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This document prepared by:

William F. McGuinn
Sugar, Friedberg & Felsenthal
30 North LaSalle Street
Suite 2600
Chicago, Illinois 60602

97327793

When recorded mail to:

William F. McGuinn
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30 North LaSalle Street
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Chicago, Illinois 60602



COLLATERAL ASSIGNMENT OF LEASE

. DEPT-01 RECORDING 439.50
. T#6666 TRAN 4763 05/09/97 11:09:00
. #0062 # SA #-97-327793
. COOK COUNTY RECORDER

Property Address: 6801 North Western Avenue, Chicago, Illinois

Permanent Index Number: 11-31-121-007

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THIS COLLATERAL ASSIGNMENT OF LEASE ("this Assignment") is dated **May 6, 1997** and is made by **The Hot Dog Who Ate Chicago, Inc.**, an Illinois Corporation ("Debtor") for the benefit of **Fluky's, Inc.**, an Illinois Corporation ("Secured Party").

Debtor, as lessee, and Union Oil Company of California ("Lessor"), as lessor, are parties to that certain Lease dated May 6, 1997 ("the Lease") pursuant to which said lessor leases to Debtor, and Debtor leases from said lessor, 10 feet of the premises located at 6801 North Western Avenue, Chicago, Illinois ("the Premises") and legally described on Exhibit A hereto.

Debtor has executed and delivered to Secured Party a promissory Note in the principal amount of \$122,000 ("the Note") evidencing Debtor's obligation to make the payments therein described to Secured Party. To secure Debtor's obligations to

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Secured Party under the Note, Debtor is willing to grant this Assignment whereby, in the event of a default by Debtor under the Note, Secured Party may take possession of the Premises and assume the rights and obligations of Debtor as lessee under the Lease.

For \$1.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Secured Party and Debtor agree as follows:

1. Assignment of Leasehold Rights.

A. Debtor hereby assigns, transfers, and sets over to Secured Party all of Debtor's right, title, and interest to and under the Lease, including the right to enter into and take possession of the Premises and the trade fixtures, equipment, and leasehold improvements located thereon, and the right to all rents, profits, and income derived from the Lease or the Premises and which may hereafter become due under or by virtue of any sublease or other lease, whether written or oral, or any letting of or any agreement for the use or occupancy of any part of the Premises which may be hereafter made or agreed to by Debtor with the prior written consent of Secured Party.

B. Notwithstanding the foregoing, Debtor shall have the right to the use and enjoyment of the Premises and to the right to the profits derived therefrom so long as Debtor is not in default under the Note.

2. Indemnification. Anything to the contrary appearing herein or in the Lease notwithstanding, Secured Party shall not be deemed to have assumed or become liable to Debtor or Lessor for any of the obligations or liabilities of Debtor under the Lease, whether provided for by the terms thereof, arising by operation of law, or otherwise. Nothing herein shall be construed as between Debtor and Secured Party to obligate Secured Party to perform any of Debtor's obligations under the Lease or any other agreement for the use or occupancy of any part of the Premises. Debtor hereby acknowledges and agrees that Debtor is and remains liable under the Lease or any other agreement for the use or occupancy of any part of the Premises to the same extent as though this Assignment had not been made. Debtor hereby indemnifies Secured Party against and agrees to hold Secured Party harmless from and against any and all liability, loss, claim, damage, cost, expense, or fee, including attorneys' fees and costs of suit, which Secured Party may pay or incur in connection with the Lease or any such agreement, with respect to any rent or other sums payable thereunder, by reason of this Assignment or the enforcement hereof, or by reason of any alleged obligation or undertaking to be discharged or performed by Debtor in connection with the Lease, any such agreement, any of Debtor's rights or interest thereunder, or this Assignment. Should

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Secured Party pay or incur or become liable for any such liability, loss, claim, damage, cost, expense, or fee, Debtor upon demand shall immediately reimburse Secured Party for the entire amount thereof plus interest thereon at a rate of interest equal to the default rate (as such term is defined or as otherwise provided in the Note).

3. Warranties and Covenants of Debtor.

A. Debtor represents and warrants to Secured Party as follows:

1. Debtor is entitled to possession of the Premises and all other rights under the Lease.
2. Debtor is not in default under the Lease.
3. Debtor has not entered into any lease, sublease, or other agreement granting any third party the right to use or occupy all or any part of the Premises.
4. There is no outstanding assignment or pledge or other transfer of Debtor's rights under the Lease or any interest therein or any sublease, other lease, or agreement for the use or occupancy of any part of the Premises.
5. Debtor has not performed any act or executed any instrument which could prevent Secured Party from enforcing, or limit Secured Party's enforcement of, any of the provisions of this Assignment.
6. The Lease in the possession of Secured Party will be the only original copy of the Lease and all other copies of the Lease will be clearly marked as "copy" or "duplicate" denoting that the only "original" is in the custody of Secured Party and as such constitutes chattel paper.

B. Debtor covenants and agrees that so long as this Assignment is in effect, Debtor shall:

1. Not cancel, surrender, modify, amend, or terminate Debtor's rights under the Lease or under any sublease or other lease or agreement for the use or occupancy of any part of the Premises or any of the provisions thereof without first obtaining the written consent of Secured Party, which consent shall not be unreasonably withheld or delayed.
2. Not enter into any lease, sublease, or other agreement granting any third party the right to use or occupy all or any part of the Premises without first

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obtaining the written consent of Secured Party, which consent shall not be unreasonably withheld or delayed.

3. Not make any subsequent assignment of or concerning the Lease or any sublease, other lease, or agreement for the use or occupancy of any part of the Premises to any person other than Secured Party.

4. Fulfill and discharge all its obligations and duties under or in any way related to the Lease or any sublease, other lease, or agreement for the use or occupancy of any part of the Premises.

5. Name Secured Party as an additional insured on any and all insurance policies, of whatever kind or nature, procured or required to be procured by the Debtor pursuant to the Lease or any other agreement.

6. Supply Secured Party with such documentation, evidence, or other assurance as Secured Party may from time to time reasonably request of Debtor that Debtor has complied with its obligations under this Assignment.

4. **Default Under Lease and Right to Cure.** Secured Party shall have the right, but not the duty, to make any payment or to take such action as may be necessary to cure any alleged default of Debtor under the Lease.

5. **Assignability and Duration.** This Assignment shall remain in effect, and the interests of Secured Party hereunder shall continue to exist, so long as Debtor has any liability to Secured Party under this Assignment or the Note.

6. **Events of Default.** The occurrence of any one or more of the following events shall be an Event of Default hereunder:

A. The occurrence of an Event of Default under the Note.

B. The material falsity or inaccuracy of a representation or warranty of Debtor herein.

C. The failure of Debtor to perform any covenant or undertaking required to be performed or undertaken by Debtor herein, which failure is not cured within 10 days of Landlord's giving Debtor notice thereof.

D. Exercise by Lessor to terminate the Lease by giving the Lessee thirty (30) days notice shall not be considered a default by Debtor under this Collateral Assignment of Lease.

7. **Remedies.** Upon the occurrence of an Event of Default hereunder, Secured Party may, at its option, with or without

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bringing any action or proceeding, or by receiver appointed by a court of competent jurisdiction:

- A. Enter upon, take possession of, manage, and operate the Premises or any part thereof, including, but not limited to, making any necessary repairs, alterations, and improvements to the Premises.
- B. Enforce the Lease.
- C. Make, cancel, enforce, or modify any sublease, other lease, or agreement relating to the use or occupancy of any part of the Premises, to the extent permitted under the terms of the Lease.
- D. Obtain, retain, and evict subtenants or other users of the Premises.
- E. Fix or modify the rents or other charges paid by any subtenants or users of the Premises.
- F. Do any acts which Secured Party deems reasonably proper to protect the security afforded by this Assignment.
- G. Either with or without taking possession of the Premises, in all of their names or in the name of the Agent, sue for or otherwise collect and receive such rents, profits, and income, including those past due and unpaid.
- H. Solely to the extent permitted under the terms of the Lease, transfer, assign, sublet, or dispose of the Lease or any sublease, other lease, assignment, or agreement relating to the use or occupancy of any part of the Premises.

In connection with the foregoing, Secured Party shall be entitled and empowered to employ attorneys and management, rental, and other agents in and about the Premises and to effect the matters which Secured Party is empowered to do, and in the event Secured Party shall itself effect such matters, Secured Party shall be entitled to charge and receive reasonable management, rental, and other fees therefor as may be customary in the area in which the Premises are located; and the reasonable fees, charges, costs, and expenses of Secured Party or such persons shall be added to the amount of indebtedness under the Note secured hereby. Secured Party shall apply all funds collected as aforesaid, less costs and expenses of operation and collection, including reasonable attorneys' and agents' fees, charges, costs, and expenses, as aforesaid, to any sums owed to Secured Party pursuant to the Note. The entering upon and taking possession of the Premises, the collection of such rents, issues, and profits,

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and the application of the proceeds therefrom as aforesaid shall not cure, waive, modify, or affect any default under the Note. The failure of Secured Party to exercise any rights or remedies hereunder shall not waive or extinguish Secured Party's right to exercise such rights or remedies upon the continuance of any default or the occurrence of any subsequent default.

8. **Rights Cumulative.** The rights accorded Secured Party by this Assignment are in addition to, and not in substitution or limitation of, any rights, remedies, powers, or authority of Secured Party under the Note or any mortgages, security agreements, or other documents securing the Note or under now existing or hereafter arising applicable law. All rights, remedies, powers, or authority of Secured Party under the Note or any other instrument securing the Note or under now existing or hereafter arising applicable law are distinct and cumulative and may be exercised concurrently, independently, or successively.

9. **Tenants.** Any tenants, subtenants, occupants, or users of any part of the Premises or the equipment or fixtures located thereon are hereby authorized by Debtor to recognize the claims of Secured Party hereunder without investigating the reason for any action taken by Secured Party or the validity or the amount of indebtedness secured hereby or the existence of any default under the Note or the claims of Secured Party under or by reason of this Assignment or the application to be made by Secured Party of any amounts to be paid to Secured Party. The sole signature of Secured Party shall be sufficient for the exercise of any rights under this Assignment and the sole receipt of Secured Party of any sums received shall be a full discharge and release therefor to any such tenant, subtenant, occupant, or user of the Premises. Any check for all or any part of the rentals or other charges collected by virtue of this Assignment shall be drawn to the exclusive order of Secured Party.

10. **Notices.** Any written notice required or desired to be given hereunder shall be delivered personally, or by United States mail (postage prepaid; first class or, at the option of the sender, registered or certified; with or without return receipt requested), or by delivery service. A written notice delivered by United States mail is given on the date placed in the United States mail for delivery. Copies of notices to Debtor shall be given to Debtor's attorney:

Jerald F. Richman
Jerald F. Richman & Assoc.
300 South Wacker Drive #1130
Chicago, IL 60606-6607

Copies of notices to Secured Party shall be given to Secured Party's attorney:

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Jonathan L. Mills
Sugar, Friedberg & Felsenthal
30 North LaSalle
Suite 2600
Chicago, Illinois 60602

Any party may change the address to which written notices are to be given by giving the other party written notice as herein provided.

11. **Subordination.** Notwithstanding any other provision hereof, this Agreement is subordinate to the security interest of **Brickyard Bank** ("the Lender") securing a Debtor's obligations under a note dated May 5, 1997, 1997 made by Debtor and delivered to Lender in the original principal amount of \$328,000.00.

12. **Miscellaneous.**

A. Use of paragraph headings and of singular or plural, masculine, feminine, or neuter nouns and pronouns is for convenience only and shall not affect the manner in which any provision hereof is construed.

B. This Assignment shall be governed and construed in accordance with the laws of the State of Illinois.

C. This Assignment may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original, and all of which shall be one and the same instrument.

D. In the event that any provision of this Assignment shall be declared invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not invalidate or render unenforceable any other provision hereof.

E. Debtor agrees that it will execute, acknowledge, and deliver or cause to be executed, acknowledged, or delivered such supplements and such further instruments as may be reasonably required for carrying out the intention of, or facilitating the performance of, this Assignment.

F. This Assignment shall inure to the benefit of and be binding upon Secured Party and Debtor and their respective successors and assigns.

G. This Assignment shall become effective upon its execution and delivery.

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IN WITNESS WHEREOF, Debtor and Secured Party have executed this Assignment at Chicago, Illinois on or as of the date first above written.

DEBTOR:


The Hot Dog Who Ate Chicago,
Inc.



Larry Estes, President

SECURED PARTY:

Fluky's, Inc.



Jack Drexler

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State of Illinois, County of Cook.

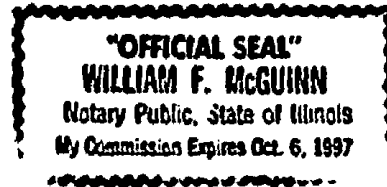
I, the undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Jack Drexler, President of Fluky's, Inc., an Illinois corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this 6th day of May, 1997 and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes set forth therein.

Given under my hand and seal this 6th day of May, 1997

My commission expires 10/6/97.



William F. McGuinn



State of Illinois, County of Cook.

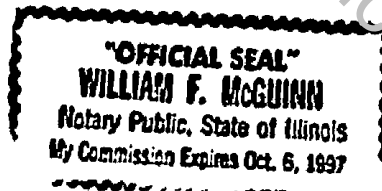
I, the undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Larry Estes, President of The Hot Dog Who Ate Chicago, Inc., an Illinois corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this 6th day of May, 1997 and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes set forth therein.

Given under my hand and seal this 6th day of May, 1997

My commission expires 10/6/97.



William F. McGuinn



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EXHIBIT A

LEGAL DESCRIPTION

6801 N. Western Ave.
Chicago, Illinois 60645

PERMANENT REAL ESTATE INDEX NO. 11-31-121-007

The West 139 feet of the South half of Lot 28 (except part taken for street) in Smith's addition to Rogers Park in the North 1/4 of Section 31, Township 41 North, Range 14 East of the 3rd. Principal Meridian in Cook County, Illinois; which property has net dimensions (exclusive of radii and/or right-of-ways) of 187' 9" fronting on Western Avenue, by 122' 0" fronting on Pratt Avenue.

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