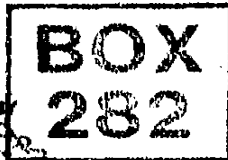


UNOFFICIAL COPY

9225 1016
92641646

WHEN RECORDED MAIL TO:

PARKWAY BANK & TRUST COMPANY
4800 North Harlem Avenue
Harwood Heights, IL 60856



SEND TAX NOTICES TO:

P & D DEVELOPMENT
245 HILLANDALE
BLOOMINGDALE, IL 60108

92641646

DEPT. OF RECORDING 125.00

TRN 7278 08/28/92 15:36:00

3428 * -92-641646
COOK COUNTY RECORDER

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

ASSIGNMENT OF RENTS

THIS ASSIGNMENT OF RENTS IS DATED AUGUST 27, 1992, between P & D DEVELOPMENT, whose address is 245 HILLANDALE, BLOOMINGDALE, IL 60108 (referred to below as "Grantor"); and PARKWAY BANK & TRUST COMPANY, whose address is 4800 North Harlem Avenue, Harwood Heights, IL 60856 (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 3 IN PONTARELLI'S RESUBDIVISION UNIT TWO OF ANDREA TERRACE, BEING A SUBDIVISION IN THE NORTH EAST 1/4 OF SECTION 30, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 2934 N. NASHVILLE, CHICAGO, IL 60634. The Real Property tax identification number is 13-30-210-030-0000.

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 Uniform Commercial Code. All references to dollar amounts shall mean amounts in lawful money of the United States of America.

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 P & D DEVELOPMENT.

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. In addition to the Note, the word "Indebtedness" includes all obligations, debts and liabilities, plus interest thereon, of Grantor or any one or more of them, whether existing now or later, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, absolute or contingent, liquidated or unliquidated and whether Grantor may be liable individually or jointly with others, whether obligated as guarantor or otherwise, and whether recovery upon such indebtedness may be or hereafter may become barred by any statute of limitations, and whether such indebtedness may be or hereafter may become otherwise unenforceable.

Lender. The word "Lender" means PARKWAY BANK & TRUST COMPANY, its successors and assigns.

Note. The word "Note" means the promissory note or credit agreement dated August 27, 1992, in the original principal amount of \$150,400.00 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 a variable interest rate based upon an index. The index currently is 8.000% per annum. The interest rate to be applied to the unpaid principal balance of this Assignment shall be at a rate of 1.000 percentage point(s) over the index, resulting in an initial rate of 7.000% per annum. NOTICE: Under no circumstances shall the interest rate on this Assignment be more than the maximum rate allowed by applicable law.

Property. The word "Property" means the real property, and all improvements thereon, described above in the "Assignment" section.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Property Definition" 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, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

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 UNDER THE NOTE, THIS ASSIGNMENT, AND THE RELATED DOCUMENTS. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Assignment, Grantor shall pay to Lender all amounts secured by this Assignment as they become due, and shall strictly perform all of Grantor's obligations under this Assignment. Unless and until Lender exercises its right to collect 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, provided that the granting of the right to collect the Rents shall not constitute Lender's consent to the use of cash collateral in a bankruptcy proceeding.

GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE RENTS. With respect to the Rents, Grantor represents and warrants to Lender that:

Ownership. Grantor is entitled to receive the Rents free and clear of all rights, loans, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.

Right to Assign. Grantor has the full right, power, and authority to enter into this Assignment and to assign and convey the Rents to Lender.

No Prior Assignment. Grantor has not previously assigned or conveyed the Rents to any other person by any instrument now in force.

No Further Transfer. Grantor will not sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Rents except as provided in this Agreement.

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

RICHAS CO # CONVEYANCE FILE NUMBER

92641646

UNOFFICIAL COPY

ASSIGNMENT OF RENTS (Continued)

Maintain the Property. Lender may enter upon the Property to maintain the Property and keep the same in repair; to pay the cost thereof and of all services of all employees, including their equipment, and of all consulting fees and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premises on the and other maintenance 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 application 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 not 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 Grantor'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. An expenditure 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, the Note, and the Related Document, Lender shall execute and deliver to Grantor a suitable satisfaction of the Assignment and adequate statements of net worth and any financing statement on the extending Lender's security interest in the Rents and the Property. Any termination fee 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 or proceeding is commenced that would materially affect Lender's interest 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 amortized accordingly and be payable with any regular payments to become due during either (i) the term of any applicable leasehold Agreement 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 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 Grantor 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 Grantor 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, after Lender sends written notice 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 under the Assignment, the Note or the Related Documents is, or at the time made or furnished was, if 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.

Involuntary. The involuntariness of Grantor, 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 laws by or against Grantor, or the dissolution or termination of Grantor's existence as a going business (if Grantor is a business). Except in the event prohibited by federal law or Illinois law, the death of Grantor (if Grantor is an individual) also shall constitute an Event of Default under the Assignment.

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

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

Insecurity. 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:

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

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect all Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In the event of this right, Lender may require any tenant or other user of the Property to make payments of rent or lease payments directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to enforce 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 the subparagraph 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 pending 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 may 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 deplete a person from acting 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 provision of the Assignment shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with the provision or any other provision. Grantor by Lender's pursuit may remedy and not be excluded pursuit of any other remedy, and an action to make expenditures or take action to perform an obligation of Grantor under the Assignment after failure of Grantor to perform shall not affect Lender's right to declare a default and exercise its remedies under the Assignment.

Attorney's Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of the Assignment, Lender shall be entitled to recover attorney's fees at bid and on any appeal. Whether or not any court action is brought, all reasonable expenses incurred by Lender shall be added to Lender's opinion are necessary at any time for the protection of its rights and expenses incurred by Lender shall be included in the indebtedness payable on demand and shall bear interest from the date of expenditure until paid at the Note rate. Expenses covered by the paragraph include, without limitation, however, subject to any limits under applicable law, Lender's attorney's fees and legal expenses whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to refile or vacate any judgments or rulings), appraisals and any anticipated post-judgment collection services, the cost of enforcing the cost of enforcing the Assignment, and the cost of other legal services (including preparation of reports, statements and other items) in connection with the Assignment. Lender shall have all other rights and remedies provided in the Assignment or the Note or by law.

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

Maintain the Property. Lender may enter upon the Property to maintain the Property and keep the same in repair; to pay the cost thereof and of all services of all employees, including their equipment, and of all consulting fees and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premises on the and other maintenance 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 application 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 not 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 Grantor'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. An expenditure 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, the Note, and the Related Document, Lender shall execute and deliver to Grantor a suitable satisfaction of the Assignment and adequate statements of net worth and any financing statement on the extending Lender's security interest in the Rents and the Property. Any termination fee 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 or proceeding is commenced that would materially affect Lender's interest 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 amortized accordingly and be payable with any regular payments to become due during either (i) the term of any applicable leasehold Agreement 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 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 Grantor 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 Grantor 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, after Lender sends written notice 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 under the Assignment, the Note or the Related Documents is, or at the time made or furnished was, if 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.

Involuntary. The involuntariness of Grantor, 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 laws by or against Grantor, or the dissolution or termination of Grantor's existence as a going business (if Grantor is a business). Except in the event prohibited by federal law or Illinois law, the death of Grantor (if Grantor is an individual) also shall constitute an Event of Default under the Assignment.

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

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

Insecurity. 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:

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

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect all Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In the event of this right, Lender may require any tenant or other user of the Property to make payments of rent or lease payments directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to enforce 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 the subparagraph 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 pending 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 may 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 deplete a person from acting 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 provision of the Assignment shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with the provision or any other provision. Grantor by Lender's pursuit may remedy and not be excluded pursuit of any other remedy, and an action to make expenditures or take action to perform an obligation of Grantor under the Assignment after failure of Grantor to perform shall not affect Lender's right to declare a default and exercise its remedies under the Assignment.

Attorney's Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of the Assignment, Lender shall be entitled to recover attorney's fees at bid and on any appeal. Whether or not any court action is brought, all reasonable expenses incurred by Lender shall be added to Lender's opinion are necessary at any time for the protection of its rights and expenses incurred by Lender shall be included in the indebtedness payable on demand and shall bear interest from the date of expenditure until paid at the Note rate. Expenses covered by the paragraph include, without limitation, however, subject to any limits under applicable law, Lender's attorney's fees and legal expenses whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to refile or vacate any judgments or rulings), appraisals and any anticipated post-judgment collection services, the cost of enforcing the cost of enforcing the Assignment, and the cost of other legal services (including preparation of reports, statements and other items) in connection with the Assignment. Lender shall have all other rights and remedies provided in the Assignment or the Note or by law.

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

UNOFFICIAL COPY

Property of Cook County Clerk's Office

92641646