

ASSIGNMENT OF RENTS AND LEASES

\$ 20.00

89-1-1-72-1-0

This Assignment of Rents and Leases ("Assignment"), dated December 5, 1990, is from DEARBORN-KINZIE PARTNERS, an Illinois limited partnership (the "Borrower"), to LAKESIDE BANK (the "Lender"), an Illinois banking corporation, 2268 South King Drive, Chicago, Illinois 60616.

In order to further secure the hereinafter defined "Liabilities" to Lender, Borrower does hereby sell, assign and transfer unto Lender all the rents, avails, issues and profits now and hereafter due (hereinafter, collectively, the "Rents") under or by virtue of any written or verbal lease of, or any agreement for the use or occupancy of, all or any part of the real estate (the "Premises") described on Exhibit A attached hereto, heretofore or hereafter made or agreed to by the Borrower, or by the Lender in the exercise of the powers herein granted (all such leases and agreements are hereinafter collectively referred to as the "Leases"). It is the intention of the parties to this Assignment to establish an absolute transfer and assignment to Lender of all the Leases and the Rents and the Borrower does hereby appoint Lender as its true and lawful attorney in the Borrower's name and stead (with or without taking possession of the Premises), to rent, lease or let all or any portion of the Premises to such parties, and at such rentals and upon such terms as Lender, in its reasonable discretion, may determine, and for Lender to collect all of the Rents arising from or accruing at any time hereafter, and all Rents now or that may hereafter become due, under the Leases and with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as Lender would have upon taking possession of the Premises pursuant to the provisions hereof.

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The Borrower represents and agrees: that no Rents have been or will be paid by any person in possession of any portions of the Premises for more than two months in advance; that the payment of Rents has not been and (unless in the ordinary course of business) will not be waived, released, reduced or discounted or otherwise discharged or compromised by the Borrower; that Borrower waives (only for the purposes hereof) any right of setoff against any person in possession of any portion of the Premises; and that Borrower will not further assign any of the Rents or Leases without the prior written consent of Lender.

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

Mark D. Land, 1/10/91

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The Borrower further agrees to assign and transfer to Lender all existing and future Leases upon all or any part of the Premises, and to execute and deliver, immediately upon the request of Lender, all such further assurances and assignments as Lender shall from time to time require.

Although it is the intention of the parties that this Assignment shall be a present assignment, it is expressly understood and agreed, that Lender shall not exercise any of its rights and powers hereunder until and unless a default shall occur (and shall remain uncured following the notice or cure period, if any, provided for therein) in the payment of the Liabilities or in the performance of the terms of any instrument now or hereafter securing, evidencing or delivered in connection with the Liabilities, and nothing herein contained shall be deemed to affect or impair any rights which Lender may have under any such instrument; all of said instruments are hereby incorporated herein by reference.

In any case in which, under the provisions of that certain Mortgage (the "Mortgage", hereby incorporated herein by reference) of even date herewith, in favor of the Lender and regarding the Premises, and recorded at or about the date of the recordation hereof, the Lender has a right to institute foreclosure proceedings (whether before or after the Liabilities are declared to be immediately due or upon expiration of notice and grace periods, if any, whether before or after institution of legal proceedings to foreclose the lien thereof, or before or after sale thereunder), immediately upon demand of Lender the Borrower shall surrender the Premises to Lender and Lender shall be entitled to take actual possession of the Premises or any part thereof personally, or by Lender's agents or attorneys, and in its discretion Lender may enter upon and take and maintain possession of all or any part of the Premises, together with all the documents, books, records, papers and accounts of the Borrower or the owner of the Premises relating thereof, and may exclude the Borrower and its agents or servants wholly therefrom and may as attorney-in-fact or agent of the Borrower or in Lender's own name and under the powers herein granted, hold, operate, manage and control the Premises and conduct the business thereof, if any, either personally or by Lender's agents or attorneys, with full power to use such measures, legal or equitable, as in Lender's reasonable discretion or in the discretion of Lender's successors or assigns may be deemed proper or necessary to enforce the payment of security or the Rents of the Premises, including actions for the recovery of the Rents. The Borrower grants Lender full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to the Borrower, and with full power to cancel or terminate any lease or sublease for any cause or on any ground which would entitle the Borrower to cancel the same, to elect to disaffirm any lease or sublease made subsequent to the Mortgage or subordinated to the lien thereof. The Borrower hereby grants Lender the full power

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and authority to make necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises that may seem judicious to Lender, in its reasonable discretion. The Borrower hereby grants Lender the full power and authority to insure and reinsure the Premises for all risks and incidental to Lender's possession, operation and management thereof and to receive all such Rents.

Lender shall not be obligated to perform or discharge, nor does Lender hereby undertake to perform or discharge, any obligation, duty or liability under any leases relating to the Premises, and, except for Lender's gross negligence or willful misconduct, the Borrower shall and does hereby agree to indemnify and hold Lender harmless from any and all liability, loss or damage which Lender may or might incur under any such leases under or by reason of the assignment thereof, and from any and all claims and demands whatsoever which may be asserted against Lender by reason of any alleged obligations or undertakings on Lender's part to perform or discharge any of the terms, covenants or agreements contained in said Leases or in the defense of any claims or demands arising prior to Lender taking possession of the premises. The Borrower hereby agrees to immediately reimburse Lender upon demand for any amount due Lender by reason of this paragraph, including costs, expenses and legal fees incurred by Lender.

In the exercise of the rights and powers conferred upon it by this Assignment, Lender shall have full power to use and apply the Rents to the payment of or on account of the following, in such order as Lender may determine:

(a) To the payment of the operating expenses of the Premises, including the cost of management and leasing thereof (which shall include reasonable compensation to Lender and, if management be delegated, to its agent or agents, and it shall also include lease commissions and other compensation and expenses of seeking and procuring tenants and entering into leases), to establish reserves for claims for damages, if any, and premiums on insurance hereinabove authorized;

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

(c) To the payment of all repairs, decorating, renewals, replacements, alterations, additions or betterments and improvements of the Premises, including the cost from time to time of installing, replacing refrigeration, gas or electric appliances therein, and of placing the Premises in such condition as will, in the reasonable judgment of Lender, make it readily rentable;

(d) To the payment of any Liabilities (first to interest and then to principal).

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The Borrower does further specifically authorize and instruct each and every present and future lessee or tenant of the whole or any part of the Premises to pay all unpaid rental agreed upon in any tenancy to Lender upon receipt of demand from Lender to so pay the same.

As used herein, the term "Liabilities" means any and all amounts due the Lender under the Mortgage, under the note ("Note") described in and secured by the Mortgage, and under the "Other Liabilities" as that term is defined in the Note. Liabilities also includes all reasonable costs of collection, legal expenses and attorneys' fees incurred or paid by Lender in attempting the collection of the Note or the enforcement of terms of the Mortgage or the Note.

It is understood and agreed that the provisions set forth herein shall be deemed as a special remedy given to Lender, and shall not be deemed exclusive of, but shall be deemed an additional remedy and shall be cumulative with, the remedies granted in the Mortgage and Note.

Whenever the word "Borrower" is mentioned herein, it is hereby understood that the same includes and shall be binding upon successors and assigns of the Borrower, and any party holding title to the Premises by, through or under the Borrower. All of the rights, powers, privileges and immunities herein granted and assigned to Lender shall also inure to Lender's successors and assigns, including all holders, from time to time, of the Note.

It is expressly understood that no judgment 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 instrument, but that the same shall continue in full force and effect and until the payment and discharge of any and all of the Liabilities and all bills incurred by virtue of the authority contained herein have been fully paid out of the rents, issues and profits of the Premises, or by the Borrower, or until such time as this instrument may be voluntarily released by Lender. 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 judgment, unless the Liabilities are fully satisfied before the expiration of any applicable period of redemption.

This Assignment has been made, executed and delivered to Lender at Chicago, Illinois and shall be construed in accordance with the laws of the State of Illinois. Wherever possible, each provision hereof shall be interpreted in such manner as to be effective and valid under applicable law. If any provisions of this Assignment are prohibited by or determined to be invalid under applicable law, such provisions shall be ineffective only to the extent of such prohibition or invalidity, and without invalidating the remainder of such provisions or the remaining provisions hereof.

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At the option of the Lender, the Mortgage shall become subject and subordinate, in whole or in part (but not with respect to priority to entitlement to insurance proceeds or any award in condemnation), to any or all of the aforesaid Leases upon the execution by Lender, and recording thereof at any time hereafter in the Office of the appropriate Recorder of Deeds (or Registrar of Titles), of a unilateral declaration to that effect.

In the event that, at the time of recording hereof, there is attached hereto an exhibit entitled "Exhibit B - Specific Leases", the tenancies described therein shall be deemed included, without limitation, in the Leases which are the subject hereof.

DEARBORN-KINZIE PARTNERS,
an Illinois limited partnership

By: 13 West Kinzie Limited Partnership, an Illinois limited partnership, its sole general partner

By: LZ Holdings Limited Partnership, an Illinois limited partnership, its sole general partner

By: LZ Properties, Inc., an Illinois corporation, its sole general partner

By: Roger J. Levin
ROGER J. LEVIN, President

Attest: Daniel J. Zacharias
DANIEL J. ZACHARIAS, Secretary

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STATE OF ILLINOIS
COUNTY OF C O O K

The foregoing instrument was acknowledged before me by ROGER J. LEVIN, the President of, and DANIEL J. ZACHARIAS, the Secretary of, LZ PROPERTIES, INC., an Illinois corporation, on behalf of the corporation, on this 11th day of December, 1990.

Lisa M. Garrity
NOTARY PUBLIC

Commission Expires: 2 8 94



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EXHIBIT A

Legal Description:

Parcel 1:

Lots 1, 2, 3 and 4 in Subdivision in the North West Corner of Block 1 of Original Town of Chicago in Section 9, Township 39 North, Range 14, East of the Third Principal Meridian, according to the Plat thereof recorded July 22, 1884 as Document No. 562032 in Book 19, Page 31, in Cook County, Illinois.

Permanent Tax Nos. 17-09-410-001
17-09-410-002
17-09-410-003

Common Address: 33 West Kinzie Street, Chicago, Illinois.

Parcel 2:

Lot 6 and East 7 feet of Lot 5 in Subdivision in the North West Corner of Block 1 of Original Town of Chicago in Section 9, Township 39 North, Range 14 East of the Third Principal Meridian, according to the Plat thereof recorded July 22, 1884 as Document No. 562032 in Book 19, Page 31, in Cook County, Illinois.

Permanent Tax No. 17-09-410-018

Common Address: 27 West Kinzie Street, Chicago, Illinois.

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EXHIBIT B - SPECIFIC LEASES

Lease dated August 31, 1987, as amended by first, second and third amendments thereto dated October 21, 1987, May 25, 1990 and December _____, 1990, respectively, by and between Dearborn-Kinzie Partners and Kinzie Restaurant Limited Partnership, each an Illinois limited partnership.

Property of Cook County Clerk's Office

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