

0528W

COLLATERAL ASSIGNMENT OF TENANT'S RIGHTS IN LEASE

This Collateral Assignment of Tenant's Rights in Lease (the "Assignment") is made as of the 2 day of January, 1990 by and between HDA Motors, Inc., an Illinois corporation ("Borrower") and Edgewood Bank ("Bank").

W I T N E S S E T H:

WHEREAS, Bank has made, and from time to time hereafter shall make, loans, advances, and/or financial accommodations to or for the benefit of Borrower, pursuant to a certain Promissory Note dated as of December 27, 1985, as amended by that certain Extension Agreement dated June 30, 1986, and as further amended by that certain Extension and Modification Agreement dated September 30, 1986, which Note is secured by a mortgage recorded January 6, 1986 and known as Document No. 86-003795 (which note, extension agreements, and mortgage are collectively referred to therein as the "Loan Documents"); and

WHEREAS, Borrower has entered into a ground lease with J&H Partnership (hereinafter referred to as "Lessor") dated as of the \_\_\_\_\_ for occupancy of the property legally described in Exhibit "A" attached hereto and made a part hereof (the "Property") (which lease, together with all of Borrower's rights and remedies thereunder, and any and all proceeds payable under any policy of insurance covering loss resulting from untenability caused by destruction or damage to the Property is hereinafter referred to as the "Lease"). The Lease is additional security for the payment of Borrower's obligations and the performance of its obligations under the Loan Documents.

NOW, THEREFORE, for and in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. The Assignment. In order to induce the Bank to make advances under the Loan Documents, and to induce the Bank to consent to the Lease, and as additional security for the payment of the obligations and for the performance and observance of all the agreements contained herein and in the Loan Documents, Borrower does hereby set over, transfer to, and grant to Bank, its successors and assigns, upon the terms and conditions hereinafter contained, a continuing security interest in the Lease, together with all the right, title and interest of Borrower therein and thereto, to have and to hold the same unto Bank, its successors and assigns forever, or for such shorter period as hereinafter may be indicated, as additional security for the payment of the obligations and for the performance and observance of all the agreements contained in the Loan Documents.

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2. Warranties, Representations and Covenants. The Borrower hereby covenants, represents, warrants and agrees as follows:

a) At all times, Bank shall have the right to verify the validity, amount of or any other matter relating to the Lease, by mail, telephone, telegraph or otherwise, in the name of the Borrower or Bank, all in accordance with the terms of the and conditions of the Lease.

b) Unless Bank notifies the Borrower in writing that it dispenses with any one or more of the following requirements, the Borrower shall: (i) inform Bank, in writing, of any assertion of any material claims, offsets or counterclaims under the Lease; (ii) without the prior written consent of the Bank, which shall not be unreasonably withheld, Borrower will not permit or agree to any terminations, cancellation, surrender, material extension, compromise or settlement or make any material change or modification of any kind or nature of or with respect to the Lease or the terms thereof; and (iii) furnish to and inform Bank of all material adverse information relating which Borrower reasonably believes in its sole discretion to or affecting the Lease.

c) The Lease is in full force and effect, and has not been amended or modified except as described herein or therein, Borrower is the lessee under the Lease hereby assigned, and has good right to collaterally assign its interest in the same (subject, however, to the rights, if any, of the Lessor to consent to such collateral assignment), and that no other person, firm or corporation has any right, title or interest therein except as expressly set forth herein; and the Borrower has not previously sold, assigned, transferred, mortgaged or pledged its interest in the Lease to any other person or entity.

d) Borrower has and shall observe, perform and discharge, duly and punctually, all and singular the obligations, terms, covenants, conditions and warranties under the Loan Documents and the Lease, on the part of the Borrower to be kept, observed and performed, and to give prompt notice to Bank of any failure on the part of the Borrower to observe, perform and discharge same; to appear in and defend any action or proceeding arising under, occurring out of, or in any manner connected with the Lease or the obligations, duties or liabilities of the Borrower and/or Lessor thereunder, and, upon request by Bank, will do so in the name and behalf of the Bank but at the expense of the Borrower, and to pay all costs and expenses of Bank, including reasonable attorneys' fees in any action or proceeding in which Bank may appear.

e) Borrower has entered into occupancy of the Property and is in possession thereof; to the best of the Borrower's knowledge, Lessor is not in default in performing or complying

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with any of its obligations under the Lease; and Lessor has completed all improvements required by the terms of the Lease and the Property is open for the use of the Borrower, its customers, employees, and invitees.

f) Bank shall not be liable in any way for any injury or damage to person or property sustained by any person or persons, firm or corporation in or about the Property and Bank assumes no obligation, duty or liability under the Lease.

g) Borrower hereby agrees to indemnify and hold Bank harmless of, from and against any and all liability, loss, damage or expense which Bank may or might incur by reason of this Assignment. Should Bank incur any such liability, loss, damage or expense, the amount thereof (including reasonable attorneys' fees) shall be payable by the Borrower immediately upon demand, shall bear interest (at the default rate under the Loan Documents) from the date of Bank's payment thereof under repaid to Bank, and shall be secured hereby.

h) The failure of Bank to avail itself of any of the terms, covenants and conditions of this Assignment for any period of time or at any time or times, shall not be construed or deemed to be a waiver by Bank of any of its rights and remedies hereunder. The rights and remedies of Bank under this Assignment are and shall be cumulative and in addition to any and all right and remedies available to Bank under the Loan Documents.

i) Upon payment in full of all of the obligations under the Loan Documents, this Assignment shall become and be void and of no further effect, and the Bank shall, upon demand by the Borrower, execute a release to be filed of record.

j) This Assignment was executed and delivered in, and, except as otherwise specifically stated in any given paragraph hereof, shall be governed as to validity, interpretation, construction, effect and in all other respects by the laws and decisions of the State of Illinois.

3. Power of Attorney. Upon the occurrence of a default under the terms of the Loan Documents and the failure to cure default within the applicable cure period after written notice as required under the Loan Documents, the Borrower further irrevocable appoints Bank as the Borrower's attorney in fact to exercise any or all of the Borrower's rights in, to, and under the Lease and to do any or all other acts, in the Borrower's name or in the Bank's own name, that the Borrower could do under the Lease, with the same force and effect as if this Assignment had not been made.

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4. Exercise of Rights. Upon the occurrence of any Event of Default under the terms of the Loan Documents and failure to cure default within the applicable cure period after written notice as required under the Loan Documents, Bank, in its sole election and in its sole discretion, may do any one or more of the following, subject to the terms and conditions contained in the Lease:

a) Enter upon, take possession of, manage and operate the Property or any part thereof pursuant to the terms and conditions of the Lease, and the Borrower agrees to surrender possession of the same.

b) If such Event of Default under the Loan Documents occurs due to Borrower's default under the Lease, Bank may cure any such default under the Lease within the curative times provided in the Lease.

c) Exercise any and all rights and remedies afforded to Bank under the Loan Documents and the Uniform Commercial Code and any and all other applicable provisions of law, including the right to sell the Borrower's interest in the Lease at a public or private sale.

5. Successors and Assigns. This Assignment shall inure to the benefit of and be binding on the Borrower, the Bank and the successors and assigns of each.

IT WITNESS WHEREOF, this Assignment has been duly executed the day and year first above written.

HDA Motors, Inc., an Illinois corporation

By: John Weinberger  
John Weinberger, President

Attest:

By: Herman Weinberger  
Herman Weinberger, Secretary

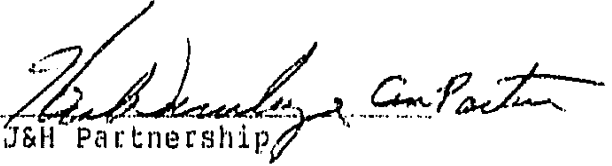
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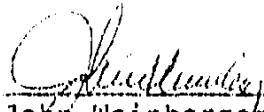
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## CONSENT OF LESSOR

The undersigned, Lessor of the Lease, pursuant to paragraph \_\_\_\_\_ of the Lease, hereby consents to the above and foregoing Collateral Assignment of Tenant's Rights in Lease.

Dated: \_\_\_\_\_

  
\_\_\_\_\_  
J&H Partnership

By:   
\_\_\_\_\_  
John Weinberger  
General Partner

Property of Cook County Clerk's Office

30016761

STATE OF ILLINOIS )  
COUNTY OF COOK ) SS:

I, LISA L. YARBROUGH, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT John Weinberger and Herman Weinberger, personally known to me to be the President and the Secretary, respectively, of HDA Motors, Inc., an Illinois corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such officers they signed and delivered the said instrument pursuant to authority, as their respective free and voluntary acts, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 7<sup>th</sup> day of January, 1990.

*Lisa L. Yarbrough*  
Notary Public  
[SEAL] " OFFICIAL SEAL "  
LISA L. YARBROUGH  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 4/12/92

My Commission Expires:  
4-12-92

ACKNOWLEDGEMENT OF LESSOR

STATE OF ILLINOIS )  
COUNTY OF COOK ) SS:

I, LISA L. YARBROUGH, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT John Weinberger personally known to me to be a general partner of J&H Partnership, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such partner, he signed and delivered the said instrument pursuant to authority, as his respective free and voluntary act, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 7<sup>th</sup> day of January, 1990.

*Lisa L. Yarbrough*  
Notary Public  
[SEAL] " OFFICIAL SEAL "  
LISA L. YARBROUGH  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 4/12/92

My Commission Expires:  
4-12-92

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## EXHIBIT A Legal Description of Property

The North 10 acres (except the East 1.46 feet thereof) of the West 27 acres North of the road (except the North 40 feet thereof taken for street purposes) except the South 173.37 feet of the West 778.00 feet (except the West 33.00 feet thereof) of lot 10 in School Trustee's subdivision of the South East 1/4 of Section 16, Township 38 North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois.

Excluding the improvements thereon.

PIN: 18-16-400-008

Common address of property: <sup>5717</sup> 5750 S. LaGrange Road  
Countryside, Illinois

This instrument prepared by:

Susan E. Thrower  
Schwartz, Cooper, Kolb & Gaynor Chartered  
20 S. Clark Street  
Suite 1100  
Chicago, Illinois 60603

RETURN TO RECORDER'S BOX 365

DEPT-01 \$18.00  
T41111 TRAN 6862 01/29/90 16:23:00  
\*90-046764  
COOK COUNTY RECORDER

18.00

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