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RECORDATION REQUESTED BY:
BRIDGEVIEW BANK AND TRUST
7940 South Harlem Avenue
Bridgeview, IL 60455

97366341

WHEN RECORDED MAIL TO:
Bridgeview Bank and Trust
7940 South Harlem
Bridgeview, IL 60455

DEPT-01 RECORDING 631.50
180011 TRAN 7269 05/22/97 13:39:00
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COOK COUNTY RECORDER



FOR RECORDER'S USE ONLY

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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 MAY 20 1997, between Pearl A. Zager and Dan Zager, as wife and husband, whose address is 321 South Euclid Avenue, Oak Park, IL 60302 (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, parts 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:

LOT 11 IN THE SUBDIVISION OF BLOCK 4 IN THOMAS J. FOSTER'S SUBDIVISION OF BLOCKS 3 AND 14 IN MORRIS AND OTHERS' SUBDIVISION OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 18, TOWNSHIP 29 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

The Real Property or its address is commonly known as 800 South Leavitt Street, Chicago, IL 60612. The Real Property tax identification number is 17-18-317-030.

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 Pearl A. Zager and Dan Zager.

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, as well as all claims by Lender against

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the Property. Lender may enter upon the Property to maintain the Property and keep the same in good repair, to pay the cost thereof and of all expenses, including fuel, repairs, and of all taxes, assessments and water utility, and the premiums on fire and other insurance effected by Lender on the Property.

Under the Property, Lender may enter upon and take possession of the Property, demand, collect and receive from the lessee or from any other person having interest, all of the Rents, issues and CITY OR STATE taxes and assessments of the Property, including such proceedings as may be necessary to enforce collection of the Property, collect the Rents and remove any tenant or tenants or other persons from the Property.

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

Lender shall have the right at any time, and even though no default shall have occurred under the Assignment, to collect and receive the Rents. For the purpose, Lender is hereby granted and granted the following right, power and authority:

LENDER'S RIGHT TO COLLECT RENTS. Lender shall have the right at any time, and even though no default shall have occurred under the Assignment, to collect and receive the Rents. For the purpose, Lender is hereby granted and granted the following right, power and authority:

The Further Transfer. Grantor will not sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Property except as provided in the Assignment.

The First Assignment. Grantor has not previously assigned or conveyed the Rents to any other person by any instrument now in force.

Grantor has the full right, power, and authority to enter into the Assignment and to assign and convey the Rents to Lender.

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

Grantor represents and warrants to Lender that:

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

Except as otherwise provided in the Assignment or any Related Document, Grantor shall pay to Lender all amounts secured by the Assignment as they become due, and shall strictly perform all of Grantor's obligations under the Assignment. Lender hereby agrees to collect the Rents as provided below and so long as there is no default under the 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 collected 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:

Except as otherwise provided in the Assignment or any Related Document, Grantor shall pay to Lender all amounts secured by the Assignment as they become due, and shall strictly perform all of Grantor's obligations under the Assignment. Lender hereby agrees to collect the Rents as provided below and so long as there is no default under the 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 collected in a bankruptcy proceeding.

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

Grantor represents and warrants to Lender that:

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

The word "Related Documents" means all instruments, agreements, and documents, whether now or hereafter made, issued, executed, entered into, or otherwise effected in connection with the indebtedness secured by this Assignment, including without limitation all promissory notes, checks, loan agreements, investment agreements, guaranty agreements, mortgages, deeds, and all other instruments, agreements and documents, whether now or hereafter made, issued, executed, entered into, or otherwise effected in connection with the indebtedness secured by this Assignment.

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

The word "Grantor" means the grantor, its successors and assigns.

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

The word "Note" means the promissory note or credit agreement dated May 20, 1987, in the original principal amount of \$200,000.00 from Grantor to Lender, together with all renewals, extensions or modifications of, amendments to, and substitutions for the promissory note or agreement.

The interest rate on the Note is 8.500%.

Grantor, or any one or more of them, whether now existing or hereafter existing, whether related or unrelated to the purpose of the Note, whether voluntarily 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 otherwise enforceable, and whether such indebtedness may be or hereafter may become enforceable.

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

The word "Note" means the promissory note or credit agreement dated May 20, 1987, in the original principal amount of \$200,000.00 from Grantor to Lender, together with all renewals, extensions or modifications of, amendments to, and substitutions for the promissory note or agreement.

The interest rate on the Note is 8.500%.

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ASSIGNMENT OF RENTS

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(Continued)

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 written 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 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.

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 interest 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, (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.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension or 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 or any Grantor'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 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 death of Grantor or the dissolution or termination of Grantor's existence as a going

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Agreement. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in the Assignment. No alteration or amendment to the 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.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Assignment. Lender shall have an option to purchase the Property, subject to the provisions on whether, this Assignment shall be governed by and construed in accordance with the law of the State of California. Lender shall pay any court costs, in addition to all other sums provided by law.

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05-30-1997
Loan No 12-036339-7

ASSIGNMENT OF RENTS (Continued)

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accordance with the laws of the State of Illinois.

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, reform, or otherwise modify any agreement relating to the Collateral, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Assignment shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, 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 construction, interpretation, and enforcement of this arbitration provision.

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 limitation 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 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.

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

GRANTOR:

x Pearl A. Zagar
Pearl A. Zagar

x Don Zagar
Don Zagar

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Property of Cook County Clerk's Office

66-28-1987
Form No 13-60000-7

ASSIGNMENT OF RENTS
(Continued)
INDIVIDUAL ACKNOWLEDGMENT

STATE OF Illinois
COUNTY OF Cook

On this day before me, the undersigned Notary Public, personally appeared Paul A. Zager and Dan Zager known to be the individuals described in and who executed the Assignment of Rents, and acknowledged to me that they executed the Assignment of Rents, and acknowledged the same under my hand and official seal this four day of May, 1997.

My commission expires 11/23/98
Notary Public, State of Illinois
SHELDON C. TATUM
OFFICIAL SEAL

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