

ASSIGNMENT OF RENTS AND LEASES

K & P PROPERTIES, an Indiana General Partnership (herein referred to as "Assignor"), for valuable consideration, receipt of which is hereby acknowledged, hereby absolutely and irrevocably conveys, transfers and assigns unto FORT WAYNE NATIONAL BANK (herein with its successors and assigns referred to as "Assignee"), all of the rights and privileges which the Assignor, as Landlord, has and may have in the leases (and rental agreements) now existing or hereafter made and affecting the real property situated in Cook County, Illinois, described in Exhibit "A" attached hereto, or any part thereof (herein referred to as the "Property"), including, but not limited to, the following:

A. All leases (including rental agreements and subleases) now in existence and all leases, rental agreements and subleases, which may be made by Assignor or any managing agent or affiliate of Assignor, for tenants leasing any of the Property, as the same may have been, or may, from time to time, be, hereafter modified, extended and renewed (herein collectively referred to as the "Leases").

B. All rents, income, profits, security and other tenant deposits and other amounts due and becoming due under said Leases (herein collectively referred to as "Rents").

C. All guaranties of the aforesaid Leases, including guaranties of tenant performance thereof.

D. All insurance proceeds regarding rental loss coverage and business interruption coverage as to said Leases.

E. All judgments or settlements of claims in favor of Assignor and arising out of said Leases in any Court proceeding, including any bankruptcy, reorganization, insolvency or debtor proceeding or case or otherwise.

The foregoing assignment, transfer and conveyance is intended to be and constitutes a present assignment, transfer and conveyance by Assignor to Assignee and is given as additional collateral security for certain Obligations hereinafter described.

By this Assignment, Assignor and Assignee agree as follows:

1. This Assignment is made to secure the payment of a certain Note of even date herewith (including all extensions, renewals, or modifications thereof) made by Assignor in favor of Assignee in the original principal amount of TWO HUNDRED TWO THOUSAND SEVEN HUNDRED NINETY-SEVEN AND NO/100 DOLLARS (\$202,797.00), with interest as therein provided (herein, including all renewals, extensions and modifications thereof, referred to as the "Note"). The Note is also secured by a Real Estate Mortgage dated March 31, 1977 and recorded April 15, 1977 as Document Number LR 2931930, as modified by an agreement of even date herewith, upon a portion of the Property (herein referred to as the "Mortgage"). This Assignment shall further secure the performance of all of the covenants of Assignor to Assignee under the Mortgage or as provided in the Note, and shall secure the payment of all sums which may be payable by the Assignor under the terms of the Mortgage or this Assignment, all sums advanced by Assignee to protect its interest in the premises or to perform any covenants of the Assignor hereunder which the Assignor shall have failed to perform, interest at the Default Rate on such sums advanced by Assignee, and costs of collection of all such sums. This Assignment shall further secure all other indebtedness of Assignor and each maker of the Note secured hereby, to the Assignee, howsoever created, evidenced or acquired, now existing or hereafter arising, whether direct or indirect, absolute or contingent, matured or unmatured, and whether such Assignor or maker is primarily or secondarily, or jointly or severally, liable therefor. The acceptance of this Assignment and

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Box 334

3100 PC

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the collection of Rents or the payments under the Leases hereby assigned shall not constitute a waiver of rights of the Assignee under the terms of the Note, the Mortgage, or the Leases assigned hereby.

2. Before default occurs under the terms of, and as defined in, the Note, the Mortgage, or this Assignment, Assignor shall have the irrevocable right and license to collect the Rents and to retain, use, and enjoy the same and, further, such license is in trust for the purpose of paying all usual operating expenses, including taxes of the Property and the sums due Assignee under the Note, said Mortgage and this Assignment. Upon such default, and after expiration of the Thirty (30) day period hereinafter provided, such license and other rights of Assignor to collect the Rents shall wholly cease. Provided, further, that even before default occurs, no rent not due (except security deposits and rent not exceeding one month in advance) under the terms of any of the Leases shall be collected or accepted without the prior written consent of Assignee.

In the event of default in the performance of any of the terms and conditions of the Note, the Mortgage, or this Assignment, provided such default is not cured within Thirty (30) days after written notice thereof from Assignee to Assignor, this Assignment shall automatically become operative without any further action whatsoever; the license granted to Assignor under Paragraph 2 above shall be automatically revoked; and the Assignee, at its option, to the extent and in the manner permitted by applicable law, enter and take possession of the Property and manage and operate the same, collect all or any Rents from said leases, evict tenants and bring or defend any suits in connection with the possession of said Property in its own name or Assignor's name, and make repairs as Assignee deems appropriate and perform such other acts in connection with the management and operation of said Property as the Assignee in its reasonable discretion may deem proper.

3.1 The receipt by Assignee of any of the Rents after the institution of foreclosure proceedings under said Mortgage shall not cure such default nor affect such proceedings or any sale pursuant thereto.

3.2 Assignee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Assignor under any of said Leases, and this Assignment shall not place responsibility for the control, care, management or repair of the Property or any part thereof upon the Assignee, or make the Assignee responsible or liable for any negligence in the management, operation, upkeep, repair or control of said Property resulting in loss in injury or death to any tenant, licensee, employee or stranger.

4. Assignor covenants and represents to Assignee the following:

4.1 Assignor has full right and title to assign the Leases and the Rents.

4.2 No other assignment of any interest in the Leases has been made by Assignor.

4.3 Assignor has no actual knowledge of any existing defaults under any of the Leases.

4.4 Assignor will not hereafter cancel, surrender or terminate any of said Leases, exercise any option which might lead to such termination, or change, alter, or modify same or consent to the release of any party liable thereunder or to the assignment of the Lessee's interest therein, except as is consistent with the usual and customary operation of the Property.

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Property of Cook County Clerk's Office

• DEPT-11 RECORD - T \$31.00  
• T#8888 TRAN 8080 06/24/92 09:48:00  
• #4501 ÷ E \* -92-457434  
• COOK COUNTY RECORDER

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5. Assignor hereby authorizes Assignee to give notice, in writing, of this Assignment at any time to any tenant under any of said Leases at any time following default hereunder.

6. Violation of any of the covenants, representations and provisions contained herein by the Assignor and continuance thereof for Thirty (30) days after notice by Assignee to Assignor, given as provided herein in Paragraph 12, shall be deemed a default hereunder, as well as under the terms of the Note and the Mortgage securing same, and a default thereunder shall likewise constitute a default under this Assignment.

7. Any material default by the Assignor under any of the terms of the Leases assigned hereby shall be deemed a default hereunder (unless Assignor is, in good faith, contesting such default) and under the terms of the Note and said Mortgage, and any expenditures made by the Assignee in curing such default on Assignor's behalf, with interest thereon at the default rate as set forth in the Note, shall be immediately due and payable and shall become part of the debt evidenced by said Note and secured hereby and by the Mortgage.

8. The acceptance by Assignee of this Assignment with all of the rights, powers, privileges and authority so created shall not, prior to entry upon and taking possession of said Property by Assignee, be deemed or construed to constitute Assignee a "mortgagee in possession", nor thereafter or at any time or in any event obligate Assignee to appear in or defend any action or proceeding relating to any Lease or to the Property, to take any action hereunder, to expend any money, incur any expenses, or perform or discharge any obligation, duty or liability under any Lease, or to assume any obligation or responsibility for any security deposits or other deposits delivered to Assignor by any tenant and not assigned and delivered to Assignee. Assignee shall not be liable in any way for any injury or damage to persons or property sustained by any person or persons, firm or corporation in or about the Property, except as a result of the negligence of Assignee or its agents and employees.

8.1 The collection of Rents and their application as aforesaid and/or the entry upon and taking possession of the Property shall not cure or waive any default, waive, modify or affect any notice of default required under the Note and said Mortgage, or invalidate any act done pursuant to such notice. Although the original default be cured and the exercise of any right or remedy be discontinued, the same or any other rights or remedies hereunder shall not be exhausted and may be reasserted at any time and from time to time following any subsequent default. The rights and powers conferred on Assignee are to be irrevocable and continuing; and these rights, powers and privileges shall be exclusive in Assignee, its successors and assigns, as long as any part of the indebtedness secured hereby shall remain unpaid.

9. Should Assignee incur any liability, loss, damage or expense under or by reason or in defense of any claims and demands which may be asserted against Assignee arising out of any Lease, the amount thereof, including reasonable attorneys' fees, with interest thereon at the default rate (as defined in the Note), shall be payable by Assignor to Assignee immediately upon notice by Assignee without further demand and shall be secured as a lien hereby and by the Mortgage.

10. The full payment and performance of the Note and the entry of satisfaction upon the record of the Mortgage securing same shall render this Assignment void.

11. The net proceeds collected by the Assignee under the terms of this instrument shall be applied in reduction of the

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entire indebtedness from time to time outstanding and secured by the Mortgage and this Assignment.

12. All notices, demands or documents of any kind that either party may be required or may desire to serve upon the other shall be sufficiently served by delivering them personally at the appropriate address appearing in the Mortgage, or by depositing a copy in the United States Mail, postage prepaid, certified or registered mail, return receipt requested, addressed as set forth in the Mortgage.

13. It is expressly agreed by Assignor that this Assignment shall not be construed or deemed made for the benefit of any third party or parties.

14. Whenever used herein and the context requires it, the singular number shall include the plural, the plural the singular and any gender shall include all genders.

15. The parties agree that the laws of the State of Indiana shall govern the performance and enforcement of this Assignment.

16. If any provision of this Assignment or the application thereof to any entity, person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Assignment and the application of its provisions to other entities, persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

17. This Assignment applies to and binds the parties hereto and their respective heirs, administrators, executors, successors and assigns.

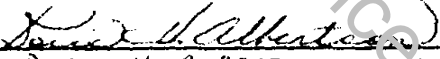
IN WITNESS WHEREOF, this Assignment of Rents and Leases has been executed by the Assignor as of the 31st day of March, 1992.

K & P PROPERTIES, an Indiana  
General Partnership

By:   
Thomas W. Kelley, Partner

By:   
Suzanne E. Horton, Partner

By: FORT WAYNE NATIONAL BANK, as  
Trustee of the James K. Posther  
Trust, Partner

By:   
DORIS H. ALBERTSON, TRUST OFFICER

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STATE OF INDIANA )  
                          ) SS:  
COUNTY OF ALLEN )

Personally appeared before me, the undersigned, a Notary Public in and for said County and State, Thomas W. Kelley, Suzanne E. Horton, and Fort Wayne National Bank, as Trustee of the James K. Posther Trust, by LOUIS H. ALBERTSON, being all of the Partners of K & P PROPERTIES, an Indiana General Partnership, and acknowledged the execution of the above and foregoing Assignment of Rents and Leases on behalf of said Partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this \_\_\_\_\_ day of MAY, 1992.

My Commission Expires: JUNE 23, 1992  
VINCENT J. HEINY Notary Public  
A resident of ALLEN County

THIS INSTRUMENT prepared by David A. Scott, Attorney at Law, Baker & Daniels, 2400 Fort Wayne National Bank Building, Fort Wayne, Indiana 46802-2387.

MAIL TO: FORT WAYNE NATIONAL BANK  
ATTN: SHILLY SKINNER  
P.O. Box 110  
FORT WAYNE IN 46801

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EXHIBIT "A"

The North 600 feet (as measured on the East line thereof) of the West 240 feet of the East 1072 feet (as measured on the North line thereof) of that part of the Southeast 1/4 of the Northeast 1/4 of Section 25, Township 41 North, Range 11 East of the Third Principal Meridian, lying Northerly of a line 82.5 feet Northeasterly of and parallel with the following described line: Beginning at a point in the West line of said Southeast 1/4 of the Northeast 1/4, 345.5 feet North of the Southwest corner thereof, and running thence 69 degrees 59 minutes East 989.95 feet to a point in the South line of the Northeast 1/4 of said Section 25, said point being 929.16 feet East of the Southwest corner of said Southeast 1/4 of the Northeast 1/4 of Section 25 aforesaid, in Cook County, Illinois.

PIN # 68-25-203-013

Address: Wille & Mt. Prospect Rd.  
1/2 K. Grove, IL

Return to: Fort Wayne National Bank  
ATTN: Sally Skinner  
P.O. Box 110  
Fort Wayne, IN 46801

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