

# UNOFFICIAL COPY

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98994245

THIS DOCUMENT WAS  
PREPARED BY AND WHEN  
RECORDED RETURN BY MAIL TO:

**98994245**

Judith O'Connell  
Fremont Investment & Loan  
303 W. Madison Street  
Chicago, Illinois 60606  
Commercial Real Estate Dept.  
Loan No.: 950113322

DEPT-01 RECORDING \$41.00  
T#0000 TRAN 0867 11/04/98 11:40:00  
#0970 # CG \*-98-994245  
COOK COUNTY RECORDER

## ASSIGNMENT OF RENTS AND LEASES

THIS ASSIGNMENT OF RENTS AND LEASES ("Assignment") is made as of October 30, 1998, by LASALLE NATIONAL BANK, not personally but solely as Trustee under Trust Agreement dated April 14, 1978 and known as Trust No. 54214 ("Trustee") and PRINTERS' SQUARE, an Illinois limited partnership ("Beneficiary") (Trustee and Beneficiary are collectively referred to herein as "Borrower"), to FREMONT INVESTMENT & LOAN, a California industrial loan association ("Lender"), with respect to the following Recitals:

### RECITALS

- A. Trustee is the owner of the real property described on Exhibit A attached hereto, together with the improvements now or hereafter located thereon (collectively, the "Project").
- B. Borrower and Lender are the parties to that certain Loan and Security Agreement of even date herewith (the "Loan Agreement"), pursuant to the terms of which Lender has agreed to make a loan of up to Eighteen Million Dollars (\$18,000,000.00) (the "Loan") to Borrower. All initially-capitalized terms not otherwise defined herein shall have the meanings given such terms in the Loan Agreement.
- C. Lender has required the execution and delivery of this Assignment as a condition to the closing of the Loan.

NOW, THEREFORE, in consideration of the foregoing Recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

#### 1. Assignment.

Borrower hereby presently, absolutely and irrevocably grants, sells, assigns, transfers and sets over to Lender all of the rents, issues, profits, revenue, royalties, income, proceeds, earnings and other benefits, including, without limitation, all prepaid rents (collectively, the "Rents") derived from any lease, sublease, license, franchise, occupancy or other agreement now existing or hereafter created and affecting all or any portion of the Project or the use or occupancy thereof (collectively, the "Leases"), together with all of Borrower's right, title and interest in (a) the Leases and all security deposits and other security now or hereafter held by Borrower as security for the

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**BOX 333-CTI**

7757443 DIV. 2 Aulet 2

PROPOSED COOK COUNTY CLERK'S OFFICE

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performance of the obligations of the tenants thereunder (collectively, the "Tenants"), (b) all insurance proceeds with respect to the Leases including, without limitation, rental loss coverage and business interruption coverage, and (c) all judgments and settlements of claims in favor of Borrower arising from the Leases, and all rights, claims and causes of action under any legal proceeding, including, without limitation, any bankruptcy, reorganization or insolvency proceeding, or otherwise, arising from the Leases, and (d) all reciprocal easement agreements, operating covenants, and covenants, conditions and restrictions relating to the Leases or the operation of the Project (collectively, the "Project Documents"). As used herein, the term "Leases" shall include all guaranties, modifications, amendments, extensions and renewals of the Leases and all rights and privileges incident thereto. As used herein, the term "Tenants" shall include any guarantors of any or all of the Tenants' obligations under the Leases.

This Assignment is intended by Borrower and Lender to create and shall be construed to create an absolute present assignment to Lender of all of Borrower's right, title and interest in the Rents, the Leases and the Project Documents and shall not be deemed to create a security interest therein for the payment of any indebtedness or the performance of any obligations of Borrower under the Loan Documents. Lender at all times, independent of Borrower, shall have the standing and the right to specifically enforce, by injunction or otherwise, all or any provisions in the Leases and the Project Documents as though Lender originally was a party thereto. Borrower and Lender further agree that, during the term of this Assignment, the Rents shall not constitute property of Borrower (or of any estate of Borrower) within the meaning of 11 U.S.C. §541, as amended from time to time. By its acceptance of this Assignment and so long as an Event of Default shall not have occurred and is continuing under any of the Loan Documents, Lender hereby grants to Borrower a revocable license to enforce the Leases and the Project Documents, to operate, maintain, repair and restore the Project in accordance with the Loan Documents, to collect and hold the Rents, to apply the Rents as a trust fund to be applied to the payment of the costs and expenses incurred in connection with the development, operation, maintenance, repair and restoration of the Project and to the Loan and any other indebtedness secured by the Project and permitted by the terms of the Loan Documents, and to distribute the balance, if any, to Borrower, in each case in accordance with the terms of the Loan Documents. The license granted Borrower shall not affect or diminish Lender's rights hereunder, but shall be interpreted to give Borrower certain concurrent rights with Lender.

## 2. Revocation of License.

From and after the occurrence and during the continuance of an event of Default under any of the Loan Documents, Lender shall have the right to revoke the license granted to Borrower in Section 1 by giving written notice of such revocation to Borrower without the necessity of Lender taking control of the Project in person, by agent or by a court-appointed receiver, or if and only if Lender elects in writing, to do, as mortgagee-in-possession. Upon such revocation, Borrower shall promptly deliver to Lender all Rents then held by Borrower.

## 3. Collection by Lender.

From and after the occurrence and during the continuance of an Event of Default under any of the Loan Documents, Lender shall have the right to collect all or any portion of the Rents, including, without limitation, all Rents accrued and unpaid as of such date, directly or through a court-appointed receiver, or, if and only if Lender elects in writing, to do, as mortgagee-in-possession together with, without limitation, the right to:

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A. give notice to the Tenants in accordance with the provisions of Section 4 hereof and, with or without taking possession of the Project, to demand that all Rents, including, without limitation, all Rents accrued and unpaid as of such date, under the Leases thereafter be paid to Lender without deduction or offset;

B. enter into possession of the Project, to assume control with respect to, and to pay all expenses incurred in connection with, the development, operation, maintenance, repair or restoration of the Project, to enforce all or any provisions in the Leases and Project Documents (which enforcement right shall exist both before and after an Event of Default or Potential Default) and to collect all Rents due thereunder, to apply all Rents received by Lender as provided in Section 5 hereof, to amend, modify, extend, renew and terminate any or all Leases, to execute new Leases and to do all other acts which Lender shall determine, in its sole discretion, to be necessary or desirable to carry out the purposes of this Assignment; and

C. specifically enforce the provisions of this Assignment and to use all other measures, legal and equitable, deemed by Lender necessary or proper to enforce this Assignment and to collect the Rents.

Borrower hereby appoints Lender its true and lawful attorney-in-fact, effective upon an Event of Default under any of the Loan Documents, with full power of substitution, to, in Lender's own name and capacity, or in the name and capacity of Borrower, demand, collect, receive and give complete acquittances for any and all rents, and at Lender's discretion to file any claim or take any other action or proceeding and make any settlement of any claims, either in its own name or in the name of Borrower, which Lender may deem necessary or desirable in order to collect and enforce the payment of the Rents. THIS POWER OF ATTORNEY IS COUPLED WITH AN INTEREST AND MAY NOT BE REVOKED BY BORROWER UNTIL ALL OF BORROWER'S OBLIGATIONS TO LENDER UNDER THE LOAN DOCUMENTS ARE FULLY PAID AND SATISFIED.

#### 4. Protection of Tenants.

Borrower and Lender agree that all Tenants shall be bound by and required to comply with the provisions of this Assignment. In connection therewith, Borrower and Lender further agree as follows:

A. If requested by Lender, Borrower shall (i) notify each Tenant of the existence of this Assignment and the rights and obligations of Borrower and Lender hereunder, and (ii) use its best efforts to obtain from commercial Tenants such Tenant's agreement to be bound by and comply with the provisions of this Agreement.

B. All Leases hereafter executed with respect to the Project or any portion thereof shall contain a reference to this Assignment and shall state that such Tenant shall be bound by and shall comply with the provisions hereof.

C. From and after the occurrence of an Event of Default under any of the Loan Documents, Lender may, at its option, send any Tenant a notice that: (i) an Event of Default has occurred and Lender has revoked Borrower's license to collect the Rents; (ii) Lender has elected to exercise its rights under this Assignment; and (iii) such Tenant is thereby directed to thereafter make all payments of Rent, including, without limitation, all Rents accrued and unpaid as of such date, and to perform all obligations under its Lease to or for the benefit of Lender or such party as Lender shall direct.

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D. Upon receipt of any such notice from Lender, each Tenant is hereby instructed by Borrower and Lender to comply with the provisions of such notice, to make all payments of Rent, including, without limitation, all Rents accrued and unpaid as of such date, and to perform all obligations under the Lease to and for the benefit of Lender or such party as Lender shall direct. Such notice and direction shall remain effective until the first to occur of: (i) the receipt by such Tenant of a subsequent notice from Lender directing another method of payment of the Rents, (ii) the appointment of a receiver, in which event such Tenant shall thereafter make payments of Rent and perform all obligations under the Leases as may be directed by such receiver, or (iii) the issuance of an order of a court of competent jurisdiction terminating this Assignment or otherwise directing another method of payment of the Rents.

E. Each Tenant who receives a notice from Lender pursuant to this Assignment shall be entitled to rely upon such notice and shall not be required to investigate or determine the validity or accuracy of such notice or the validity or enforceability of this Assignment. Borrower hereby indemnifies and agrees to defend and hold each Tenant harmless from and against any and all expenses, loss, claims, damage or liability arising out of the Tenant's compliance with such notice or performance of the obligations under the Lease by the Tenant made in good faith in reliance on and pursuant to such notice.

F. Neither the payment of Rent to Lender pursuant to any such notice nor the performance of the obligations under any Lease to or for the benefit of Lender or such party as Lender directs, nor the enforcement by Lender of any provision in any Lease or Project Document shall cause Lender to assume or be bound by the provisions of any Lease or Project Document.

G. The provisions of this Section 4 are expressly made for the benefit of and shall be binding on and enforceable by each Tenant under the Leases.

## 5. Application of Rents; Security Deposits

All Rents received by Lender pursuant to this Assignment shall be applied by Lender, in its sole discretion and in the order it elects, to any of the following:

A. the costs and expenses of collection of the Rents including, without limitation, reasonable attorneys' fees and costs;

B. the costs and expenses incurred in connection with the development, operation, ownership, maintenance, repair or restoration of the Project;

C. the establishment of reasonable reserves for working capital and for anticipated or projected costs and expenses, including, without limitation, capital improvements which may be reasonably necessary or which may be required by law; and

D. the payment of any indebtedness then owing by Borrower to Lender.

Borrower further agrees that all Rents received by Lender from any Tenant may be allocated first, if Lender so elects, to the payment of all current obligations of such Tenant under its Lease and not to amounts which may be accrued and unpaid as of the date of revocation of Borrower's license to collect such Rents. Lender may, but shall have no obligation to, pursue any Tenant for the payment of Rent which may be due under its Lease with respect to any period prior to the exercise of Lender's right to revoke Borrower's license under this Assignment or which may become due thereafter. Notwithstanding anything to the contrary contained herein, Lender shall not be

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liable to any Tenant for the payment or return of any security deposit under any Lease unless and to the extent that such security deposit has been paid to and received by Lender and Borrower hereby indemnifies and agrees to defend and hold the Indemnitees harmless from and against any and all expenses, loss, claims, damage or liability arising out of any claim by a Tenant with respect thereto. Borrower further agrees that the collection of Rents by Lender and the application of such Rents by Lender to the costs, expenses and obligations referred to in this Section 5 shall not cure or waive any Potential Default or Event of Default or invalidate any act (including, but not limited to, any foreclosure sale of all or any portion of the Project or any property now or hereafter securing the Loan) done in response to or as a result of such Potential Default or Event of Default.

## 6. Indemnity.

Borrower hereby indemnifies and agrees to defend and hold the Indemnitees harmless from all expenses, loss, claims, damage or liability which the Indemnitees incur under any of the Leases or Project Documents or under or by reason of this Assignment or by reason of any alleged obligation or undertaking on Lender's part to perform or discharge any covenants or agreements contained in any of the Leases or Project Documents; provided that such indemnity shall not extend to expenses, loss, claims, damage or liability arising from any indemnified party's gross negligence or willful misconduct or arising after the date, if ever, that Lender takes title to the Project through the foreclosure of the Mortgage or a deed in lieu or in aid thereof.

## 7. Priority of Assignment; Further Assurances.

Borrower hereby represents and warrants that this Assignment hereby granted is a first priority assignment and that, except for the Junior Loan Documents, no other assignments of all or any portion of the Rents or the Leases or the Project Documents exist or remain outstanding. Borrower agrees to take such actions and, within ten (10) days after Lender's request, to execute, deliver and record such documents as may be reasonably necessary to evidence such assignment, to establish the priority thereof and to carry out the intent and purpose hereof. If requested by Lender, Borrower shall, within ten (10) days after Lender's request, execute and deliver to Lender a specific assignment of any Lease now or hereafter affecting all or any portion of the Project, in form and substance reasonably satisfactory to Lender, and Borrower shall, within twenty (20) days after Lender's request, execute and deliver to Lender, and use its best efforts to cause the commercial tenants under the Leases, and any other party to, or guarantor of, the Leases, to execute and deliver to Lender, Nondisturbance and Attornment Agreements and/or estoppel certificates, in form and substance reasonably satisfactory to Lender.

## 8. Lender not Responsible for Borrower's Obligations.

Notwithstanding the absolute, unconditional, present nature of this Assignment, nothing contained herein shall operate or be construed to obligate Lender to perform any of the terms, covenants and conditions contained in any Lease or the Project Documents or otherwise to impose any obligation upon Lender with respect to any Lease or the Project Documents, including, without limitation, any obligation arising out of any covenant of quiet enjoyment in any Lease in the event the Tenant under such Lease is joined as a party in any foreclosure action and the estate of such Tenant is thereby terminated. Prior to actual entry into and taking possession of the Project by Lender, this Assignment shall not operate to place upon Lender any responsibility for the development, operation, control, maintenance, repair or restoration of the Project or any portion thereof, and the execution of this Assignment by Borrower shall constitute conclusive evidence that all responsibility therefor is and shall be that of Borrower.



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## 9. Termination of Assignment.

A full and complete release and reconveyance of the Mortgage shall operate as a full and complete release of all of Lender's rights and interest hereunder. Upon the recordation of such full and complete release and reconveyance, this Assignment shall thereafter be void and of no further effect.

## 10. Covenants Running With the Land.

Borrower's covenants hereunder and the provisions of Section 5 shall be deemed covenants running with the land and shall be binding upon all Tenants, subtenants, licensees, other occupants of the Project and the assignees of same.

## 11. Successors and Assigns.

The provisions of this Assignment shall be binding upon and shall inure to the benefit of Borrower, Lender and their respective successors and assigns.

## 12. Notices.

All notices to be given under this Assignment shall be in writing and shall be given in the manner provided in the Loan Agreement.

13. Counterparts. This Assignment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this Assignment to physically form one document, which may be recorded.

## 14. Governing Law.

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

## 15. Validity.

Any Lease, or any amendment or modification thereof, entered into after the date hereof which is not entered into in accordance with the terms and conditions of the Loan Agreement, shall be invalid at Lender's option.

## 16. Recourse.

The provisions of Section 4.11 of the Note are hereby incorporated herein by reference as if set forth in full herein.

## 17. Trustee Exculpation.

This Agreement is executed by Trustee, not personally but solely as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it, as Trustee as aforesaid (and it hereby represents that it possesses full power and authority to execute this instrument). It is

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expressly understood and agreed by every person, firm or corporation hereafter claiming an interest pursuant to this instrument that Trustee has executed this instrument solely for the purpose of subjecting the aforesaid Trust to the terms of this instrument; that no personal liability or personal responsibility is assumed by, or shall, at any time, be asserted or enforceable against, Trustee personally on account of this instrument or on account of any representation, obligation, duty, covenant or agreement contained herein, either express or implied; all such personal liability, if any, being expressly waived and released; and further, that no duty shall rest upon Trustee, either personally or as Trustee, to sequester trust assets, rentals, avails or proceeds of any kind, or otherwise to see to the fulfillment or discharge of any obligation, express or implied, arising pursuant to the terms of this instrument, except where acting pursuant to direction, as provided by the terms of the trust agreement aforesaid, and after being first supplied with funds required for such purpose. In the event of any conflict between the terms of this paragraph and the remainder of this instrument, or in the event of any question of apparent liability or obligation resting upon Trustee, the exculpatory provisions hereof shall be controlling.

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IN WITNESS WHEREOF, Borrower has executed and delivered this Assignment as of the date first above written.

Borrower:

LASALLE NATIONAL BANK, as Trustee under  
Trust Agreement dated April 14, 1978 and known  
as Trust No. 54214 ~~and not personally~~

By: 

Its: SR. VICE PRESIDENT

PRINTERS' SQUARE, an Illinois limited partnership

By: 

Anthony Antoniou, Managing General Partner

Property of Cook County Clerk's Office

98994245

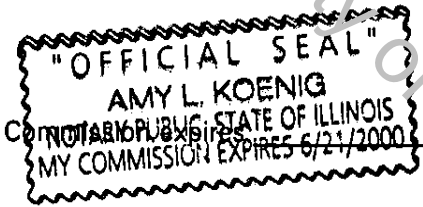


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STATE OF ILLINOIS )  
COUNTY OF Cook ) ss.

I, the undersigned, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Anthony Antonou personally known to me to be the Managing GP of PRINTERS' SQUARE, an Illinois limited partnership, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such managing general partner, he signed and delivered the said instrument pursuant to authority of said limited partnership as his free and voluntary act and as the free and voluntary act and deed of said limited partnership, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 30th day of October, 1998



Amy L. Koenig  
Notary Public

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## EXHIBIT A

### Description of Property

That certain real property located in the City of Chicago, County of Cook, State of Illinois, having a street address of 600-780 S. Federal, more particularly described as follows:

PARCEL 1: LOTS 17 TO 32, BOTH INCLUSIVE, AND LOT 43 IN BRAND'S SUBDIVISION OF BLOCK 125 IN THE SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 2: LOTS 2, 5 (EXCEPT THE WEST 5.64 FEET OF THE NORTH ½ OF SAID LOT 5) 8, 11, 14, 17 AND 20 (EXCEPT THAT PART OF LOTS 2, 5, 8, 11, 14, 17 AND 20 LYING WEST OF THE EAST LINE OF ALLEY RUNNING NORTH AND SOUTH ACROSS THE REAR OF SAID LOTS AS LOCATED ON JULY 1, 1969) IN GOODHUE'S SUBDIVISION OF BLOCK 126 IN THE SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PARCEL 3: EASEMENT APPURTENANT TO AND FOR THE BENEFIT OF LOTS 2, 5, 8, 11, 14 AND 17 IN PARCEL 2 AFORESAID (EXCEPT THAT PART THEREOF FALLING IN PRIVATE ALLEY) FOR INGRESS AND EGRESS AS SET FORTH IN AGREEMENT RECORDED AS DOCUMENT NUMBER 5556380 AND IN AGREEMENT RECORDED AS DOCUMENT NUMBER 13016949 OVER AND UPON THE NORTH AND SOUTH PRIVATE ALLEY RUNNING ACROSS THE REAR OF LOTS 2, 5, 8, 11, 14 AND 17 IN GOODHUE'S SUBDIVISION OF BLOCK 126 AFORESAID, IN COOK COUNTY, ILLINOIS

#### Permanent Tax Identification Numbers:

17-16-405-044-0000  
17-16-405-025-0000  
17-16-405-028-0000  
17-16-405-024-0000  
17-16-405-043-0000  
17-16-405-026-0000  
17-16-405-027-0000  
17-16-405-034-0000  
17-16-405-023-0000  
17-16-405-022-0000  
17-16-405-006-0000  
17-16-405-020-0000  
17-16-405-021-0000  
17-16-405-029-0000  
17-16-405-030-0000  
17-16-405-031-0000  
17-16-405-032-0000  
17-16-405-033-0000