

Tax Parcel Nos 07-13-101-011-0000

This document prepared by
and after recording return
to

Susan Elliott
Jones, Day, Reavis & Pogue
77 West Wacker Drive
Chicago, Illinois 60601-1692

7734614 DL1 D1 383

ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT OF LEASES AND RENTS (this "Assignment") is made as of the 8th day of June, 1998 by OXFORD HPC SCHAUMBURG OPERATING COMPANY, L.L.C., a Delaware limited liability company (hereinafter referred to as "Assignor"), to OCWEN PARTNERSHIP, L.P., a Virginia limited partnership (hereinafter called "Assignee")

Background:

A. Pursuant to that certain Operating Lease dated 1/1/97, 1998 by and between Oxford HPC Schaumburg Property Company, L.L.C., (f/k/a Oxford Schaumburg Company, LLC, a Delaware limited liability company) as lessor, and Assignor, as lessee, Assignor leases the real property and improvements thereon (collectively, the "Real Property"), which Real Property is legally described on Exhibit A attached hereto and by reference made a part hereof (Assignor's leasehold interest in the Real Property is referred to herein as the "Leasehold Premises").

B. Concurrently with the execution hereof, Assignee and Assignor have entered into a Loan Agreement, as the same may be amended, restated, modified and supplemented from time to time (such agreement, as in effect from time to time, being hereinafter referred to as the "Loan Agreement", all capitalized terms used but not otherwise defined herein shall have the same meaning ascribed to such terms in the Loan Agreement).

C. Pursuant to the Loan Agreement, Assignor has delivered to Assignee a Promissory Note of even date herewith (the "Note") in the principal sum of FOUR HUNDRED FORTY-SEVEN THOUSAND DOLLARS (\$47,000.00) due on or before the Loan Maturity (as defined in the Loan Agreement).

D. Assignor has further delivered to Assignee that certain Leasehold Mortgage, Security Agreement, Financing Statement and Assignment of Leases and Rents of even date herewith (the "Leasehold Mortgage") to secure the Note and all of the other Obligations (as defined in the Loan Agreement), which Leasehold Mortgage conveys, among other things, the Leasehold Premises.

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E. The Loan is subject to increase by an amount not to exceed a maximum amount of EIGHT HUNDRED NINETY-FOUR THOUSAND DOLLARS (\$894,000).

F. Assignee and Assignor are desirous of further securing the Note and the other Obligations, including, without limitation, the payment of the Repayment Interest.

Statement of Agreement:

NOW, THEREFORE, for and in consideration of these presents and the mutual agreements herein contained and as further and additional security to Assignee, and in consideration of the sum of ONE DOLLAR (\$1 00) to the undersigned in hand paid, the receipt and sufficiency of which are hereby acknowledged, Assignor does hereby sell, assign and transfer unto Assignee all subleases of the Leasehold Premises, or any part thereof, together with all the avails, rents, issues, cash collateral and profits arising from or accruing at any time hereafter by virtue of any sublease, whether written or verbal, or any letting of, or of any agreement for the use or occupancy of the Leasehold Premises or any part thereof, including, to the extent deemed to be an interest in real estate or rents, all charges, fees, accounts and other compensation received or owing, rights of payment therefor for the use of room and other hotel facilities whenever earned or acquired and however held (funds obtained as such charges, fees, accounts and other compensation and payments held in any reserve, account or credit balance shall retain the character of such charges, fees, accounts or other compensation and payments) ("**Room Revenues**"), which may heretofore have been made or agreed to, or which may hereafter be made or agreed to in accordance with the provisions of the Leasehold Mortgage, or which may be made or agreed to by Assignee under the powers herein granted (hereinafter a "**Lease**" or collectively the "**Leases**"), together with all guaranties of an absolute transfer and assignment of all the said Leases (except as otherwise expressly provided herein), and all the avails thereof, to Assignee, and Assignor does hereby appoint irrevocably Assignee its true and lawful attorney in its name and stead (with or without making entry or taking possession of the Leasehold Premises), to rent, sublease or let all or any portion of the Leasehold Premises to any party or parties at such rental and upon such terms, in its discretion as it may determine, and to collect all of said avails, rents, issues, cash collateral and profits arising from or accruing at any time hereafter, and all now due, or that may hereafter become due under each and all of the Leases and agreements, written or verbal, or other tenancy existing or which may hereafter exist on the Leasehold Premises, with the same rights and power and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as Assignee would have upon taking possession of the Leasehold Premises pursuant and subject to the provisions hereinafter set forth.

Assignor represents and agrees that, except for security or room deposits or payments on account of taxes or expenses, no rent has been paid or will be accepted by or on behalf of Assignor from any person in possession of any portion of the Leasehold Premises for more than one installment in advance and that no payment of any rents to accrue for any portion of said Leasehold Premises has been or will be waived, released, reduced, or discounted, or otherwise discharged or compromised by the undersigned except in the ordinary course of business with respect to the Leasehold Premises prior to the occurrence of any Event of Default hereunder, under the Loan Agreement, the Note, the Leasehold Mortgage or any other Loan Document

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Assignor agrees and represents unto Assignee, its successors and assigns as follows

- (a) Assignor is the sole owner of the entire sublessor's interest in all Leases existing as of the date hereof with respect to the Leasehold Premises or part thereof (the "Current Leases", which are listed on Exhibit B attached hereto and made a part hereof); except as may otherwise be provided in the Loan Agreement, the undersigned shall make no other or further assignment of the rents or profits or Current Leases until the release of this Assignment;
- (b) to the best of Assignor's knowledge, except as may have been disclosed in writing by Assignor to Lender in connection with the making of the Loan, no default exists on the part of sublessor or any sublessee under any Current Lease, or their successors and assigns, under the terms, covenants, provisions or agreements therein contained, and there exists no state of facts which, with the giving of notice or lapse of time or both would constitute a default under any of the Current Leases;
- (c) the Current Leases are valid and enforceable against Assignor in accordance with their terms;
- (d) the Current Leases and any and all Leases hereafter entered into in accordance with the provisions of the Leasehold Mortgage ("Future Leases") shall remain in full force and effect irrespective of any merger of the interest of sublessor and sublessee thereunder;
- (e) if any Lease provides for the abatement of rent during repair of the demised Leasehold Premises by reason of fire or other casualty, Assignor shall furnish rental insurance to Assignee in amount, form and substance, and written by insurance companies as shall be reasonably satisfactory to Assignee and shall in all events provide such insurance as may be required in the Loan Agreement;
- (f) Assignor shall perform all of Assignor's covenants and agreements as sublessor under each Lease, and, except to the extent provided in its Lease, shall not suffer or permit to occur any release of liability of any sublessee or any right of any sublessee to withhold payment of rent;
- (g) if so requested by Assignee after default under any Lease, Assignor shall enforce any one or more of the remedies available to it thereunder;

For purposes of this Assignment, the language, "to the best of Assignor's knowledge" and words of similar import shall mean and refer to the actual knowledge of Assignor after due inquiry and investigation.

Assignor hereby represents and warrants that (a) all the representations made by Assignor in the Current Leases are true in all material respects; (b) all rents and other charges due and payable

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under the Current Leases have been paid; (c) no rent has been prepaid for more than thirty days in advance; (d) there is no existing default or breach of any covenant or condition on the part of any sublessee and sublessor under any Current Lease; and (e) there are no options to purchase or renew by any sublessee and no amendments or modifications except as stated in the Current Leases.

Assignor covenants it will not, without the prior consent of Assignee obtained in each instance (which consent will not be unreasonably delayed):

- (a) commence any summary proceeding or other action to recover possession of any space demised pursuant to any Lease, other than a proceeding brought in good faith by reason of a default of any sublessee thereunder,
- (b) take any other action with respect to any Lease which would tend to impair the security of Assignee under this Assignment,
- (c) execute any agreement or create or permit a lien which may be or become superior to any of the Current Leases affecting the Leasehold Premises (other than those in favor of Assignee or those resulting from the Permitted Exceptions),
- (d) sublease to any person, firm or corporation except for actual occupancy by such person, firm or corporation, all or any part of the space in any building now or hereafter constituting a portion of the Leasehold Premises,
- (e) cancel, terminate or accept a surrender or suffer or permit any cancellation, termination or surrender of any Lease, unless sublessee is in default thereunder or entitled to such termination, cancellation, or surrender under the terms of its Lease,
- (f) modify any Lease so as to reduce the term thereof or the rent payable thereunder, or to change any renewal provision contained therein,
- (g) receive or collect or permit the receipt or collection of any rental payments of more than one monthly installment of rent under any Lease in advance of the due dates of such rental payments (other than security or room deposits or payments in respect of taxes or expenses),
- (h) sublease or extend any Current Lease other than in the manner presently provided for therein, or enter into any future Lease with any person, firm or corporation, except on terms reasonably obtainable in the market area of the Project, under Leases which shall in all respects be reasonably satisfactory to Assignee as to the form and substance thereof and the credit standing of the respective sublessee thereunder, or
- (i) execute, sell, assign, transfer, mortgage, pledge or otherwise dispose of or encumber, whether by operation of Law or otherwise, any Lease or any rentals under any Lease

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or any rents, income, profits or cash collateral issuing from the Leasehold Premises other than to Assignee

Nothing herein contained shall be construed as constituting Assignee a "mortgagee in possession" in the absence of the taking of actual possession of the Leasehold Premises by Assignee pursuant to the provisions hereinafter contained. In the exercise of the powers herein granted by Assignee, no liability shall be asserted or enforced against Assignee, all such liability being expressly waived and released by Assignor.

Assignor further agrees to execute and deliver to Assignee, immediately upon request, all such further assurances and assignments in the Leasehold Premises as Assignee shall from time to time reasonably require to effect the matters and interests contemplated hereby.

Although it is the intention of the parties that this Assignment is a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that Assignee shall not exercise any of the rights and powers conferred upon it herein until and unless one of the following events shall occur, any one of which shall constitute an "Event of Default" hereunder: (a) any "Event of Default" (as defined in the Loan Agreement) shall occur, (b) default shall be made in the performance or observance of any of the conditions or agreements hereunder and such default shall continue for fifteen (15) days after written notice of such default has been given to Assignor by Assignee (provided, however, that if such default is of a nature that it cannot be cured within fifteen (15) days and Assignor commences and diligently proceeds to cure such default, such cure period shall be extended for such period of time as required to cure such default but in no event more than sixty (60) additional days), (c) an Event of Default shall occur under any of the other Loan Documents, or (d) any other event shall occur that, in accordance with the terms of the Loan Agreement or the Note, entitles Assignee to accelerate the indebtedness evidenced by the Note. Nothing herein contained shall be deemed to affect or impair any rights which Assignee may have under said Loan Agreement, Note, Leasehold Mortgage or any other Loan Document

In any case in which, under the provisions of the Leasehold Mortgage, Assignee has a right to institute foreclosure proceedings or sell the Leasehold Premises at public auction, whether before or after the entire principal sum secured thereby is declared to be immediately due, or whether before or after institution of legal proceedings to foreclose the lien thereof or before or after foreclosure or public auction sale, forthwith, upon demand of the Assignee, Assignor agrees to surrender to Assignee, and Assignee shall be entitled to take actual possession of the Leasehold Premises or any part thereof personally, or by its agents or attorneys, for the purpose of managing and operating the Leasehold Premises only and Assignee in its discretion may, with or without process of law (to the extent permitted by Laws), enter upon and take and maintain possession of all or any part of the Leasehold Premises for the purpose of managing and operating the Leasehold Premises relating thereto, and may exclude Assignor, its agents or servants wholly therefrom and may as attorney-in-fact or agent of Assignor, or in its own name as Assignee and under the power herein granted, hold, operate, manage and control the Leasehold Premises and conduct the business, if any, thereof either personally or by its agents, with full power to use such measures, legal or equitable, as in its discretion, or in the discretion of its successors or assigns, may be deemed proper or necessary

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to enforce the payment of security of the avails, rents, issues, cash collateral and profits of the Leasehold Premises, including, without limitation, actions for the recovery of rent, actions to recover reasonable value for the use and occupancy of the Leasehold Premises, actions in forcible detainer and actions in distress of rent, hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, and with full power to cancel the same, to elect to disaffirm any sublease made subsequent to the Leasehold Mortgage or subordinated to the lien thereof (subject to any agreements between Assignee and any such sublessee), to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Leasehold Premises that may seem judicious, in its discretion, to insure and reinsure the same for all risks incidental to Assignee's possession, operation and management thereof, and to receive all such avails, rents, issues, cash collateral and profits.

The Assignee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any Lease or rental agreement relating to the Leasehold Premises, and Assignor shall and does hereby agree to indemnify and hold Assignee harmless of and from any and all liability, loss or damage which it may or might incur under any Lease or under or by reason of the assignment thereof and of and from any and all claims and demands whatsoever which may be asserted against it by reason of its management, operation or maintenance of the Leasehold Premises or the collection and disposition of rents, income, profits or cash collateral therefrom, or any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in any Lease, unless such liability, loss or damage is due to the gross negligence or willful misconduct of Assignee. Should Assignee incur any such liability, loss or damage as to which it is entitled to indemnification by reason of the preceding sentence, Assignor agrees to reimburse Assignee for the amount thereof, including without limitation reasonable direct costs and expenses and reasonable attorneys' and accountants' fees and all reasonable costs of litigation through and including post-judgment and appellate proceedings, if any, within ten (10) days after demand. In addition and notwithstanding anything to the contrary as set forth herein, Assignor agrees that no liability shall be asserted against Assignee by Assignor as a result of Assignee exercising its rights contained herein, all such liability being expressly waived and released by Assignor.

The Assignee in the exercise of the rights and powers conferred upon it by this Assignment shall have full power to use and apply the avails, rents, issues and profits of the Leasehold Premises to the payment of or on account of the following, in such order as Assignee in its sole discretion may determine:

- (a) The operating expenses of the Leasehold Premises, including, without limitation, cost of management and subleasing thereof (which shall include reasonable compensation to Assignee and its agent or agents, if management be delegated to an agent or agents, and it shall also include sublease commissions and other market rate compensation and expenses of seeking and procuring tenants and entering into subleases), costs to establish claim(s) for damages, if any, and premiums on insurance hereinabove authorized;

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(b) Taxes and special assessments now due or which may hereafter become due on the Leasehold Premises,

(c) Repairs, decorating, renewals, replacements and alterations of the Leasehold Premises, including without limitation the cost from time to time of installing or replacing such fixtures, furnishings, and equipment therein, and of placing the Leasehold Premises in such condition as will, in the reasonable judgment of Assignee, make it readily rentable, and

(d) To the payment of any indebtedness secured by the Leasehold Mortgage or any deficiency which may result from any foreclosure or public auction sale of the Leasehold Premises

Assignor further specifically and irrevocably authorizes and instructs each and every present and future sublessee of the whole or of any part of the Leasehold Premises to pay all unpaid rental agreed upon in any tenancy to Assignee upon receipt of demand from said Assignee which includes a recital that there has been an Event of Default hereunder to pay the same.

It is understood and agreed that the provisions set forth in this Assignment shall be deemed a special remedy given to Assignee, and shall not be deemed exclusive of any of the remedies granted in the Loan Agreement, the Leasehold Mortgage or any other Loan Document, but shall be deemed an additional remedy and shall be cumulative with the remedies therein granted and elsewhere granted in the Loan Documents, all of which remedies shall be enforceable concurrently or successively.

Whenever the word "Assignor" is mentioned herein, it is hereby understood that the same includes and shall be binding upon its successors, assigns and beneficiaries (including without limitation successors by consolidation), and any party or parties holding title to the Leasehold Premises by, through or under Assignor. All of the rights, powers, privileges and immunities herein granted and assigned to Assignee shall also inure to its successors and assigns, including all holders, from time to time, of the Note.

It is expressly understood that no judgment or decree which may be entered on any debt secured or intended to be secured by the Leasehold Mortgage shall operate to abrogate or lessen the effect of this Assignment, but that the same shall continue in full force and effect until the payment and discharge of any and all Obligations, or until such time as this instrument may be voluntarily released. This instrument shall also remain in full force and effect during the pendency of any foreclosure proceedings, both before and after sale, until the issuance of a deed pursuant to a foreclosure decree, unless the indebtedness secured by the Leasehold Mortgage is fully satisfied before the issuance of such deed.

This Assignment shall be interpreted, governed and construed in accordance with the internal Laws of the State of Illinois.

Notwithstanding any provision of state Law that might be interpreted to the contrary, Assignor and Assignee agree that in the event of any proceeding under the United States Bankruptcy

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Code, 11 United States Code § 101 et seq., the interest granted hereby, including the interest in Room Revenues whether determined to be real or personal property, shall be deemed to be a security interest which extends to proceeds, product, offspring, rents or profits acquired after the commencement of such proceeding pursuant to 11 U.S.C. § 552(b), and shall be deemed to be cash collateral pursuant to 11 U.S.C. § 363.

This Assignment may only be amended and modified by written instrument signed by the parties hereto and Assignee

This Assignment shall be binding upon and shall inure to the benefit of Assignor's and Assignee's respective successors and assigns.

Wherever possible, each provision of this Assignment shall be interpreted in such manner as to be effective and valid under applicable laws, but if any provision or any portion of any provision of this Assignment shall be ineffective or invalid, such provision or portion of such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Assignment

[signature page follows]

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IN WITNESS WHEREOF, Assignor has executed this Assignment of Leases and Rents as of the day and year first above written.

OXFORD HPC SCHAUMBURG OPERATING COMPANY, L.L.C., a Delaware limited liability company

By: Oxford BlackPoint Company III, L.L.C., a Delaware limited liability company, Its Sole Member

By: Oxford Capital Partners, Inc., an Illinois corporation, Its Manager

By: [Signature]
Name: Anna H. Nyquist
Title: Managing Director

Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that Nancy A. Medisica, personally known to me to be the Managing Director of Oxford Capital Partners, Inc., an Illinois corporation, Manager of Oxford BlackPoint Company III, L.L.C., the Sole Member of Oxford HPC Schaumburg Operating Company, L.L.C., appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act and deed, and the free and voluntary act and deed of the corporation and limited liability company, for the uses and purposes therein set forth.

Given under my hand and official seal, this 29th day of May, 1998.

Gina Venturella
Notary Public

My Commission Expires:

7/25/00



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EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1

THE NORTH 275.00 FEET OF LOT 1 IN ANDERSON'S THIRD RESUBDIVISION, BEING A RESUBDIVISION OF PART OF LOT 2 IN ANDERSON'S SECOND RESUBDIVISION, A RESUBDIVISION OF PART OF THE NORTHWEST 1/4 OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 2

A NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY EASEMENT AGREEMENT DATED APRIL 28, 1998 AND RECORDED MAY 6, 1998 AS DOCUMENT 98373511 FROM FIRST BANK OF SCHAUMBURG, AS TRUSTEE UNDER TRUST NUMBER 252 TO OXFORD SCHAUMBURG COMPANY, LLC FOR THE PURPOSE OF INGRESS AND EGRESS OVER THE FOLLOWING DESCRIBED LAND

THE SOUTH 105 FEET OF THE NORTH 350 FEET AND THE WEST 75 FEET OF LOT 1 IN ANDERSON'S THIRD RESUBDIVISION, BEING A RESUBDIVISION OF PART OF LOT 2 IN ANDERSON'S SECOND RESUBDIVISION, A RESUBDIVISION OF PART OF THE NORTHWEST 1/4 OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Address Corner of American Lane and National Parkway, Schaumburg, Cook County, Illinois

P.I.N. 07-13-101-011-0000

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EXHIBIT B

CURRENT LEASES

None

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CHICAGO 2 20588 3
CAM 982475.050006
June 5, 1998 (8:40pm)
Hawthorn Suites Hotel Schaumburg
(Tenant)

98-750092