

87590387

SECOND ASSIGNMENT OF RENTS AND
LEASES AGREEMENT

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KNOW ALL MEN BY THESE PRESENTS:

FOR VALUE RECEIVED, the undersigned, AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not individually or personally but solely as Trustee under Trust Agreement dated June 24, 1969, and known as Trust Number 28443 ("Trustee"), and the sole beneficiary of Trustee, 540 Hotel Venture, an Illinois limited partnership ("Hotel Venture"), two of whose general partners are Michigan Square Venture and Marriott Corporation (said Trustee and Hotel Venture being hereinafter sometimes together referred to as the "Assignors") hereby sell, assign, transfer and set over unto THE TANDEM INSURANCE GROUP, INC., an Illinois Life Insurance Company, and its successors and assigns (hereinafter together referred to as the "Secured Party"), all of the rents, issues, profits and income whatsoever arising from or which may be had under any leases or tenancies (including, in the terms "leases" or "tenancies", subleases or subtenancies with respect to the Leased Property) now existing or which may be hereafter created (and under any extensions or renewals thereof) on the real estate situated in the County of Cook, State of Illinois described in Exhibit A attached hereto and made a part hereof (the "Property"), and on the real estate situated in the County of Cook, State of Illinois described in Exhibit B attached hereto and made a part hereof (the "Leased Property"), which Leased Property is leased by Trustee pursuant to that certain Garage Lease dated June 16, 1976 with General Parking Corporation as amended (the "Garage Lease"), and the buildings and improvements now or hereafter located on the Property and the Leased Property, all such real estate, buildings and improvements being hereinafter referred to as the "premises", as additional collateral security for (i) the payment of the indebtedness secured by the Junior Mortgage and Security Agreement (the "Mortgage") of even date herewith including, without limitation, the indebtedness now or hereafter evidenced by the Note (as defined in the Mortgage) in the principal amount of \$11,300,000.00, (ii) the performance of all of the covenants, warranties, representations, terms and conditions of the Mortgage and (iii) the performance of all of the covenants, warranties, representations, terms and conditions of that certain Security Agreement of even date herewith (the "Security Agreement") made, among others, by Assignors. Notwithstanding anything herein to the contrary, it is expressly understood and agreed that this Assignment of Rents and Leases Agreement is not intended to operate as and shall not be an assignment of the Garage Lease and that the terms and provisions hereof shall not apply thereto.

As used hereinafter, the term "Mortgage Documents" shall mean the Mortgage, Security Agreement and Notes hereinabove referred to and this Assignment of Rents and Leases Agreement and any other assignments of leases delivered to the Secured Party as security for the indebtedness evidenced by the Note.

Assignors will observe and perform all covenants, conditions, and agreements in any lease now or hereafter affecting any portion of the premises or in any assignment to Secured Party of any such lease on the part of either of the Assignors or the landlord to be observed and performed thereunder. Assignors will not take any

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Mail to:
Daniel J. Perlman
Katten, Muchin & Zavis
525 W. Monroe
Suite 1600
Chicago, IL 60606

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action or exercise any right or option which would permit the tenant under any lease of any part of the premises to cancel or terminate said lease. As used in this Assignment of Rents and Leases Agreement, the term "lease" and "leases" shall include, without limitation, all agreements for the management, maintenance, and operation of any part of the premises.

It is agreed that the undersigned shall be entitled to collect and retain the rents, issues and profits of and from the premises or any part thereof unless and until there shall be a default in the payment of any of the sums of principal, interest, taxes or insurance due under the terms of the Mortgage Documents, or there shall be a default in the performance or observance of any of the other covenants, warranties, representations, terms and conditions of the Mortgage Documents, provided, however, that even before default occurs no more than one (1) month's rent shall be collected or accepted in advance without the prior written consent of the Secured Party. In the event of such default and the continuance thereof for a period of fifteen (15) days after receipt by Assignor of written notice of said default from Secured Party, the Secured Party shall be entitled forthwith without any further notice whatsoever to the Assignors to take possession and control of the premises and shall have the sole and exclusive right and authority to manage and operate the same, to collect the rents, issues, profits and income therefrom, with full power to employ agents to manage the premises, and to do all acts relating to such management including, but not limited to, negotiation of new leases or subleases thereon, making adjustments of existing leases, contracting and paying for such repairs and replacements to the buildings and fixtures, equipment and personal property located therein and used in any way in the operation, use, and occupancy of the premises as in the reasonable sole judgment and discretion of the Secured Party may be necessary to maintain the same in a tenantable condition, purchasing and paying for such additional furniture and equipment as in the reasonable sole judgment of the Secured Party may be necessary to maintain a proper rental income from the premises, employing necessary maintenance employees, purchasing fuel, providing utilities and paying for all other necessary expenses incurred in the operation of the premises, maintaining adequate insurance coverage over hazards customarily insured against and paying the premiums therefor, and applying the net rents, issues, profits and income so collected from the premises, after deducting the costs of collection thereof, which shall include a reasonable management fee for any management agent so employed, against the amount expended for repairs, upkeep, maintenance services, fuel, utilities, taxes, assessments, insurance premiums and such other expenses as it may be necessary or desirable to incur, in the sole discretion of the Secured Party, in connection with the operation of the premises, including, without limitation, the payment of rent or other expenses under the Garage Lease and against interest, principal or other charges which have or which may become due, from time to time, under the terms of the Mortgage Documents.

In the event of such default and the continuance thereof for the period aforesaid, the Assignors agree to endorse and deliver to the Assignee, all then existing leases covering the premises or any part thereof. Without limiting the provisions of the immediately preceding sentence, and whether or not the Assignors endorse and/or deliver said leases to the Secured Party, as aforesaid, this Assignment of Rents and Leases Agreement shall be

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deemed to be an assignment of all such leases to the Secured Party.

The provisions hereof shall not limit the effect of any assignments of particular leases in fact given to Secured Party by Assignors or either of them.

It is further understood that this assignment shall not operate to place responsibility for the control, care, management or repair of the premises upon the Secured Party, nor for the performance of any of the terms and conditions of any leases assigned hereunder, nor shall it operate to make the Secured Party responsible or liable for any waste committed on the premises by the tenants or any other party or for any dangerous or defective condition of the premises or for any negligence in the management, upkeep, repair or control of the premises resulting in loss or injury to any tenant, invitee, licensee, employee or stranger.

The acceptance of this Assignment of Rents and Management Agreement and the collection of the rents hereby assigned in the event of a default, as referred to above, shall be without prejudice to and shall not constitute a waiver on the part of the Secured Party of any of the Secured Party's rights or remedies under the terms and conditions of the Mortgage Documents, at law or in equity, or otherwise.

Assignors hereby assign to Secured Party (i) any award or other payment which Assignors may hereafter become entitled to receive with respect to a lease of any part of the premises as a result of or pursuant to any bankruptcy, insolvency, or reorganization or similar proceedings involving the tenant under such lease and (ii) any and all payments made by or on behalf of any tenant of any part of the premises in lieu of rent. Assignors hereby irrevocably appoint Secured Party as their attorney to appear in any such proceeding and/or to collect any such award or payment.

Secured Party may, at its option, notify any tenants or other parties of the existence of this Assignment of Rents and Leases Agreement.

The remedies of the Secured Party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein, shall not be construed as a waiver of any of the other remedies of Secured Party so long as any obligation under the Mortgage Documents remains unsatisfied.

All rights of Secured Party hereunder shall inure to the benefit of its successors and assigns; and all obligations of Assignors shall bind their respective successors and assigns. All rights of the Secured Party in, to and under this Assignment of Rents and Management Agreement and in and to the collateral security provided hereby shall pass to and may be exercised by any assignee thereof. The Assignors agree that if the Secured Party gives notice to the Assignors of an assignment of said rights, upon such notice the liability of the Assignors to the assignee shall be immediate and absolute. The Assignors will not set up any claim against the original or any intervening Secured Party as a defense, counterclaim or setoff to any action brought by any such assignee for any amounts due hereunder or for possession of or the exercise of rights with respect to the collateral security provided hereby.

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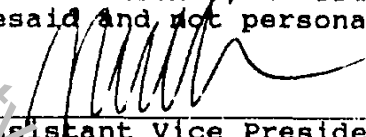
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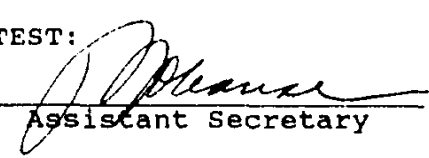
It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee and Hotel Venture while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee and Hotel Venture are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or Hotel Venture or for the purpose or with the intention of binding said Trustee or Hotel Venture personally but are made and intended for the purpose of binding only the collateral security described herein, and this instrument is executed and delivered by the Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee, and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against Trustee or Hotel Venture on account of this instrument or on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee or Hotel Venture in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived. The lien of this Assignment and the rights of the Secured Party hereunder in the collateral secured hereby are junior to that certain Assignment of Rents and Management Agreement set forth in Exhibit C attached hereto and incorporated herein.

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO, as Trustee
as aforesaid and not personally

By: 
Assistant Vice President

(SEAL)

ATTEST:


Assistant Secretary

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540 HOTEL VENTURE, an Illinois limited partnership

By: MICHIGAN SQUARE VENTURE, a partnership, a general partner of 540 Hotel Venture

By: LAKE MICHIGAN PROPERTIES, INC., a general partner of Michigan Square Venture

By: [Signature]
President

(SEAL)

ATTEST

[Signature]
Assistant Secretary

By: MARRIOTT CORPORATION, a Delaware corporation, a general partner of 540 Hotel Venture

By: [Signature]
Vice President

(SEAL)

ATTEST:

[Signature]
Secretary

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COOK COUNTY ILLINOIS
FILED FOR RECORD

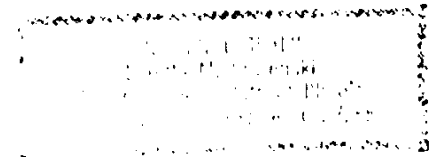
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STATE OF ILLINOIS)
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that the above named Assistant Vice President and Assistant Secretary of the AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Assistant Vice President and Assistant Secretary respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instruments as their own free and voluntary act and as the free and voluntary act of said Bank for the uses and purposes therein set forth; and the said Assistant Secretary then and there acknowledged that said Assistant Secretary, as custodian of the corporate seal of said Bank, caused the corporate seal of said Bank to be affixed to said instrument as said Assistant Secretary's own free and voluntary act and as the free and voluntary act of said Bank for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this ___ day of ___, 19__.

[Signature]
Notary Public

Commission expires: _____

STATE OF ILLINOIS)
COUNTY OF COOK) SS

I, the undersigned, a Notary Public in and for the county and state aforesaid, DO HEREBY CERTIFY, that the above named VICE President and Assistant Secretary of Lake Michigan Properties, Inc., an Illinois corporation, being a general partner of Michigan Square Venture, a partnership which in turn is a general partner of 540 Hotel Venture, a limited partnership and that the above named VICE President and Assistant Secretary of Marriott Corporation, a Delaware corporation, said corporation being a general partner of 540 Hotel Venture, a limited partnership, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such VICE President and Assistant Secretary of Lake Michigan Properties, Inc. and President and Secretary of Marriott Corporation, respectively, appeared before me this day in person and severally acknowledged that as such officers of said corporations they, being duly authorized, signed and delivered the said instrument as such officers and caused the corporation seals of said corporations to be affixed thereto as their free and voluntary acts and as the free and voluntary acts and deeds of said corporations and, as to Lake Michigan Properties, Inc. of Michigan Square Venture and of 540 Hotel Venture for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 30 day of October, 1987.

Commission expires September 17, 1991.

[Signature]
Notary Public

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EXHIBIT A

Block 22 (except the East 75 feet thereof taken for the widening of North Michigan Avenue) in Kinzie's Addition to Chicago, being the North fraction of Section 10, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Common Address: 540 N. Michigan
Chicago, IL

PLN: 1710 120 ^{C.F.O.} 002 *all 3, 4,*

1710 120 ^{C.N.O.} 003 *all.* *Sm*

1710 121 005 *Sm.*
^{C.F.O.}

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EXHIBIT B

Sub-lots 1 to 4, both inclusive, and a tract of land marked private alley West of and adjoining said Sub-lots 3 and 4, all in E. C. Larned's Subdivision of lots 1 and 2 and the East 1/2 of lot 3 in Block 23 in Kinzie's Addition to the City of Chicago in Section 10, Township 39 North, Range 14 East of the Third Principal Meridian in Cook County, Illinois.

ALSO:

The West 1/2 of lot 3 and all of lot 4 in Block 23 in Kinzie's Addition to the City of Chicago, all in Cook County, Illinois.

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EXHIBIT C

Assignment of Rents and Management Agreement dated July 14, 1976 and recorded July 15, 1976 as Document 23560382 made by American National Bank and Trust of Chicago, as Trustee under Trust Agreement dated June 24, 1969 and known as Trust No. 28443 and 540 Hotel Venture, an Illinois partnership to Continental Illinois National Bank and Trust Company of Chicago to secure the Mortgage recorded July 15, 1976 as Document 23560380, said Assignment of Rents and Management Agreement was assigned by Continental Illinois National Bank and Trust Company of Chicago to Metropolitan Life Insurance Company and The Equitable Life Assurance Society of the United States by Assignment dated May 25, 1978 and recorded May 25, 1978 as Document 24463778.

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