

**RECORDATION REQUESTED BY:**

**BRIDGEVIEW BANK AND TRUST**  
7940 South Harlem Avenue  
Bridgeview, IL 60455

**WHEN RECORDED MAIL TO:**

**Bridgeview Bank and Trust**  
7940 South Harlem Avenue  
Bridgeview, IL 60455

**FOR RECORDER'S USE ONLY**

**This Assignment of Rents prepared by:** Bridgeview Bank and Trust  
7940 South Harlem Avenue  
Bridgeview, IL 60455

**ASSIGNMENT OF RENTS**

**THIS ASSIGNMENT OF RENTS IS DATED SEPTEMBER 11, 1997, between K & A Properties, an Illinois Partnership, whose address is 8904 South Harlem Avenue, Bridgeview, IL 60455 (referred to below as "Grantor"); and BRIDGEVIEW BANK AND TRUST, whose address is 7940 South Harlem Avenue, Bridgeview, IL 60455 (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:

(EXCEPT THE WEST 17 FEET CONVEYED TO RAILROAD)  
**PARCEL 1: LOTS 1, 2, 3, AND 4 AND THE EAST HALF OF LOT 5 IN BLOCK 12 IN FREDERICK H. BARTLETT'S HARLEM AVENUE ACRES, A SUBDIVISION OF THE NORTH 45 ACRES OF THE SOUTH 60 ACRES OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 37 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE WEST 17 FEET CONVEYED TO RAILROAD) IN COOK COUNTY, ILLINOIS** **PARCEL 2: THE WEST HALF OF LOT 5 AND ALL OF LOTS 6 AND 7 IN BLOCK 12 IN FREDERICK H. BARTLETT'S HARLEM AVENUE ACRES, A SUBDIVISION OF THE NORTH 45 ACRES OF THE SOUTH 60 ACRES OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 37 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE WEST 17 FEET CONVEYED TO RAILROAD) IN COOK COUNTY, ILLINOIS**

The Real Property or its address is commonly known as 7323-7325 West 90th Street, 9004-9012 South Odell Avenue, 9014-9026 South Odell Avenue, 7324-7326 West 91st Street, 7327-7329 West 90th Street, 9003-9011 South Oketo Avenue, and vacant land located at 91st Street & Oketo Avenue, Bridgeview, IL 60455. The Real Property tax identification number is 23-01-212-011, 23-01-212-012, and 23-01-212-001.

**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 K & A Properties.

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 this Assignment. In addition to the Note, the word "Indebtedness" includes all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to 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 obligated as guarantor or otherwise, and whether recovery upon such indebtedness may be or hereafter may become barred by any statute of limitations, and whether such indebtedness may be or hereafter may become otherwise enforceable.

Lender. The word "Lender" means BRIDGEVIEW BANK AND TRUST, its successors and assigns.

Note. The word "Note" means the promissory note or credit agreement dated September 11, 1997, in the original principal amount of \$1,640,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The interest rate on the Note is 8.25%.

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

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

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

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 attached to this Assignment.

THIS ASSIGNMENT IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF GRANTOR UNDER THE NOTE, THIS ASSIGNMENT, AND THE RELATED DOCUMENTS. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT 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 satisfy and perform all of Grantor's obligations under this Assignment. Unless and until Lender exercises its right to collect the Rents as provided below and so long as there is no default under this Assignment, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents, provided that the granting of the right to collect the Rents shall not constitute Lender's consent to the use of cash collateral in a bankruptcy proceeding.

GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE RENTS. With respect to the Rents, Grantor represents and warrants to Lender that:

Diversity. Grantor is entitled to receive the Rents free and clear of all rights, claims, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.

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.

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

No 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.

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 Tenants. Lender may send notice to any and all tenants of the Property advising them of this Assignment and directing all Rents to be paid directly to Lender or Lender's agent.

Enter the Property. Lender may enter upon and take possession of the Property, demand, collect and receive from the tenants or from any other persons liable therefor, all of the Rents, insure and carry on all legal proceedings necessary for the protection of the Rents, and do all things as may be necessary to

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ASSIGNMENT OF RENTS

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## ASSIGNMENT OF RENTS (Continued)

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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 any time and for any reason.

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

**Death or Insolvency.** The dissolution or termination of Grantor's existence as a going business or the death of any partner, 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.

**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 or a surety bond on the claim satisfactory to Lender.

**Events Affecting Guarantor.** Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness.

**Adverse Change.** A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired.

**Insecurity.** Lender reasonably deems itself insecure.

**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.

**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 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 exist. 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:

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

**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 aspect.

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

(a) Grantor fails to comply with any provision of the 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 spends 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 amortized among and be payable with any scheduled 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 in 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.

**EXPENSES BY LENDER.** If Grantor fails to comply with any provision of the 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 spends 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 amortized among and be payable with any scheduled 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 in 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.

**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 certificate of this Assignment and suitable statements of termination of any financing statement on the 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 retain the amount of the debt, Lender shall be deemed to have performed its obligations under this Assignment, the Note, and the Related Documents, and all fees and expenses incurred by Lender in connection with the Property shall be for Grantor's account and Lender shall not be liable for such costs and expenses from the Rents. Lender, in its sole discretion, shall determine the application of any such fees and expenses 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.

**APPLICATION OF RENTS.** All fees and expenses incurred by Lender in connection with the Property shall be for Grantor's account and Lender shall not be liable for such costs and expenses from the Rents. Lender, in its sole discretion, shall determine the application of any such fees and expenses 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.

**REQUIREMENT TO DO ANY OF THE FOREGOING ACTS OR THINGS, AND THE TIME THEREOF.** Lender shall not be required to do any of the foregoing acts or things, and the time thereof, shall be as follows:

(a) Lender shall not be required to do any of the foregoing acts or things, and the time thereof, shall be as follows:

(i) Lender shall not be required to do any of the foregoing acts or things, and the time thereof, shall be as follows:

(ii) Lender shall not be required to do any of the foregoing acts or things, and the time thereof, shall be as follows:

(iii) Lender shall not be required to do any of the foregoing acts or things, and the time thereof, shall be as follows:

(iv) Lender shall not be required to do any of the foregoing acts or things, and the time thereof, shall be as follows:

(v) Lender shall not be required to do any of the foregoing acts or things, and the time thereof, shall be as follows:

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(viii) Lender shall not be required to do any of the foregoing acts or things, and the time thereof, shall be as follows:

(ix) Lender shall not be required to do any of the foregoing acts or things, and the time thereof, shall be as follows:

(x) Lender shall not be required to do any of the foregoing acts or things, and the time thereof, shall be as follows:

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Loan No 37242

ASSIGNMENT OF RENTS  
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Mary Karen Koenig, General Partner

By: [Signature]  
Albert F. Moore, Jr., General Partner

PARTNERSHIP ACKNOWLEDGMENT

STATE OF Illinois  
COUNTY OF Cook

On this 11 day of February 19 97, before me, the undersigned Notary Public, personally appeared Mary Karen Koenig, General Partner of K & A Properties; and Albert F. Moore, Jr., General Partner of K & A Properties Illinois Partnership, and known to me to be partners or designated agents of the partnership that executed the 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 therein mentioned, and on oath stated that they are authorized to execute this Assignment and in fact executed the Assignment on behalf of the partnership.

By [Signature] Residing at Chicago, IL 60613

Notary Public in and for the State of Illinois

My commission expires \_\_\_\_\_



Office

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By \_\_\_\_\_  
K & A Properties

GRANTOR

GRANTOR AGREES TO ITS TERMS

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT OF RENTS, AND

Waivers and Consents. Lender shall not be deemed to have waived any rights 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 the provision or any other provision. No and no 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.

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

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 foreclosure or extension without releasing Grantor from the obligations of this Assignment or liability under the indebtedness.

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.

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.

Arbitration. Lender and Grantor agree that all disputes, claims and controversies between them, whether individual, joint, or class in nature, arising from this Assignment 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, retitle, or otherwise modify any agreement relating to the collateral, shall also be arbitrated, provided however that no award shall have the right or power to enjoin or restrain any act of any party. Judgment upon a final award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Assignment shall exclude any party from seeking equitable relief from a court of competent jurisdiction. The same of limitations, exceptions, waivers, tactics, 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 arbitration, interpretation, and enforcement of this arbitration provision.

Applicable Law. This Assignment has been delivered to Lender and accepted by Lender in the State of Illinois. Subject to the provisions on arbitration, this Assignment shall be governed by and construed in accordance with the laws of the State of Illinois.

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 changed or bound by the alteration or amendment.

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