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## ASSIGNMENT OF RENTS AND LEASES As Security for a Loan From HIGHLAND COMMUNITY BANK

1. DATE AND PARTIES. The date of this Assignment of Rents and Leases (Agreement) is January 10, 1992, and the parties are the following:

**OWNER/BORROWER:**

**CLEVELAND MCKINNEY**  
10228 SOUTH PEORIA AVENUE  
CHICAGO, IL 60643  
Social Security # 327345480  
MARRIED TO BRENDA MCKINNEY  
**BRENDA MCKINNEY**  
10228 SOUTH PEORIA AVENUE  
CHICAGO, IL 60643  
Social Security # 327344423  
MARRIED TO CLEVELAND MCKINNEY

**BANK:**

**HIGHLAND COMMUNITY BANK**  
an ILLINOIS banking corporation  
1701 W. 87th St.  
Chicago, Illinois 60620  
Tax I.D. # 38-2700488

2. OBLIGATIONS DEFINED. The term "Obligations" is defined as and includes the following:

- A. A promissory note, No. 9001, (Note) dated January 10, 1992, and executed by CLEVELAND MCKINNEY and BRENDA MCKINNEY (Borrower) payable in monthly payments to the order of Bank, which evidences a loan (Loan) to Borrower in the amount of \$42,500.00, plus interest, and all extensions, renewals, modifications or substitutions thereof.
- B. All additional sums advanced, and expenses incurred, by Bank for the purpose of insuring, preserving or otherwise protecting the Collateral (as herein defined) and its value, and any other sums advanced, and expenses incurred by Bank pursuant to this Agreement, plus interest at the same rate provided for in the Note computed on a simple interest method.
- C. All other obligations, now existing or hereafter arising, by Borrower owing to Bank to the extent the taking of the Collateral (as herein defined) as security therefor is not prohibited by law, including but not limited to liabilities for overdrafts, all advances made by Bank on Borrower's, and/or Owner's, behalf as authorized by this Agreement and liability as guarantor, endorser or surety, of Borrower to Bank, due or to become due, direct or indirect, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several.
- D. Borrower's performance of the terms in the Note or Loan, Owner's performance of any terms in this Agreement, and Borrower's and Owner's performance of any terms in any deed of trust, any trust deed, any mortgage, any deed to secure debt, any security agreement, any other assignment, any construction loan agreement, any loan agreement, any assignment of beneficial interest, any guaranty agreement or any other agreement which secures, guarantees or otherwise relates to the Note or Loan.

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However, this security interest will not secure another debt:

- A. If this security interest is in Borrower's principal dwelling and Bank fails to provide (to all persons entitled) any notice of right of redemption required by law for such other debt; or
- B. If Bank fails to make any disclosure of the existence of this security interest required by law for such other debt.

3. ASSIGNMENT. In consideration of the Loan, Owner assigns, bargains, sells and conveys to Bank all of Owner's right, title and interest in and to all rents and profits from the Property and all leases of the Property now or hereafter made (all of which are collectively known as the Collateral), which Collateral is described as follows:

- A. all leases (Leases) on the Property. The term "Leases" in this Agreement shall include all agreements, written or verbal, existing or hereafter arising, for the use or occupancy of any portion of the Property and all extensions, renewals, and substitutions of such agreements, including sublease thereunder. The term "Property" as used in this Agreement shall mean the following described property (Property) situated in COOK County, ILLINOIS, to-wit:

LOT 12 AND THE NORTH 1/2 OF LOT 13 IN BLOCK 15 IN ALBERT WISNER'S SUBDIVISION OF BLOCK 15 OF

WILLIAM HITT'S SUBDIVISION OF THE SOUTH EAST 1/4 OF SECTION 8, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. PIN# 25-08-429-022-0000  
The Property may be commonly referred to as 10228 SOUTH PEORIA AVENUE, CHICAGO, IL 60643

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- B. all guarantees of the performance of any party under the Lease;
  - C. the right to collect and receive all revenue (Rent) from the Lease on the Property now due or which may become due. Rent includes, but is not limited to the following: revenue, issue, profit, gross, net, minimum rent, percentage rent, additional rent, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, security deposits, insurance premium contributions, liquidated damages following default, cancellation premiums, loss of rent insurance or other proceeds, and all rights and claims which Owner may have against any person under the terms of the Lease.
4. COLLECTION OF RENT. Owner shall give notice of Bank's rights to all Rents and notice of direct payment to Bank to those obligated to pay Rents. Owner agrees to direct all tenants to pay Rent due or to become due to Bank. Owner shall endorse and deliver to Bank any money orders, checks or drafts which represent Rents from the above-described Property, to apply the proceeds to the Obligations, and shall give notice of Bank's rights in any of said Rents and notice of direct payment to Bank to those obligated to pay such Rents. Bank shall be the creditor of each Lessee in respect to assignments for the benefit of creditors, bankruptcy, reorganization, rearrangement, insolvency, dissolution or receivership proceedings by Lessee, and Owner shall immediately pay over to Bank all sums Owner may receive as creditor from such actions or proceedings. Also, Bank may collect or receive all payments paid by any Lessee, whether or not pursuant to the terms of the Lease, for the right to terminate, cancel or modify the Lease, and Owner shall immediately pay over to Bank all such payments as Owner may receive from any Lessee. Bank shall have the option to apply any amount received as such creditor to the Obligations or this Agreement. The collection or receipt of any payments by Bank shall not constitute Bank as being a Mortgagee in possession.
5. APPLICATION OF COLLATERAL PROCEEDS. Any Rents or other payments received or to be received by virtue of the Collateral, will be applied to any amounts Borrower, or Bank on the Obligations and shall be applied first to costs and expenses, then to accrued interest and the balance, if any, to principal except as otherwise required by law.

- A. Owner has good title to the Lease and Rent and good right to assign them, and no other person has any right in them;
- B. Owner has duly performed all of the terms of the Lease that Owner is obligated to perform;
- C. Owner has not previously assigned or encumbered the Lease or the Rent and will not further assign or encumber the Lease or future Rent;
- D. No Rent for any period subsequent to the current month has been collected or received from Lessee, and no Rent has been compromised. Upon request by Bank, Owner shall deliver to Bank a true and complete copy of an accounting of Rent which is current as of the date requested;
- F. Owner has complied and will continue to comply with any applicable landlord-tenant law;
- G. No Lessee is in default of any of the terms of the Lease;
- H. Owner has not and will not waive or otherwise compromise any obligation of Lessee under the Lease and will enforce the performance of every obligation to be performed by Lessee under the Lease;
- I. Owner will not modify the Lease without Bank's prior written consent, will not consent to any Lessee's assignment of the Lease, or any subletting thereunder, without Bank's prior written consent, and will not sell or remove any personal property located on the Property unless replaced in like kind for like or better value; and
- J. Owner will not subordinate any Lessee to any mortgage, lien, or encumbrance affecting the Property without Bank's written consent.

7. OWNERS AGREEMENTS. In consideration of the Loan, Owner agrees:
- A. to deliver to Bank upon execution of this Agreement copies of the Lease, certified by Owner, as being true and correct copies which accurately represent the transaction between the parties;
  - B. not to amend, modify, extend or in any manner alter the terms of any Lease, or cancel or terminate the same, or accept a surrender of any premises covered by such Lease without the prior written consent of Bank in each case;
  - C. to observe and perform all obligations of Lessor under the Lease, and to give written prompt notice to Bank of any default by Lessor or Lessee under any Lease;
  - D. to notify in writing each Lessee that any deposits previously delivered to Owner have been returned by Owner or assigned and delivered to Bank as the case may be;
  - E. to appear in and defend any action or proceeding pertaining to the Lease, and, upon the request of Bank, to do so in the name and on behalf of Bank but at the expense of Owner, and to pay all costs and expenses of Bank, including reasonable attorneys' fees to the extent not prohibited by law, in any such action or proceeding in which Bank may appear;
  - F. to give written notice of this Agreement to each Lessee which notice shall contain instructions to each Lessee that Lessee shall make all payments of Rent directly to Bank;
  - G. to indemnify and hold Bank harmless for all liabilities, damages, costs and expenses, including reasonable attorneys' fees, Bank incurs when Bank, at its discretion, elects to exercise any of its remedies upon default of Lessee;
  - H. that if the Lessee provide for abatement of rent during repair due to fire or other casualty, Bank shall be provided satisfactory insurance coverage; and
  - I. that the Lessee shall remain in full force and effect regardless of any merger of the Lessor's and Lessee's interests.

8. EVENTS OF DEFAULT. Owner shall be in default upon the occurrence of any of the following events, circumstances or conditions (Events of Default):
- A. Failure by any party obligated on the Obligations to make payment when due; or
  - B. A default or breach by Borrower, Owner or any co-signer, endorser, surety, or guarantor under any of the terms of this Agreement, the Note, any construction loan agreement or other loan agreement, guarantying, securing or otherwise relating to the Obligations; or
  - C. The making or furnishing of any verbal or written representation, statement or warranty to Bank which is or becomes false or incorrect in any material respect by or on behalf of Owner, Borrower, or any one of them, or any co-signer, endorser, surety or guarantor of the Obligations; or
  - D. Failure to obtain or maintain the insurance coverages required by Bank, or insurance as its customary and proper for the Collateral (as herein defined); or
  - E. The death, dissolution or insolvency of, the appointment of a receiver by or on behalf of, the appointment for the benefit of creditors by or on behalf of, the voluntary termination or existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition, or debtor relief law by or against Owner, Borrower, or any one of them.

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- them, or any co-signer, endorser, surety or guarantor of the Obligations; or
  - F. A good faith belief by Bank at any time that Bank is insecure with respect to Borrower, or any co-signer, endorser, surety or guarantor, that the prospect of any payment is impaired or that the Collateral (as herein defined) is impaired; or
  - G. Failure to pay or provide proof of payment of any tax, assessment, rent, insurance premium or escrow, escrow deficiency on or before its due date; or
  - H. A transfer of a substantial part of Owner's money or property.
9. **REMEDIES ON DEFAULT.** At the option of Bank, all or any part of the principal of, and accrued interest on, the Obligations shall become immediately due and payable without notice or demand, upon the occurrence of an Event of Default or at any time thereafter. Bank, at Bank's option, shall have the right to exercise any or all of the following remedies:
- A. To continue to collect directly and retain Rent in Bank's name without taking possession of the Property and to demand, collect, receive, and sue for the Rent, giving proper receipts and releases, and, after deducting all reasonable expenses of collection, apply the balance as legally permitted to the Note, first to accrued interest and then to principal.
  - B. To recover reasonable attorneys' fees to the extent not prohibited by law.
  - C. To declare the Obligations immediately due and payable, and, at Bank's option, exercise any of the remedies provided by law, the Note, or this Agreement.
  - D. To enter upon, take possession of, manage and operate all or any part of the Property, make, modify, enforce or cancel any Leases, evict any Lessee, increase or reduce Rent, decorate, clean and make repairs, and do any act or incur any cost Bank shall deem proper to protect the Property as fully as Owner could do, and to apply any funds collected from the operation of the Property in such order as Bank may deem proper, including, but not limited to, payment of the following: operating expenses, management, brokerage, attorneys' and accountants' fees, the Obligations, and toward the maintenance of reserves for repair or replacement. Bank may take such action without regard to the adequacy of the security, with or without any action or proceeding, through any person or agent, or receiver to be appointed by a court, and irrespective of Owner's possession.

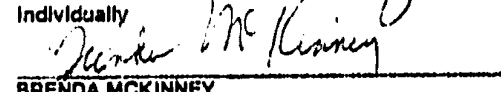
The collection and application of the Rent or the entry upon and taking possession of the Property as set out in this section shall not cure or waive any default, or modify or waive any notice of default under the Note, or this Agreement, or invalidate any act done pursuant to such notice. The enforcement of such remedy by Bank once exercised, shall continue for so long as Bank shall elect, notwithstanding that such collection and application of Rent may have cured the original default. If Bank shall thereafter elect to discontinue the exercise of any such remedy, the same or any other remedy under the law, the Note, or this Agreement may be asserted at any time and from time to time following any subsequent default. The word "default" has the same meaning as contained within the Note or any other instrument evidencing the Obligations, or any other document securing, guarantying or otherwise relating to the Obligations.

In addition, upon the occurrence of any Event of Default, Bank shall be entitled to all of the remedies provided by law, the Note and any related loan documents. All rights and remedies are cumulative and not exclusive, and Bank is entitled to all remedies provided at law or equity, whether or not expressly set forth.

- 10. **ADDITIONAL POWERS OF BANK.** In addition to all other powers granted by this Agreement Bank also has the rights and powers, pursuant to the provisions of the Illinois Code of Civil Procedure, Section 15-1101, et seq.
- 11. **TERM.** This Agreement shall remain in effect until the Obligations are fully and finally paid. Upon payment in full of all such indebtedness, Bank shall execute a release of this Agreement upon Owner's request.
- 12. **GENERAL PROVISIONS.**
  - A. **TIME IS OF THE ESSENCE.** Time is of the essence in Owner's performance of all duties and obligations imposed by this Agreement.
  - B. **NO WAIVER BY BANK.** Bank's course of dealing, or Bank's forbearance from, or delay in, the exercise of any of Bank's rights, remedies, privileges or right to insist upon Owner's strict performance of any provisions contained in this Agreement, or other loan documents, shall not be construed as a waiver by Bank, unless any such waiver is in writing and is signed by Bank.
  - C. **AMENDMENT.** The provisions contained in this Agreement may not be amended, except through a written amendment which is signed by Owner and Bank.
  - D. **FURTHER ASSURANCES.** Owner, upon request of Bank, agrees to execute, acknowledge, deliver and record or file such further instruments or documents as may be required by Bank to secure the Note or confirm any lien.
  - E. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of ILLINOIS, provided that such laws are not otherwise preempted by federal laws and regulations.
  - F. **FORUM AND VENUE.** In the event of litigation pertaining to this Agreement, the exclusive forum, venue and place of jurisdiction shall be in the State of ILLINOIS, unless otherwise designated in writing by Bank or otherwise required by law.
  - G. **SUCCESSORS.** This Agreement shall inure to the benefit of and bind the heirs, personal representatives, successors and assigns of the parties; provided however, that Owner may not assign, transfer or delegate any of the rights or obligations under this Agreement.
  - H. **NUMBER AND GENDER.** Whenever used, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.
  - I. **DEFINITIONS.** The terms used in this Agreement, if not defined herein, shall have their meanings as defined in the other documents executed contemporaneously, or in conjunction, with this Agreement.
  - J. **PARAGRAPH HEADINGS.** The headings at the beginning of any paragraph, or any sub-paragraph, in this Agreement are for convenience only and shall not be dispositive in interpreting or construing this Agreement.
  - K. **IF HELD UNENFORCEABLE.** If any provision of this Agreement shall be held unenforceable or void, then such provision shall be severable from the remaining provisions and shall in no way affect the enforceability of the remaining provisions nor the validity of this Agreement.
  - L. **NO ACTION BY BANK.** Nothing contained herein shall require the Bank to take any action.

OWNER/BORROWER:

  
 CLEVELAND MCKINNEY  
 Individually

  
 BRENDA MCKINNEY  
 Individually

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Property of Cook County Clerk's Office  
BOX 333

THIS IS THE LAST PAGE OF A 4 PAGE DOCUMENT. EXHIBITS AND/OR APPENDA MAY FOLLOW.  
Please return this document, after recording to HIGHLAND COMMUNITY BANK, 1701 W. 87th St., Chicago, Illinois 60620.

This document was prepared by HIGHLAND COMMUNITY BANK, 1701 W. 87th St., Chicago, Illinois 60620.

8/13/95  
Cook County  
Notary Public, State of Illinois  
Vickie A. McCarthy  
"OFFICIAL SEAL"

*Vickie A. McCarthy*  
NOTARY PUBLIC

My commission expires: 8/13/95

On the 10th day of January, 1993, I, JANIS J. GUTCHFIELD, a notary public, certify that BRENDA MCKINNEY, MARRIED TO CLEVELAND MCKINNEY, 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 (he/she) signed and delivered the instrument as (his/her) free and voluntary act, for the uses and purposes set forth.

6/4/94  
NOTARY PUBLIC, STATE OF ILLINOIS  
JANIS J. GUTCHFIELD  
"OFFICIAL SEAL"

*Janis J. Gutchfield*  
NOTARY PUBLIC

My commission expires: 6-4-94

On the 10th day of January, 1993, I, JANIS J. GUTCHFIELD, a notary public, certify that BRENDA MCKINNEY, MARRIED TO CLEVELAND MCKINNEY, 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 (he/she) signed and delivered the instrument as (his/her) free and voluntary act, for the uses and purposes set forth.

STATE OF ILLINOIS  
COUNTY OF COOK