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Cook County Recorder 37.00



Subject Property:

2126 N. Magnolia Street
Chicago, Illinois:

PIN No: 14-32-126-033

**Prepared By and
To Be Mailed To:**

John J. Turner, Esq.
527 South Wells Street
Chicago, IL 60607
(312) 987-1900

DI 7796275 LMT

ASSIGNMENT OF RENTS AND LEASES

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This Assignment of Rents and Leases ("Assignment"), dated as of February 22, 1999, is made to and in favor of **LAKESIDE BANK**, an Illinois banking corporation (the "Lender"), 55 West Wacker Drive, Chicago, Illinois 60601, by and from the following named assignors (singly and collectively, the "Borrower"):

WARREN BAKER and **CYNTHIA BAKER**, and **LAKESIDE BANK**, not personally but in its capacity as a "land trustee" (the "Trustee") under its Trust Agreement No. 10-2027, dated February 22, 1999 (the "Trust").

1. For Value received, and to secure the payment and performance of the "Obligations" hereinafter defined, the Borrower does hereby sell, assign and transfer to the Lender all rents, avails, issues and profits now and hereafter due (collectively, the "Rents") under or by virtue of any written or verbal lease of, or agreement for the use or occupancy of, all or any part of the real estate (the "Premises") described in attached Exhibit A, heretofore or hereafter made or agreed to by the Borrower (or by the Lender in the exercise of the powers herein granted); all such leases and agreements are hereinafter collectively referred to as the "Leases". It is the intention of the Borrower to establish an absolute transfer and assignment to the Lender of all the Leases and Rents, and the Borrower hereby appoints the Lender as its true and lawful attorney in the Borrower's name and stead (with or without taking possession of the Premises) to lease or let all or any portion of the Premises to such parties and at such rentals and upon such terms as the Lender in its reasonable discretion may determine, and to collect all Rents now or hereafter due, and with the same rights and powers and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as the Lender would have upon taking possession of the Premises pursuant to the provisions hereof.

BOX 333-CTI

2. Although, as provided above, this Assignment constitutes a present assignment, it is expressly understood and agreed that the Lender shall not exercise any of its rights and powers hereunder unless and until an "Event of Default" occurs under, and as that term is defined in, that certain \$1,750,000.00 promissory note of even date herewith and executed and delivered by the aforesaid Warren Baker, the Trustee, and others, in favor of the Lender (the "Note"), hereby incorporated herein by reference.

3. As used herein, the term "**Obligations**" means the indebtedness and obligations owed to the Lender under the Note, and under the "Loan Documents" and the "Other Liabilities" as those terms are used and defined in the Note. The Loan Documents are hereby incorporated herein by reference; included therein is that certain mortgage of the Premises of even date herewith and executed and delivered by the aforesaid Trustee in favor of the Lender (the "**Mortgage**").

4. Immediately upon demand of the Lender following any Event of Default, the Borrower shall surrender the Premises to the Lender and the Lender shall be entitled to take actual possession of part or all of the Premises personally or by its agents, and in its discretion may enter upon and take and maintain possession of all or any part of the Premises, together with all the documents, books, records, papers and accounts of the Borrower relating thereto, and may exclude the Borrower and its agents or servants wholly therefrom and may as attorney-in-fact or agent of the Borrower or in the Lender's own name and under the powers herein granted, hold, operate, manage and control the Premises and conduct any business thereof, either personally or by the Lender's agents, with full power to use legal or equitable measures, as in the Lender's reasonable discretion may be deemed proper or necessary to enforce the payment or security of the Rents or the Premises. The Borrower hereby grants the Lender full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, without notice to the Borrower, and with full power to: cancel or terminate any Lease for any cause or on any ground which would entitle the Borrower to cancel the same; elect to disaffirm any Lease made subsequent to or subordinated to the lien of the Mortgage; make necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the Premises that may seem judicious to the Lender in its reasonable discretion (collectively, the "**Repairs**"); and insure and reinsure the Premises for all risks and incidental to the Lender's possession, operation and management thereof.

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

6. In the exercise of its rights and powers hereunder, the Lender may use and apply any Rents collected by it to the payment of or on account of the following with respect to the

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Premises and in such order as it determines: operating, management and leasing fees, expenses and commissions; reserves for insurance premiums, taxes and assessments; alterations, additions, and improvements; and the Repairs.

7. The Lender shall not be obligated, and does not hereby undertake, to perform or discharge any obligation, duty or liability under any Leases, and, except for the Lender's gross negligence or willful misconduct, the Borrower shall and does hereby agree to indemnify and hold the Lender harmless from any and all liability, loss or damage which the Lender may or might incur under any Lease by reason of this Assignment, and from any and all claims and demands whatsoever which may be asserted against the Lender by reason of any alleged obligations or undertakings on the Lender's part to perform or discharge any of the terms, covenants or agreements contained in the Leases or in the defense of any claims or demands arising prior to the Lender taking possession of the Premises. The Borrower hereby agrees to immediately reimburse the Lender upon demand for any amount due the Lender by reason of this paragraph, including its reasonable costs, expenses and legal fees.

8. The Borrower represents and covenants: that no Rents falling due hereafter have been or will be accepted for more than one month in advance; that no portion of such Rents has been or (unless in the ordinary course of business) will be waived, released, reduced or discounted or otherwise discharged or compromised by the Borrower; that the Borrower waives (only for the purposes hereof) any right of setoff against any person in possession of any portion of the Premises; and that the Borrower will not make or attempt any further assignment any of the Rents or Leases.

9. As used herein, the term "**Borrower**" includes, and this Assignment shall be binding upon, the successors and assigns of each of the parties Borrower and any party holding title to the Premises by, through or under them. All of the Lender's rights, powers, privileges and immunities herein shall inure to its successors and assigns.

10. The provisions set forth herein shall be deemed as a special remedy given to the Lender in addition to and cumulative with the remedies granted in the Note and said Loan Documents.

11. No judgment which is entered with respect to any of the Obligations shall operate to abrogate or lessen the effect of this Assignment, which shall continue in full force and effect during the pendency of any foreclosure of the Mortgage and until the payment and discharge of all of the Obligations and all bills incurred by virtue of the authority granted herein.

12. At the option of the Lender, the Mortgage shall become subject and subordinate in whole or in part (but not with respect to priority to entitlement to insurance proceeds or any award in condemnation) to any or all of the Leases, upon the recording of the Lender's unilateral declaration of such subordination with the appropriate County Recorder(s) of Deeds. In the event that, at the time of recording hereof, there is attached hereto an exhibit entitled

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"Exhibit B - Specific Leases", the tenancies described therein shall be deemed included, without limitation, in the Leases which are the subject hereof.

13. The Borrower agrees to promptly execute and deliver such further assurances and acknowledgments consistent with the terms hereof that the Lender may from time to time require. The Borrower hereby waives notice of the Lender's acceptance thereof.

14. If any provision of this Assignment or the application thereof to any person, party or circumstance shall be invalid or unenforceable under applicable law, such event shall not affect, impair or render invalid or unenforceable the remainder of this Assignment nor any other provision hereof, nor shall it affect the application of any provision hereof to other persons, parties or circumstances. This Assignment is executed and delivered at Chicago, Illinois and shall be governed by and construed in accordance with the laws of the State of Illinois. Actions for all disputes shall, at the Lender's option (but subject to any non-waivable venue or forum provisions of applicable law), be commenced in or transferred to such Department (and such Division or District thereof) of the Circuit Court of Cook County as the Lender may select. The Borrower hereby waives, and the Lender hereby reserves, any right now or in the future to remove any such action to the Courts of the United States of America.

15. **Instructions to Tenants.** The Borrower hereby specifically and irrevocably authorizes, instructs and directs each present and future lessee or tenant under each of the Leases to pay directly to the Lender, upon its written demand therefor and without any inquiry as to the Lender's rights thereto, all Rents then and thereafter due under each Lease. By making such demand the Lender assumes no responsibility for, nor shall any tenant have a claim or setoff against the Lender for, any security deposit under any Lease.

16. **Notices.** Any notice, demand or other communication intended for the Borrower or the Lender with respect to this Assignment shall be given in the manner and by the method as provided in the "Notices" Section of the Note.

17. **Exculpation of Trustee.** This Assignment is executed and delivered by the aforesaid Trustee in the exercise of the authority conferred upon it as a trustee under its aforesaid Trust Agreement, and not in its individual capacity. Other than its warranty, hereby made, that it possesses full power and authority to execute and deliver this Assignment, nothing contained herein shall be construed as creating any personal liability of such Trustee in its individual capacity to pay or perform any indebtedness or obligation created, evidenced or secured by this Assignment. The foregoing exculpation shall not apply to, nor limit or diminish the liability of, any party or person other than such Trustee.

Counterparts. This Assignment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument.

LAKESIDE BANK
not personally but as Trustee as aforesaid.

By: Vincent Tolve
Its: VICE - PRESIDENT & TRUST OFFICER

[Signature]
WARREN BAKER
[Signature]
CYNTHIA BAKER

AND NOT PERSONALLY

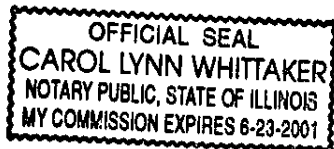
STATE OF ILLINOIS SEE RIDER ATTACHED HERETO.
COUNTY OF COOK AND MADE A PART HEREOF.

The foregoing Instrument was acknowledged before me on March 5, 1999, by Vincent Tolve, the Vice president & Trust officer of LAKESIDE BANK, an Illinois banking corporation, on behalf of the corporation as Trustee.



[Signature]
NOTARY PUBLIC

The foregoing Instrument was acknowledged before me on March 4, 1999, by WARREN BAKER and CYNTHIA BAKER.



Carol Lynn Whittaker
NOTARY PUBLIC

EXHIBIT A

Legal Description

Lot 11 IN SUB-BLOCK 7 OF BLOCK 13 IN SHEFFIELD'S ADDITION TO
CHICAGO, IN SECTION 32, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE
PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 2126 North Magnolia Avenue, Chicago, Illinois

P.I.N. 14-32-126-033

Property of Cook County Clerk's Office

**Lakeside Bank**

55 WEST WACKER DRIVE • CHICAGO, ILLINOIS 60601-1699 • (312) 435-5100

ASSIGNMENT OF RENTS RIDER

THIS ASSIGNMENT OF RENTS IS EXECUTED BY LAKESIDE BANK, NOT personally but as trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such trustee, and it is expressly understood and agreed that nothing herein or in said mortgage or trust deed or in said note shall be construed as creating any liability on the said **lakeside bank** personally to pay the said note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any agreement or covenant either express or implied herein contained, all such liability, if any, being expressly waived by trustee and by every person now or hereafter claiming any right or security hereunder and that so far as **lakeside bank** personally is concerned the legal holder or holders of said note and the owner or owners of any indebtedness accruing hereunder or anyone making any claim hereunder shall look solely to the premises hereby conveyed and the rents hereby assigned for the payment thereof, by the enforcement of the lien hereby created, in the manner herein and in said mortgage or trust deed and note provided.

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DIRECTION TO DISBURSE LOAN PROCEEDS

TO: LAKESIDE BANK
141 WEST JACKSON BOULEVARD
CHICAGO, ILLINOIS 60604

RE: \$ 1,750,000 Loan

Gentlemen:

With reference to the \$ 1,750,000 (term) (demand) (installment) loan evidenced by a Promissory Note of the undersigned dated FEB. 22, 1999, you are hereby authorized and directed to disburse the proceeds of the loan as follows:

Company re Escrow Hold 109907721 or Wire Transfer for its disbursement as follows:

	Amount
1. <u>LAKESIDE BANK FEE</u>	<u>\$8,750.00</u>
2. <u>APPRAISAL ASSOCIATES</u>	<u>2,200.00</u>
3. <u>R.C. WESSELL ASSOCIATES, LTD.</u>	<u>250.00</u>
4. <u>CT&T FLOOD CERTIFICATION</u>	<u>40.00</u>
5. <u>LAW OFFICES OF VICTOR CACCIATORE</u>	<u>4,982.00</u>
6. <u>LAKESIDE BANK TRUST FEES</u>	<u>995.00</u>
7. <u>Balance as directed by Warren Behr</u>	<u> </u>
8. <u> </u>	<u> </u>

Very truly yours,

Borrowers
by Ellen Beardsley
Attorney



Lakeside Bank

55 WEST WACKER DRIVE • CHICAGO, ILLINOIS 60601-1699 • (312) 435-5100

DISBURSEMENT ORDER

PROCEEDS OF SALE OR MORTGAGE

RE: Trust No 10-2025, 10-2026, and 10-2027

TO: To Whom It May Concern: DATE March 5, 1999

Without further notice or accounting to the undersigned, you are hereby authorized and instructed to disburse the entire proceeds arising from the currently pending sale or mortgage of the property commonly known as:

(1) 1814-20 W. Chicago, IL 60622; (2) 1620-24 W. Chicago, IL 60622

TO: \$995.00 to Lakeside Bank Trust Department, and the remainder to Warren E. Baker or his assigns.

Note: \$995.00 including (a) \$300.00 Acceptance Fee for Trust NO. 10-2025; (b) \$300.00 Acceptance Fee for Trust NO. 10-2026; (c) \$175.00 Acceptance Fee For Trust NO. 10-2027, and (e) \$220.00 for Execute Mortgage Documents.

This authorization is given pursuant to direction of those beneficiary (ies) of said Trust empowered to direct the Trustee.

LAKESIDE BANK, as Trustee under Trust Agreement dated February, 22, 1999 Under Trust NO. 10-2025 10-2026 10-2027

AND NOT PERSONALLY By: [Signature] Vice-President-Trust Officer