

438795- rev: Sidley & Austin
One First National Plaza
Suite 3300
Chicago, Ill. 60603
Attn: J. Gauthier

Case 85

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992699

ASSIGNMENT OF RENTS AND
OF LESSOR'S INTEREST IN LEASES

This Assignment of Rents and of Lessor's Interest in Leases, made this 12th day of August, 1988, by MANSARDS PLAZA ASSOCIATES, a Limited Partnership, an Illinois limited partnership (hereinafter referred to as "Assignor") and BERKSHIRE LIFE INSURANCE COMPANY, a Massachusetts corporation (hereinafter referred to as "Assignee").

CHICAGO TITLE INSURANCE COMPANY
INDIANA DIVISION

W I T N E S S E T H:

WHEREAS, Assignor has executed a promissory note (hereinafter referred to as "Note") of even date herewith payable to the order of Assignee in the principal amount ONE MILLION SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,700,000.00); and

STABLIAN, A. BLASTICK
RECORDER
DEKALB COUNTY
CROWN POINT, INDIANA 46307
AUG 17 8 50 AM '88

WHEREAS, to secure the payment of the Note, Assignor has executed a mortgage and security agreement (hereinafter referred to as "Mortgage") of even date herewith conveying to Assignee the real estate legally described in Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as "Premises"); and

WHEREAS, Assignor desires to further secure the payment of principal and interest due under the Note, the payment of all other sums with interest thereon becoming due and payable to Assignee under the provisions of this Assignment, the Note, the Mortgage, and any of the Loan Documents (as that term is defined in the Note) and the performance and discharge of each and every obligation, covenant and agreement of Assignor contained herein or in any of the Loan Documents (hereinafter collectively referred to as "Assignor's Obligations");

FOR
SEE DOC. # 992698

25-720

NOW, THEREFORE, for and in consideration of the foregoing, the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration in hand paid, the receipt and sufficiency of which is hereby acknowledged, and to secure the payment and performance of Assignor's Obligations, Assignor does hereby sell, assign, transfer and grant unto Assignee (i) all the rents, issues, security deposits and profits now due and which may hereafter become due under or by virtue of any lease or sublease, whether written or oral, or any letting of, or of any agreement for the use, sale, or occupancy of the Premises or any part thereof, which may have been heretofore or may be hereafter made or agreed to or which may be made or agreed to by Assignee under the powers herein granted, it being the intention hereby to establish a conditional transfer and assignment of all the said leases, subleases and agreements (hereinafter collectively referred to as "Leases") and security deposits, and all the avails thereof, to Assignee (which shall not become operative unless a default occurs hereunder), and (ii) without limiting the generality of the foregoing, all and whatever right, title and interest Assignor has in and to each of the Leases described in Exhibit "B" attached hereto and made a part hereof (hereinafter referred to as the "Scheduled Leases"), all on the following terms and conditions:

1. In the event of a default hereunder, Assignor does hereby irrevocably appoint Assignee as its true and lawful attorney in its name and stead (with or without taking possession of the Premises), to rent, lease, let, or sell all or any portion of said Premises to any party or parties at such price and upon such term, in its discretion as it may reasonably determine, and to collect all of said avails, rents, issues, deposits, 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, written or

accruing hereunder, or to perform any covenant either express or implied herein contained, all such personal liability, if any, being expressly waived by Assignee and by every person now or hereafter claiming any right or security, express or implied, hereunder, notwithstanding the foregoing, the Assignor shall be personally liable for any material misstatement in the representations and warranties of the Assignor contained in any of the Loan Documents, any misapplication of rents after default, any misapplication of insurance or condemnation proceeds or non-payment of real estate taxes or insurance premiums.

IN WITNESS WHEREOF, the Assignor has executed this instrument the day and year first above written.

ASSIGNOR:

MANSARDS PLAZA ASSOCIATES, ^{a limited}
An Illinois limited ^{partnership}
partnership *mja*

By: Longmeadow Associates, Ltd.
Its General Partner

By: *Mary Lane*
Its: *President*

ATTEST:

By: *Mary Lane*
Its: *Secretary*

This instrument was prepared by
and after recording return to:

Janice L. Gauthier
Sidley & Austin
One First National Plaza
Suite 4500
Chicago, Illinois 60603

STATE OF IL)
COUNTY OF COOK) SS.

On this 10 day of AUG, before me
appeared MARC J. LANE to me personally known, who,
being by me duly sworn, did say that he is the PRESIDENT/SECRETARY
of Longmeadow Associates, Ltd., the General Partner of
a limited partnership, Mansards Plaza Associates, an Illinois limited partnership,
MSH
and that said instrument was signed and sealed in behalf of
said partnership, and said MARC J. LANE acknowledged said
instrument to be the free act and deed of said partnership.

IN TESTIMONY WHEREOF, I have hereunto set my
hand and affixed my official seal in the County and State
aforesaid, the day and year first above written.

Bee K. Schulman
Notary Public

My term expires: Feb. 25, 1990

BEE K. SCHULMAN
(Print Name)

EXHIBIT A

Legal Description of the Premises

A PART OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 36 NORTH, RANGE 9 WEST OF THE 2ND P.M. IN LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF TRACT 1, SHALIMAR ADDITION PHASE I, TO THE TOWN OF GRIFFITH, AS SHOWN ON THE PLAT THEREOF IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA; THENCE NORTH 0 DEGREES 33 MINUTES 44 SECONDS WEST ALONG THE EASTERLY RIGHT-OF-WAY LINE OF ARBOGAST AVENUE, A DISTANCE OF 304.75 FEET TO A POINT WHICH LIES ON THE SOUTHERLY RIGHT OF WAY OF RIDGE ROAD; THENCE SOUTH 83 DEGREES 42 MINUTES 04 SECONDS EAST ALONG SAID RIGHT OF WAY, A DISTANCE OF 593.45 FEET TO A POINT WHICH LIES ON THE WESTERLY RIGHT OF WAY OF GLENWOOD AVENUE; THENCE SOUTH 0 DEGREES 39 MINUTES 44 SECONDS WEST ALONG SAID RIGHT OF WAY A DISTANCE OF 238.65 FEET TO A POINT, WHICH IS ALSO THE NORTHEAST CORNER OF TRACT 9, SHALIMAR ADDITION PHASE II AS SHOWN IN THE PLAT THEREOF IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA; THENCE SOUTH 89 DEGREES 54 MINUTES 10 SECONDS WEST ALONG THE NORTHERLY LINE OF SAID SHALIMAR ADDITION PHASES I AND II, A DISTANCE OF 584.12 FEET TO THE POINT OF BEGINNING, ALL IN GRIFFITH, LAKE COUNTY, INDIANA.

EXHIBIT B

Leases

1. Lease dated March 6, 1986, by and between Mansards Plaza Associates, Lessor, and Block Management Company, Lessee.
2. Lease dated March 27, 1986, by and between Mansards Plaza Associates, Lessor, and H & R Block, Lessee.
3. Lease dated March 5, 1986, by and between Mansards Plaza Associates, Lessor, and Little Caesars of Indiana, Inc., Lessee.
4. Lease dated February 25, 1986, by and between Mansards Plaza Associates, Lessor, and James N. Andros, d/b/a Mansard's Cleaners, Lessee.
5. Lease dated June 6, 1986, by and between Mansards Plaza Associates, Lessor, and Norwest Financial Indiana, Inc., Lessee.
6. Lease dated April 21, 1986, by and between Mansards Plaza Associates, Lessor, and Styles and Cuts, Lessee.
7. Lease dated November 1, 1986, by and between Mansards Plaza Associates, Lessor, and The Lev Co., Inc., d/b/a Mail Boxes Etc., USA, Lessee.
8. Lease dated March 6, 1986, by and between Mansards Plaza Associates, Lessor, and FGS Enterprises, Inc., d/b/a Box Office Video, Lessee.
9. Lease dated May 1, 1986, by and between Mansards Plaza Associates, Lessor, and FGS Enterprises, Inc., d/b/a D.W. Tubby's, Lessee.
10. Lease dated June 10, 1988, by and between Mansards Plaza Associates, Lessor, and Bureau of Motor Vehicles Commission, Lessee.
11. Lease dated June 1, 1986, by and between Mansards Plaza Associates, Lessor, and Northland Nut & Candy, Lessee.
12. Lease dated June 11, 1986, by and between Mansards Plaza Associates, Lessor, and Racord, Inc., d/b/a Rent-A-Center, Lessee.
13. Lease dated April 3, 1986, by and between Lake County Trust Company, as Trustee under Trust No. 3462, Lessee, and Tandy Corporation, Lessee.
14. Lease dated November 10, 1987, by and between Mansards Plaza Associates, Lessor, and Dave Peters, D.D.S., d/b/a Family Dentistry, Lessee.
15. Lease dated July 1, 1988, by and between Mansards Plaza Associates, Lessor, and Oria's Flowers & Cards, Lessee.
16. Lease dated July 27, 1988, by and between Mansards Plaza Associates, Lessor, and Mortgage Investment, Lessee.

verbal, or other tenancy existing or which may hereafter exist on said Premises, with the same rights and powers and subject to the same immunities, exoneration of liability, and rights of recourse and indemnity as the Assignee would have upon taking possession of the said Premises pursuant to the provisions hereinafter set forth.

2. With respect to the Scheduled Leases, Assignor covenants as follows: (i) that Assignor is the sole owner of the entire Lessor's interest in said leases; (ii) that said leases are valid and enforceable and have not been altered, modified or amended in any manner whatsoever except as otherwise indicated in said Exhibit "B"; (iii) that the lessees respectively named therein are not in default under any of the terms, covenants or conditions thereof; (iv) that no rent reserved in said leases has been assigned or anticipated; and (v) that no rent for any period subsequent to the date of this Assignment has been collected more than thirty (30) days in advance of the time when the same became due under the terms of said leases.

3. Assignor, without cost, liability or expense to Assignee, shall (i) at all times promptly and faithfully abide by, discharge, and perform all of the covenants, conditions and agreements contained in all Leases of all or any part of the Premises, on the part of the landlord thereunder to be kept and performed; (ii) enforce or secure the performance of all of the covenants, conditions and agreements of the Leases on the part of the lessees to be kept and performed; (iii) appear in and defend any action or proceeding arising under, growing out of or in any manner connected with the Leases or the obligations, duties or liabilities of landlord or of the lessees thereunder; (iv) collaterally transfer and assign to Assignee upon request of Assignee, any lease or leases of all or any part of the Premises heretofore or hereafter entered into, and make, execute and deliver to

Assignee upon demand, any and all instruments required to effectuate said assignment; (v) furnish Assignee, within ninety (90) days after the close of each fiscal year of operation of the Premises, and at other times during any such year within ten (10) days after a written request by Assignee so to do, a written statement containing the names of all lessees, terms of all Leases, including the space occupied, the rentals payable and security deposits, if any, paid thereunder; (vi) exercise within five (5) days of any demand therefor by Assignee any right to request from the lessee under any of the Leases of all or any part of the Premises a certificate with respect to the status thereof; and (vii) not, without Assignee's prior written consent, (a) execute an assignment or pledge of any rents of the Premises or of any of the Leases of all or any part of the Premises, except as security for the indebtedness secured hereby, (b) accept any prepayment of any installment of any rents more than thirty (30) days before the due date of such installment, (c) agree to any material amendment to or change in the terms of any of the Scheduled Leases, or (d) permit or consent to any assignment of any of the Scheduled Leases.

4. So long as there shall exist no default by Assignor in the payment or in the performance of any of Assignor's Obligations, Assignor shall have the right to collect at the time of, but no more than thirty (30) days prior to the date provided for the payment thereof, all rents, security deposits, income and profits arising under the Leases and to retain, use and enjoy the same.

5. Upon or at any time after default in the payment of or in the performance of any of Assignor's Obligations, after written notice and the expiration of a cure period, if any, and without regard to the adequacy of any other security therefor or whether or not the entire principal sum secured hereby is declared to be immediately due,

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forthwith, upon demand of Assignee, Assignor shall surrender to Assignee and Assignee shall be entitled to take actual possession of the Premises, or any part thereof, personally or by its agent or attorneys, and Assignee in its discretion may enter upon and take and maintain possession of all or any part of said Premises, together with all documents, books, records, papers, and accounts of Assignor or the then manager of the Premises related thereto, and may exclude Assignor, its agents, or servants, wholly therefrom and Assignee may, as attorney-in-fact or agent or Assignor, or in its own name as Assignor and under the powers herein granted: (i) hold, operate, manage, and control the Premises and conduct the business, if any, thereof, either personally or by its agents, and 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 to enforce the payment or security of the avails, rents, issues and profits of the Premises including actions for recovery of rent, actions in forcible detainer and actions in distress for 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, without notice to Assignor; (ii) cancel or terminate any of the Leases or any sublease for any cause or on any ground which would entitle Assignor to cancel the same; (iii) elect to disaffirm any other Leases or any sublease made subsequent to the date of the Mortgage or subordinated to the lien thereof; (iv) extend or modify any of the then existing Leases and make new leases, which extensions, modifications and new leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the indebtedness hereunder and the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon Assignor and all persons whose interest

in the Premises are subject to the lien hereof and to be also binding upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the mortgage indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any purchaser; (v) make all necessary or proper repairs, decorating, renewals, replacement, alterations, additions, betterments, and improvements to the Premises as Assignee may deem reasonably judicious; (vi) insure and reinsure the Premises and all risks incidental to Assignee's possession, operation, and management thereof; and (vii) receive all avails, rents, issues and profits.

6. Any avails, rents, issues and profits of the Premises received by Assignee pursuant hereto shall be applied in payment of or on account of the following, in such order as Assignee may determine: (i) to the payment of the operating expenses of the Premises, including reasonable compensation to Assignee or its agent or agents, if management of the Premises has been delegated to an agent or agents, lease commissions and other compensation and expenses of seeking and procuring tenants and entering into Leases, and the payment of premiums on insurance hereinabove authorized; (ii) to the payment of taxes, special assessments, and water taxes now due or which may hereafter become due on the Premises, or which may become a lien prior to the lien of this Mortgage; (iii) to the payment of all repairs, decorating, renewals, cleanups, remedial actions, replacements, alterations, additions, betterments, and improvements of the Premises, including the cost from time to time of installing or replacing personal property or fixtures necessary to the operation of the Premises, and of placing said property in said condition as well, in the reasonable judgment of Assignee, make the Premises readily rentable; (iv) to the payment of any indebtedness secured hereby or any deficiency which may result from any foreclosure sale; or (v) with respect to

any overplus or remaining funds, to the Assignor, its successors, or assigns, as their rights may appear.

7. Assignee shall not be liable for any action or debt of Assignor nor for loss sustained by Assignor resulting from Assignee's failure to let the Premises after default or from any other act or omission of Assignee in managing the Premises after default unless such loss is caused by the willful misconduct and bad faith of Assignee. Assignee shall not be obligated to perform or discharge, nor does Assignee hereby undertake to perform or discharge, any obligation, duty or liability under said Leases or under or by reason of this Assignment and Assignor shall and does hereby agree to indemnify Assignee for, and to hold Assignee harmless from, any and all liability, loss or damage (including reasonable attorneys' fees) which may or might be incurred under any of the Leases or under or by reason of this Assignment and from any and all claims and demands whatsoever which may be asserted against Assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements contained in the Leases, or by reason of any actual alleged ownership, operation or possession of the Premises by Assignee at any time. Should Assignee incur any such liability under the Leases, or under or by reason of this Assignment or in defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby and be immediately due and payable. This Assignment shall not operate to place responsibility for the control, care, management or repair of the Premises upon Assignee, nor for the carrying out of any of the terms and conditions of any of the Leases, nor shall it operate to make Assignee responsible or liable for any waste committed on the Premises by the tenants or any other parties or for any dangerous or defective conditions of the Premises, or for any negligence in the management, upkeep, repair, or control of said

Premises resulting in loss or injury or death to any tenant, licensee, employee or stranger. Nothing herein contained shall be construed as constituting the Assignee a "mortgagee in possession" in the absence of the taking of actual possession of the Premises by Assignee pursuant to the provisions hereinabove contained.

8. Upon payment in full of the principal sum, interest and indebtedness secured hereby, this Assignment shall terminate and be of no further effect but the affidavit, certificate, letter or statement of any officer, agent, or attorney of Assignee showing any part of said principal, interest or indebtedness to remain unpaid shall be and constitute conclusive evidence of the validity, effectiveness and continuing force of this Assignment and any person may, and is hereby authorized to, rely thereon.

9. Assignor hereby authorizes and directs the lessee named in each of the Leases, and any other or future lessee or occupant of the Premises, upon receipt from Assignee of written notice to the effect that Assignee is then the holder of the Note and Mortgage and that a default exists thereunder or under this Assignment, to pay over to Assignee all rents, security deposits, and other sums, if any, arising or accruing under said Lease and to continue to do so until otherwise notified by Assignee.

10. Assignee may take or release other security for the payment of said principal sum, interest and indebtedness; may release any party primarily or secondarily liable therefor; and may apply any other security held by it to the satisfaction of such principal sum, interest or indebtedness without prejudice to any of its rights under this Assignment.

11. The term "Leases" as used herein means each of the Leases hereby assigned and any extension or renewal thereof.

12. Nothing contained in this Assignment and no act done or omitted by Assignee pursuant to the powers and rights granted it hereunder shall be deemed to be a waiver by Assignee of its rights and remedies under the Note, the Mortgage or the other Loan Documents, and this Assignment is made without prejudice to any of the rights and remedies possessed by Assignee under the terms of the Note, the Mortgage and the other Loan Documents. The right of Assignee to collect said principal sum, interest and indebtedness and to enforce any other security therefor held by it may be exercised by Assignee either prior to, simultaneously with or subsequent to any action taken by it hereunder.

13. This Assignment and the covenants therein contained shall inure to the benefit of Assignee and any subsequent holder of the Note, the Mortgage and the other Loan Documents, and shall be binding upon Assignor, its successors and assigns and any subsequent owner of the Premises.

14. Any notice, report, demand, or other instrument required or contemplated to be given or furnished under this Assignment shall be deemed given or furnished when addressed to the party intended to receive the same, at the following addresses:

Assignor:

Mansards Plaza Associates
180 North LaSalle Street
Suite 2100
Chicago, Illinois
Attn: Marc J. Lane

With a copy to:

Munro & Zittler
20 North Clark Street
Suite 711
Chicago, Illinois 60602
Attn: Ellen Kane Munro

With a copy to:

Marlin Properties, Inc.
Suite 1642
20 North Wacker Drive
Chicago, Illinois 60606
Attn: Gary Marshak

Assignee:

Berkshire Life Insurance Company
700 South Street
Pittsfield, Massachusetts 01201
Attention: Mortgage Loan Department

With a copy to:

Baird & Warner, Inc.
200 West Madison Street
Chicago, Illinois 60606
Attention: Robert Bautch

With a copy to:

Sidley & Austin
One First National Plaza
Chicago, Illinois 60603
Attention: Donald J. Gralen

and (i) delivered at such address to such party (or to a partner or an officer of such party) or (ii) when received if deposited in the United States mail as first class registered or certified mail, return receipt requested, postage paid; the return receipt shall be conclusive evidence of receipt. Each party may change the address to which any such notice, report, demand, or other instrument is to be delivered or mailed, by furnishing written notice of such change to the other parties.

It is expressly understood and agreed that nothing herein or in the Note contained shall be construed as creating any liability on Assignor personally to pay the Note or any interest that may accrue thereon, or any indebtedness