

89516584

# ASSIGNMENT OF RENTS

**THIS ASSIGNMENT OF RENTS IS DATED OCTOBER 27, 1989, between Heritage Trust Co as trustee under Trust #89-3806 dated Oct 12, 1989, whose address is 17500 So Oak Park Avenue, Tinley Park, IL (referred to below as "Grantor"); and Heritage Bremen Bank And Trust Company, whose address is 17500 Oak Park Avenue, Tinley Park, IL 60477 (referred to below as "Lender").**

**ASSIGNMENT.** For valuable consideration, Grantor assigns and conveys to Lender all of Grantor's right, title, and interest in and to the Rents from the following described Property located in Cook County, State of Illinois:  
Unit 2 B 3 in Park Place of Oriand Condominium as delineated on a survey of the following described Real Estate: Lots 2 and 3 in the Letesterin subdivision a subdivision of a tract of land in the West 1/2 of the Northwest 1/4 of Section 10, Township 36 North, Range 12 East of the Third Principal Meridian, in Cook County, Ill. which survey is attached as exhibit A to the declaration of condominium recorded as document number 85-308-432 together with its undivided percentage interest in the common elements as amended from time to time.

**The Real Property or its address is commonly known as 1427 South Humphrey Drive, Orland Park, IL 60462. The Real Property tax identification number is 27-10-100-083-1009.**

**DEFINITIONS.** The following words shall have the following meanings when used in this Assignment. Terms not otherwise defined in this Assignment shall have the meanings attributed to such terms in the Illinois Uniform Commercial Code.  
**Assignment.** The word "Assignment" means the Assignment of Rents between Grantor and Lender, and includes, without limitation, all assignments and security interest provisions relating to the Rents.  
**Borrower.** The word "Borrower" means James F Lobash and Carol A Lobash.  
**Event of Default.** The words "Event of Default" mean and include any of the Events of Default set forth below in the section titled "Events of Default."  
**Grantor.** The word "Grantor" means any and all persons and entities executing the Assignment, including without limitation all Grantors named above. Any Grantor who signs the Assignment, but does not sign the Note, is signing the Assignment only to grant and convey that Grantor's interest in the Real Property and to grant a security interest in Grantor's interest in the Rents and Personal Property of Lender and is not personally liable under the Note except as otherwise provided by contract or law.  
**Indebtedness.** The word "Indebtedness" means all principal and interest payable under the Note and any amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender to enforce obligations of Grantor under this Assignment, together with interest on such amounts as provided in this Assignment.  
**Lender.** The word "Lender" means Heritage Bremen Bank And Trust Company, its successors or assigns.  
**Note.** The word "Note" means the promissory note or credit agreement dated October 27, 1989, in the original principal amount of \$220,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is 11.000%.

**Property.** The word "Property" means the real property, and all improvements thereon, described above in the "Assignment" section.  
**Related Documents.** The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, guarantees, security agreements, mortgages, deeds of trust, and all other instruments and documents, whether now or hereafter existing, executed in connection with Borrower's indebtedness to Lender.  
**Rents.** The word "Rents" means all rents, revenues, income, issues, and profits from the Property, whether due now or later, including without limitation all Rents from all leases described on any exhibit attached to this Assignment.

**THIS ASSIGNMENT IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF GRANTOR AND BORROWER UNDER THE NOTE AND THIS ASSIGNMENT. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:**

**GRANTOR'S WAIVERS.** Grantor waives all of this defenses and rights of defense, including a claim of defense, to the extent that Grantor may prevent Lender from bringing any action against the Borrower, including a claim of defense, in the event Grantor is otherwise entitled to a claim for

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

**RECORDATION REQUESTED BY:**  
Heritage Bremen Bank And Trust Company  
17500 Oak Park Avenue  
Tinley Park, IL 60477

**WHEN RECORDED MAIL TO:**  
Heritage Bremen Bank And Trust Company  
17500 Oak Park Avenue  
Tinley Park, IL 60477

**SEND TAX NOTICES TO:**  
Heritage Trust Co as trustee under Trust #89-3806 dated Oct 12, 1989  
17500 So Oak Park Avenue  
Tinley Park, IL 60477

89516584

DEPT-01 \$14.00  
T01111 TRAN 6724 10/31/89 10153100  
\$1071 # 4-89-516584  
COOK COUNTY RECORDER

202516584

deficiency, before or after Landlord's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale;

**GRANTOR'S REPRESENTATIONS AND WARRANTIES.** Grantor warrants that: (a) the Assignment is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power and right to enter into the Assignment and to hypothecate the Property; (c) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (d) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

**BORROWER'S WAIVERS AND RESPONSIBILITIES.** Lender need not tell Borrower about any action or inaction Lender takes in connection with the Assignment. Borrower assumes the responsibility for being and keeping informed about the Property. Borrower waives any defense that may arise because of any action or inaction of Lender, including without limitation any failure of Lender to realize upon the Property, or any delay by Lender in realizing upon the Property. Borrower agrees to remain liable under the Note with Lender no matter what action Lender takes or fails to take under the Assignment.

**PAYMENT AND PERFORMANCE.** Except as otherwise provided in the Assignment, Borrower shall pay to Lender all amounts secured by the Assignment as they become due, and shall strictly perform all of Borrower's obligations. Unless and until Lender exercises its right to collect the Rents as provided below and so long as there is no default under the Assignment, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents.

**LENDER'S RIGHT TO COLLECT RENTS.** Lender shall have the right at any time, and even though no default shall have occurred under the Assignment, to collect and receive the Rents. For the purpose, Lender is hereby given and granted the following rights, powers and authority:

Notice to Tenants. Lender may send notices to any and all tenants of the Property advising them of the Assignment and directing all Rents to be paid directly to Lender or Lender's agent.

Enter the Property. Lender may enter upon and take possession of the Property; demand, collect and receive from the tenants or from any other persons like the tenants, all of the Rents; institute and carry on all legal proceedings necessary for the protection of the Property, including such proceedings as may be necessary to recover possession of the Property; collect the Rents and remove any tenant or tenants or other persons from the Property.

Maintain the Property. Lender may enter upon the Property to maintain the Property and keep the same in repair; to pay the costs thereof and of all services of all employees, including their equipment, and of all continuing costs and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premiums on fire and other insurance effected by Lender on the Property.

Compliance with Laws. Lender may do any and all things to execute and comply with the laws of the State of Illinois and also all other laws, rules, orders, ordinances and requirements of all other governmental agencies affecting the Property.

Lease the Property. Lender may rent or lease the whole or any part of the Property for such term or terms and on such conditions as Lender may deem appropriate.

Employ Agents. Lender may engage such agent or agents as Lender may deem appropriate, either in Lender's name or in Grantor's name, to rent and manage the Property, including the collection and execution of Rents.

Other Acts. Lender may do all such other things and acts with respect to the Property as Lender may deem appropriate and may act exclusively and solely in the place and stead of Grantor and to have all of the powers of Grantor for the purposes stated above.

No Requirement to Act. Lender shall not be required to do any of the foregoing acts or things, and the fact that Lender shall have performed one or more of the foregoing acts or things shall not require Lender to do any or other specific act or thing.

**APPLICATION OF RENTS.** All costs and expenses incurred by Lender in connection with the Property shall be for Borrower's account and Lender may pay such costs and expenses from the Rents. Lender, in its sole discretion, shall determine the application of any and all Rents received by it; however, any such Rents received by Lender which are not applied to such costs and expenses shall be applied to the indebtedness. All expenditures made by Lender under the Assignment and not reimbursed from the Rents shall become a part of the indebtedness secured by the Assignment, and shall be payable on demand, with interest at the Note rate from date of expenditure until paid.

**FULL PERFORMANCE.** If Grantor pays all of the indebtedness when due and otherwise performs all the obligations imposed upon Grantor under the Assignment and the Note, Lender shall execute and deliver to Grantor a suitable satisfaction of the Assignment and suitable statements of termination of any financing statement on the evidencing Lender's security interest in the Rents and the Property. Any satisfaction required by law shall be paid by Grantor, if permitted by applicable law.

**EXPENDITURES BY LENDER.** If Grantor fails to comply with any provision of the Assignment, or if any action is proceeding is commenced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, but shall not be required to, take any action that Lender deems appropriate. Any amount that Lender expends in so doing will bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. The Assignment also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies to which Lender may be entitled on account of the default. Any such action by Lender shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

**DEFAULT.** Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under the Assignment:

**Default on indebtedness.** Failure of Borrower to make any payment when due on the indebtedness.

**Compliance Default.** Failure to comply with any other term, obligation, covenant or condition contained in the Assignment, the Note or in any of the Related Documents. If such a failure is curable and if Grantor or Borrower has not been given a notice of a breach of the same provision of the Assignment within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Grantor or Borrower, after receiving written notice from Lender demanding cure of such failure: (a) cures the failure within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates steps sufficient to cure the failure and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

**Breaches.** Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor or Borrower under the Assignment, the Note or the Related Documents is, or at the time made or furnished was, false in any material respect.

**Other Defaults.** Failure of Grantor or Borrower to comply with any term, obligation, covenant or condition contained in any other agreement between Grantor or Borrower and Lender.

**Insolvency.** The insolvency of Grantor or Borrower, appointment of a receiver for all or part of Grantor's property, any assignment for the benefit of creditors, the commencement of any proceeding under any bankruptcy or insolvency law or against Grantor or Borrower, or the

ASSIGNMENT OF RENTS

(Continued)

liquidation or termination of Grantor or Borrower's existence as a going business (if Grantor or Borrower is a business). Except to the extent prohibited by federal law or Illinois law, the death of Grantor or Borrower (if Grantor or Borrower is an individual) also shall constitute an Event of Default under the Assignment.

Foreclosure, etc. Commitment of foreclosure, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure, provided that Grantor gives Lender written notice of such claim and furnishes reserves or a surety bond for the claim satisfactory to Lender.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or such Guarantor dies or becomes incompetent. Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations existing under the guaranty in a manner satisfactory to Lender, and, in doing so, cure the Event of Default.

Insolvency. Lender reasonably deems itself insecure.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any event of default and at any time thereafter, Lender may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate indebtedness. Lender shall have the right at its option without notice to Borrower to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay.

Collect Rents. Lender shall have the right, without notice to Grantor or Borrower, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use less directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this paragraph either in person, by agent, or through a receiver.

Mortgages in Possession. Lender shall have the right to be placed as mortgagee in possession or to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The mortgagee in possession or receiver shall serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the appraised value of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Other Remedies. Lender shall have all other rights and remedies provided in the Assignment or the Note or by law.

Waiver; Election of Remedies. A waiver by any party of a breach of a provision of this Assignment shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor or Borrower under this Assignment after failure of Grantor or Borrower to perform shall not affect Lender's right to declare a default and exercise its remedies under the Assignment.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover attorneys' fees at that and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender that in Lender's opinion are necessary at any time for the protection of its interest in the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the Note rate. Expenses covered by the paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and other anticipated post-judgment collection services, the cost of searching records, obtaining the reports (including foreclosure reports), surveys, reports, and appraisals, and the insurance, to the extent permitted by applicable law. Lender also will pay any court costs, in addition to all other sums provided by law.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Assignment:

Amendments. This Assignment, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Assignment. No alteration or amendment to this Assignment shall be effective unless it is in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Applicable Law. This Assignment has been delivered to Lender and accepted by Lender in the State of Illinois. Subject to the provisions on arbitration, this Assignment shall be governed by and construed in accordance with the laws of the State of Illinois.

Multiple Parties. All obligations of Grantor and Borrower under this Assignment shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each of the persons signing below is responsible for all obligations in this Assignment. Where any one or more of the Grantor or Borrowers are corporations or partnerships, it is not necessary for Lender to inquire into the powers of any of the Grantor or Borrowers or of the officers, directors, partners, or agents acting or purporting to act on their behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Assignment.

No Modification. Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Assignment by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Assignment to be invalid or unenforceable as to any person or circumstance, such finding shall not render the provision invalid or unenforceable as to any other person or circumstance. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity, however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Assignment in all other respects shall remain valid and enforceable.

Successors and Assigns. Subject to the limitations stated in this Assignment on transfer of Grantor's interest, this Assignment shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Assignment and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Assignment or liability under the indebtedness.

UNOFFICIAL COPY

FC5916584

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of its homestead exemption laws of the State of

Time is of the Essence. This is of the essence of the loan and the parties agree that time is of the essence.

This document was prepared by: Audrey Tancos for Heritage Bremen Bank & Trust Co. 17500 So Oak Park Ave Tinley Park, Ill 60477

This document was prepared by: Audrey Tancos for Heritage Bremen Bank & Trust Co.

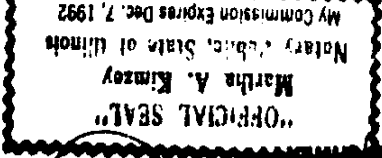
LASER PRO (RM) Ver. 3.00B (c) 1989 CFI Bankers Service Group, Inc. All rights reserved.

Notary Public in and for the State of \_\_\_\_\_ My commission expires \_\_\_\_\_ By \_\_\_\_\_ Reading at \_\_\_\_\_ she is authorized to execute this said instrument and that the seal affixed to the said instrument is the corporate seal of said Lender.

89516584

LENDER ACKNOWLEDGMENT

On the 27th day of October 1989, before me, the undersigned Notary Public, personally appeared Authorized signers, Trust Officer and Asst Secy of Heritage Trust Co as trustee under Trust #89-3808 dated Oct 12, 1989, and known to me and authorized agents of the corporation that executed the Assignment of Rents and acknowledged the Assignment to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the Assignment and in fact executed the Assignment on behalf of the corporation.



CORPORATE ACKNOWLEDGMENT

By: \_\_\_\_\_ Authorized signers, HERITAGE Trust Co. Vice Pres. & Trust Officer \_\_\_\_\_ Herit Trust Co. Trustee under Trust #89-3808 dated Oct 12, 1989

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT OF RENTS, AND GRANTOR AGREES TO ITS TERMS. GRANTOR HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION, NOTWITHSTANDING ANY OF THE PROVISIONS TO THE CONTRARY CONTAINED IN THIS ASSIGNMENT, ON BEHALF OF GRANTOR AND ON BEHALF OF EACH AND EVERY PERSON, EXCEPT JUDGMENT CREDITORS OF GRANTOR, ACQUIRING ANY INTEREST IN OR TITLE TO THE PROPERTY SUBSEQUENT TO THE DATE OF THIS ASSIGNMENT.