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COLLATERAL ASSIGNMENT OF LEASES AND RENTS

2/ 71-09-965 D2

THIS COLLATERAL ASSIGNMENT OF LEASES AND RENTS (the "Assignment") is made as of April 30, 1987 by AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as Trustee under that certain Trust Agreement dated January 25, 1954 and known as Trust No. 10176 (hereinafter called "Borrower" or the "undersigned") to AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association (hereinafter called the "Mortgagee").

WHEREAS, Borrower has given to Mortgagee its Promissory Note of even date herewith (the "Note") in the principal sum of SEVEN HUNDRED THOUSAND DOLLARS (\$700,000.00) due on or before May 1, 1988; and

WHEREAS, Borrower has further delivered to Mortgagee that certain Mortgage, Security Agreement and Assignment of Rents and Leases of even date herewith (the "Mortgage") to secure the Note, which Mortgage conveys the premises legally described in Exhibit A attached hereto and by reference made a part hereof (the "Premises"); and

WHEREAS, Borrower is desirous of further securing the Note.

NOW, THEREFORE, the undersigned, for and in consideration of these presents and the mutual agreements herein contained and as further and additional security to the Mortgagee, and in consideration of the sum of ONE DOLLAR (\$1.00) to the undersigned in hand paid, the receipt and sufficiency of which are hereby acknowledged, does hereby sell, assign and transfer unto the Mortgagee all leases of the Premises, or any part thereof, together with all the avails, rents, issues, cash collateral and profits arising from or accruing at any time hereafter by virtue of any lease, whether written or verbal, or any letting of, or of

Real Estate Tax I.D. No.: 10-36-429-026

property address: 2516-27 Devon Ave, Chicago Ill.

THIS INSTRUMENT PREPARED BY AND AFTER RECORDING SHOULD BE RETURNED TO:

Ernest D. Simon
Greenbaum, Browne, Cain,
Wolf & Dolin, Ltd.
180 North LaSalle Street
Suite 3100
Chicago, Illinois 60601
(312) 782-8300

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any agreement for the use or occupancy of the Premises or any part thereof, which may heretofore have been made or agreed to, or which may hereafter be made or agreed to in accordance with the provisions of the Mortgage, or which may be made or agreed to by the Mortgagee under the powers herein granted, together with all guaranties of an absolute transfer and assignment of all the said leases and agreements (except as otherwise expressly provided herein), and all the avails thereof, to the Mortgagee, and the undersigned does hereby appoint irrevocably the Mortgagee its true and lawful attorney in its name and stead (with or without taking possession of the Premises), 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, cash collateral 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, with the same rights and power and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as the Mortgagee would have upon taking possession of the Premises pursuant to the provisions hereinafter set forth.

The undersigned represents and agrees that, except for security deposits, no rent has been or will be paid by any person in possession of any portion of the Premises for more than one installment in advance 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 the undersigned except in the ordinary course of business with respect to the Premises prior to the occurrence of any "Event of Default" hereunder. For purposes of this Assignment and for the benefit of the Mortgagee, the undersigned waives any right of set-off against any person in possession of any portion of the Premises.

The undersigned agrees and represents unto Mortgagee, its successors and assigns as follows:

(i) the undersigned is the sole owner of the entire lessor's interest in all leases existing as of the present date with respect to the Premises or part thereof (the "Current Leases"), subject only to the liens and encumbrances set forth in Exhibit B attached hereto and by reference made a part hereof (the "Prior Encumbrances"); except as may otherwise may be provided in the Mortgage, the undersigned shall make no other or further assignment of the rents or profits or Current Leases until the release of this Assignment; and the undersigned shall not create, cause, suffer or allow any default in Prior Encumbrance;

(ii) no default exists on the part of lessor or lessee

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named in the Current 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 Current Leases;

(iii) the Current Leases are valid and enforceable in accordance with their terms;

(iv) the Current Leases and any and all leases hereafter entered into in accordance with the provisions of the Mortgage ("Future Leases") shall remain in full force and effect irrespective of any merger of the interest of lessor and lessee thereunder;

(v) if any of the Current Leases or Future Leases provides for the abatement of rent during repair of the demised premises by reason of fire or other casualty, the undersigned shall furnish rental insurance to Mortgagee in amount, form and substance, and written by insurance companies as shall be reasonably satisfactory to Mortgagee;

(vi) the undersigned shall not hereafter terminate, modify or amend any of the Current Leases or Future Leases or any of the terms thereof without the prior written consent of Mortgagee except in the ordinary course of business prior to the occurrence of an "Event of Default" hereunder, and any attempted termination, modification or amendment of said leases, or any one of them, without such written consent shall be null and void and of no force or effect;

(vii) the undersigned shall perform all of the undersigned's covenants and agreements as lessor under each of the Current Leases and Future Leases, and shall not suffer or permit to occur any release of liability of the lessee therein (except in the ordinary course of business prior to the occurrence of an Event of Default hereunder) or any right of the lessees therein to withhold payment of rent;

(viii) if so requested by the Mortgagee after default under the Current Leases or the Future Leases and after the occurrence of an Event of Default hereunder, the undersigned shall enforce any one or more thereof and all remedies available to the undersigned thereunder;

(ix) not less frequently than once every six (6) months, Borrower shall deliver to Mortgagee a written report identifying all Current Leases which have expired or been terminated, and all Future Leases which have been executed,

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since the date hereof or the date of the last such report, as the case may be.

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

The undersigned further agrees to execute and deliver to Mortgagee, immediately upon request, all such further assurances and assignments in the Premises as the Mortgagee shall from time to time reasonably require to effect the matters and interests contemplated hereby.

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 notwithstanding, that the Mortgagee shall not exercise any of the rights and powers conferred upon it herein until and unless one of the following events shall occur (and any applicable grace period shall have expired), any one of which shall constitute an "Event of Default" hereunder: (i) default shall be made in the payment of principal, Interest or any other amounts due under the Note, (ii) any "Event of Default" (as defined in the Mortgage), shall occur, (iii) default shall be made (and continue for thirty (30) days after notice thereof) in the performance or observance of any of the conditions or agreements hereunder, (iv) default shall occur under any of the "Loan Instruments" (as defined in the Note), or (v) any other event shall occur that entitles Mortgagee to accelerate the indebtedness evidenced by the Note. Nothing herein contained shall be deemed to affect or impair any rights which the Mortgagee may have under said Note, Mortgage or any other Loan Instruments.

In any case in which under the provisions of the Mortgage the Mortgagee has a right to institute foreclosure proceedings or sell the Premises at public auction, whether before or after the entire principal sum secured thereby is declared to be immediately due, or whether before or after institution of legal proceedings to foreclose the lien thereof or before or after foreclosure or public auction sale, forthwith, upon demand of the Mortgagee, the undersigned agrees to surrender to the Mortgagee, and the Mortgagee shall be entitled to take, actual possession of the Premises or any part thereof personally for the purpose of managing and operating the Premises only, or by its agents or attorneys, and Mortgagee in its discretion may, with or without process of law, enter upon and take and maintain possession of all or any part of the Premises for the purpose of managing and

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operating the Premises relating thereto, and may exclude the undersigned, its agents or servants wholly therefrom and may as attorney in fact or agent of the undersigned, or in its own name as Mortgagee and under the power 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 as may be deemed proper or necessary to enforce the payment of security of the avails, rents, issues, cash collateral and profits of the Premises, including, without limitation, actions for the recovery of rent, actions to recover reasonable value for the use and occupancy of the Premises, actions in forceable 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 the same, to elect to disaffirm any lease or sublease made subsequent to the Mortgage or subordinated to the lien thereof (except for leases consented to by Mortgagee or which are subject to the provisions of an attornment and/or non-disturbance agreement binding upon Mortgagee), 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 Mortgagee's possession, operation and management thereof and to receive all such avails, rents, issues, cash collateral and profits.

The Mortgagee 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 the undersigned shall and does hereby agree to indemnify and hold the Mortgagee 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 (other than liability, loss or damage arising by reason of the affirmative actions of Mortgagee or its agent(s) not permitted by such leases after Mortgagee has taken actual possession of the Premises as set forth in the preceding paragraph). Should the Mortgagee incur any such liability, loss or damage as to which it is entitled to indemnification by reason of the preceding sentence, the undersigned agrees to reimburse the Mortgagee for the amount thereof, including without limitation direct costs, direct expenses and reasonable attorneys' fees and accountants' fees, immediately upon demand.

The Mortgagee in the exercise of the rights and powers conferred upon it by this Assignment shall have full power to use

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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 Mortgagee in its sole discretion may determine:

(a) The operating expenses of the Premises, including without limitation cost of management and leasing thereof (which shall include reasonable compensation to the Mortgagee 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), costs to establish claim(s) for damages, if any, and premiums on insurance hereinabove authorized.

(b) Taxes and special assessments now due or which may hereafter become due on the Premises;

(c) 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 equipment therein, and of placing the Premises in such condition as will, in the reasonable judgment of the Mortgagee, make it readily rentable;

(d) To the payment of any indebtedness secured by the Mortgage or any deficiency which may result from any foreclosure or public auction sale of the Premises.

The undersigned further specifically and irrevocably authorizes and instructs each and every present and future lessee or tenant of the whole or of any part of the Premises to pay all unpaid rental agreed upon in any tenancy to the Mortgagee upon receipt of demand from said Mortgagee to pay the same.

The rights and remedies of the Mortgagee under this Assignment are subject and subordinate to the rights of any holder of any Prior Encumbrance.

It is understood and agreed that the provisions set forth in this Assignment shall be deemed a special remedy given to the Mortgagee, and shall not be deemed exclusive of any of the remedies granted in the Mortgage or any other Loan Instruments, but shall be deemed an additional remedy and shall be cumulative with the remedies therein granted and elsewhere granted in the Loan Instruments, all of which remedies shall be enforceable concurrently or successively.

Whenever the word "undersigned" is mentioned herein, it is hereby understood that the same includes and shall be binding upon successors, assigns and beneficiaries (including without limitation successors by consolidation) of the undersigned, and any party or parties holding title to the premises by, through or

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under the undersigned. All of the rights, powers, privileges and immunities herein granted and assigned to the Mortgagee shall also inure to its successors and assigns, including all holders, from time to time, of the Note.

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 Agreement, but that the same shall continue in full force and effect until the payment and discharge of any and all indebtedness secured by the Mortgage, in whatever form the said indebtedness 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 the undersigned, 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.

This Assignment shall be interpreted, governed and construed in accordance with the internal laws of the State of Illinois.

This Assignment may only be amended and modified by written instrument signed by the parties hereto.

If any of the provisions of this Assignment shall contravene or be held invalid under the laws of any governing jurisdiction, this Assignment shall be construed as if not containing such provisions and the rights and obligations of the parties shall be enforced and construed accordingly.

EXCULPATION. Anything in this Assignment contained to the contrary notwithstanding, it is expressly understood and agreed that nothing herein contained shall be construed as creating any personal liability on American National Bank and Trust Company of Chicago, as Trustee, 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 contained herein or in the Loan Instruments, and it is expressly understood and agreed by the Mortgagee that none of the undersigned's covenants, undertakings or agreements are made or intended as personal covenants, undertakings or agreements by the Trustee, but are for the purpose of binding the property held by it as such Trustee, and any liability or damage for breach or nonperformance by the undersigned shall be collectible, with respect to the undersigned, only out of the trust properties, provided, however, that nothing herein contained is intended or shall be deemed or construed to limit, modify, impair, release or in any other manner adversely affect any of the Mortgagee's rights under any

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EXHIBIT A

LOT 10 AND THE WEST 50 FEET OF LOT 9 IN BLOCK 6 IN WILLIAM L. WALLEN'S EDGEWATER GOLF CLUB ADDITION TO ROGERS PARK, BEING A SUBDIVISION OF THE SOUTH EAST 1/4 OF THE SOUTH EAST 1/4 OF SECTION 36, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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Address *2516 - 34 W. Devon, Chicago*

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EXHIBIT B

Covenants and restrictions contained in Plat of William L. Wallen's Edgewater Golf Club Additions to Rogers Park Recorded November 17, 1913 as Document 5305842 relating to location, costs, use, height and material of buildings to be erected on land note: Said instrument contains no provision for a forfeiture or for reversion of title in case of breach of condition.

Terms, powers, provisions and limitations of the Trust under which title to said land is held.

Existing unrecorded leases and all rights thereunder of the lessees and of any person claiming by, through or under the lessees.

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