Attention: Virginia L. Aronson

If to Assignor:

Hotel Swiss Grand Associates
505 North Michigan Avenue
Suite 340
Chicago, Illinois 60611
Attention: Lester Mehlman

with a copy to:

Rudnick & Wolfe
30 North LaSalle Street
Chicago, Illinois 60602
Attention: Robert H. Goldman

SNH Chicago, Inc.
c/o Fink, Weinberger, Fredman,
Berman & Lowell, p.c.
551 Fifth Avenue
New York, New York 10176
Attn: Joseph A. Weinberger, Esq. and
Melvin Weinberg, Esq.

Fink, Weinberger, Fredman,
Berman & Lowell, p.c.
551 Fifth Avenue
New York, New York 10176
Attn: Joseph A. Weinberger, Esq. and
Melvin Weinberg, Esq.

Hutton Lake Michigan Associates Ltd.
One Battery Park Plaza
New York, New York 10004
Attn: Adrienne A. Price

Battle, Fowler, Jaffin & Kheel
280 Park Avenue
New York, New York 10017
Attn: Robert W. Gelfman, Esq. or
John Lehr, Esq.

(b) Either party may change the address to which any such notice, report, demand or other instrument is to be delivered by furnishing written notice of such change to the other party, but no such notice of change shall be effective unless and until actually received by such other party.

14. This Assignment is executed by the American National Bank and Trust Company of Chicago, not personally

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but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee and it is expressly understood and agreed that nothing herein or in the Loan Documents contained shall be construed as creating any liability on said Bank personally to pay the Note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, all such liability, if any, being expressly waived by Assignee and by every person now or hereafter claiming any right or security hereunder, and that so far as said Bank and its successors personally are concerned, the legal holder or holders of the Notes and the owner or owners of any indebtedness accruing hereunder shall look solely to the Project, and any other security and any guaranty for the payment thereof.

15. The liability of Hotel Swiss hereunder shall be limited to the assets and property of Hotel Swiss and in no event shall any partner of Hotel Swiss be personally or individually liable hereunder except to the extent of, and limited to, such partner's interest as a partner in the assets and property of Hotel Swiss. A deficit capital account of any partner of Hotel Swiss shall not be deemed an asset or property of Hotel Swiss. The foregoing provisions shall not be applicable to any action by the Assignee with respect to fraud on the part of Hotel Swiss. Nothing contained in this Section 15 shall in any way limit any liability of any Guarantor.

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

ASSIGNOR:

HOTEL SWISS GRAND ASSOCIATES,
an Illinois limited partnership

By: MAT SWISS GRAND
ASSOCIATES, an Illinois
limited partnership,
A General Partner

By: MAT ASSOCIATES INCORPORATED,
an Illinois corporation,
A General Partner

ATTEST:

Handwritten signature
Treas.

By:

Handwritten signature
Lester Mehlman
Its President

By: HUTTON LAKE MICHIGAN
ASSOCIATES LTD., a
Delaware partnership

By: HUTTON HOTELS II INC.,
a Delaware corporation,
A General Partner

ATTEST:

Handwritten signature
Asst Secy

By:

Handwritten signature
Its

AMERICAN NATIONAL BANK AND TRUST
COMPANY, not personally, but
as Trustee as aforesaid

ATTEST:

Handwritten signature
Treas

By:

Handwritten signature
Its

ASSIGNEE:

CITICORP REAL ESTATE, INC., a
Delaware corporation, its Agent

By:

Handwritten signature
Its

Property Address:

323 East Wacker Drive

Chicago, Illinois

P.I.N.: 17-10-318-003

17-10-318-004

ATTEST:

Handwritten signature
Jane Williams

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STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

I, the undersigned, a Notary Public, do hereby certify that QUINN PRIMO, personally known to me to be VICE President of CITICORP REAL ESTATE, INC., a Delaware Corporation, and JAN WILLIAMS, personally known to me to be the ASST. VICE PRES. Secretary of said corporation, and personally known to me to be the same person whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such VICE President and ASST. VICE PRES. Secretary, they signed and delivered the said instrument and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and deed and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this 27th day of June, 1986.

Myrtice A. Devally
Notary Public

My Commission Expires:

10/13/86

NOTARY PUBLIC OF COOK COUNTY Clerk's Office

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EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1

A PARCEL OF LAND, BEING A PART OF THE LANDS LYING EAST OF AND ADJOINING FORT DEARBORN ADDITION TO CHICAGO, BEING THE WHOLE OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LOCATED AND DESCRIBED AS FOLLOWS:

COMMENCING ON THE EAST LINE OF NORTH COLUMBUS DRIVE, 110 FEET WIDE, (AS SAID NORTH COLUMBUS DRIVE WAS DEDICATED AND CONVEYED TO THE CITY OF CHICAGO BY INSTRUMENT RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS ON THE FIFTH DAY OF JUNE, 1977 AS DOCUMENT NO. 21925615) AT A POINT WHICH IS 768.878 FEET, MEASURED ALONG SAID EAST LINE, NORTH FROM THE POINT OF INTERSECTION OF SAID EAST LINE, (EXTENDED SOUTH) WITH THE NORTH LINE OF EAST RANDOLPH STREET, (AS SAID EAST RANDOLPH STREET WAS DEDICATED AND CONVEYED TO THE CITY OF CHICAGO BY INSTRUMENT RECORDED IN SAID RECORDER'S OFFICE ON THE 11TH DAY OF DECEMBER, 1979 AS DOCUMENT NO. 25276446), AND RUNNING

THENCE EAST ALONG A LINE PERPENDICULAR TO SAID EAST LINE OF NORTH COLUMBUS DRIVE (SAID PERPENDICULAR LINE BEING ALSO THE NORTH LINE OF THE ARCADE LEVEL PARK AS SAID ARCADE LEVEL PART IS LOCATED AND DEFINED IN THE AMENDATORY LAKE FRONT ORDINANCE PASSED BY THE CITY COUNCIL OF THE CITY OF CHICAGO ON THE 17TH DAY OF SEPTEMBER 1969), A DISTANCE OF 381.738 FEET;

THENCE NORTH ALONG A LINE PERPENDICULAR TO SAID LAST DESCRIBED COURSE, A DISTANCE OF 146.625 FEET, TO THE POINT OF BEGINNING FOR THE PARCEL OF LAND HEREINAFTER DESCRIBED:

THENCE CONTINUING NORTH ALONG SAID LAST DESCRIBED PERPENDICULAR LINE, A DISTANCE OF 141.107 FEET TO AN INTERSECTION WITH THE SOUTHERLY LINE OF EAST WACKER DRIVE AS SAID EAST WACKER DRIVE WAS DEDICATED AND CONVEYED TO THE CITY OF CHICAGO BY THE AFORESAID INSTRUMENT RECORDED AS DOCUMENT NO. 21925615;

THENCE WESTWARDLY ALONG SAID SOUTHERLY LINE OF EAST WACKER DRIVE (SAID SOUTHERLY LINE BEING HERE A STRAIGHT LINE DEFLECTING 85 DEGREES, 24 MINUTES, 29 SECONDS TO THE LEFT FROM A NORTHWARD EXTENSION OF THE LAST DESCRIBED COURSE), A DISTANCE OF 12.571 FEET;

THENCE CONTINUING WESTWARDLY ALONG SAID SOUTHERLY LINE OF EAST WACKER DRIVE, SAID SOUTHERLY LINE BEING HERE THE ARC OF A CIRCLE WHICH IS TANGENT TO THE LAST DESCRIBED COURSE, (IS CONVEX TO THE SOUTH AND HAS A RADIUS OF 1840.488 FEET, A DISTANCE OF 162.710 FEET;

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EXHIBIT A
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THENCE CONTINUING WESTWARDLY ALONG SAID SOUTHERLY LINE OF EAST WACKER DRIVE, SAID SOUTHERLY LINE BEING HERE A STRAIGHT LINE WHICH IS TANGENT TO THE LAST DESCRIBED COURSE, A DISTANCE OF 47.914 FEET TO AN INTERSECTION WITH A LINE 160.571 FEET, MEASURED PERPENDICULARLY, EAST FROM AND PARALLEL WITH SAID EAST LINE, AND NORTHWARD EXTENSION THEREOF, OF NORTH COLUJBUS DRIVE:

THENCE SOUTH ALONG SAID PARALLEL LINE A DISTANCE OF 170.325 FEET TO A POINT WHICH IS 146.625 FEET NORTH FROM THE AFOREMENTIONED NORTH LINE OF THE ARCADE LEVEL PARK:

THENCE EAST ALONG A LINE PERPENDICULAR TO SAID LAST DESCRIBED COURSE, A DISTANCE OF 221.167 FEET, TO A POINT OF BEGINNING.

CONTAINING 34,000 SQUARE FEET OF LAND, MORE OR LESS.

PARCEL 2.

PERPETUAL AND NON-EXCLUSIVE EASEMENT TO INSTALL, USE, MAINTAIN, REPAIR AND REPLACE UNDERGROUND STORM SEWER, SANITARY SEWER, WATER, GAS AND ELECTRIC LINES IN THE 15 FOOT WIDE STRIP OF LAND (HEREIN CALLED "UTILITY EASEMENT AREA") TO SERVE PARCEL 1 FROM THE EXISTING 66 FOOT UTILITY EASEMENT, AS CREATED BY INSTRUMENT RECORDED June 30, 1966 AS DOCUMENT NUMBER 86267044, OVER THE FOLLOWING DESCRIBED LAND:

A PARCEL OF LAND BEING A PART OF THE LANDS LYING EAST OF AND ADJOINING FORT DEARBORN ADDITION TO CHICAGO, BEING THE WHOLE OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, WHICH PARCEL OF LAND IS BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING ON THE EAST LINE OF N. COLUMBUS DRIVE (AS SAID N. COLUMBUS DRIVE WAS DEDICATED AND CONVEYED TO THE CITY OF CHICAGO BY INSTRUMENT RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS, ON THE 5TH DAY OF JUNE, 1972 AS DOCUMENT NO. 21925615) AT A POINT WHICH IS 844.72 FEET, MEASURED ALONG SAID EAST LINE, NORTH FROM THE POINT OF INTERSECTION OF SAID EAST LINE, EXTENDED SOUTH, WITH THE NORTH LINE, EXTENDED EAST, OF E. RANDOLPH STREET; AND RUNNING

THENCE EAST ALONG A LINE PERPENDICULAR TO SAID EAST LINE OF N. COLUMBUS DRIVE (SAID PERPENDICULAR LINE BEING ALSO THE NORTH LINE OF A CERTAIN STRIP OF LAND, 66 FEET WIDE, CONVEYED TO THE CITY OF CHICAGO FOR PUBLIC UTILITIES BY INSTRUMENT RECORDED IN SAID RECORDER'S OFFICE ON THE 14TH DAY OF MAY, 1962 AS DOCUMENT NO. 18474522) A DISTANCE OF 170.571 FEET TO THE POINT OF BEGINNING AT THE SOUTHWEST CORNER OF THE HEREINAFTER DESCRIBED PARCEL OF LAND;

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EXHIBIT A
(Continued)

THENCE NORTH ALONG A LINE PARALLEL WITH SAID EAST LINE OF N. COLUMBUS DRIVE, A DISTANCE OF 70.783 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO THE LAST DESCRIBED LINE, A DISTANCE OF 15.00 FEET;

THENCE SOUTH ALONG A LINE PARALLEL WITH SAID EAST LINE OF N. COLUMBUS DRIVE, A DISTANCE OF 70.783 FEET TO SAID NORTH LINE OF THE STRIP OF LAND CONVEYED TO THE CITY OF CHICAGO FOR PUBLIC UTILITIES;

THENCE WEST ALONG SAID LINE A DISTANCE OF 15.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 1,062 SQUARE FEET OF LAND, MORE OR LESS.

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