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ASSIGNMENT OF RENTS

THIS ASSIGNMENT is made as of this 5th day of May, 1987, between Jarvis Associates, a general partnership ("Assignor") and SWISS BANK CORPORATION, an institution organized under the laws of Switzerland acting through its Chicago Branch ("Lender")

W I T N E S S E T H:

WHEREAS, Marcel Spichiger, one of Assignor's general partners ("Partner") and Lender have entered into a certain Loan Agreement dated as of April 30, 1987 (the "Agreement");

WHEREAS, the Agreement provides for the extension of credit of up to Three Million Five Hundred Thousand and no/100 Dollars (\$3,500,000.00) to Partner (the "Credit");

WHEREAS, the Credit may be drawn upon by Partner in as many as two separate loans, each of which loans will be evidenced by a note executed by Partner as of the date of each loan (the "Notes");

WHEREAS, the face amount of the Notes shall aggregate and total no greater than the Credit; and

WHEREAS, the terms of the Agreement require the execution, delivery and recording of this Assignment against the premises logically described on Exhibit A attached hereto (the "Premises") to secure the payment of all sums advanced pursuant to: (i) the Notes; (ii) the Agreement; (iii) the Mortgages (as defined in the Agreement); (iv) the Assignments of Rent (as defined in the Agreement); and (v) any other Loan Documents (as defined in the Agreement) and also to secure the representations, covenants and agreements of Partner and the Mortgagors (as defined in the Agreement) that are contained in the Notes, the Mortgages, the Assignments of Rent, the Agreement and the other Loan Documents (which Notes, Mortgages, Assignments of Rent, Agreement and other Loan Documents are hereinafter collectively called the "Obligations");

NOW, THEREFORE, (x) for and in consideration of: (i) the making and extension of the Credit by Lender, (ii) other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and (iii) the Recitals set forth

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above, and (y) to secure the Credit and all other debt presently or in the future owed by Partner or the Mortgagors to Lender under the Obligations and also to secure the performance by Partner and the Mortgagors of all of their other covenants, agreements and duties under the Obligations, does hereby sell, assign and transfer unto the Lender its interest in (i) all leases or tenancies (including concessions) of the Premises or any part thereof, or any letting of or agreement for the use or occupancy of the Premises or any part thereof, whether written or oral, heretofore or hereafter made or agreed to by Assignor, or the Lender in the exercise of the powers herein conferred; and (ii) any and all extensions, renewals and replacements of any of the foregoing (all of the leases, tenancies and rights described above are herein referred to as the "Leases"), together with all the rents, income, issues and profits now due and which may hereafter become due under or by virtue of the Leases, together with all guaranties of any of the foregoing, it being the intention hereby to establish an absolute transfer and assignment of all the foregoing to Lender.

To protect and further the security of this Assignment, the Assignor agrees as follows:

1. Agreements Regarding Leases. Assignor agrees with Lender as follows:

- (a) without Lender's prior written consent, Assignor will not transfer, sell, assign, pledge, encumber or grant a security interest in any of the Leases; any attempt by Assignor to transfer, sell, assign, pledge, encumber or grant a security interest in the Leases without the prior written consent of Lender shall be null and void;
- (b) the Assignor shall not hereafter permit any Lease to become subordinate to any lien other than the lien of the Mortgage and real estate taxes, mechanic's liens and any liens to which the Mortgage is now, or may pursuant to its terms become, subordinate;
- (c) no payment of rent will be made by any lessee or by any person in possession of any portion of the Premises for more than one month's installment in advance or has been or will be waived, released, reduced or discounted, or otherwise discharged or compromised by the Assignor, and the Assignor waives any right of set-off against any lessee or

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any person in possession of any portion of the Premises; Assignor has not made and will not make any other or further assignment of the rents, issues, income or profits of the Premises or of the Leases except subsequent to or in connection with the release of this Assignment with respect to such portion of the Premises so released;

(d) the Assignor shall perform all of its covenants and agreements under the Leases and shall not suffer or permit any right to withhold payment of rent by the lessees therein; and

(e) the Assignor may, without the consent of Lender, take all actions not proscribed above and that are reasonably related to the operation of the Premises as a residential apartment building, including but not limited to the defaulting, eviction, dispossession and termination of the Leases of existing tenants and the execution of new Leases; provided that (i) the financial reports required under Paragraph 3 of the Agreement are delivered to Lender and (ii) such management of the Premises does not cause Lender to reasonably believe the Credit to be unsecure. If Lender reasonably believes the Credit to be unsecure, Lender reserves the right to require Assignor to obtain Lender's approval prior to the commencement of any action to default, dispossess, evict or terminate the Leases of existing tenants or prior to the execution of new Leases or the assignment of existing Leases.

Any amounts received by Assignor or its agents for the performance of any actions prohibited by the terms of this Assignment, including any amounts received in connection with any cancellation, modification or amendment of any of the Leases if the same are prohibited by the terms of this Assignment and any amounts received by Assignor as rents, income, issues or profits from the Premises from and after the date of any Default under any of the Obligations, which default shall not have been cured within the time periods, if any, expressly established therefor, shall be held by Assignor as trustee for Lender and all such amounts shall be accounted for to Lender and shall not be commingled with other funds of the Assignor.

2. Waiver of Liability. Nothing herein contained shall be construed as constituting Lender a "mortgagee in

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possession" in the absence of the taking of actual possession of the Premises by Lender pursuant to the provisions hereinafter contained. In the exercise of the powers granted herein or in the Mortgage relating to the Premises (the "Premises Mortgage"), no liability shall be asserted or enforced against Lender, all such liability being expressly waived and released by the Assignor.

3. Further Assurances and Assignments. The Assignor further agrees to execute and deliver immediately upon the request of Lender, all such further assurances and assignments concerning the Leases as Lender shall from time to time reasonably require.

4. Exercise Of Remedies. In any case in which under the provisions of the Premises Mortgage Lender has a right to institute foreclosure proceedings against the Premises, whether before or after institution of legal proceedings to foreclose the lien thereof or before or after sale thereunder, upon demand of Lender, the Assignor agrees to surrender to Lender, and Lender shall be entitled to take actual possession of, the Premises or any part thereof personally, or by its agents or attorneys, and Lender, in its discretion may, with or without force or written notice, and with or without process of law, enter upon and take and maintain possession of all or any part of the Leases, together with all the documents, books, records, papers and accounts of the Assignor or the then owner of the Premises relating thereto, and may exclude the Assignor, its agents, or servants, wholly therefrom and may as agent of the Assignor, or in its own name as mortgagee and 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 may be deemed proper or necessary to enforce the payment of security of the rents, income, 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 the Assignor to cancel the same, to elect to disaffirm any Lease or sublease made subsequent to the Mortgage or subordinated to the lien thereof, 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 Lender's possession, operation and management

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thereof and to receive all such rents, income, issues and profits.

5. Indemnity. Lender shall not at any time (regardless of any exercise by Lender, or right of Lender to exercise, any powers herein conferred) 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. Assignor shall and does hereby agree to indemnify and hold Lender harmless from and against any and all liability, loss or damage which Lender may or might incur under or by reason of (a) any Leases; (b) the assignment thereof; (c) any action taken by Lender or its agents hereunder, unless constituting wilful misconduct, gross negligence or negligence; or (d) claims and demands which may be asserted against Lender by reason of any alleged or actual obligations or undertakings on Lender's part to (or to cause the Assignor to) perform or discharge any of the terms, covenants or agreements contained in the Leases.

6. Application Of Proceeds. Lender, in the exercise of the rights and powers conferred upon it by this Assignment, shall have full power to use and apply the rents, income, issues and profits of the Premises to the payment of or on account of the following, in such order as Lender may determine:

(a) operating expenses of the Premises, including costs of management and leasing thereof (including reasonable compensation to Lender and its agents, and lease commissions and other compensation and expenses of seeking and procuring tenants and entering into Leases), establishing any claims for damages, and premiums on insurance hereinabove authorized; it being expressly understood and agreed that Lender, in the exercise of such powers, may so pay any claims purporting to be for any operating expenses of the Premises, without inquiry into, and without respect to, the validity thereof and whether such claims are in fact for operating expenses of the Premises;

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

(c) the costs of all repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to 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 Lender, make it readily rentable;

(d) any indebtedness evidenced by the Obligations.

7. Power Of Attorney. Assignor does hereby irrevocably appoint the Lender its true and lawful attorney in its name and stead and the Assignor hereby authorizes Lender, after the occurrence of and during the construction of a Default (as defined in the Premises Mortgage, the Agreement or the Other Obligations), solely for the purposes described below, 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 as Lender may determine in its sole discretion, and to collect all of said rents, income, issues and profits now or hereafter arising from or accruing or due under the Leases with the same rights and powers and subject to the same immunities, exonerations of liability and rights of recourse and indemnity as Lender would have upon taking possession of the Premises pursuant to the provisions hereinbefore set forth. Powers of attorney conferred upon Lender pursuant to this Assignment are powers coupled with an interest and cannot be revoked, modified or altered without the written consent of Lender.

8. Occurrence of default. Although it is the intention of the parties that this Assignment is a present assignment, it is expressly understood and agreed, anything herein to the contrary, that Lender shall not exercise any of the rights and powers conferred upon it herein until and unless there shall occur and be continuing a Default (as defined in the Premises Mortgage, the Agreement or the other Obligations), in each instance after any applicable grace periods shall have expired. Nothing herein contained shall be deemed to affect or impair any rights which the Lender may have under the Obligations or to affect the impression of a trust upon funds received by a trustee in the manner provided for in Paragraph 1 above.

9. Instruction To Lessees. The Assignor further specifically and irrevocably authorizes and instructs each and every present and future lessee or tenant under any Lease of the whole or any part of the Premises to pay all unpaid rental agreed upon in any Lease or other agreement for occupancy of any part of the Premises to Lender upon receipt of demand from Lender so to pay the same, without any inquiry as to whether or not said demand is made in compliance with the immediately preceding paragraph hereof. Lender has not received or been transferred any security deposit with respect to any Lease and assumes no responsibility for any such security deposit until such time such security deposit (specified as such with specific reference to the Lease pursuant to which deposited)

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may be transferred to Lender and accepted by Lender by notice to the tenant under said Lease.

10. Election Of Remedies. It is understood and agreed that the provisions set forth in this Assignment shall be deemed a special remedy given to Lender and shall not be deemed exclusive of any of the remedies granted in the other Obligations but shall be deemed an additional remedy and shall be cumulative with the remedies therein and elsewhere granted Lender, all of which remedies shall be enforceable concurrently or successively. No exercise by Lender of any of its rights hereunder shall cure, waive or affect any default hereunder or a Default under the other Obligations. No inaction or partial exercise of rights by Lender shall be construed as a waiver of any of its such rights and remedies, and no waiver by Lender of any such rights and remedies shall be construed as a waiver by Lender of any of its other rights and remedies.

11. Continual Effectiveness. It is expressly understood that no judgment or decree which may be entered on any Credit secured or intended to be secured by Lender hereby shall operate to abrogate or lessen the effect of this Assignment, but that the same shall continue in full force and effect until the payment, discharge and performance of any and all indebtedness and obligations evidenced, secured or guaranteed by the Obligations, in whatever form, and until all bills incurred by virtue of the authority herein contained have been fully paid out of rents, income, issues and profits of the Premises, or by the 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 all indebtedness secured or guaranteed by the Obligations is fully satisfied before the expiration of any period of redemption.

12. Notices. Any notice which any party hereto may desire or may be required to give to any other party hereto shall be in writing and shall be deemed given if and when delivered as provided in the Agreement; all notices to be delivered to Assignor need only be delivered to Partner.

13. Binding Agreements. This Assignment and all provisions hereof shall be binding upon the Assignor and its successors, assigns, and legal representatives and all other persons or entities claiming under or through them, or either of them, and the word "Assignor", when used herein, shall include all such persons and entities and any others liable for the payment of the indebtedness secured hereby or any part

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thereof, whether or not they have executed the Obligations or this Assignment. The word "Lender", when used herein, shall include Lender's successors, assigns, and legal representatives, including all other duly authorized holders, from time to time, of the Note.

14. Governing Law; Interpretation. This Assignment shall be governed by the laws of the State of Illinois in which State the Premises are located, the proceeds of the Credit were disbursed by Lender, and the principal and interest due under the Obligations are to be paid. Wherever possible each provision of this Assignment shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Assignment shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Assignment. Time is of the essence in this Assignment.

15. Miscellaneous. Neither this Assignment nor any provision hereof may be amended, modified, waived, discharged or terminated orally. The section headings used herein are for convenience of reference only and shall not define or limit the provisions of this Agreement. As used in this Assignment, the singular shall include the plural and the plural shall include the singular and masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed as of the day and year first above written.

JARVIS ASSOCIATES, a general partnership

ATTEST:

By: Don Spidiger
Attorney-in-fact for
Marcel Spichiger, a
general partner

By:

Don Spidiger
a general partner

This instrument was prepared by
and after recording return to:
Kevin D. Kline, Esq.
Hopkins & Sutter
Three First National Plaza
Chicago, Ill 60602

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Patrice Marcell Anderson, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Daniel Spichiger, for himself and as attorney-in-fact for Marcel Spichiger, general partners of Jarvis Associates, a general partnership, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such partner and attorney-in-fact for partner, appeared before me this day in person and acknowledged that he signed and delivered said instrument as their own free and voluntary act and as the free and voluntary act of said partnership, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 5th day of May, A.D., 1987.

Patrice Marcell Anderson
Notary Public

My Commission Expires: 5/20/90

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EXHIBIT A

Legal Description

The West 175 feet (except streets) in Lot 7 in County Clerk's Division of part of the Southwest fractional 1/4 of Section 30, Township 41 North, Range 14 East of the Third Principal Meridian, North of the Indian Boundary Line, according to the plat thereof recorded in Book 11 of Plats, Page 77, as Document 122327, in Cook County, Illinois.

PIN: #11 10 304 001 *ERO WM*
ADDRESS: 2340-59 W. Jarvis and 7335-39 N. Western, Chicago, Ill 60645

Property of Cook County Clerk's Office

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COOK COUNTY RECORDER

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