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**RECORDATION REQUESTED BY:**

Bank One, Chicago, NA  
14 S. LaGrange Road  
LaGrange, IL 60525

**WHEN RECORDED MAIL TO:**

LOAN SERVICES  
BANK ONE, CHICAGO, NA  
P.O. BOX 806083  
CHICAGO, IL 60680-6083

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COOK COUNTY RECORDER

FOR RECORDER'S USE ONLY

**ASSIGNMENT OF LEASES AND RENTS**

THIS MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT IS MADE AS OF NOVEMBER 1, 1995, by DONALD E. JEFFERS, JR., whose address is 10116 S. HOYNE, CHICAGO, IL 60643 (referred to below as "Grantor") for the benefit of Bank One, Chicago, NA, whose address is 14 S. LaGrange Road, LaGrange, IL 60525 (referred to below as "Lender").

**ASSIGNMENT.** For valuable consideration, Grantor hereby absolutely and unconditionally assigns and conveys to Lender all of Grantor's right, title, and interest in and to the Leases and Rents from the following described Property located in COOK County, State of Illinois:

LOT 18 IN ASHBURN SOUND, A SUBDIVISION OF PART OF THE WEST 1/2 OF SECTION 17, TOWNSHIP 36 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

The Property or its address is commonly known as 15344 S. JILLIAN, <sup>ORLAND</sup> OAK PARK, IL 60462. The Property tax identification number is 27-17-107-004-0000.

**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 Leases and Rents by Grantor for the benefit of Lender.

**Existing Indebtedness.** The words "Existing Indebtedness" mean an existing obligation which may be secured by this Assignment.

**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 DONALD E. JEFFERS, JR..

**Guarantor.** The word "Guarantor" means and includes, without limitation, each and all of the guarantors, sureties and accommodation parties in connection with the Indebtedness.

**Indebtedness.** The word "Indebtedness" means the indebtedness evidenced by the Note, including all principal and accrued interest thereon, together with all other liabilities, costs and expenses for which Grantor is responsible under this Agreement or under any of the Related Documents. In addition, the word "Indebtedness" includes all other obligations, debts and liabilities, plus any accrued interest thereon, owing by Grantor, or any one or more of them, to Lender of any kind or character, now existing or hereafter arising, as well as all present and future claims by Lender against Grantor, or any one or more of them, and

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of Grantor's right and power to modify, terminate, accept, surrender or to waive or release tenants from performance or observation of any obligation or condition of the Leases. Prior to an Event of Default, however, Grantor shall have the right, without joinder of Lender, to enforce the Leases.

**Assignment of Rents.** Grantor's assignment of all Leases and Rents to Lender hereunder is subject to a license hereby granted by Lender to Grantor to collect and receive all of the Rents (such license evidenced by Lender's acceptance of this Assignment), subject to the terms and conditions hereof; provided, however, upon the occurrence of any event or circumstance which with the lapse of time or the giving of notice or both would constitute an Event of Default hereunder, such license shall automatically and immediately terminate and Grantor shall hold all Rents paid to Grantor thereafter in trust for use and benefit of Lender and Lender shall have the right, power and authority, whether or not it takes possession of the Property, to seek enforcement of any such Lease, contract or bond and to demand, collect, receive, sue for and recover in its own name any and all of the above described amounts assigned hereby and to apply the sum(s) collected, first to the payment of expenses incident to the collection of same, and the balance to the payment of the Indebtedness; provided further, however, that Lender shall not be deemed to have taken possession of the Property except on the exercise of its option to do so, evidenced by its demand and overt act for such purpose. It shall not be necessary for Lender to institute any type of legal proceedings or take any other action whatsoever to enforce the assignment provisions in this Assignment. Notwithstanding anything contained herein or in any of the other Related Documents to the contrary, this Assignment is an absolute, unconditional and presently effective assignment, and not a security interest.

**Right to Rely.** Grantor hereby irrevocably authorizes and directs the tenants under the Leases to pay Rents to Lender upon written demand by Lender without further consent of Grantor, and the tenants may rely upon any written statement delivered by Lender to the tenants. Any such payment to Lender shall constitute payment to Grantor under the Lease. The provisions of this paragraph are intended solely for the benefit of the tenants and shall never inure to the benefit of Grantor or any person claiming through or under Grantor, other than a tenant who has not received such notice. The assignment of Leases and Rents set forth herein is not contingent upon any notice or demand by Lender to the tenants.

**FULL PERFORMANCE.** If Grantor pays all of the Indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Assignment, the Note, and the Related Documents, Lender shall execute and deliver to Grantor a suitable satisfaction of this Assignment and suitable statements of termination of any financing statement on file evidencing 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. If, however, payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the Indebtedness and thereafter Lender is forced to remit the amount of that payment (a) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (b) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property, or (c) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the Indebtedness shall be considered unpaid for the purpose of enforcement of this Assignment and this Assignment shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Assignment or of any note or other instrument or agreement evidencing the Indebtedness and the Property will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the Indebtedness or to this Assignment.

**EXPENDITURES BY LENDER.** Grantor will pay to Lender the amount of any and all costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which Lender may incur in connection with (i) the preservation of the interest created hereunder, (ii) the exercise or enforcement of any rights of Lender hereunder, or (iii) the failure by Grantor to perform or observe any of the provisions hereof. Any amount that Lender incurs in connection with the foregoing will bear interest at the default rate of interest charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor and shall be secured hereunder.

**DEFAULT.** Each of the following, at the option of Lender, shall constitute an event of default ("Event of Default") under this Assignment:

**Default on Indebtedness.** Failure of Grantor to make any payment when due on the Indebtedness.

**Abandonment.** Grantor abandons all or a portion of the Property.

**Action by Other Lienholder.** The holder of any lien or security interest on the Property (without hereby implying the consent of Lender to the existence or creation of any such lien or security interest) declares a default thereunder or institutes foreclosure or other proceedings for the enforcement of its remedies thereunder.

**Destruction of Property.** The Property is so demolished, destroyed or damaged that, in the judgment of Lender, it cannot be restored or rebuilt with available funds to a profitable condition within a reasonable period of time.

**Condemnation.** So much of the Property is taken in condemnation, or sold in lieu of condemnation, or the Property is so diminished in value due to any injury or damage to the Property, that the remainder thereof cannot, in the judgment of Lender, continue to be operated profitably for the purpose for which it was being used immediately prior to such taking, sale or diminution.

**False Statements.** Any warranty, representation or statement made or furnished to Lender under this Assignment, the Note or any of the other Related Documents is false or misleading in any material respect.

**Other Defaults.** Failure of Grantor to comply with any term, obligation, covenant, or condition contained in this Assignment, the Note, any of the other Related Documents or any other agreement now existing or



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hereafter arising between Grantor and Lender.

**Default to Third Party.** The occurrence of any event which permits the acceleration of the maturity of any indebtedness owing by Grantor or any Guarantor to any third party under any agreement or undertaking now existing or hereafter arising.

**Bankruptcy or Insolvency.** If the Grantor or any Guarantor: (i) becomes insolvent, or makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts as they become due; (ii) generally is not paying its debts as such debts become due; (iii) has a receiver, trustee or custodian appointed for, or take possession of, all or substantially all of the assets of such party, either in a proceeding brought by such party or in a proceeding brought against such party and such appointment is not discharged or such possession is not terminated within sixty (60) days after the effective date thereof or such party consents to or acquiesces in such appointment or possession; (iv) files a petition for relief under the United States Bankruptcy Code or any other present or future federal or state bankruptcy law, or an order for relief naming such party is entered under any applicable Bankruptcy Law, or any composition, arrangement, extension, reorganization or other relief of debtors now or hereafter existing is requested or consented to by such party; (v) fails to have discharged within a period of sixty (60) days any attachment, sequestration or similar writ levied upon any property of such party; or (vi) fails to pay within thirty (30) days any final money judgment against such party.

**Liquidation, Death and Related Events.** If Grantor or any Guarantor is an entity, the liquidation, dissolution, merger or consolidation of any such entity or, if any of such parties is an individual, the death or legal incapacity of any such individual.

**Insecurity.** Lender deems itself insecure by in good faith believing the prospect of payment or performance hereunder or under any of the related Documents is impaired.

**Existing indebtedness.** A default shall occur under any Existing Indebtedness or under any instrument on the Property securing any Existing Indebtedness, or commencement of any suit or other action to foreclose any existing lien on the Property.

**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:

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

**Enter the Property.** Lender may enter upon and take possession of the Property.

**Collect Rents.** Lender shall have the right, without notice to Grantor, and whether or not Lender has taken possession of the Property, to collect the Rents, including arrears past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse 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 this subparagraph either in person, by agent, or through a receiver.

**Maintain the Property.** Lender may enter upon the Property to maintain the Property and keep the same in repair, to pay the costs thereof and of all services of all employees, including their equipment, and of all continuing costs and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premiums on fire and other insurance effected by Lender on 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.

**Mortgagee 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 preceding 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 apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

**Other Acts.** Lender may do all such other things and acts with respect to the Property as Lender may deem appropriate and may act exclusively and solely in the place and stead of Grantor and to have all of the powers of Grantor for the purposes stated above.

**Other Remedies.** Lender shall have all other rights and remedies provided in this Assignment or the Note or

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by law. Grantor waives any right to require Lender to proceed against any third party, exhaust any other security for the indebtedness or pursue any other right or remedy available to Lender.

**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.

**Waiver; Election of Remedies.** A waiver by any party of a breach of a provision of this Assignment shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or take action to perform an obligation of Grantor under this Assignment after failure of Grantor to perform shall not affect Lender's right to declare a default and exercise its remedies under this Assignment.

### MISCELLANEOUS PROVISIONS.

**Amendments.** This Assignment, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Assignment and shall supercede all prior written and oral agreements and understandings, if any, regarding same. No alteration of or amendment to this Assignment shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Applicable Law.** This Assignment has been delivered to Lender and accepted by Lender in the State of Illinois. This Assignment shall be governed by and construed in accordance with the laws of the State of Illinois.

**JURY WAIVER.** THE UNDERSIGNED AND LENDER (BY ITS ACCEPTANCE HEREOF) HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) BETWEEN OR AMONG THE UNDERSIGNED AND LENDER ARISING OUT OF OR IN ANY WAY RELATED TO THIS DOCUMENT OR ANY OTHER RELATED DOCUMENT. THIS PROVISION IS A MATERIAL INDUCEMENT TO LENDER TO PROVIDE THE FINANCING DESCRIBED HEREIN OR IN THE OTHER RELATED DOCUMENTS.

**Arbitration.** Lender and Grantor agree that all disputes, claims and controversies between them, whether individual, joint, or class in nature, arising from this Assignment, the Note, any of the Related Documents or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association, upon request of either party. No act to take or dispose of any Collateral shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any Collateral, including any claim to rescind, reform, or otherwise modify any agreement relating to the Collateral, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Assignment shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

**Caption Headings.** Caption headings in this Assignment are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

**Financial Statements.** As long as the indebtedness remains unpaid, in whole or in part, Grantor agrees to furnish Lender at such times as reasonably required by Lender, financial statements certified by Grantor, including balance sheets and statements of income and expenses for such period, including, without limitation, information with respect to the Real Property.

**Indemnity.** Grantor hereby agrees to indemnify, defend and hold harmless Lender, and its officers, directors, shareholders, employees, agents and representatives (each an "Indemnified Person") from and against any and all liabilities, obligations, claims, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature (collectively, the "Claims") which may be imposed on, incurred by or asserted against, any Indemnified Person (whether or not caused by any Indemnified Person's sole, concurrent or contributory negligence) arising in connection with the Related Documents, the indebtedness or the Collateral (including, without limitation, the enforcement of the Related Documents and the defense of any Indemnified Person's action and/or inactions in connection with the Related Documents), except to the limited extent that the Claims against the Indemnified Person are proximately caused by such Indemnified Person's gross negligence or willful misconduct. The indemnification provided for in this Section shall survive the termination of this Assignment and shall extend and continue to benefit each individual or entity who is or has at any time been an Indemnified Person hereunder.

**No Modification.** Grantor shall not enter into any agreement with the holder of any mortgage, deed of trust, or other security agreement which has priority over this Assignment by which that agreement is modified, amended, extended, or renewed without the prior written consent of Lender. Grantor shall neither request nor accept any future advances under any such security agreement without the prior written consent of

