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This Document Prepared By
and After Recording Return To:

Lisa M. Engel
Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603

DEPT-01 RECORDING \$39.00
T#0012 TRAN 3220 11/27/96 13:04:00
#2143 # CG *-96-904357
COOK COUNTY RECORDER

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ASSIGNMENT OF LEASES AND RENTS

This Assignment of Leases and Rents (the "Assignment") dated as of November 1, 1996 from 3500 North Kostner Limited Partnership, an Illinois limited partnership with its mailing address at 3500 North Kostner, Chicago, Illinois 60641 (hereinafter referred to as "Assignor") to Harris Trust and Savings Bank, an Illinois banking corporation with its principal place of business at 111 West Monroe Street, Chicago, Illinois 60690 (hereinafter referred to as "Assignee");

WITNESSETH THAT,

WHEREAS, Ampere Automotive Corporation, an Illinois Corporation (the "Company") and Assignor have entered into that certain Credit Agreement dated as of October 1, 1996 (such Credit Agreement, as the same may from time to time be amended, modified or restated, being hereinafter referred to as the "Credit Agreement"), pursuant to which, the Company has incurred, and will incur from time to time hereafter by future advances and other financial accommodations, indebtedness to the Assignee up to a maximum principal amount of \$3,000,000 at any one time outstanding;

WHEREAS, each advance made under the Credit Agreement is and shall be evidenced by that certain Revolving Credit Note bearing even date herewith and payable to the order of Assignee whereby the Company promises to pay \$3,000,000, together with interest thereon at the rates and payable at the times therein provided, with a final maturity of all principal and interest not required to be sooner paid of April 2, 1998 (such Revolving Credit Note and any and all notes issued in renewal thereof or in substitution or replacement therefor being referred to as the "Note");

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WHEREAS, Assignee has issued its irrevocable transferable letter of credit in the original stated amount of \$6,156,165 for the account of Assignor and the Company (such letter of credit, as amended, and any and all letters of credit issued in renewal thereof or in substitution or replacement therefor, being hereinafter referred to as the "Letter of Credit") pursuant to that certain Reimbursement Agreement dated as of November 1, 1996 (the "Reimbursement Agreement"), between the Company, the Assignor and the Assignee, which Letter of Credit has been issued to secure \$6,000,000 aggregate principal amount of the City of Chicago Multi-Modal Industrial Development Revenue Bonds (Ampere Automotive Corporation Project) Series 1996 which Bonds mature on November 1, 2031; and

WHEREAS, the stated expiration date of the Letter of Credit is initially November 15, 2031, and may be extended to November 15, 2031;

WHEREAS, under the terms of the Reimbursement Agreement, the Company and the Assignor are justly and truly obligated to reimburse Assignee for any drawings made under the Letter of Credit and to pay to Assignee all other indebtedness, obligations and liabilities of the Company and the Assignor to Assignee under the Reimbursement Agreement or under any other Related Document (as defined in the Reimbursement Agreement), together with interest thereon at the rates set forth in the Reimbursement Agreement (hereinafter referred to collectively as the "Reimbursement Obligations");

WHEREAS, the Reimbursement Obligations not sooner paid or payable, will become due and payable on the Termination Date (as defined in the Reimbursement Agreement);

WHEREAS, in order to induce the Assignee to make financial accommodations to the Company and the Assignor, the Assignee requires that the Assignor secure (i) the indebtedness (both principal and interest) evidenced by the Note, including all advances now or hereafter evidenced thereby (such indebtedness being hereinafter collectively referred to as the "Credit Obligations") and (ii) the Reimbursement Obligations (the Credit Obligations and the Reimbursement Obligations shall be collectively referred to herein as the "Obligations");

NOW, THEREFORE, as collateral security for (i) the payment of the principal and premium, if any, of and interest on the Obligations as and when the same become due and payable (whether by lapse of time, acceleration or otherwise), (ii) the performance of all obligations, covenants, promises and agreements contained herein or in that certain Construction Mortgage and Security Agreement with Assignment of Rents bearing even date herewith from American National Bank and Trust Company of Chicago, not personally but as Trustee under Trust Agreement dated July 6, 1988 and known as Trust Number 105900-08 (the "Trustee") to the Assignee (the "Mortgage"), conveying and mortgaging the premises as security for the Obligations and any and all other indebtedness intended to be secured thereby, (iii) the performance of all obligations, covenants, promises and agreements of the Company and the Assignor contained in the Credit Agreement, the Construction Agreement, the Reimbursement Agreement or any other agreements setting forth terms and conditions applicable to the Obligations or providing collateral security therefore, and (iv) the payment of all expenses and charges, legal or otherwise, paid or

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incurred by the Assignee in realizing upon or protecting the indebtedness referred to in the foregoing clauses (i), (ii) and (iii) or any security therefore, including this Assignment (the Obligations and the other liabilities referred to in clauses (i), (ii), (iii) and (iv) above being hereinafter collectively referred to as the "*indebtedness hereby secured*"), the Assignor does hereby assign, transfer and set over unto the Assignee, all right, title and interest of the Assignor in, under or pursuant to any and all present or future leases or subleases, whether written or oral, or any lettings of possession of, or any agreements for the use or occupancy of, the whole or any part of the real estate and premises hereinafter described which the Assignor may have heretofore made or agreed to or may hereafter make or agree to, or which may be made or agreed to by the Assignee under the powers hereinafter granted, including all amendments and supplements thereto and renewals thereof at any time made, all relating to the fee simple estate in the real estate situated in the County of Cook, State of Illinois, described in Schedule I attached hereto and made a part hereof and the improvements now or hereafter erected thereon (the "*premises*"), including, without limiting the generality of the foregoing, all right, title and interest of the Assignor in and to all the rents (whether fixed or contingent), earnings, renewal rents and all other sums due or which may hereafter become due under or by virtue of the leases and all rights under guarantees or against guarantors of the obligations of lessees under such leases (individually a "*Lease*" and collectively, the "*Leases*").

The Assignor does hereby irrevocably constitute and appoint the Assignee the true and lawful attorney-in-fact of the Assignor with full power of substitution for the Assignor and in Assignor's name, place and stead, to ask, demand, collect, receive, receipt for, sue, compound and give acquittance for any and all sums due or to become due under any Lease, with full power to settle, adjust or compromise any claim thereunder as fully as the Assignor could do, and to endorse the names of the Assignor on all commercial paper given in payment or in part payment thereof, and in the Assignee's discretion to file any claim or take any other action or proceeding, either in the Assignee's name or in the name of Assignor or otherwise, which the Assignee may deem necessary or appropriate to collect any and all sums due or to become due under any Lease or to protect and preserve the right, title and interest of the Assignee in and to such sums and the security intended to be afforded hereby.

The Assignor warrants to the Assignee that the Assignor has good right to make and be bound by this Assignment and that the Assignor has not heretofore alienated, assigned, pledged or otherwise disposed of any of the rights, rents and other sums due or which may hereafter become due and which are intended to be assigned hereunder.

The Assignor warrants that it has heretofore delivered to the Assignee true and correct copies of the Lease dated July, 1996 between the Assignor and the Company (the "*Primary Lease*"), that the Primary Lease has not been amended or modified in any respect, that the same continues in full force and effect and that both the lessor and the lessee thereunder are in full compliance with all of their respective covenants therein contained and that no event has occurred or condition exists which would constitute a ground for terminating the Primary Lease by either the lessor or the lessee thereunder.

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Anything contained elsewhere in this Assignment to the contrary notwithstanding, the Assignor covenants and agrees that it will not, without the prior consent of the Assignee, terminate the Primary Lease or amend or modify same in any respect and that any of such done without the prior written consent of the Assignee shall be null and void.

This Assignment includes and establishes a present, absolute and primary transfer and assignment of all rents, earnings, income, issues and profits of the premises, but so long as no event of default shall exist under the Obligations, the Construction Agreement, the Reimbursement Agreement or the Mortgage and no event shall exist which by lapse of time or service of notice, or both, has or would become an event of default thereunder, the Assignor shall have the right and license to collect, use and enjoy all rents and other sums due or to become due under and by virtue of any Lease as they respectively become due, but not more than thirty (30) days in advance.

The Assignor hereby irrevocably consents to and authorizes and directs that the lessee or other obligor under any Lease upon demand and notice from the Assignee of the Assignee's right to receive the rents and other sums hereunder, shall pay such rents and other sums to the Assignee without any obligation on the part of such lessee or other obligor to determine the actual existence of any default or event claimed by the Assignee as the basis for the Assignee's right to receive such rents or other sums and notwithstanding any notice from or claim of the Assignor to the contrary. The Assignor hereby waives any right or claim against any lessee or tenant for any such rents and other sums paid by such lessee or other obligor to the Assignee.

Without limiting any legal rights of the Assignee as the absolute assignee of the rents, issues and profits of the premises and in furtherance thereof, the Assignor agrees that in the event of a default under the Mortgage, whether before or after the Obligations are declared due in accordance with its terms or under the terms of the Mortgage and whether before or after satisfaction of any requirement of the lapse of time or the giving of notice or both on which acceleration after default may be conditioned, the Assignee may, at its option, to the extent permitted by law, (i) take actual possession of the premises hereinafter described, or of any part thereof, personally or by agent or attorney, as for condition broken, and with or without force and with or without process of law, enter upon, take and maintain possession of all or any part of said premises together with all documents, books, records, papers and accounts relating thereto, and exclude the Assignor and its agents or servants therefrom and hold, operate, manage and control the premises, and at the expense of the Assignor, the cost and expenses of what shall be secured hereunder, from time to time cause to be made all necessary or proper repairs, renewals, replacements, useful alterations, additions, betterments and improvements to the premises as may seem judicious, and pay taxes, assessments and prior or proper charges on the premises, or any part thereof, and insure and reinsure the same, and lease the premises in such parcels and for such times and on such terms as the Assignee may deem fit, including leases for terms expiring beyond the maturity of the indebtedness secured by the Mortgage, and cancel any lease or sublease for any cause or on any ground that would entitle the Assignor to cancel the same, and in every such case have the right to manage and operate the premises and to carry on the business thereof as the Assignee shall deem proper or (ii) with or without taking possession of the premises,

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proceed to enforce the Leases and collect all sums due or to become due thereunder, *provided, however,* that by so doing the Assignee shall not be deemed to be an assignee in possession or to have assumed or become responsible or liable for any obligations of the Assignor arising under the Leases or in respect thereof or (iii) have a receiver appointed of all or any portion of the premises and the rents, issues and profits thereof, with such power as the court making such appointment shall confer, and the Assignor hereby consents to the appointment of such receiver and shall not oppose any such appointment.

After payment of all proper charges and expenses, including the just and reasonable compensation for the services of the Assignee, its attorneys, agents, clerks, servants and others employed by the Assignee in connection with the operation, management and control of the premises and the conduct of the business thereof, and, to the extent permitted by law, such further sums as may be sufficient to indemnify the Assignee against any liability, loss or damage on account of any matter or thing done in good faith in pursuance of the rights and powers of the Assignee hereunder, the Assignee shall credit the net amount of income which the Assignee may receive by virtue of this Assignment and from the premises to any and all amounts due or owing to the Assignee under the terms and provisions of the Obligations, the Mortgage, the Construction Agreement, the Reimbursement Agreement and the Credit Agreement whether or not the same may then be due or be otherwise adequately secured. The Assignee shall have the right, but not the duty, to apply such net income to the discharge of any other lien or charge upon the premises or to completion of the improvements being financed out of the proceeds of the Bonds. The manner of the application of such net income and the items which shall be credited or paid out of the same shall be within the sole discretion of the Assignee. The Assignee shall be subrogated to any lien or charge discharged out of the rents, income and profits of the premises.

The Assignor hereby further covenants that the Assignor will upon request of the Assignee execute and deliver such further instruments and do and perform such other acts and things as the Assignee may reasonably deem necessary or appropriate to vest in and secure to the Assignee the rights and rents which are intended to be assigned to the Assignee hereunder. The Assignor irrevocably waives any right it now or hereafter may have to offset any claim or liability owing from it to any obligor on a Lease against sums due or to become due from such obligor under a Lease.

The Assignor covenants and agrees (i) to observe and perform all of the obligations imposed on it under the Leases and not to do or permit to be done anything to impair the security thereof, (ii) except as otherwise provided in the Construction Agreement, not to assign or encumber further its rights under the Leases or its rights to the rents or other sums due or to become due thereunder, (iii) except as otherwise provided in the Construction Agreement, not to suffer or permit any of the Leases to be subordinated to any other liens or encumbrances whatsoever, any such subordination to be null and void unless done with the prior written consent of the Assignee, and (iv) to comply with all of the provisions of the Construction Agreement regarding Leases and amendments, modifications and terminations thereof.

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The acceptance by the Assignee of this Assignment, with all of the rights, powers, privileges and authority so created, shall not, prior to entry upon and taking of actual physical possession of the premises by the Assignee, be deemed or construed to constitute the Assignee a mortgagee in possession nor impose any obligation whatsoever upon the Assignee, it being understood and agreed that the Assignee does not hereby undertake to perform or discharge any obligation, duty or liability of the landlord or under or by reason of this Assignment. The Assignee shall have no liability to the Assignor or anyone for any action taken or omitted to be taken by it hereunder, except for the Assignee's willful misconduct. Should the Assignee incur any liability, loss or damage under or by reason of this Assignment or for any action taken by the Assignee hereunder, or in defense against any claim or demand whatsoever which may be asserted against the Assignee arising out of any Lease, the amount of such liability, including costs, expenses and reasonable attorneys' fees, together with interest thereon at the Default Rate (as defined in the Mortgage) shall be secured by this Assignment and by the Mortgage, and the Assignors shall reimburse the Assignee therefor immediately upon demand, and the Assignor's obligation so to pay shall survive payment of the indebtedness hereby secured and the release of this Assignment and the Mortgage.

The rights and remedies of the Assignee hereunder are cumulative and are not secondary to or in lieu of but are in addition to any rights or remedies which the Assignee shall have under the Obligations, the Mortgage, the Credit Agreement, the Construction Agreement, the Reimbursement Agreement or any other instrument or document or under applicable law and the exercise by the Assignee of any rights and remedies herein contained shall not be deemed a waiver of any other rights or remedies of the Assignee, whether arising under the Mortgage or otherwise, each and all of which may be exercised whenever the Assignee deems it in its interest to do so. The rights and remedies of the Assignee may be exercised from time to time and as often as such exercise is deemed expedient and the failure of the Assignee to enforce any of the terms, provisions and conditions of this Assignment for any period of time, at any time or times, shall not be construed or deemed to be a waiver of any rights hereunder.

The right of the Assignee to collect and receive the rents assigned hereunder or to exercise any of the rights or powers herein granted to the Assignee shall to the extent not prohibited by law, extend also to the period from and after the filing of any suit to foreclose the lien of the Mortgage, including any period allowed by law for the redemption of the premises after any foreclosure sale.

This Assignment shall be assignable by the Assignee, and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective executors, administrators, legal representatives, successors and assigns of each of the parties hereto. All provisions hereof are severable and if any provisions hereof shall be held invalid or unenforceable, the validity and enforceability of the remaining provisions hereof shall in no way be affected thereby.

Notwithstanding anything to the contrary contained herein or under applicable law, the Assignee hereby agrees that the general partners of the Assignor shall have no personal

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liability (other than the loss of their investment in the Assignor) for the payment, performance or observance of any obligation or liability of the Assignor arising hereunder or for any liability, loss, cost or damages which the Assignee may suffer or incur as a result of the inaccuracy or untruthfulness of any representation or warranty contained herein, all such liability being hereby expressly disclaimed by the Assignee; *provided, however*, that nothing contained herein shall affect the liability of any such general partner to the Assignee under any separate assumption agreement, guaranty or other instrument under which any such partner has agreed to be directly or contingently liable for any of such indebtedness, obligations or liabilities.

THIS ASSIGNMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED, ENFORCED AND INTERPRETED ACCORDING TO THE LAWS OF THE STATE OF ILLINOIS.

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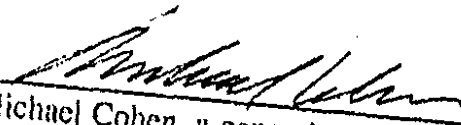
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IN WITNESS WHEREOF, the Assignor has caused this Assignment to be executed as of this 1st day of November, 1996.

3500 NORTH KOSTNER LIMITED
PARTNERSHIP

By: 
Michael Cohen, a general partner

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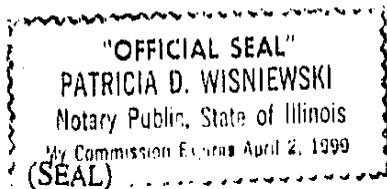
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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Patricia D. Wisniewski, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Michael Cohen, a general partner of 3500 North Kostner Limited Partnership, an Illinois limited partnership, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such general partner, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said limited partnership for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 23rd day of November, 1996.

Patricia D. Wisniewski
Notary Public



Patricia D. Wisniewski
(Type Or Print Name)

My Commission Expires:

4/2/99

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SCHEDULE I

LEGAL DESCRIPTION

PARCEL 1:

LOT 1 IN BUILDERS SQUARE SUBDIVISION, A RESUBDIVISION IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 23, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 2:

ACCESS EASEMENT CREATED BY DECLARATION OF ACCESS AND UTILITY EASEMENTS DATED JULY 2, 1996 AND RECORDED JULY 17, 1996 AS DOCUMENT 96543626 MADE BY INTERNATIONAL PAPER COMPANY, A NEW YORK CORPORATION

Property Address: 3501 West Addison
Chicago, Illinois

P.I.N.: 13-23-401-001-0000
13-23-401-006-0000
13-23-401-007-0000
13-23-401-008-0000
13-23-401-015-0000

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