

UNOFFICIAL COPY

87139598

LMG 784120/3666T

1900

ASSIGNMENT OF RENTS AND LESSOR'S INTEREST IN LEASES

THIS ASSIGNMENT is made jointly and severally as of the 16th day of February, 1987 by and among LAKE SHORE NATIONAL BANK, not personally or individually, but as Trustee under Trust Number 4569, as successor Trustee to Upper Avenue National Bank of Chicago, a national banking association, as Trustee under Trust Agreement dated January 11, 1977 and known as Trust No. 14-0351 (hereinafter referred to as the "Borrower") and 152 WEST HURON STREET PROPERTIES, an Illinois general partnership (hereinafter referred to as the "Beneficiary", whether one or more) (Borrower and Beneficiary are hereinafter collectively referred to as the "Assignor") whose mailing address is c/o City Properties Corporation, 62 West Huron, Chicago, Illinois to and for the benefit of THE FIDELITY MUTUAL LIFE INSURANCE COMPANY whose mailing address is 250 King of Prussia Road, Radnor, Pennsylvania 19087 (hereinafter referred to as the "Assignee").

W I T N E S S E I H:

WHEREAS, Borrower is, or will shortly become, the holder and owner of the fee simple estate in and to the real estate described in Exhibit "A" attached hereto and by this reference incorporated herein (hereinafter referred to as the "Property"); and,

WHEREAS, Borrower has concurrently herewith executed and delivered to Assignee a certain Principal Note in the principal amount of ONE MILLION SEVEN HUNDRED FIVE THOUSAND AND NO/100 (\$1,705,000.00) DOLLARS (said Principal Note is hereinafter referred to as the "Note") which Note is secured by a mortgage encumbering the Property and by other collateral documents in favor of Assignee (said mortgage and other collateral documents are hereinafter referred to as the "Loan Documents"); and

WHEREAS, Beneficiary owns one hundred (100%) percent of the beneficial interest under said Trust Agreement, but has no legal or equitable interest in the property hereinafter described.

NOW, THEREFORE, for the purpose of securing payment of the indebtedness evidenced by the Note and the payment of all advances and other sums with interest thereon becoming due and payable to Assignee under the provisions hereof or of the Note and the aforesaid Loan Documents, or any sums secured by said instruments, and the performance and discharge of each and every obligation covenant and agreement of Assignor herein or arising from the Note and Loan Documents, and also in consideration of TEN AND NO/100 (\$10.00) DOLLARS, the receipt whereof is hereby acknowledged; it is hereby agreed as follows:

1. Assignment Clause. Assignor, intending to be legally bound and in consideration of the making of the loan represented by the Note, does hereby sell, assign, transfer and set over unto Assignee all right, title and interest of Assignor in and to all rents, issues and profits of the Property, including but not limited to all right, title and interest of Assignor, in and to those leases of all or of portions of the Property (if any), as may be listed in

THIS DOCUMENT PREPARED BY,
AND AFTER RECORDING RETURN TO:

Lawrence M. Gritton
Katz Randall & Weinberg
200 North LaSalle Street
Suite 2300
Chicago, Illinois 60601
(312) 807-3800

COMMON PROPERTY ADDRESS:

152 West Huron Street
Chicago, Illinois

PERMANENT REAL ESTATE INDEX NUMBER:

17-09-210-012-0000

KRW File No. 1836.52

BOX 999-CA

D 3

A-A-0

SB

70-90-988-05

87139598

Exhibit "B" attached hereto and made a part hereof and any leases which may be hereafter entered into for all or any portion of the Property (hereinafter referred to as the "Leases"), and any and all extensions and renewals thereof, and including any security deposits or interests therein now or hereafter held by Assignor and the benefit of any guarantees executed in connection with any of the Leases. That this Assignment is absolute and is effective immediately; however, until notice is sent by Assignee to the Assignor in writing that an event of default has occurred under the Note or under any other Loan Document (each such notice is hereinafter referred to as the "Notice"), Assignor may receive, collect and enjoy the rents, income and profits accruing from the Property.

2. Representations. Assignor represents and warrants that: (i) there is no lease in effect with respect to the Property which is not listed on the aforesaid Exhibit "B" (if so attached); (ii) it has made no prior assignment or pledge of the rents assigned hereby or of the Assignor's interest in any of the Leases; (iii) no default exists in any of the Leases and there exists no state of fact which, with the giving of Notice or lapse of time or both, would constitute a default under any of the Leases; and that Assignor will fulfill and perform each and every covenant and condition of each of the Leases by the landlord thereunder to be fulfilled or performed and, at the sole cost and expense of Assignor, enforce (short of termination of any of the Leases) the performance and observance of each and every covenant and condition of all such Leases by the tenants thereunder to be performed and observed; (iv) none of the Leases have been modified or extended except as may be noted in Exhibit "B"; (v) Assignor is the sole owner of the landlord's interest in the Leases; (vi) the leases are valid and enforceable in accordance with their terms; and (vii) no prepayment of any installment of rent for more than one (1) month due under any of the Leases has been received by Assignor.

3. Negative Covenants of Assignor. Assignor will not, without Assignee's prior written consent, (i) execute an assignment or pledge of the rents from the Property or any part thereof, or of the Assignor's interest in any of the Leases, except to Assignee; (ii) modify, extend or otherwise alter the terms of any of the Leases; (iii) accept prepayments of any installments of rents to become due under any of the Leases for more than one (1) month; (iv) execute any lease of all or any portion of the Property: (a) where such lease substantially deviates from the standard form of lease approved by Mortgagee; or (b) where the annual gross rent due under such lease is in excess of SEVENTY-FIVE THOUSAND AND NO/100 (\$75,000.00) DOLLARS; or (c) where the term of such lease, including any renewal terms, is more than ten (10) years; (v) in any manner impair the value of the Property; or (vi) permit the Leases to become subordinate to any lien other than a lien created by the Loan Documents or a lien for general real estate taxes not delinquent.

4. Affirmative Covenants of Assignor. Assignor on and after title is conveyed to it will at its sole cost and expense (i) at all times promptly and faithfully abide by, discharge or perform all of the covenants, conditions and agreements contained in the Leases; (ii) enforce or secure the performance of all of the covenants, conditions and agreements of the Leases on the part of the lessees to be kept and performed; (iii) appear in and defend any action or proceeding arising under, growing out of or in any manner connected with the Leases or the obligations, duties or liabilities of Assignor, as Lessor, and of the lessees thereunder, and pay all costs and expenses of Assignee, including reasonable attorneys' fees in any such action or proceeding in which Assignee may appear;

REC-1339598

(iv) transfer and assign to Assignee any and all Leases subsequently entered into, upon the same terms and conditions as are herein contained, and make, execute and deliver to Assignee upon demand any and all instruments required to effectuate said assignment; (v) furnish to Assignee, within ten (10) days after a request by Assignee to do so, a written statement containing the names of all lessees of the Property or any part thereof, the terms of their respective leases, the spaces occupied and the rentals payable thereunder; (vi) exercise within five (5) days of the demand therefor by Assignee any right to request from the lessee under any of the Leases a certificate with respect to the status thereof; (vii) furnish Assignee promptly with copies of any notices of default which Assignee may at any time forward to any lessee of the Property or any part thereof; and (viii) pay immediately upon demand all sums expended by Assignee under the authority hereof, together with interest thereon at the default rate provided in the Note.

F. Agreement of Assignor

A. Should Assignor fail to make any payment or to do any act as herein provided for, then Assignee, but without obligation so to do, and without releasing Assignor from any obligation hereof, may make or do the same in such manner and to such extent as Assignee may deem necessary to protect the security hereof, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Assignee, and also the right to perform and discharge each and every obligation, covenant and agreement of the Assignor in the Leases contained, and in exercising any such powers to incur and pay necessary costs and expenses, including reasonable attorneys' fees, all at the expense of Assignor.

B. This Assignment shall not operate to place responsibility for the control, management, care and/or repair of the Property upon Assignee and Assignee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under the Leases, or under or by reason of this Assignment, and Assignor shall and does hereby agree to indemnify and to hold Assignee harmless of and from any and all liability, loss or damage which it may or might incur under the Leases or under or by reason of this Assignment 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 the Leases, except any such claims or demands resulting from the acts or actions of Assignee. Should Assignee incur any such liability, loss or damage under the Leases or under or by reason of this Assignment, or in the defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby, and Assignor shall reimburse Assignee therefor with interest at the default rate provided in the Note immediately upon demand.

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

D. A demand on any lessee by Assignee for the payment of the rent on any default claimed by Assignee shall be sufficient warrant to the lessee to make future payment of rents to Assignee without the necessity for further consent by Assignor.

E. Assignor does further specifically authorize and instruct each and every present and future lessee of the whole or any part of the Property to pay all unpaid rental agreed upon in any tenancy to Assignee upon receipt of demand from Assignee to pay the same, and Assignor hereby waives the right, claim or demand it may now or hereafter have against any such lessee by reason of such payment of rental to Assignee or compliance with other requirements of Assignee pursuant to this Assignment.

F. Beneficiary hereby irrevocably appoints Assignee as its true and lawful attorney with full power of substitution and with full power for Assignee in its own name and capacity or in the name and capacity of Beneficiary, from and after the service of the Notice of any default not having been cured, to demand, collect, receive and give complete acquittances for any and all rents, income and profits accruing from the subject Property, and at Assignee's discretion to file any claim or take any other action or proceeding and make any settlement of any claims, in its own name or otherwise, which Assignee may deem necessary or desirable in order to collect and enforce the payment of the rents, income and profits. Lessees of the subject Property are hereby expressly authorized and directed to pay any and all amounts due Assignor pursuant to the Leases directly to Assignee or such nominee as Assignee may designate in writing delivered to and received by such lessees who are expressly relieved of any and all duty, liability or obligation to Assignor in respect of all payments so made.

G. In the event any lessee under the Leases should be the subject of any proceeding under the Federal Bankruptcy Code, as amended from time to time, or any other federal, state, or local statute which provides for the possible termination or rejection of the Leases assigned hereby, the Assignor covenants and agrees that if any of the leases is so terminated or rejected, no settlement for damages shall be made without the prior written consent of Assignee, and any check in payment of damages for termination or rejection of any such Lease will be made payable both to Assignor and Assignee. The Assignor hereby assigns any such payment to Assignee and further covenants and agrees that upon the request of Assignee, it will duly endorse to the order of Assignee any such check, the proceeds of which will be applied to whatever portion of the indebtedness secured by this Assignment Assignee may elect.

6. Default. Upon, or at any time after, default in the payment of any indebtedness secured hereby or in the performance of any obligation, covenant, or agreement herein or in the Note or the Loan Documents, Assignee may, at its option, from and after the Notice and expiration of applicable period of grace, if any, and without regard to the adequacy of the security for the indebtedness hereby secured, either in person, or by agent with or without bringing any action or proceeding, or by a receiver to be appointed by a court, enter upon, take possession of, manage and operate the Property or any part thereof; and do any acts which Assignee deems proper to protect the security hereof; and, either with or without taking possession of said Property, in the name of Assignor or in its own name sue for or otherwise collect and receive such rents, issues, profits, and advances, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including, but not being limited to, reasonable attorneys' fees, management fees and broker's commissions, upon any indebtedness secured hereby, and in such order as Assignee may determine. Assignee reserves, within its own discretion, the right to determine the method of collection and the extent to which enforcement of collection of delinquent rents shall be prosecuted, and shall not be accountable for more monies than it actually

HY139599

receives from the Property. The entering upon and taking possession of said Property or the collection of such rents, issues, profits and advances and the application thereof, as aforesaid, shall not cure or waive any default under the Loan Documents or the Note. Assignor agrees that it will facilitate in all reasonable ways Assignee's collection of said rents, and will, upon request by Assignee, promptly execute a written notice to each lessee directing the lessee to pay rent to Assignee.

7. Assignee's Right to Exercise Remedies. No remedy conferred upon or reserved to Assignee herein or in the Loan Documents or the Note or in any other agreement is intended to be exclusive of any other remedy or remedies, and each and every such remedy, and all representations herein and in the Note or the Loan Documents, contained shall be cumulative and concurrent, and shall be in addition to every other remedy given hereunder and thereunder or now or hereafter existing at law or in equity or by statute. The remedies may be pursued singly, successively or together against the Assignor and/or the Property at the sole discretion of Assignee. No delay or omission of Assignee to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or any acquiescence therein, and every power and remedy given by this Assignment to Assignee may be exercised from time to time as often as may be deemed expedient by Assignee.

8. Defeasance. As long as Assignor shall not have defaulted in the payment of any indebtedness secured hereby or in the performance of any obligation, covenant, or agreement herein, or in the Note or Loan Documents, Assignor shall have the right to collect upon, but not prior to accrual, all rents, issues, profits and advances from the Property and to retain, use and enjoy the same. Upon the payment in full of all indebtedness secured hereby and the compliance with all obligations, covenants and agreements herein and in the Note and the Loan Documents, this Assignment shall become and be void and of no effect, but the affidavit of any officer of Assignee showing any part of said indebtedness remaining unpaid or showing non-compliance with any such terms or conditions shall be and constitute conclusive evidence of the validity, effectiveness and continuing force of this Assignment, and any person may and is hereby authorized to rely thereon.

9. Miscellaneous

A. This Assignment may not be modified, amended, discharged or waived orally, except by an agreement in writing and signed by the party against whom enforcement of any such modification, amendment, discharge or waiver is sought.

B. The covenants of this Assignment shall bind the Assignor, the successors and assigns of Assignor, all present and subsequent encumbrances, lessees and sub-lessees of the Property or any part thereof, and shall inure to the benefit of Assignee, its successors and assigns.

C. As used herein the singular shall include the plural as the context requires, and all obligations of each Assignor shall be joint and several.

D. The article headings in this instrument are used for convenience in finding the subject matters, and are not to be taken as part of this instrument, or to be used in determining the intent of the parties or otherwise in interpreting this instrument.

E. In the event any one or more of the provisions contained in this Assignment or in the Note, or in the Loan

87139590

Documents shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of Assignee, not affect any other provision of this Assignment, but this Assignment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

F. This Assignment shall be governed by and construed in accordance with the laws of the State in which the Property is located.

G. Each Notice given pursuant to this Assignment shall be sufficient and shall be deemed served if mailed postage prepaid, certified or registered mail, return receipt requested, to the above-stated addresses of the Assignor, or to such other address as Assignor may request in writing. Any time period provided in the giving of any Notice hereunder shall commence upon the date such Notice is deposited in the mail.

H. The term "Assignor," "Assignee," "Borrower" and "Beneficiary" shall be construed to include the heirs, personal representatives, successors and assigns thereof. The gender and number used in this Assignment are used as a reference term only and shall apply with the same effect whether the parties are of the masculine or feminine gender, corporate or other form, and the singular shall likewise include the plural.

10. Trustee's Exculpation. This Assignment is executed by LAKE SHORE NATIONAL BANK, not personally or individually, but as Trustee under Trust Number 4509, as successor Trustee to Upper Avenue National Bank of Chicago, a national banking association, as Trustee under Trust Agreement dated January 11, 1977 and known as Trust No. 14-0351 in the exercise of the power and authority conferred upon and vested in it as such Trustee. All the terms, provisions, stipulations, covenants and conditions to be performed by LAKE SHORE NATIONAL BANK are undertaken by it solely as Trustee, as aforesaid, and not individually, and all statements herein made are made on information and belief and are to be construed accordingly, and no personal liability shall be asserted or be enforceable against LAKE SHORE NATIONAL BANK by reason of any of the terms, provisions, stipulations, covenants and/or statements contained in this Assignment.

11. Non Recourse. Notwithstanding anything to the contrary contained in this Assignment, and except as provided in any Certificate or other document executed by or on behalf of Borrower in connection with the loan evidenced and secured by the Loan Documents, Assignee agrees to seek recourse for the enforcement of the obligations evidenced by the Note solely against the security for the performance thereof and/or equitable enforcement of the covenants contained herein and therein (without personal liability), and Assignee waives the right to seek against the Assignor or any of its partners a personal money judgment for the breach of the obligations hereunder or any deficiency remaining after foreclosure.

UNOFFICIAL COPY

87139595 LMG 784120/3666T

IN WITNESS WHEREOF, the undersigned has caused these presents to be signed by the day and year first above written.

LAKE SHORE NATIONAL BANK, not personally or individually, but as Trustee under Trust Number 4569, as successor Trustee to Upper Avenue National Bank of Chicago, a national banking association, as Trustee under Trust Agreement dated January 11, 1977 and known as Trust No. 14-0351

ATTEST:

Its: Assistant Secretary

By: [Signature]
Its: VICE PRESIDENT

BENEFICIARY:

152 WEST HURON STREET PROPERTIES, an Illinois general partnership

By: [Signature]
Its Partner

By: [Signature]
Its Partner

STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, MARVANNIE GATEX, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that ROBERT M. SKOWRONSKI as VICE President and GLORIASHINE HOUSTON as ASST Secretary of LAKE SHORE NATIONAL BANK, not personally or individually, but as Trustee under Trust Number 4569, as successor Trustee to Upper Avenue National Bank of Chicago, a national banking association, as Trustee under Trust Agreement dated January 11, 1977 and known as Trust No. 14-0351, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such VICE President and ASST Secretary of said Bank, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument 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 said ASST Secretary did then and there acknowledge that he, as custodian of the corporate seal of said Bank did affix the corporate seal of said Bank to said instrument as his 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 10th day of March, 1987.

[Signature]
Notary Public

1987 MAR 10 PM 1:27

87139598

87139598

UNOFFICIAL COPY

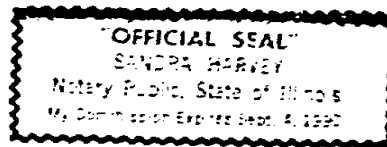
8 7 1 3 9 5 LMG 784120/3666T

STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, Sandra Harvey, a Notary Public in and for said County and State aforesaid, DO HEREBY CERTIFY that Kenneth B. Pearl and Susan Pearl, Partners of 152 WEST HURON STREET PROPERTIES, an Illinois general partnership, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Partners of 152 WEST HURON STREET PROPERTIES, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their own free and voluntary acts for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 16th day of February, 1987.

Sandra Harvey
Notary Public



Property of Cook County Clerk's Office

UNOFFICIAL COPY

3 7 1 3 9 5 9 3

EXHIBIT A

PARCEL 1:
THE EAST 6 FEET OF LOT 13 AND ALL OF LOT 12 IN BLOCK 2 IN NEWBERRY'S
ADDITION TO CHICAGO IN THE NORTH EAST 1/4 OF SECTION 9, TOWNSHIP 39

NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY,
ILLINOIS.

PARCEL 2:
EASEMENT FOR PARTY WALL AS SET FORTH IN AGREEMENT DATED JANUARY 7, 1914
AND RECORDED FEBRUARY 25, 1914 AS DOCUMENT NO. 5363278 OVER THE
FOLLOWING DESCRIBED LAND:
.75 FEET IN WIDTH AND EXTENDING FROM THE REAR LOT LINE ON THE WEST IN A
SOUTHERLY DIRECTION 35 FEET 4 INCHES, ALL IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

871:195:00

EXHIBIT B

Schedule of Leases

1. Lease dated February 16, 1987 between Lake Shore National Bank, as Trustee of Trust No. 4569, as Landlord, and 152 West Huron Properties, as Tenant.
2. Lease dated January 6, 1986 with Response Media Services, Inc.
3. Lease dated ~~December 8, 1985~~ with Gerald Meister & Associates Ltd.
4. Lease dated September 19, 1986 with Promotional Marketing Incorporated
5. Lease dated September 10, 1986 with Klaff/Weinstein Music, Inc.

Property Of Cook County Clerk's Office

87130530A