

WP51AMBASSAD*ASNMTLR.IND
6-13-90 3:02pm

ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT OF LEASES AND RENTS, dated June 15, 1990, from AMBASSADORS FOR CHRIST CHURCH, an Illinois not-for-profit corporation, ("Mortgagor") to HIGHLAND COMMUNITY BANK, an Illinois banking corporation ("Lender").

I

Recitals

1.1 Description of Loan. A \$315,000.00 loan to be used for the purchase of the premises commonly known as 7859 South Ashland Avenue, Chicago, Illinois.

1.2 Description of Note. Mortgagor has executed and delivered to Lender a note (the "Note") in the principal amount of \$315,000.00. In the Note, Mortgagor promises to pay to the order of Lender the principal amount and interest thereon at the rate and on the dates stated in the Note.

1.3 Description of Other Lien Agreements. The payment of the Note is secured by this Assignment of Leases and Rents and by:

1.3(a) A mortgage (the "Mortgage") executed by Mortgagor pertaining to property (the "Mortgaged Premises") described therein;

1.3(b) A security agreement executed by Mortgagor;
and

THIS INSTRUMENT PREPARED BY,
AND AFTER RECORDING, PLEASE RETURN TO:

Allan Goldberg
Arnstein & Lehr
120 South Riverside Plaza
Suite 120
Chicago, IL 60606

Legal Follow-up MTJ JB

3889390

1.3(c) A guaranty on the obligation of the Mortgagor.

Such other security instruments are of even date herewith and, together with any other instrument now or hereafter given to secure the payment hereof are collectively referred to herein as the "Other Lien Agreements".

II

Granting Clauses

To secure the payment of the Note and any and all renewals, extensions, modifications and replacements thereof and to assure performance of the agreements contained herein and in the Note, and the Other Lien Agreements, Assignor hereby assigns to Lender, Assignor's right, title and interest in:

(a) All oral and written leases with, or other agreements for use or occupancy made or agreed to by, any person or entity (including, without limitation of the foregoing, Mortgagor, and Lender under the powers granted herein) and any and all amendments, extensions, renewals, modifications and replacements thereof pertaining to all or any part of the Land Parcel or the Improvements (as defined in the Mortgage) whether such leases or other agreements have been heretofore or are hereafter made or agreed to (all such leases and other use and occupancy agreements being collectively referred to herein as the "Leases");

(b) The rents, issues, income (and any other payments by any and all lessees under the Leases in addition to rent (collectively the "Rents") which may hereafter become due pursuant to any of the Leases pertaining to all or any part of the Mortgaged Premises;

(c) Any and all monies, awards or other payments made or payable by any and all lessees under the Leases in lieu of rent, including, but not limited to, any damages (all such monies, awards or payments, including, but not limited to damages, are collectively referred to herein as the "Damages"), which may hereafter become due pursuant to any of the Leases pertaining to all or any part of the Mortgaged Premises;

(d) All rights, powers, privileges, options and other benefits (collectively the "Rights") of the lessor under the Leases, including without limitation of the foregoing:

(i) The immediate and continuing right to

UNOFFICIAL COPY

0 3 8 8 9 3 9 0

receive and collect all rents, income, revenues, issues, profits, insurance proceeds, condemnation awards, monies and security deposits or the like pursuant to any of the provisions thereof, whether as rents or otherwise (except sums payable directly to any person other than the lessor thereunder);

(ii) The right to make all waivers and agreements, including waivers of obligations of lessees;

(iii) The right to give all notices, permissions, consents and releases, including consent to subordination of the interest of a lessee;

(iv) The right to take such action upon the happening of a default under the Leases (including the commencement, conduct and consummation of proceedings at law or in equity) as shall be permitted under any provisions of the Leases or by law;

(v) The right to do any and all other things whatsoever which Mortgagor is or may become entitled to under the Leases;

(vi) The right to exercise any option required or permitted; and

(vii) Any and all guaranties (the "Guaranties") of any of the Leases, and the rights, powers, privileges and other benefits of the lessor under the Guaranties;

and Assignor authorizes Lender:

(viii) To manage the Mortgaged Premises and the business conducted thereon and let and relet the Mortgaged Premises, or any part thereof according to Lender's own discretion;

(ix) To prosecute or defend any suits in connection with the Mortgaged Premises in the name of any or all of Lender or Mortgagor as it may consider desirable;

(x) To enforce or take any other action in connection with Leases in the name of any or all of Lender or Mortgagor;

(xi) To make such repairs to the Mortgaged Premises as Lender may deem advisable; and

(xii) To do anything in or about the Mortgaged Premises that Lender may deem advisable or that Mortgagor has the right or power to do.

3883390

III

Covenants

3.1 Present Assignment. Notwithstanding that this Assignment of Leases and Rents provides for a present assignment of leases and rents, Assignor may collect the Rents and manage the Mortgaged Premises in the same manner as if this Assignment of Leases and Rents had not been given, but only if and so long as a Default (as defined herein) has not occurred. In the event of a Default, such right of Assignor to collect the Rents and to manage the Mortgaged Premises shall thereupon automatically terminate.

3.2 Power Coupled with Interest. This Assignment of Leases and Rents confers upon Lender a power coupled with an interest and cannot be revoked by Assignor.

3.3 No Other Assignment. Assignor warrants and represents and covenants that it is the sole owner of the lessor's entire interest in the Leases and has full right to assign the Leases and the rents due or to become due thereunder, that there has been no previous assignment and, without Lender's prior written consent as to form and substance, Assignor will permit no future assignment (as collateral or otherwise) of the lessor's right, title and interest in any of the Leases (other than pursuant to the Other Lien Agreements), that the Leases are valid and enforceable in accordance with their terms and have not been altered, modified or amended in any manner whatsoever, that the lessees are not in default under the Leases and have no defenses, set-offs or counterclaims against the lessor under the Leases, that no rent reserved in the Leases has been assigned or anticipated and that no rent for any period subsequent to the date hereof has been collected in advance of the time when the said rent becomes or would become due under the terms of the Leases.

3.4 Management. At all times until this Assignment of Leases and Rents is released or until the assignment granted hereby is exercised by Lender and at all times thereafter during which Lender is not in actual or constructive possession of the Mortgaged Premises, and Mortgagor shall cause the Mortgaged Premises to be managed in accordance with sound business practices and cause to be performed all obligations imposed upon them under the Leases and not do or permit to be done anything to impair the security thereof. Mortgagor shall not permit any of the Rents to be collected in advance, except that any monthly rent due and payable under the Leases may be collected up to 15 days in advance. Mortgagor shall not or

permit any party to alter, modify, amend, change or default under the terms of any of the Leases or the Guaranties, or give any consent, concession or waiver under any of the Leases or exercise any option of the lessor permitted by the terms of any of the Guaranties or accept the surrender thereof or consent to any assignment or subletting under any of the Leases, or convey or transfer or suffer or permit a conveyance or transfer of the premises demised by any or all of the Leases or of any interest therein so as to effect directly or indirectly, promptly or remotely, a merger of the estates and rights of, or termination or elimination of, the obligations of lessees thereunder, without the prior written consent of the Lender. Mortgagor shall not make any other assignment of any interest in any other Leases or the Rents accruing from such Leases or from the Mortgaged Premises, or subordinate any of the Leases to any mortgage or other encumbrance, or permit, consent or agree to such subordination without the prior written consent of the Lender. Mortgagor shall cause prompt action, including legal proceedings, for enforcement of any of the Leases and all other remedies available to lessor thereunder to be commenced against any delinquent lessee as soon as reasonably necessary to protect such lessor's interest or immediately upon written request from Lender, and in the event Lender requests that a specific action be taken, to cause such action to be promptly taken. Mortgagor shall at the direction of Lender give any consent to exercise any option or election granted to the lessor under any of the Leases. Mortgagor shall execute and deliver, at the reasonable written request of Lender, all such further assurances and assignments as Lender from time to time shall require.

3.5 Execution of Leases. Mortgagor shall not permit any Leases to be made of all or any portion of the Mortgaged Premises except as provided in the Mortgage.

3.6 Notice of Lessor's Default. Mortgagor shall cause notice to be given to Lender of any default by the lessor under any of the Leases promptly upon the occurrence of such default, but in all events in sufficient time to afford to Lender an opportunity to cure any such default prior to the lessee under the subject Lease having any right to terminate the Lease by reason of such default. Each of the Leases shall contain a provision requiring the lessee thereunder to notify Lender of any default by lessor thereunder and granting Lender an opportunity for a reasonable time after such notice to cure such default prior to any right accruing to the lessee to terminate such Lease.

3.7 Lender to be Creditor of Lessee. Lender shall be and be deemed to be the creditor of each lessee in assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution, receivership, or

probate proceedings affecting such lessee (without any obligation on the part of Lender, however, to file or make timely filings of claims in such proceedings or otherwise to pursue creditor's rights therein). Mortgagor hereby assign to Lender any and all Damages and any and all money received in connection with such assignment for the benefit of creditors or in any such bankruptcy, reorganization, insolvency, dissolution, receivership or probate proceeding, with an option to Lender to apply reduction of the indebtedness (in inverse order of maturity) secured by or to be paid under the Mortgage. Mortgagor hereby appoint Lender as their respective irrevocable attorney-in-fact to appear in any action and/or collect any such money, award or payment.

IV

Defaults and Remedies

4.1 Defaults. Each of the following shall constitute a default ("Default") under this Assignment of Leases and Rents:

4.1(a) The untruth of any representation made by Mortgagor herein, the failure by Mortgagor to perform in a full and timely manner any of their obligations under this Assignment of Leases and Rents of the Note or the breach of any of Mortgagor's covenants contained in this Assignment of Leases and Rents;

4.1(b) The occurrence of any Default (as therein defined) under the Note, any of the Prior Lien Agreements or the Other Lien Agreements;

4.1(c) The default by the lessor under any of the Leases.

4.2 Exercise of this Assignment of Leases and Rents.

4.2(a) If the Default is a default in the payment or deposit of money and if Lender gives notice of such Default, which notice shall provide that such Default be cured within ten days, and, if such Default is not cured within such ten-day period, or if the Default is not a default in the payment or deposit of money and if Lender gives notice of such Default, which notice shall provide that such Default be cured within thirty days, and if such Default is not cured within said thirty-day period, Lender may, without further notice or demand, exercise the assignment hereby granted and, in the event of any Default, pursue its rights to collect the Rents

and Income or manage the Mortgaged Premises, or both, and otherwise exercise its rights as provided in this Assignment of Leases and Rents, without regard to the adequacy of the security and without waiving any other remedy available to Lender and without waiving such Default;

4.2(b) In the event Lender elects to invoke any of its rights hereunder and thereafter, for any reason, relinquishes to Mortgagor such rights, this Assignment of Leases and Rents shall in no respect be terminated but instead remain in full force and effect until the indebtedness represented by the Note is paid in full, it being the intent of the parties that Lender shall, from time to time upon the occurrence of any Default under this Assignment of Leases and Rents, have all the rights granted hereby.

4.3 Nature of Remedies. No delay or omission on the part of Lender in the exercise of any remedy for a Default shall operate as a waiver thereof. The remedies available to Lender under this Assignment of Leases and Rents shall be in addition to, and exercisable in any combination with, any and all remedies available by operation of law and under the Note and the Other Lien Agreements. The said remedies shall be cumulative and concurrent, may be pursued separately, successively or together against Mortgagor, and the Mortgaged Premises or any of them at the sole discretion of Lender and may be exercised as often as occasion therefor shall arise.

4.4 Application of Rents. Lender shall have the power to apply the Rents, Damages and Income, in such order as Lender may determine, to the payment of the indebtedness (in the inverse order of maturity) represented by the Note or any and all renewals, extensions, modifications or replacements thereof, and also toward the payment of all Advances (as defined in the Mortgage) and all expenses for the care and management of the Mortgaged Premises, including taxes, insurance, assessments, usual and customary commissions to a real estate broker for leasing real estate and collecting rents, and the reasonable expenses and fees of all attorneys, agents and servants, which expenses Lender may reasonably deem to be necessary to exercise the powers granted to the Lender hereunder. The receipt by Lender of any Rents and Income pursuant to this Assignment of Leases and Rents following a Default and the exercise of any remedies provided for in the Note or the Other Lien Agreements shall not cure such default or affect or prejudice the exercise of such remedies.

4.5 Limitation of Lender's Obligations. Lender's obligations as to any Rents actually collected shall be discharged by application of such rents for the purposes described in this Assignment of Leases and Rents. Lender shall not be liable for uncollected rents or for any claim for damages or

UNOFFICIAL COPY

0 3 8 3 9 3 9 0

set-offs arising out of Lender's management of the Mortgaged Premises other than for damages arising from Lender's gross negligence. Lender shall not be liable to any lessee for the return of any security deposit made under any Lease of any portion of the Mortgaged Premises unless Lender shall have received such security deposit from the lessor or such lessee. Lender shall not by reason of this Assignment of Leases and Rents or the exercise of any right granted herein be obligated to perform any obligation of the lessor under any of the Leases, nor shall Lender be responsible for any act committed by the lessor, or any breach or failure to perform by the lessor with respect to any of the Leases. Nothing contained herein shall be deemed to have the effect of making the Lender a mortgagee in possession of the Mortgaged Premises or any part thereof.

4.5 Reimbursement. Mortgagor shall reimburse, indemnify and hold harmless Lender for and from any and all expenses, losses, damages and liabilities which Lender may incur by reason of this Assignment of Leases and Rents, any of the Leases, or expenses, losses, damages and liabilities incurred in exercising any of the rights granted in this Assignment of Leases and Rents. Any and all amounts due to Lender under this Section 4.6 shall be immediately due and payable, shall be added to the principal amount of the Note and secured by this Assignment of Leases and Rents and the Other Lien Agreements.

4.7 Authorization to Lessees. Each present and future lessee under any of the Leases is hereby authorized and directed to pay the rent payable thereunder to Lender upon written demand from Lender stating that a Default has occurred under this Assignment of Leases and Rents without inquiry as to whether any such default has occurred or whether Lender is rightfully entitled to such rent. Each of the Leases shall contain a provision in substance identical to the preceding sentence.

v

Miscellaneous

5.1 Modification of Loan Terms. If the time of payment of all indebtedness secured hereby or any part thereof be extended at any time or times, if the Note be renewed, modified or replaced or if any security for the Note be released, Mortgagor, any other parties now or hereafter liable therefor or interested in the Mortgaged Premises shall be held to consent

8

3855390

to such extensions, renewals, modifications, replacements and releases, and their liability and the lien hereof and of the Other Lien Agreements shall not be released and the rights created hereby and thereby shall continue in full force, the right of recourse, if any, against all such parties being reserved by Lender.

5.2 Successors and Assigns. This Assignment of Leases and Rents shall inure to the benefit of and be binding upon the respective successors, assigns, heirs and legal representatives of Mortgagor and Lender and all persons and entities (including owners and lessees) which may hereafter obtain any interest in the Mortgaged Premises.

5.3 No Merger. Notwithstanding the conveyance or transfer of title to any or all of the Mortgaged Premises to any lessee under any of the Leases, the lessee's leasehold estate under such Lease shall not merge into the fee estate and the lessee shall remain obligated under such Lease as assigned by this Assignment of Leases and Rents.

5.4 Notices. Whenever Lender or Assignor desires to give any notice to the other, it shall be sufficient for all purposes if such notice is personally delivered or sent by certified United States mail, postage prepaid, addressed to the intended recipient at the last address given to sender. In case no other address has been so specified, notices hereunder shall be delivered or mailed to the following addressees:

Lender: Highland Community Bank
c/o Ramon Garcia
1701 West 87th Street
Chicago, Illinois 60620

Copy to: Allan Goldberg
Arnstein & Lehr
120 South Riverside Plaza
Suite 120
Chicago, IL 60606

Mortgagor: Ambassadors for Christ Church
7859 South Ashland Avenue
Chicago, Illinois 60620

Copy to: Dansby G. Cheeks
108 Madison Street
Oak Park, Illinois 60302

Any notice given in the manner specified herein shall be deemed to have been given on the day it is personally delivered or three business days after it is deposited in the United States mail.

UNOFFICIAL COPY

0 3 8 8 9 3 9 0

5.5 Execution and Delivery. This Assignment of Leases and Rents is executed and delivered in Chicago, Illinois

5.6 Governing Law. This Assignment of Leases and Rents shall be governed by and construed in accordance with the law of the State of Illinois.

5.7 Severability. If any term, restriction or covenant of this Assignment of Leases and Rents is deemed illegal or unenforceable, all other terms, restrictions and covenants and the application thereof to all persons and circumstances subject hereto shall remain unaffected to the extent permitted by law; and if any application of any term, restriction or covenant to any person or circumstance is deemed illegal, the application of such term shall remain unaffected to the extent permitted by law.

5.8 Execution in Triplicate. This Assignment of Leases and Rents has been executed in triplicate original, any of which, in the absence of the others, may be deemed the sole original.

MORTGAGOR

AMBASSADORS FOR CHRIST CHURCH,
an Illinois Not-For-Profit
Corporation

By:


JOSEPH L. STANFORD, President

ATTEST:


ZEOLIA GORDON, Secretary

UNOFFICIAL COPY

0 3 8 8 9 3 9 0

EXHIBIT 1

Legal Description of Mortgaged Premises

Common Address: 7859 South Ashland Avenue
Chicago, Illinois 60620

PARCEL 1 (BUILDING):

TRACTS 1 TO 12, BOTH INCLUSIVE, ACCORDING TO THE PLATS OF SURVEY RECORDED WITH WARRANTY DEED DATED JULY 25, 1968 AND RECORDED JANUARY 8, 1970 AS DOCUMENT 21053444, SAID TRACTS BEING PART OF LOTS 25, 26, 27, 28, 29, 30, 31, 32, 33, AND LOT 34 (EXCEPT THE NORTH 16 FEET OF SAID LOT 34) TOGETHER WITH THE VACATED ALLEY LYING SOUTH OF AND ADJOINING SAID LOT 31, ALL TAKEN AS A TRACT, IN FLYNN'S ADDITION TO WEST AUBURN, BEING A SUBDIVISION OF BLOCK 32 IN JONES' SUBDIVISION OF THE WEST HALF OF SECTION 29, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 20-29-317-039

PARCEL 2 (PARKING LOT):

LOTS 39, 40, 41, 42, 43, 44 AND 47 IN M.J. FLYNN'S ADDITION TO WEST AUBURN, BEING A SUBDIVISION OF BLOCK 32 IN JONES' SUBDIVISION IN THE WEST HALF OF SECTION 29, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 20-29-317-010 (LOT 39)
20-29-317-009 (LOT 40)
20-29-317-008 (LOT 41)
20-29-317-007 (LOT 42)
20-29-317-006 (LOT 43)
20-29-317-005 (LOT 44)
20-29-317-002 (LOT 47)

(THESE LOTS NOT REGISTERED IN TORRENS.)

PARCEL 3 (PARKING LOT):

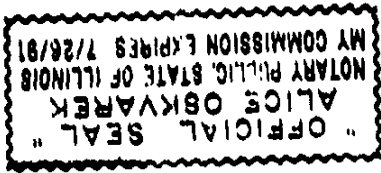
LOTS THIRTY-FIVE (35), THIRTY-SIX (36), THIRTY-SEVEN (37), THIRTY-EIGHT (38), FORTY-FIVE (45), FORTY-SIX (46) IN M.J. FLYNN'S ADDITION TO WEST AUBURN, BEING A SUBDIVISION OF BLOCK 32 IN JONES' SUBDIVISION IN THE WEST HALF OF SECTION 29, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 20-29-317-038 (LOTS 35, 36, 37, & 38)
20-29-317-004 (LOT 45)
20-29-317-003 (LOT 46)

(THESE LOTS ARE REGISTERED IN TORRENS.)

3889390

3889390



My commission expires:

Alice Oskevarek
Notary Public

GIVEN under my hand and notarial seal this 15th day of June, 1990.

I, *Alice Oskevarek*, a Notary Public in and for and residing in said County and State, do hereby certify that Joseph L. Stanford and Zeolia Gordon of AMBASSADORS FOR CHRIST CHURCH, are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary appeared before me this day in person and acknowledged that they signed and delivered said instrument as their own free and voluntary acts and as the free and voluntary act of said corporation, for the uses and purposes therein set forth; and the said Secretary acknowledged that she, as custodian of the corporate seal of said corporation, did affix said corporate seal to said instrument as her own free and voluntary act and as the free and voluntary act of said corporation for said uses and purposes.

ACKNOWLEDGMENT

STATE OF ILLINOIS)
COUNTY OF COOK)
SS)

