

BOX 333

UNOFFICIAL COPY

made m 500.25-21

WHEN RECORDED MAIL TO:

FOREST PARK NATIONAL BANK
7348 WEST MADISON
FOREST PARK, IL 60130

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SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

ASSIGNMENT OF RENTS

THIS ASSIGNMENT OF RENTS IS DATED JUNE 14, 1990, between ELLIS R. KAHN and JUDITH A. KAHN, HIS WIFE, whose address is 391 ROSEWOOD AVE., WINNETKA, IL 60093 (referred to below as "Grantor"); and FOREST PARK NATIONAL BANK, whose address is 7348 WEST MADISON, FOREST PARK, IL 60130 (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:

LOT 31 AND 32 IN BLOCK 5 IN A.L. STONE'S ADDITION A SUBDIVISION OF LOT 1 (EXCEPT THE NORTH 15 ACRES) OF THE COMMISSIONERS PARTITION OF THE SOUTH 1/2 OF SECTION 3, AND THAT PART NORTH OF RAILROAD, OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 16 N. 9TH AVENUE, MELROSE PARK, IL 60160. The Real Property tax identification number is 15-10-221-018.

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 this Assignment of Rents between Grantor and Lender, and includes without limitation all assignments and security interest provisions relating to the Rents.

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 ELLIS R. KAHN and JUDITH A. KAHN.

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 FOREST PARK NATIONAL BANK, its officers and assigns.

Note. The word "Note" means the promissory note or credit agreement dated June 14, 1990, in the original principal amount of \$150,000.00 from Grantor 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 10.125%.

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 Grantor's indebtedness to Lender.

Rents. The word "Rents" means all rents, revenues, income, fees, 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 UNDER THE NOTE AND THIS ASSIGNMENT. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Assignment, Borrower shall pay to Lender all amounts secured by this Assignment as they become due, and shall strictly perform all of Borrower's obligations. Unless and until Lender exercises its right to ouster the Rents as provided below and so long as there is no default under this 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 this Assignment, to collect and receive the Rents. For this 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 this 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 liable therefor, 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 supervision 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 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 this Assignment and not reimbursed from the Rents shall constitute a part of the indebtedness secured by this Assignment, and shall be payable on demand, with interest at the Note rate from date of expenditure until paid.

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FULL PERFORMANCE. If Grantor pays all of the indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Assignment and the Note, Lender shall execute and deliver to Grantor a written certificate of the Assignment and satisfactory evidence of termination of any financing statement (or the evidencing Lien) in substantially interest in the Plans and the Property. Any termination fee required by law shall be paid by Grantor, if provided by a applicable law.

EXPENSES BY LENDER. If Grantor fails to comply with any provision of this Assignment, or if any action or proceeding is commenced that would materially affect Lender's interests in the Property, Lender on Grantor's behalf may, and shall not be required to, take any action that Lender deems appropriate. Any amount that Lender spends 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 such term, (c) be added to any applicable insurance policy or (d) be retained as part of the Note, or (e) be treated as a balloon payment which will be due and payable at the Note's maturity. This Assignment also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other right or any remedies to which Lender may be entitled on account of the Default. Any such action by Lender shall not be construed as causing the default to be lessened 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 this Assignment:

Default on Installments. Failure of Grantor to make any payment when due on the Note.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Assignment, the Note or in any of the Related Documents.

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

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

Insolvency. The insolvency or Grantor, appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, the commencement of any proceeding under any bankruptcy or insolvency laws or under Chapter 11 of the United States Bankruptcy Code, or the dissolution or termination of Grantor's existence as a going business (if Grantor is a business), or any of the events prohibited by federal law or state law, the death of Grantor (if Grantor is an individual) also shall constitute an Event of Default under this Assignment.

Foreclosure, etc. Commencement 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 claim by Grantor as to the validity or reasonableness of the claim with respect to the basis of the foreclosure, provided that Grantor gives Lender written notice of such claim and furnishes reasonable or a copy bond for the claim satisfactory to Lender.

Events Affecting Guarantor. Any of the preceding events upon which this section is based shall apply to any Guarantor of any of the indebtedness or such Guarantor dies or becomes incompetent.

Inaccuracy. Lender reasonably deems the information provided by Grantor to be inaccurate.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any event of default and of 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 to call for immediate payment of the indebtedness under this Assignment, including any prepayment penalty with respect to any amount so accelerated in part.

Collect Plans. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Plans, 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 tax directly to Lender. If the Plans are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact in order to enforce irrevocable retention 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 subparagraph either in person, by agent, or through a receiver.

Mortgage 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 execute the Property's existing mortgage or sale, and to collect the Plans from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The mortgage in possession or receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent 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 this 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 preclude pursuit of any other remedy, and an election to make expenditures or take action to protect its interests shall not constitute an obligation of Grantor under this Assignment after failure of Grantor to perform shall not affect Lender's right to declare a default and exercise its remedies under this 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 trial and on any appeal. Whether or not any court action is involved, all costs of this agreement incurred by Lender that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall be borne as 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 this paragraph include, without limitation, however subject to any laws under applicable law, Lender's attorneys' fees and disbursements, whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to settle or vacate any automatic stay or injunction), appraisals and any anticipated post-judgment collection services, the cost of conducting records, obtaining title reports (including, if necessary, reports), or creditors' reports, and appraisal fees, and title insurance, to the extent permitted by applicable law. Grantor shall not pay any such costs, in addition to all other sums provided by law.

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

Assignments. 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 of or amendment to this Assignment shall be effective unless given 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. This Assignment shall be governed by and construed in accordance with the laws of the State of Illinois.

Multiple Parties. All obligations of Grantor under this Assignment shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each of the persons signing below is responsible for all obligations in this Assignment.

No Impairment. 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 such modification 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 that provision invalid or unenforceable as to any other person or circumstance. If possible, 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 shall remain valid and enforceable.

Supervisors and Assignees. 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 possession of the Property because vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Lender's possession with reference to this Assignment and the transactions by way of foreclosure or extension without releasing Grantor from the obligations of this Assignment or being liable under the indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Assignment.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness incurred by this Assignment.

Waivers and Consents. Lender shall not be deemed to have waived any rights under this Assignment (as under the Related Documents) unless such waiver is in writing and signed by Lender. No duty or obligation on the part of Lender to exercise any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Assignment shall not constitute a waiver of or prejudice the party's right

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otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Lender is required in this Assignment, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT OF RENTS, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

X Ellis R. Kahn
ELLIS R. KAHN

X Judith A. Kahn
JUDITH A. KAHN

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

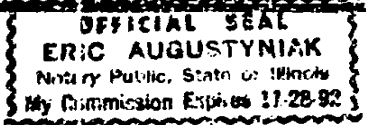
On this day before me, the undersigned Notary Public, personally appeared ELLIS R. KAHN and JUDITH A. KAHN, HIS WIFE, to me known to be the individuals described in and who executed the Assignment of Rents, and acknowledged that they signed the Assignment as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 14TH day of JUNE, 1990.

By Eric Augustyniak Notary at 2848 W. MADISON ST. PRAIRIE, ILL. 60157

Notary Public in and for the State of ILLINOIS My commission expires _____

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