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. COOK COUNTY RECORDER

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ABSOLUTE ASSIGNMENT
OF
LEASES AND RENTS

AMONG

LASALLE NATIONAL BANK, A NATIONAL BANKING
ASSOCIATION, NOT PERSONALLY BUT AS TRUSTEE UNDER
TRUST AGREEMENT DATED JANUARY 1, 1997,
AND KNOWN AS TRUST NO. 121000

AND

WOLF POINT OWNERS, L.L.C.,
COLLECTIVELY, AS ASSIGNOR

TO

CAPITAL TRUST,

AS ASSIGNEE

AS OF JULY 31, 1997

97565266

THIS DOCUMENT WAS PREPARED BY
AND AFTER RECORDING SHOULD BE MAILED TO:

PREMISES AND PERMANENT REAL
ESTATE TAX INDEX NOS.:

Craig H. Solomon, Esq.
Solomon and Weinberg LLP
70 East 55th Street
New York, New York 10022

320 North Orleans Street
Chicago, Illinois 60651
17-09-400-031

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ABSOLUTE ASSIGNMENT OF LEASES AND RENTS

THIS ABSOLUTE ASSIGNMENT OF LEASES AND RENTS (this "Assignment"), made as of July 31, 1997, by LASALLE NATIONAL BANK, A NATIONAL BANKING ASSOCIATION, NOT PERSONALLY BUT AS TRUSTEE UNDER TRUST AGREEMENT, DATED JANUARY 1, 1997, AND KNOWN AS TRUST NO. 121000, having an office at 135 South LaSalle Street, Chicago, Illinois 60603, and WOLF POINT OWNERS, L.L.C., an Illinois limited liability company, having an office at 222 Merchandise Mart Plaza, Suite 470, Chicago, Illinois 60654 (collectively, "Assignor"), in favor of CAPITAL TRUST, a California business trust, formerly known as California Real Estate Investment Trust, having an office at 885 Third Avenue, Suite 1240, New York, New York 10022 ("Assignee").

WITNESSETH:

WHEREAS, Assignee has made or is about to make a certain loan to Borrower (as defined in the Loan Agreement (as hereinafter defined)) and, by Joinders to Promissory Note (the "Joinders"), the Assignor and the River West Borrower (as defined in the Loan Agreement), in the principal amount of \$35,000,000.00, or so much thereof as shall be advanced or readvanced from time to time (the "Loan"), on and subject to the terms, provisions and conditions set forth in that certain loan agreement (as amended, modified, extended, supplemented, restated or replaced from time to time, and including all Joinders now or hereafter in effect, the "Loan Agreement"), of even date herewith, among Assignee, as lender, and Borrower, Assignor and the River West Borrower, as borrowers; and

WHEREAS, the Loan is evidenced by that certain Promissory Note, of even date herewith, in the principal amount of the Loan, made by Borrower to the order of Assignee (as amended, modified, extended, supplemented, restated or replaced from time to time, and including all Joinders now or hereafter in effect, the "Note"); and

WHEREAS, the Note is secured by, among other things, a certain first lien mortgage, assignment of leases and rents, security agreement and financing statement (as the same may be amended, modified, extended, renewed or restated, the "Mortgage") encumbering all of Assignor's fee title in and to (i) certain real property located at 320 North Orleans Street, Chicago, Illinois, as more particularly described in Exhibit A attached hereto and made a part hereof (the "Land"), (ii) that certain multi-story parking garage (the "Wolf Point Building") located on the Land, and (iii) any and all other improvements situate on the Land (the Land,

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the Wolf Point Building, and all such other improvements being herein collectively referred to as the "Premises"; and

WHEREAS, to induce Assignee to make the Loan and as additional security for the Note, Assignor has agreed to execute and deliver this Assignment.

NOW, THEREFORE, for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and in consideration of the mutual promises and covenants contained herein, the parties hereto covenant and agree as follows:

1. Assignment. Assignor hereby absolutely grants, transfers, sets over and assigns to Assignee all of Assignor's right, title and interest in and to (a) all leases of the Premises or portions thereof and all related agreements now or hereafter entered into and any renewals and/or modifications thereof (collectively, the "Leases"), (b) all rents, accounts, deposits, rent equivalents, receipts, insurance proceeds, royalties, issues, profits, revenue, income, charges for services rendered and any and all consideration of whatever form or nature received by Assignor or its agents or employees from any and all sources relating to the use, enjoyment and occupancy of the Premises, or the sale, lease, sublease, license, concession or other grant of right to use or occupy any portion thereof and other benefits of the Premises (collectively, the "Rents"), together with the immediate and continuing right to collect and receive all Rents, and (c) all cash or securities deposited by the lessee under any such Leases and all guarantees of the obligations of the lessee under any such Leases. All capitalized terms not herein defined shall have the respective meanings ascribed thereto in the Mortgage. This Assignment is intended to be, and shall be construed as creating, an absolute present assignment unto Assignee, and not an assignment for security, and to such extent shall be unconditional and irrevocable, except as herein after expressly provided to the contrary.

2. Representations, Warranties and Covenants. The representations and warranties made by Assignor in Section 3.20 of the Loan Agreement, and the covenants made by Assignor in Section 4.6 of the Loan Agreement, are hereby incorporated in this Assignment by this reference with the same force and effect as if such representations, warranties and covenants were set forth at length herein.

3. Remedies of Assignee; Notice to Tenants. Assignee and Assignor further agree that unless and until there shall have occurred an Event of Default, Assignor is hereby granted permission to collect all Rents arising under the Leases and retain the use of and enjoy the same, subject to the terms of the Loan Documents. Upon or at any time after any Event of Default, Assignee may, at its option, without notice and without regard to the adequacy of any security for the payment or performance of any duties and obligations arising under the aforesaid Loan Documents, either in person or by agent, with or without bringing any action or proceeding, or by receiver appointed by court (without the necessity of

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notice to Assignor), take possession of the Premises and hold, manage, let, and operate the same on such terms and for such period of time as Assignee may deem proper and, with or without taking possession of the Premises, demand, sue for, or otherwise collect all Rents (through exercise of Assignee's right under any guarantee of the Leases or otherwise), including those past due and unpaid, with full power to make from time to time all such alterations, renovations, repairs and replacements as may seem proper to Assignee, and apply such Rents to (x) all expenses of managing and securing the Premises, including, without limitation, the salaries, fees and wages of a managing agent and such other employees or agents as Assignee may deem necessary or desirable and all expenses of operating and maintaining the Premises, including, without limitation, all taxes, charges, claims, assessments, water charges, sewer rents and any other liens, and premiums for all insurance which Assignee may deem necessary or desirable, and the cost of all alterations, renovations, repairs or replacements, and all expenses incident to taking and retaining possession of the Premises and (y) the Obligations, together with all reasonable costs and attorneys' fees, in such order of priority as to any of the items mentioned in this Section 3(a) as Assignee in its sole discretion may determine; any statute, law, custom or use to the contrary notwithstanding. In addition to the rights which Assignee may have herein, upon the occurrence of an Event of Default, Assignee, at its option, may either require Assignor to pay monthly in advance to Assignee, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Premises as may be in possession of Assignor or any affiliate of Assignor or require Assignor or such affiliate to vacate and surrender possession thereof to Assignee or to such receiver and, in default thereof, Assignor or such affiliate, as the case may be, may be evicted by summary proceedings or otherwise. For the purposes of this Section 3(a), Assignor grants to Assignee, as of the date hereof, its irrevocable power of attorney, coupled with an interest, to take any and all of the aforementioned actions and any or all other actions designated by Assignee for the proper management and preservation of the Premises; provided, however, that Assignee agrees not to take any action under such power of attorney prior to the occurrence of an Event of Default. Exercise or nonexercise by Assignee of the options granted in this Section 3(a), or collection and application of Rents by Assignee or its agent, shall not be considered a waiver of any default by Assignor under this Assignment, the Loan Agreement, the Mortgage, or any other Loan Document.

(b) Assignor hereby authorizes and directs each and every lessee named in a Lease or any other or future lessee or occupant of the Premises or any part thereof, and each and every guarantor under any guarantee of any such Lease, upon receipt of written notice from Assignee, to pay to Assignee all rents, income, profits and other Rents accruing under the Leases or from the Premises or any amounts payable under any guarantees of any Lease and to continue to do so until otherwise notified in writing by Assignee.

4. **No Liability of Assignee.** Assignee shall not be liable for any loss sustained by Assignor resulting from Assignee's failure to let the Premises or any part thereof or from any other act of omission of Assignee in managing the Premises, unless such loss is caused by the

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willful misconduct or gross negligence of Assignee. Assignee shall not be obligated to perform or discharge, nor does Assignee undertake to perform or discharge, any obligation, duty or liability under the Leases or under or by reason of this Assignment. This Assignment shall not operate to place responsibility for the control, care, maintenance or repair of any part of the Premises upon Assignee, nor shall it operate to make Assignee responsible or liable for any waste committed on the Premises by any lessee or any other parties, or for any dangerous or defective condition of the Premises, or for the removal or cleanup of any Hazardous Substance which, under applicable Environmental Laws, is or may be required to be removed from the Premises or for any negligence in the management, upkeep, repair or control of the Premises, except if any of the foregoing is caused by Assignee's gross negligence or willful misconduct after taking possession of the Premises, if at all, in the exercise of Assignee's rights hereunder.

5. Termination of Assignment. Upon the release and discharge from the Premises of the Mortgage in strict accordance with the terms and conditions set forth therein, and the payment in full of all amounts, if any, due to Assignee hereunder, this Assignment shall cease, terminate and be of no further effect.

6. Other Remedies; Other Security. No action undertaken by Assignee with respect to any of the Obligations or to any security or guarantee given for the payment or performance thereof, or to any other document or instrument evidencing or relating thereto, shall in any manner affect, impair or prejudice any of Assignee's rights and privileges under this Assignment or discharge, release or modify any of Assignor's duties or obligations hereunder. Assignee may take or release other security for the payment of the Obligations, may release any party primarily or secondarily liable therefor and may apply any other security held by it to the reduction or satisfaction of the Obligations without prejudice to any of its rights under this Assignment.

7. Notices. All notices, requests, demands and other communications hereunder shall be in writing, sent in the manner, and be deemed to have been duly given, as provided for in the Loan Agreement.

8. No Mortgagee in Possession. Nothing herein contained shall be construed as constituting Assignee a "mortgagee in possession" in the absence of the taking of actual possession of the Premises by Assignee.

9. Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Assignment may be used interchangeably in singular or plural form and the word "Assignor" shall mean each Assignor and any subsequent owner or owners of the Premises or any part thereof or any interest therein, the word "Assignee" shall mean Assignee and any subsequent holder of the Note, the word "Note" shall mean the Note and any other evidence of indebtedness secured by the Loan Documents, the word "person" shall include an individual, corporation, partnership,

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trust, limited liability company, unincorporated association, government, governmental authority, and any other entity, the word "Premises" shall include any portion of the Premises and any interest therein; whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms; and the singular form of nouns and pronouns shall include the plural and vice versa.

10. **Non-Waiver.** The failure of Assignee to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Assignment. Assignor shall not be relieved of Assignor's obligations hereunder by reason of (a) failure of Assignee to comply with any request of Assignor or any other party to take any action to enforce any of the provisions hereof or of the Loan Agreement, the Mortgage, the Note, or any of the other Loan Documents, (b) the release, regardless of consideration, of the whole or any part of the Premises or (c) any agreement or stipulation by Assignee extending the time of payment or otherwise modifying or supplementing the terms of this Assignment, the Note, the Loan Agreement, the Mortgage or any of the other Loan Documents. Assignee may resort for the payment of the obligations secured hereby to any other security held by Assignee in such order and manner as Assignee, in its discretion, may elect.

11. **Inapplicable Provisions.** Whenever possible, each provision of this Assignment shall be interpreted in such manner as to be effective and valid under applicable law but, if any provision of this Assignment shall be prohibited or invalid under applicable law, such provision shall be ineffective as to such prohibition or invalidity without invalidating the remainder of such provisions or the remaining provisions of this Assignment.

12. **Successors and Assigns.** This Assignment, together with the agreements and warranties herein contained, shall inure to the benefit of Assignee and its respective successors and assigns and shall be binding upon Assignor and its successors and assigns as to all or any part of the Premises.

13. **Counterparts.** This Assignment may be executed in one or more counterparts, each of which shall be deemed an original. All such counterparts shall constitute but one and the same instrument and shall be binding upon each of the parties as fully and completely as if all had signed but one instrument.

14. **Joint and Several Liability.** The liability of the entities comprising Assignor under this Assignment shall be joint and several, and such joint and several liability shall be unaffected by the failure of any of the undersigned to execute any or all of the counterparts of this Assignment.

15. **Governing Law.** This Assignment is made pursuant to and shall be construed and governed by the laws of the State of Illinois.

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16. Limited Recourse. The provisions of Section 7.20 of the Loan Agreement are hereby incorporated in this Assignment by this reference, mutatis mutandis, and shall have the same force and effect as if set forth at length herein.

17. Miscellaneous. This Assignment is intended by Assignor and Assignee to create, and shall be construed as creating, an absolute assignment unto Assignee, subject only to the terms and provisions hereof, and not as an assignment as security for the performance of the obligations evidenced by the aforesaid Loan Agreement, the Note or any other Loan Document or any other indebtedness of Assignor to Assignee. Assignor acknowledges and agrees that this Assignment is independent of any other security or collateral granted to Assignee in connection with the Loan. In the event of any bankruptcy of Assignor occurring after an Event of Default, the Leases and Rents shall not constitute property of Assignor's estate under the United States Bankruptcy Code, and Assignor shall have no interest therein.

18. Limitation on Lender Liability. The provisions of Section 7.21 of the Loan Agreement are hereby incorporated in this Assignment by this reference, mutatis mutandis, and shall have the same force and effect as if set forth at length herein.

19. Land Trustee Exculpation. This Assignment is executed by LaSalle National Bank, not individually or personally, but solely as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said Trustee in its personal and individual capacity hereby warrants that it as Trustee possesses full power and authority to execute this Assignment) and it is expressly understood and agreed by Assignee and by every party now or hereafter claiming any right or security hereunder that nothing contained herein or in the Note or any of the other Loan Documents shall be construed as creating any liability on said Trustee in its individual capacity personally to pay the Note or to perform any covenant, either expressed or implied, contained herein or in any of the other Loan Documents, all such liability, if any, being expressly waived.

IN WITNESS WHEREOF, this instrument has been duly executed by Assignor as of the day and year above written.

ASSIGNOR:

LASALLE NATIONAL BANK, NOT
INDIVIDUALLY, BUT AS TRUSTEE UNDER
THAT CERTAIN TRUST AGREEMENT, DATED
JANUARY 1, 1997, AND KNOWN AS TRUST
NO. 121000

By: 

Name: Deborah Carbon
Title: ASSISTANT SECRETARY

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WOLF POINT OWNERS, L.L.C.,
an Illinois limited liability company

By: Mart Holdings Group, Inc. (IL),
an Illinois corporation,
Managing Member

By: *Joseph E. Hakim*
Name: Joseph E. Hakim
Title: President

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[Trust No. 121000]

STATE OF ~~NEW YORK~~)
~~(Cook)~~)
COUNTY OF ~~NEW YORK~~)

SS.:

On the 31st day of July, 1997, before me personally came Deborah Carbon
ASSISTANT SECRETARY of LaSalle National Bank, a
national banking association, having an address at 135 South LaSalle Street, Chicago, Illinois
60603 who is personally known to me to be the same person whose name is subscribed to the
foregoing instrument as such ASSISTANT SECRETARY, and who appeared
before me this day in person and acknowledged that he signed and delivered said instrument
as his own free and voluntary act and as the free and voluntary act of said LaSalle National
Bank, Not Personally But As Trustee Under Trust Agreement, Dated January 1, 1997, And
Known As Trust No. 121000, for the uses and purposes herein set forth.

NOTARY PUBLIC STATE OF ILLINOIS
My Commission Expires 10/31/99

Harriet D. [Signature]
Notary Public

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Exhibit A

WOLF POINT PREMISES

LOT 16 IN WOLF POINT, BEING A RESUBDIVISION OF LOTS AND PARTS OF LOTS IN BLOCK 6, 7, 14 AND 15, IN THE ORIGINAL TOWN OF CHICAGO, TOGETHER WITH PARTS OF VACATED ALLEYS AND STREETS AND ADJOINING LANDS, ALL IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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