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THIS INSTRUMENT PREPARED BY
AND, AFTER RECORDING, MAIL TO:

STEPHEN M. ALDERMAN
GARFIELD & MEREL, LTD.
211 WEST WACKER DRIVE
15TH FLOOR
CHICAGO, IL 60606

94328991

. DEPT-01 RECORDING \$37.50
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. COOK COUNTY RECORDER

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ASSIGNMENT AND SECURITY AGREEMENT

THIS ASSIGNMENT AND SECURITY AGREEMENT dated as of April 7, 1994 (the "Assignment") between ILLINOIS DEVELOPMENT FINANCE AUTHORITY, a political subdivision, body politic and municipal corporation of the State of Illinois (the "Issuer"), and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as secured party (the "Bondholder");

WITNESSETH:

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WHEREAS, the Issuer has agreed to issue its \$2,700,000 Industrial Development Revenue Bond (El-Milagro, Inc. Project) Series 1994 (the "Bonds") pursuant to a Bond Issuance Agreement by and between the Issuer and the Bank (the "Bond Agreement") and to loan the proceeds thereof to LPZ Associates Limited Partnership, a limited partnership organized and existing under the laws of the State of Illinois (the "Company") pursuant to a Loan Agreement by and between the Issuer, the Borrower and El-Milagro, Inc. an Illinois corporation (the "Company"), dated as of March 1, 1994, as may be from time to time amended and supplemented (the "Loan Agreement"); and

WHEREAS, the Borrower has requested the Issuer to make a loan pursuant to a Promissory Note payable from Borrower to Issuer (the "Promissory Note") and the proceeds of the Promissory Note will be used by the Borrower to purchase a certain parcel of real estate commonly known as 3120 W. 36th Street, Chicago Illinois and make certain renovations, improvements and expansions of such property as legally described on Exhibit A hereto and incorporated herein by this reference (the "3120 Property"); and

WHEREAS, the Borrower will lease the 3120 Property to the Guarantor pursuant to a lease agreement dated April 7, 1994, between the Borrower and the Company, as from time to time amended and supplemented and Borrower will lease property and certain improvements thereon located at 2743-59 South Kedzie Avenue, Chicago, Illinois (the "Kedzie Property" and, collectively with the 3120 Property, the "Mortgaged Property") to Guarantor pursuant to a lease agreement dated April 7, 1994 between the Borrower and the Company, as from time to time amended and supplemented (the "Lease Agreement"); and

WHEREAS, the Bondholder has required as a condition to its purchase of the Bond that the Borrower and the Company secure the Note in the manner described in the Agreement and

375



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that the Borrower and the Company execute a Mortgage, Security Agreement and Fixture Financing Statement of even date herewith (the "Mortgage") with the Issuer pursuant to which the Borrower and the Company grant to the Issuer a mortgage on the land, building and fixtures that are part of the Mortgaged Property and a Security Agreement (the "Security Agreement") of even date herewith between the Borrower, the Company and the Issuer grant to the Issuer a security interest in certain property therein defined as "collateral", and an Assignment of Rents and Leases with the Issuer granting an assignment of the rents and leases from the Mortgaged Property to Issuer (the "Assignment of Rents") to secure the Note and that the Issuer execute this Assignment as security for the Bond and the Issuer is willing to execute this Assignment;

NOW, THEREFORE, as one of the inducements to and as part of the consideration for the purchase by the Bondholder of the Bond as provided in the Loan Agreement and in consideration of the premises and other good and valuable consideration, the receipt whereof is hereby acknowledged:

SECTION 1. ASSIGNMENT, PLEDGE AND DEPOSIT OF COLLATERAL.

The Issuer does hereby pledge, deliver, assign, transfer and grant to the Bondholder and its successors and assigns, as security for the due and punctual payment of the principal installments of and interest on the Bond, all of its right, title and interest in, and including, without limitation, its rights to payment of any and all amounts which may become due under, (a) the Loan Agreement, except any payment made pursuant to Section 5.9 and 9.8 of the Loan Agreement relating to indemnification and payment of expenses of the Issuer ("Unassigned Rights"), (b) the Promissory Note, (c) the Mortgage (including the Issuer's right, title and interest in and to that certain Lease dated as of April 7, 1994 between the Company and Borrower, assigned to the Issuer under the Mortgage), (d) the Assignment of Rents (including the Issuer's right, title and interest in and to that certain Lease dated as of April 7, 1994 between the Company and Borrower, assigned to the Issuer under the Mortgage), (e) the Security Agreement, (f) the Guaranty Agreement dated as of April 7, 1994 made by Company in favor of the Issuer (the "Guaranty"), (g) any and all Uniform Commercial Code UCC-1 and UCC-2 financing statements executed in favor of the Issuer by the Borrower or the Company, (h) all other Security Documents as defined in the Loan Agreement, and (i) all other rights and remedies to enforce such payment of any amount due the Issuer by the Borrower and the Company under the Loan Agreement and the Note (hereinafter, together with any additional collateral that may be deposited with the Bondholder hereunder, call the "Pledged Collateral").

This assignment, transfer, pledge, delivery and deposit is made as and shall at all times constitute security for the payment in full of all principal of and interest on the Bond and the performance and observance by the Issuer of all the covenants and conditions required of it contained in the Bond and the Bond Agreement; and as security for all fees, costs, expenses and charges, legal or otherwise, reasonably paid or incurred by the Bondholder in realizing upon or protecting this Assignment or the indebtedness hereby secured.

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SECTION 2. WARRANTIES.

The Issuer hereby represents and warrants to the Bondholder that the Issuer is the owner of the Note and all rights incident thereto free and clear of any lien, security interest or other claim thereto other than the pledge made hereunder.

SECTION 3. FURTHER ASSURANCES.

The Issuer agrees that, upon request of the Bondholder, it shall execute and deliver to the Bondholder such other documents or instruments as shall be deemed necessary or appropriate by the Bondholder to confirm unto the Bondholder the pledge hereunder of the Pledged Collateral. The Bondholder may at any time file financing statements with respect to any Pledged Collateral without the signature of the Issuer, to the extent permitted by the Illinois Uniform Commercial Code.

SECTION 4. CERTAIN RESTRICTIONS ON ISSUER'S RIGHTS IN RESPECT OF PLEDGED COLLATERAL.

SECTION 4.1. The Issuer will not:

- (a) declare a default or exercise the remedies of the holder of the Note under the Loan Agreement, or terminate, modify or accept a surrender of, or offer or agree to any termination, modification or surrender of the Note or by affirmative act consent to the creation or existence of any security interest or other lien to secure the payment of indebtedness upon the Note or the Agreement or any part thereof; or
- (b) assign, transfer or hypothecate (other than to the Bondholder hereunder) any payment then due or to accrue in the future under the Note.

SECTION 5. DEFAULT AND REMEDIES.

5.1. If an Event of Default under the Loan Agreement or any other Security Documents shall occur and be continuing, the Bondholder, without obligation to resort to any other security, at its own expense or the expense of the Borrower and the Company shall have the right at any time and from time to time, in its sole discretion, to enforce the rights and remedies specified in the Loan Agreement or any other Security Documents or Pledged Collateral pledged and assigned hereunder, and to take any and all action which, in the judgment of the Institutional Lender, is necessary or appropriate to enforce the rights of the Issuer in respect of its interests in the Note, Loan Agreement and Security Documents and all other moneys payable under the Loan Agreement, Note and Security Documents. Upon any such enforcement of rights under the Loan Agreement, after deducting all costs and expenses of every kind of the Bondholder and the Issuer, including, without limitation, attorney's fees, from the proceeds of any recovery, the Bondholder shall apply any residue to the payment of any liabilities of the Issuer on the Bond, all as provided in the Loan Agreement. The balance, if any, remaining after payment in full of all of the liabilities of the Issuer on the Bond shall be paid to the Borrower and the Company.

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5.2. The remedies provided herein shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies existing at law or in equity.

5.3. The satisfaction or performance of any part of the indebtedness hereby secured shall not affect the security hereby afforded or intended to be afforded for any other indebtedness hereby secured; but the pledge hereby made shall at all times remain in full force and effect for the benefit of all indebtedness hereby secured until all such indebtedness is fully satisfied.

5.4. No delay on the part of the Bondholder in exercising any of its options, power or rights, or any partial or single exercise thereof, shall constitute a waiver thereof.

SECTION 6. MISCELLANEOUS.

6.1. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Assignment contained by or on behalf of the Bondholder, shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

6.2. The unenforceability or invalidity of any provision or provisions of this Assignment shall not render any other provision or provisions herein contained unenforceable or invalid.

6.3. The Bondholder shall release this Assignment and the lien hereof by proper instrument or instruments upon presentation of satisfactory evidence that all indebtedness hereby secured has been fully paid or discharged.

6.4. The parties agree that the assignments made hereby shall not subject the Bondholder to, or transfer, or pass or in any way affect or modify, any obligations of the Issuer under the Loan Agreement, it being understood and agreed that all such obligations of the Issuer shall be and remain enforceable only against the Issuer. This assignment is given solely for the purpose of securing payment by the Issuer of the principal of and interest on the Bond.

6.5. Any term, covenant, agreement or condition of this Assignment may be amended or compliance therewith may be waived (either generally or in a particular instance and either retrospectively or prospectively) by an instrument in writing executed by the Issuer and the Bondholder.

6.6. Any notice provided for herein shall be in writing and shall be deemed to have been given when delivered personally or when deposited in the United States mail, registered or certified, postage prepaid, addressed as follows:

If to the Issuer:	Illinois Development Finance Authority 2 North LaSalle Street Chicago, Illinois Attention: Executive Director
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If to the Bondholder: American National Bank and
Trust Company of Chicago
33 North LaSalle Street
Chicago, Illinois 60690
Attention: Commercial Loan Department

If to the Borrower
or Company: 3050 W. 26th Street
Chicago, Illinois 60623
Attention: Rafael Lopez

or to the Issuer or the Bondholder or the Borrower or Company at such other address as the Issuer or the Bondholder or the Borrower or Company may designate by notice duly given in accordance with this Section to the other parties.

6.7. It is understood that all obligations of the Issuer hereunder are subject to the limitations set forth in Section 1.5 of the Loan Agreement.

6.8. This Assignment shall in all respects be construed in accordance with and governed by the laws of the State of Illinois. This Assignment may not be amended or modified except in writing signed by the parties hereto.

6.9. This Assignment may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one Assignment.

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IN WITNESS WHEREOF, the Illinois Development Finance Authority has caused this Assignment and Security Agreement to be executed on its behalf by its Chairman and American National Bank and Trust Company of Chicago has caused this Assignment and Security Agreement to be executed on its behalf by its vice President, all as of the day and year first above written.

ILLINOIS DEVELOPMENT FINANCE AUTHORITY

(SEAL)

By: *Ed Godawski*
Its Chairman

Attest:

Carl W. [Signature]
Its Secretary

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

(SEAL)

By: *John V. [Signature]*
vice President

Attest:

[Signature]
Its: vice President

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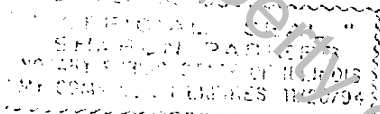
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ACKNOWLEDGMENT

STATE OF ILLINOIS }
COUNTY OF COOK }

On this 7th day of April, 1994, before me personally appeared JOSEPH DOLAN JR., to me personally known, who being by me duly sworn, say that he is the VICE President of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that one of the seals affixed to the foregoing instrument is the seal of said bank and was signed and sealed on behalf of said bank by authority of its Board of Directors and he acknowledged that he executed and attested the foregoing instrument on behalf of said bank by authority of its Board of Directors and that the execution of the foregoing instrument was the free act and deed of said bank.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day and year last above written.



Sharon Pascher

Notary Public

My Commission Expires:

11/20/94

(Notarial Seal)

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Exhibit A Legal Description

PARCEL 1:

LOT 20 (EXCEPT THE NORTH 16 FEET THEREOF) AND ALL OF LOTS 21 TO 32, BOTH INCLUSIVE, AND ALL OF THE VACATED ALLEY LYING WEST OF AND ADJOINING LOT 20 (EXCEPT THE NORTH 16 FEET THEREOF) AND ALL OF LOTS 21 TO 25 IN THE SUBDIVISION OF BLOCKS 8 AND 9 IN THE SUBDIVISION OF BLOCKS 1, 2, 3, 8, 9, 10, 11, 20 AND 21 IN THE SUPERIOR COURT COMMISSIONERS PARTITION OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF SECTION 25, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED MARCH 16, 1890 AS DOCUMENT NUMBER 1230921, IN BOOK 40 OF PLATS, PAGE 16, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THAT PART OF LOT 1 IN THE SUBDIVISION OF ALL THAT PART OF THE NORTH WEST 1/4 OF THE NORTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SECTION 36, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL, INCLUDED WITHIN A PARCEL OF LAND WHICH IS BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING ON THE SOUTH LINE OF SAID LOT 1 AT A POINT WHICH IS 121.62 FEET WEST FROM THE SOUTH EAST CORNER OF SAID LOT 1, AND RUNNING THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 1, BEING ALSO THE NORTH LINE OF WEST 36TH STREET A DISTANCE OF 200.00 FEET; THENCE NORTH ALONG A LINE WHICH IS 121.62 FEET WEST FROM AND PARALLEL WITH THE EAST LINE OF SAID LOT 1, A DISTANCE OF 309.18 FEET TO ITS INTERSECTION WITH THE SOUTH BOUNDARY OF PARCEL NUMBER *SW, TOWNSHIP 14 NORTH, RANGE 1* OF LANDS CONVEYED BY DEED RECORDED BY THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS ON JULY 9, 1964 AS DOCUMENT NUMBER 19179727; THENCE NORTHEASTERLY ALONG THE SOUTHERLY BOUNDARY OF THE LANDS SO CONVEYED A DISTANCE OF 165.13 FEET, MEASURED PERPENDICULARLY, SOUTHERLY FROM THE SOUTHERLY LINE OF THE SOUTHERLY RESERVE OF THE ILLINOIS AND MICHIGAN CANAL, THENCE NORTHEASTERLY, CONTINUING ALONG SAID SOUTHERLY BOUNDARY A DISTANCE OF 52.14 FEET TO ITS INTERSECTION WITH A LINE WHICH IS 121.62 FEET WEST FROM AND PARALLEL WITH THE EAST LINE OF SAID LOT 1, AND THENCE SOUTH ALONG SAID PARALLEL LINE A DISTANCE OF 193.26 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THAT PART OF LOT 1 IN THE SUBDIVISION OF ALL THAT PART OF THE NORTH WEST 1/4 OF THE NORTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SECTION 36, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL, INCLUDED WITHIN A PARCEL OF LAND WHICH IS BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING ON THE SOUTH LINE OF SAID LOT 1 AT A POINT WHICH IS 321.62 FEET WEST FROM THE SOUTH EAST CORNER OF SAID LOT 1, AND RUNNING THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 1, BEING ALSO THE NORTH LINE OF WEST 36TH STREET, A DISTANCE OF 75 FEET; THENCE NORTH ALONG A LINE WHICH IS 396.62 FEET WEST FROM AND PARALLEL WITH THE EAST LINE OF SAID LOT 1, A DISTANCE OF 276.94 FEET TO ITS INTERSECTION WITH THE SOUTH BOUNDARY OF PARCEL NUMBER *SW, TOWNSHIP 14 NORTH, RANGE 1* OF LANDS CONVEYED BY DEED RECORDED BY THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS ON JULY 9, 1964 AS DOCUMENT NUMBER 19179727; THENCE NORTHEASTERLY ALONG THE SOUTHERLY BOUNDARY OF THE LANDS SO CONVEYED A DISTANCE OF 81.75 FEET TO ITS INTERSECTION WITH A LINE WHICH IS 321.62 FEET WEST FROM AND PARALLEL WITH THE EAST LINE OF LOT 1, AND THENCE SOUTH ALONG SAID PARALLEL WEST LINE A DISTANCE OF 309.18 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

Property Addresses:

Parcel 1: 3120 W. 36th Street, Chicago, Il.
Parcel 2: 2743-59 S. Kedzie Ave., Chicago, Il.

P.I.N.s:

Parcel 1: 16-25-303-039
Parcel 2: 16-36-300-010

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