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02/07/90

ASSIGNMENT OF LEASES AND RENTS

KNOW ALL MEN BY THESE PRESENTS, that AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but as Trustee under Trust Agreement dated as of December 7, 1976 and known as Trust Number 39741 (the "Trustee") whose address is 33 North LaSalle Street, Chicago, Illinois 60602, and PALATINE HOTEL LIMITED PARTNERSHIP, an Illinois limited partnership, whose address is 919 North Michigan Avenue, Suite 1919, Chicago, Illinois 60611, Attention: Allen S. Musikantow ("Beneficiary"), (Trustee and Beneficiary being hereinafter collectively referred to as "Assignors"), in consideration of the sum of \$10.00 and other good and valuable considerations, the receipt and sufficiency whereof are hereby acknowledged, do hereby assign, transfer and set over unto EXCHANGE NATIONAL BANK OF CHICAGO, of 120 South LaSalle Street, Chicago, Illinois 60603 (hereinafter referred to as the "Mortgagee"), all right, title and interest of the Assignors in, under or pursuant to any and all present or future leases, whether written or oral, or any lettings of possession of, or any agreements for the use or occupancy of, the whole or any part of the real estate and Premises hereinafter described which the Assignors or either of them may have heretofore made or agrees to or may hereafter make or agree to, or which may be made or agreed to by the Mortgagee under the powers hereinafter granted, including all amendments and supplements to and renewals thereof at any time made (hereinafter a "Lease", or, collectively, the "Leases"), all relating to that certain real estate situated in the County of Cook, State of Illinois, described in Exhibit "A" attached hereto and made a part hereof and the improvements now or hereafter erected thereon (the "Premises"), including, without limiting the generality of the foregoing, all right, title and interest of Assignors or either of them in and to all the rents (whether fixed or contingent), earnings, renewal rents and all other sums due or which may hereafter become due under or by virtue of the Leases and all rights under or against guarantors of the obligations of lessees under the Leases.

THIS INSTRUMENT PREPARED BY
AND AFTER RECORDING RETURN TO:

Michael S. Kurtzon
Miller, Shakman, Hamilton
& Kurtzon
208 South LaSalle Street
Suite 1200
Chicago, Illinois 60604
(312) 263-3700

PERMANENT INDEX NO.:

02-24-106-019-0000

ADDRESS:

920 East Northwest Highway
Palatine, Illinois 60067

72-47-7370-212

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This Assignment is made and given as collateral security for, and shall secure (i) the payment in full of all principal of and interest on a Promissory Note of the Trustee and Beneficiary bearing even date herewith, payable to the order of the Mortgagee in the aggregate face principal sum of \$5,500,000.00 and any note issued in extension or renewal thereof or in substitution therefor (the "Note"), (ii) the performance of all obligations, covenants, promises and agreements contained herein or in that certain Mortgage and Security Agreement with Assignment of Rents bearing even date herewith, from the Trustee to the Mortgagee (the "Mortgage" conveying and mortgaging the Premises as security for the Note and any and all other indebtedness intended to be secured thereby, (iii) the performance of all obligations, covenants, promises and agreements of the Trustee or the Beneficiary under that certain Letter Agreement bearing even date herewith, by and among the Beneficiary and the Mortgagee (the "Letter Agreement"), and (iv) the payment of all expenses and charges, legal or otherwise, paid or incurred by the Mortgagee in realizing upon or protecting the indebtedness referred to in the foregoing clauses (i) and (ii) or any security therefor, including this Assignment.

This Assignors do hereby irrevocably authorize and empower the Mortgagee after an uncured default hereunder to ask, demand, collect, receive, receipt for, sue for, compound and give acquittance for any and all sums due or to become due under any Lease, with full power to settle, adjust or compromise any claim thereunder as fully as the Assignors could do, and to endorse the name of the Assignors or either of them on all commercial paper given in payment or in part payment thereof, and in the Mortgagee's discretion to file any claim or take any other action or proceeding, either in the Mortgagee's name or in the name of the Assignors or either of them or otherwise, which the Mortgagee may deem necessary or appropriate to collect any and all sums due or to become due under any Lease, or which may be necessary or appropriate to protect and preserve the right, title and interest of the Mortgagee in and to such sums and the security intended to be afforded hereby.

The Beneficiary warrants to the Mortgagee that the Assignors have good right to make this Assignment and that the Assignors have not heretofore alienated, assigned, pledged or otherwise disposed of any of the rights, rents and other sums due or which may hereafter become due and which are intended to be assigned hereunder.

Notwithstanding the foregoing provisions making and establishing a present and absolute transfer and assignment of all rents, earnings, income, issues and profits as aforesaid, and so long as no event of default shall exist under the Note or the Mortgage and no event shall exist which if uncured within any applicable cure period, has or would become an event of default thereunder, the Assignors shall have the right and license to collect, use and enjoy all rents and other sums due or to become

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due under any by virtue of any Lease as they respectively become due, but not more than 30 days in advance.

The Assignors hereby irrevocably consent to and authorize and direct that the tenant under any Lease upon demand and notice from the Mortgagee of the Mortgagee's right to receive the rents hereunder, shall pay such rents to the Mortgagee without any obligation on the part of such tenant to determine the actual existence of any default or event claimed by the Mortgagee as the basis for the Mortgagee's right to receive such rents and notwithstanding any notice from or claim of the Assignors or either of them to the contrary. The Assignors hereby waive either right or claim against any tenant for any such rents paid by tenant to the Mortgagee.

Without limiting any legal rights of the Mortgagee as the absolute assignee of the rents, issues and profits of the premises and in furtherance thereof, Assignors agree that in the event of default under said Mortgage, whether before or after the Note is declared due in accordance with their terms or under the terms of said Mortgage, the Mortgagee may, at its option, take actual possession of the Premises hereinabove described, or of any part thereof, personally or by agent or attorney, as for condition broken, and with or without force and with or without process of law, enter upon, take, and maintain possession of all or any part of said Premises together with all documents, books, records, papers and accounts relating thereto, and exclude the Assignors, their agents or servants therefrom and hold, operate, manage and control the Premises, and at the expense of the Assignors, from time to time, cause to be made all necessary or proper repairs, renewals, replacements, useful alterations, additions, betterments and improvements to the Premises as may seem judicious, and pay taxes, assessments and prior or proper charges on the Premises, or any part thereof, and insure and reinsure the same, and lease the Premises in such parcels and for such times and on such terms as may deem fit, including leases for terms expiring beyond the maturity of the indebtedness secured by said Mortgage, and cancel any lease or sub-lease for any cause or on any ground which would entitle the Assignors or either of them to cancel the same and in every such case have the right to manage and operate the said Premises and to carry on the business thereof as the Mortgagee shall deem best.

After payment of all proper charges and expenses, including the just and reasonable compensation for the services of the Mortgagee, its attorneys, agents, clerks, servants and other employed by the Mortgagee in connection with the operation, management and control of the Premises and the conduct of the business thereof, and such further sums as may be sufficient to indemnify the Mortgagee against any liability, loss or damage on account of any matter or thing done in good faith in pursuance of the rights and powers of the Mortgagee hereunder, the Mortgagee may, at its option, credit the net amount of income which the Mortgagee may receive by virtue of this Assignment and from the

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Premises to any and all amounts due or owing to the Mortgagee under the terms and provisions of the Note, the Mortgage and any loan or security agreement pertaining thereto, whether or not the same may then be due or be otherwise adequately secured. Mortgagee shall have the right, but not the duty to apply such net income to the discharge of any other lien or charge upon the Premises or to completion of any improvements being financed out of the proceeds of the Note. The manner of the application of such net income and the item which shall be credited shall be within the sole discretion of the Mortgagee. Mortgagee shall be subrogated to any lien or charge discharged out of the rents, income and profits of the Premises.

The Assignors hereby further covenant that the Assignors will, upon request of the Mortgagee, execute and deliver such further instruments and do and perform such other acts and things as the Mortgagee may reasonably deem necessary or appropriate to more effectively vest in and secure to the Mortgagee the rights and rents which are intended to be assigned to the Mortgagee hereunder.

Assignors covenant and agree to observe and perform all of the obligations imposed on them under the Leases and not to do or permit to be done anything to impair the security thereof, not to execute any Lease without Mortgagee's prior written approval, not to further assign or encumber their rights under the Leases or their rights to the rents or other sums due or to become due thereunder, not to accept rent more than one month in advance and not suffer or permit any of the Leases to be subordinated to any other liens or encumbrances whatsoever, any such subordination to be null and void unless done with the written consent of Mortgagee. Assignors further covenant and agree not to enter into any new Lease and not to amend, modify or terminate any of the Leases without the prior written consent of Mortgagee. Assignors further covenant and agree that they will, at the request of Mortgagee, submit the executed originals of all Leases to Mortgagee.

The acceptance by the Mortgagee of this Assignment, with all of the rights, powers, privileges and authority so created, shall not, prior to entry upon and taking of actual physical possession of the Premises by the Mortgagee, be deemed or construed to constitute the Mortgagee a mortgagee in possession nor thereafter impose any obligation whatsoever upon the Mortgagee, it being understood and agreed that the Mortgagee does not hereby undertake to perform or discharge any obligation, duty or liability of the landlord under any Leases of the Premises or under or by reason of this Assignment. Mortgagee shall have no liability to Assignors or anyone for any action taken or omitted to be taken by it hereunder, except for its willful misconduct. Should the Mortgagee incur any liability, loss or damage under or by reason of this Assignment or for any action taken by the Mortgagee hereunder, or in defense against any claim or demand whatsoever which may be asserted against the Mortgagee arising

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out of any Lease, the amount thereof, including costs, expenses and reasonable attorneys' fees, together with interest thereon at the Default Interest Rate (as such term is defined in the Note) shall be secured by this Assignment and by the Mortgage, and the Assignors shall reimburse the Mortgagee therefor immediately upon demand.

The rights and remedies of the Mortgagee hereunder are cumulative and are not in lieu of, but are in addition to, any rights or remedies which the Mortgagee shall have under the said Note, Mortgage or any other instrument or document or under applicable law and the exercise by Mortgagee of any rights and remedies herein contained shall not be deemed a waiver of any other rights or remedies of Mortgagee, whether arising under the Mortgage or otherwise, each and all of which may be exercised whenever Mortgagee deems it in its interest to do so. The rights and remedies of the Mortgagee may be exercised from time to time and as often as such exercise is deemed expedient and the failure of the Mortgagee to enforce any of the terms, provisions and conditions of this Assignment for any period of time, at any time or times, shall not be construed or deemed to be a waiver of any rights under the terms hereof. The right of the Mortgagee to collect and receive the rents assigned hereunder or to exercise any of the rights or powers herein granted to the Mortgagee shall, to the extent not prohibited by law, extend also to the period from and after the filing of any suit to foreclose the lien of the Mortgage, including any period allowed by law for the redemption of the Premises after any foreclosure sale.

This Assignment shall be assignable by the Mortgagee and all of the terms and provisions hereof shall be binding upon and inure to the benefit of the respective executors, administrators, legal representatives, successors and assigns of each of the parties hereto.

This instrument is executed by American National Bank and Trust Company of Chicago, 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 said Bank hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said Note contained shall be construed as creating any liability on said Bank personally to pay the said Note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, all such liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as said Bank personally is concerned, the legal holder or holders of said Note and the owner or owners of any indebtedness accruing hereunder shall look solely to the Premises conveyed by the Mortgage for the payment thereof, by the enforcement of the liens hereby and thereby created, in the manner therein and in said Mortgage provided or by action to enforce the personal

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liability of the Beneficiary or of any guarantor of the indebtedness hereby secured or by realization on any other collateral for the indebtedness hereby secured.

DATED as of the 7th day of February, 1990.

ATTEST:

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO,
as Trustee as aforesaid

By: [Signature]
Its: [Signature]

By: [Signature]
Its: [Signature]

PALATINE HOTEL LIMITED
PARTNERSHIP, an Illinois limited
partnership

By: PHLP, Inc., an Illinois
corporation, its general
partner

ATTEST:

By: [Signature]
Its: [Signature]

By: [Signature]
Its: Allen S. Musikantow
President

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EXHIBIT "A"

LEGAL DESCRIPTION

Lot 4 (except that part described as follows: Beginning at the North East corner of said Lot 4; thence South 00 degrees, 01 minutes, 35 seconds West along the most Easterly line of Lot 4 for a distance of 209 feet to a corner in the Easterly line of Lot 4; thence South 42 degrees, 11 minutes, 02 seconds West along an Easterly line of said Lot 4 for a distance of 170.12 feet to a corner in the said Easterly line of Lot 4; thence North 52 degrees, 11 minutes, 23 seconds West for a distance of 332.66 feet to a point in the Westerly line of Lot 4 that is 152.36 feet Southwesterly of the North West corner of said Lot 4 as measured along a Westerly line of Lot 4; thence North 30 degrees, 33 minutes, 00 seconds East along a Westerly Line of Lot 4 for a distance of 152.36 feet to the North West corner of said Lot 4 thence South 89 degrees, 58 minutes, 25 seconds East along the North line of Lot 4 for a distance of 299.70 feet to the place of beginning), in Willow Creek being a subdivision of part of Section 24, Township 42 North, Range 10 East of the Third Principal Meridian, in Cook County, Illinois.

Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I HEREBY CERTIFY that on this 7th day of February, 1990, before me personally appeared Allen S. Musikantow, President and Mary Frances McMahon, Secretary of PHLP, INC., an Illinois corporation, general partner of PALATINE HOTEL LIMITED PARTNERSHIP, a limited partnership under the laws of the State of Illinois to me known to be the same persons who signed the foregoing instrument as their free act and deed as such officers for the use and purpose therein mentioned, and that the said instrument is the act and deed of said corporation.

WITNESS my signature and official seal at Chicago, Illinois in the County of Cook and State of Illinois, the day and year last aforesaid.

(NOTARY SEAL)

Peter B. Loughman
Notary Public

My Commission Expires: _____

" OFFICIAL SEAL "
PETER B. LOUGHMAN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/19/93

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STATE OF ILLINOIS)
COUNTY OF COOK) SS.

I, KULA DAVIDSON a Notary Public, in and for said County, in the State aforesaid, do hereby certify that J. MICHAEL WISLAN, VICE PRESIDENT President of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO and Secretary of said Bank who are personally known to me to be the same persons whose are subscribed to the forgoing instrument as such President and Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Bank, as Trustee as aforesaid, for the uses and purposes therein set forth; and the said Assistant Secretary then and there acknowledged that he, as custodian of the corporate seal of said Bank, did affix the corporate seal of said Bank to said instrument as his own free and voluntary act and as the free and voluntary act of said Bank as Trustee as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ___ day of ___, 1990.

(SEAL)

[Signature]
Notary Public

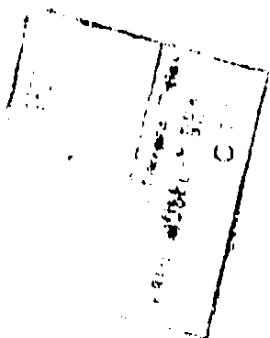
My Commission Expires: _____

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