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RECORDATION

RECORDATION REQUESTED BY:

Metropolitan Bank & Trust Company
2201 W. Cermak Road
Chicago, IL 60608-3996

97590164

WHEN RECORDED MAIL TO:

Metropolitan Bank & Trust Company
2201 W. Cermak Road
Chicago, IL 60608-3996

SEND TAX NOTICES TO:

Metropolitan Bank & Trust Company
2201 W. Cermak Road
Chicago, IL 60608-3996

DEPT-01 RECORDING \$31.50
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COOK COUNTY RECORDER

FOR RECORDER'S USE ONLY

This Assignment of Rents prepared by: Metropolitan Bank & Trust Company
2201 West Cermak Road
Chicago, Illinois 60608

2/15

ASSIGNMENT OF RENTS

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THIS ASSIGNMENT OF RENTS IS DATED AUGUST 8, 1997, between Michael A. Denofrio, Patricia A. Palermini and Eva M. Palermini, Single Persons, As Tenants in Common, whose address is 1227 W. Flournoy, Chicago, IL 60607 (referred to below as "Grantor"); and Metropolitan Bank & Trust Company, whose address is 2201 W. Cermak Road, Chicago, IL 60608-3996 (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:

3063 4216059 U/M/C

PARCEL 1: UNITS 6 AND 6-P AS DELINIATED ON A PLAT OF SURVEY ATTACHED AS "EXHIBIT A" TO DECLARATION OF COVENANTS AND RESTRICTIONS RECORDED NOVEMBER 9, 1966 AS DOCUMENT 19990486, SAID PLAT OF SURVEY BEING OF PARTS OF LOTS 1, 2, 3 AND 4 AND ALL OF LOTS 5 TO 15 INCLUSIVE IN W. A. PORTERS' SUBDIVISION OF BLOCK 2 IN VERNON PARK ADDITION TO CHICAGO, A SUBDIVISION OF BLOCKS 38, 39, 44 AND 45 IN CANAL TRUSTEES SUBDIVISION OF THE WEST 1/2 AND THE WEST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND ALL OF THE VACATED 16 FOOT PUBLIC ALLEY AND ALL OF VACATED SOUTH THROOP STREET ADJOINING SAID LOTS AND PARTS OF LOTS, OF THE EAST 1/2 OF VACATED SOUTH ADA STREET LYING SOUTH OF THE SOUTH LINE OF WEST HARRISON STREET AND NORTH OF THE NORTH LINE OF WEST FLOURNOY STREET AND OF THE SOUTH 123 FEET OF THE NORTH 133 FEET OF THE WEST 1/2 OF SOUTH LYTLE STREET LYING SOUTH OF AND ADJOINING THE SOUTH LINE OF WEST HARRISON STREET EXTENDED ALL IN COOK COUNTY, ILLINOIS. PARCEL 2: EASEMENTS APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 AS SET FORTH AND DEFINED IN THE DECLARATION OF EASEMENTS RECORDED AS DOCUMENT NO. 19990486 FOR INGRESS AND EGRESS, ALL IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 1310 W. Westgate Terrace, Chicago, IL 60607. The Real Property tax identification number is 17-17-307-007.

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Rents. The word "Rents" means all rents, revenues, income, issues, profits and proceeds from the Property, whether due now or later, including without limitation all Rents from all leases described on any exhibit

Related Documents. The words "Related Documents" mean and include without limitation all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

Real Property. The words "Real Property" mean the property, interests and rights described above in the "Property Definition" section.

Property. The word "Property" means the real property, and all improvements thereon, described above in the "Assignment" section.

The interest rate on this Assignment be more than the maximum rate allowed by applicable law.

NOTICE: Under no circumstances shall commencement date indicated for the applicable payment stream. Any variable interest rate tied to the index shall be calculated as of, and shall begin on, the increase. Any variable interest rate tied to the index shall be calculated as of, and shall begin on, the index increases, the payments tied to the index, and therefore the total amount secured hereunder, will principal and accrued interest not yet paid, together with any other unpaid amounts under this Assignment. If the index increases, the payments tied to the index, and therefore the total amount secured hereunder, will be made exactly as scheduled and that the index does not change; the actual final payment will be for all index described below. This estimated final payment is based on the assumption that all payments will be with interest calculated on the unpaid principal balances at an interest rate of 2.00 percentage points over the described below, and 1 principal and interest payment in the initial amount of \$60,879.05 on August 8, 2002, calculated on the unpaid principal balances at an interest rate of 2.00 percentage points over the index described below; 59 consecutive monthly interest payments, beginning September 8, 1997, with interest calculated on the unpaid principal balances at an interest rate of 2.00 percentage points over the index consecutive monthly principal payments of \$333.33 each, beginning September 8, 1997, with interest per annum. Payments on the Note are to be made in accordance with the following payment schedule: 59 The interest rate on the Note is a variable interest rate based upon an index. The index currently is 5.500% modifications of, refinancings or consolidations of, and substitutions for the promissory note or agreement principal amount of \$80,000.00 from Grantor to Lender, together with all renewals of, extensions of, Note. The word "Note" means the promissory note or credit agreement dated August 8, 1997, in the original Lender. The word "Lender" means Metropolitan Bank & Trust Company, its successors and assigns.

\$1,000,000.00.

thereon; however, in no event shall such future advances (excluding interest) exceed in the aggregate specified in the Note, all future amounts Lender in its discretion may loan to Grantor, together with all interest otherwise unenforceable. Specifically, without limitation, this Assignment secures, in addition to the amounts become 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 liquidated or unliquidated and whether Grantor may be liable individually or jointly with others, whether the purpose of the note, whether voluntary or otherwise, whether due or not due, absolute or contingent, Grantor, or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against this Assignment. In addition to the Note, the word "indebtedness" includes all obligations, debts and liabilities, to enforce obligations of Grantor under this Assignment, together with interest on such amounts as provided in amounts expended or advanced by Lender to discharge obligations of Grantor or expenses incurred by Lender indebtedness. The word "indebtedness" means all principal and interest payable under the Note and any

Grantor. The word "Grantor" means Michael A. Denotrio, Patricia A. Palermi and Eva M. Palermi.

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."

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.

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.

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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, above. If the Rents are collected by Lender, then Grantor shall not be construed as curing the default so as to bar Lender from any remedy that it otherwise would have had.

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.

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:

Insecurity. Lender reasonably deems itself insecure, prospect of payment or performance of the indebtedness is impaired.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the under, any guaranty or the indebtedness.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor or any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability or a surety bond for the claim satisfactory to Lender.

Foreclosure, Forfeiture, etc. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any of the Property. However, this subsection shall not apply in the event of a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the foreclosure or forfeiture proceeding, provided that Grantor gives Lender written notice of such claim and furnishes reserves

Death or Insolvency. The death of Grantor or the dissolution or termination of Grantor's existence as a going business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws, by or against Grantor.

Other Defaults. Failure of Grantor to comply with any term, obligation, covenant, or condition contained in any other agreement between Grantor and Lender.

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 any time and for any reason.

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.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay the Loans or perform their respective obligations under this Assignment or any of the Related Documents.

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.

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

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

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.

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Loan No 113-390-8

(Continued)

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.

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

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.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' 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 attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any 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 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

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