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96274192

RECORDATION REQUESTED BY:

Harris Bank Palatine, National
Association
50 North Brockway Street
Palatine, IL 60067

WHEN RECORDED MAIL TO:

Harris Bank Palatine, National
Association
50 North Brockway Street
Palatine, IL 60067

SEND TAX NOTICES TO:

Blackthorn Homes Partnership
9 N. Vail Street
Arlington Heights, IL 60005

- DEPT-01 RECORDING \$33.00
- T#0001 TRAN 3460 04/11/96 13:15:00
- 57878 + RC *-96-274192
- COOK COUNTY RECORDER

FOR RECORDER'S USE ONLY

13D

This Assignment of Rents prepared by: Mary Ann Flynn
105 Perimeter Drive
Schaumburg, IL 60173

BOX 260

ASSIGNMENT OF RENTS

THIS ASSIGNMENT OF RENTS IS DATED MARCH 29, 1996, between Blackthorn Homes Partnership, whose address is 9 N. Vail Street, Arlington Heights, IL 60005 (referred to below as "Grantor"); and Harris Bank Palatine, National Association, whose address is 50 North Brockway Street, Palatine, IL 60067 (referred to below as "Lender").

ASSIGNMENT. For valuable consideration, Grantor assigns, grants a continuing security interest in, 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:

ATTORNEY'S TITLE GUARANTY FUND, INC.

SEE ATTACHED EXHIBIT "A"

The Real Property or its address is commonly known as 900 E. CENTRAL ROAD AND 940 E. CENTRAL ROAD, Arlington Heights, IL 60005. The Real Property tax identification number is 03-32-409-011-0000 AND 03-32-409-018-0000.

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 without limitation any of the Events of Default set forth below in the section titled "Events of Default."

Grantor. The word "Grantor" means Blackthorn Homes Partnership.

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

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from the tenants or from any other persons liable therefor, all of the Rents; institute and carry on all legal action and direct any all Rents to be paid directly to Lender or Lender's agent.

Assignments and direct any all Rents to any and all tenants of the Property; demand, collect and receive from the Property. Lender may enter upon and take possession of the Property; institute and carry on all legal actions and direct any all Rents to any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the Assignment, or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the Note, 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 or otherwise barred by any statute of limitations, and whether such indebtedness may be or hereafter may become obligated as guarantor or otherwise, and whether recovery upon such indebtedness may be or hereafter may be otherwise unenforceable.

This Assignment includes all obligations, debts and liabilities of Grantor, or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the Note, 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 or otherwise barred by any statute of limitations, and whether such indebtedness may be or hereafter may become obligated as guarantor or otherwise, and whether recovery upon such indebtedness may be or hereafter may be otherwise unenforceable.

Note. The word "Note" means the promissory note or credit agreement dated March 29, 1996, in the original amount of \$427,500.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, substitutions for the promissory note or agreement, principal amount of \$427,500.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, substitutions for the promissory note or agreement, the word "Lender" means Harris Bank Plaintiff, National Association, its successors and assigns.

Lender. The word "Lender" means the real property, interests and rights described above in the "Assignment" section.

Property. The word "Property" mean the real property, interests and rights described above in the "Assignment" section.

Real Estate. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, deeds of trust, and all other instruments, agreements, guarantees, mortgages, loan agreements, leases and documents, whether now or hereafter executed in connection with the lending transaction.

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, deeds of trust, and all other instruments, agreements, guarantees, mortgages, loan agreements, leases and documents, whether now or hereafter executed in connection with the lending transaction.

Real Estate. The word "Rents" means all rents, revenue, income, issues, profits and proceeds from the property due now or later, including without limitation all Rents from all leases described on any exhibit attached to this Assignment.

Grantor. This Assignment is given to secure (1) payment of the indebtedness and (2) performance of any and all obligations under this Note, this Assignment, and the related documents.

DOCUMENTS. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAIMENT AND PERFORMANCE. Except as otherwise provided in this Assignment or any Related Document, Grantor shall pay to Lender all amounts secured by this Assignment as they become due, and shall strictly comply with all terms and conditions of this Assignment.

RENTS. Grantor represents and warrants to Lender that the Rents free and clear of all rights, loans, encumbrances, ownership, grants, options, assignments, and claims except as disclosed to and accepted by Lender in writing, and claims to Assiginment, 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.

To 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.

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 in a bankruptcy proceeding.

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

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 TENANT. Lender may send notices to any and all tenants of the Property advising them of this Assignment and directing them to pay the Rents to Lender or Lender's agent.

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ASSIGNMENT OF RENTS (Continued)

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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 from the Property.

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.

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 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.

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. All expenditures made by Lender under this Assignment and not reimbursed from the Rents shall become a part of the Indebtedness secured by this 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 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 comprise 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. If Grantor fails to comply with any provision of this Assignment, or if any action or proceeding is commenced that would materially affect Lender's interests 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 provided for in 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 apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy 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. This Assignment also will secure payment of these amounts. The rights provided for in this paragraph shall be in addition to any other rights or any remedies 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 this Assignment:

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

Compliance Default. Failure of Grantor to comply with any other term, obligation, covenant or condition contained in this Assignment, the Note or in any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by or on behalf of Grantor under this Assignment, the Note or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished.

Defective Collateralization. This Assignment or any of the Related Documents ceases to be in full force and effect (including failure of any collateral documents to create a valid and perfected security interest or lien) at

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Attorneys' Fees: Expenses. If Lender institutes any suit or action to enjoin or restrain any of the terms of the Assignment, Lender shall be entitled to recover such sum as the court may adjudge reasonable fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by Lender that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest from the date of expenditure until repaid at the rate provided for in the Note. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's fees and expenses whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appraisals and any paragrap

Waiver; Election of Remedies. A waiver by any party of a breach of a provision of this Assignment shall not constitute a waiver of 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 Gramat under this Agreement after failure of Gramat to perform shall not affect Lender's right to declare a default and exercise its remedies under this Assignment.

Other Remedies. Lennder shall have all other rights and remedies provided in this Assignment or the Note or by law.

Mortgagee in Possession. Lender shall have the right to be placed as mortgagee in possession of all or any part of the Property, with such power to protect and preserve the Property, to operate the Property for the purpose of sale, and to collect the Rentes from the Property, to appropriate the proceeds of the Property for the payment of debts due by a receiver shall exist whether or not there appears a value of the Property exceeds the amount by a substantial amount. Employment by Lender shall not discharge a person serving as a trustee in possession or receiver may serve without board if permitted by law. Lender's rights to the mortgagor in possession of the Property shall not exceed the amount of the debt.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender shall have all the rights provided for in the Lender's Right to Collect Section, if the same are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to conduct instruments received in payment of rents or other amounts due under this Agreement.

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

RIGHTS AND REMEDIES ON DEFALKT. Upon the occurrence of any Event of Default and at any time thereafter, Lender may exercise one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Rights to Cure. If such a cure is curable and it Granitor has not been given a notice of a breach of the same in writing, Granitor reserves a ready remedy against him.

Adverse Credit Events. A material adverse change occurs in financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor or any of the preceding events occur under the terms of the Guaranty.

for a survey bond for the claim satisfaction to render.

Foreclosure, Foreclosure, etc. Commencement of foreclosure or repossession proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor or garnitor or by any government agency against any of the Property. However, this subsection shall not apply in the event of a good faith

of any partner, the irresponsibility of Gruntor, the bankruptcy of creditors, any type of creditor's debt or the commencement of any proceeding

other agreement between Granitor and Lender.

any time and for any reason.

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anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, and title insurance, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

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

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. 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.

Multiple Parties. All obligations of Grantor under this Assignment shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each of the persons signing below is responsible for all obligations in this Assignment.

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 Lender.

Severability. If a court of competent jurisdiction finds any provision of this Assignment to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Assignment in all other respects shall remain valid and enforceable.

Successors and Assigns. Subject to the limitations stated in this Assignment on transfer of Grantor's interest, this Assignment shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Assignment and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Assignment or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Assignment.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Illinois as to all indebtedness secured by this Assignment.

Waivers and Consents. Lender shall not be deemed to have waived any rights under this Assignment (or under the Related Documents) unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Assignment shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Lender is required in this Assignment, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

**GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT OF RENTS, AND
GRANTOR AGREES TO ITS TERMS.**

GRANTOR:

Blackthorn Homes Partnership

By: Mark Anderson
Mark R. Anderson, General Partner

By: D. Gregory Tropani, General Partner

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[IL-G14 E3.21 F3.21 P3.21 BLACKTHORN]

EDUARDO BOCANEGRA
Notary Public, State of Illinois
My Commission Expires 04/14/00

My commission expires 04/14/99

Notary Public in and for the State of Illinois
By [Signature]
Residing at 1051 LaSalle St., Chicago, IL 60173

the Assignment is made of the partnership.

General Partner of Blackthorn Homes Partnership, and known to me to be partners or designated agents of the partnership that executed this Assignment of Rents and acknowledged the Assignment to be the free and voluntary act and deed of the partnership, by authority of statute or its Partnership Agreement, for the uses and purposes set forth in the assignment and on oath stated that they are authorized to execute this Assignment and in fact executed

On this 29 day of March, 1996, before me, the undersigned Notary Public, personally appeared Mark R. Anderson, General Partner of Blackthorn Homes Partnership; and B. Gregory Trepash, General Partner of Blackthorn Homes Partnership, and known to me to be partners or designated agents of the partnership that executed this Assignment of Rents and acknowledged the Assignment to be the free and voluntary act and deed of the partnership, by authority of statute or its Partnership Agreement, for the uses and purposes set forth in the assignment and on oath stated that they are authorized to execute this Assignment and in fact executed

COUNTY OF Illinois
STATE OF Illinois

PARTNERSHIP ACKNOWLEDGMENT

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EXHIBIT "A"

PARCEL 1

THAT PART OF THE EAST 20 ACRES OF THAT PART OF THE W 1/2 OF THE SE 1/4 OF SECTION 32, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE NORTH 685.04 FEET OF SAID W 1/2 DESCRIBED AS FOLLOWS: COMMENCING AT A POINT IN THE SOUTH LINE OF SAID SECTION 32, WHICH IS 222.93 FEET WEST OF THE SE CORNER OF SAID W 1/2 OF THE SE 1/4 AND RUNNING THENCE NORTH PARALLEL TO THE EAST LINE OF SAID W 1/2, A DISTANCE OF 976.91 FEET TO A POINT; THENCE WEST A DISTANCE OF 111.48 FEET TO A POINT WHICH IS 976.82 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 32; THENCE SOUTH PARALLEL TO THE EAST LINE OF SAID W 1/2 A DISTANCE OF 976.82 FEET TO A POINT IN THE SOUTH LINE OF SAID SECTION 32; THENCE EAST ON THE SOUTH LINE OF SAID SECTION 32, A DISTANCE OF 111.48 FEET TO THE PLACE OF BEGINNING, IN THE VILLAGE OF ARLINGTON HEIGHTS, COOK COUNTY, ILLINOIS.

PARCEL 2

THE WEST 1/2 OF THE FOLLOWING DESCRIBED TRACT:
THAT PART OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 32, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SECTION 32, 222.93 FEET WEST OF THE SOUTHEAST CORNER OF THE WEST 1/2 OF SAID SOUTHEAST 1/4; THENCE NORTHWARD AND PARALLEL WITH THE EAST LINE OF THE WEST 1/2 OF SAID SOUTHEAST 1/4 A DISTANCE OF 620.44 FEET TO AN INTERSECTION WITH AN EASTWARD PROLONGATION OF THE NORTH LINE OF ORCHARD STREET AS SHOWN ON PLAT OF LAURINWOOD RECORDED DECEMBER 10, 1946 AS DOCUMENT 13,955,933; THENCE WESTWARD ALONG THE AFORESAID PROLONGATION OF THE NORTH LINE OF ORCHARD STREET BEING PARALLEL WITH THE SOUTH LINE OF SAID SECTION 32, A DISTANCE OF 220.97 FEET; THENCE SOUTHWARD ALONG A LINE BEING PARALLEL WITH THE EAST LINE OF THE SOUTH 1/2 OF SAID SOUTHEAST 1/4, A DISTANCE OF 620.44 FEET TO THE SOUTH LINE OF SAID SECTION 32; THENCE EASTWARD ALONG SAID SOUTH LINE OF SECTION 32 A DISTANCE OF 222.97 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NUMBER: 03-32-409-011
PERMANENT INDEX NUMBER: 03-32-409-018

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26 DECEMBER