

93041129

09093/155
05/20/93

This Instrument Prepared by
and When Recorded Return to:

Laurance P. Nathan
Keck, Mahin & Cate
77 West Wacker Drive, 4900
Chicago, IL 60601

JUN 25 1 42 PM '93
SAMUEL J. LILICO
RECORDER

STATE OF ILLINOIS
CHICAGO LIFE Insurance Company

**ABSOLUTE
ASSIGNMENT OF RENTS AND LEASES**

THIS ASSIGNMENT is made as of the 25th day of June, 1993 by Enterprise Center III, L.P., an Illinois limited partnership ("Borrower" or "Assignor") to INB Trust Company, successor trustee to NBD Gainer Bank, a national banking association, as trustee under the Indenture defined below, and any successor trustee under the Indenture ("Trustee") and Kemper Investors Life Insurance Company, an Illinois insurance corporation ("KILICO"; Trustee and KILICO are sometimes referred to herein as "Assignee").

NOT OFFICIAL!
RECITALS

This Document is the property of

A. The Indiana Development Finance Authority (the "Issuer"), and Trustee entered into a certain Trust Indenture (the "Indenture"), dated as of June 15, 1992, under which the Issuer issued its Industrial Development Revenue Bonds, Series 1992 (Enterprise Center III Project) (the "Bonds"); and

B. Assignor and Issuer entered into a certain Financing Agreement (the "Financing Agreement"), pursuant to which Issuer has agreed to loan to Assignor, and Assignor has agreed to borrow from Issuer, the proceeds of the Bonds; and

C. To secure Assignor's obligation to repay the indebtedness evidenced by the Financing Agreement and all other amounts owing pursuant to the Financing Agreement and the Indenture, Assignor has executed and delivered a Mortgage with Security Agreement, Financing Statement and Assignment of Leases and Cash Collateral (the "Mortgage") of even date herewith encumbering the Premises; and

D. To further secure the Assignor's obligation to repay the indebtedness evidenced by the Financing Agreement and all other amounts owing pursuant to the Financing Agreement and the Indenture, Assignor has agreed to make this Assignment.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration Assignor hereby agrees as follows:

Assignor, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby bargain, sell, transfer, assign, convey, set over and deliver unto Assignee all right, title and interest of the Assignor in, to and under all present leases of the Premises described in EXHIBIT "A" attached hereto and made a part hereof ("Premises"), including those leases described on the Schedule of Leases attached hereto as EXHIBIT "B" ("Schedule of Leases"), together with all future leases hereinafter entered into by any lessor affecting the Premises, and all guaranties, amendments, extensions and renewals of said leases and each of them (all of which are hereinafter collectively called the "Leases") and all rents, income and profits which may now or hereafter be or become due or owing under the Leases and each of them, or on account of the use of the Premises.

For mtg see doc. # 93041129

29.00
K

Assignor covenants and agrees with Assignee as follows:

1. That there is no present lease of the Premises not listed on the Schedule of Leases attached hereto as EXHIBIT "B."

2. That the sole ownership of the entire landlord's interest in the Leases is vested in Borrower. Borrower has not, and shall not: (a) perform any act or execute any other instrument which might prevent Assignee from fully exercising its rights under any term, covenant or condition of this Assignment; (b) execute any assignment or pledge of rents, income, profits of any of the Leases; (c) except in accordance with its normal business practice or unless Assignor deems it in its best interest to do so, and at all times during the continuance of any event of default hereunder or under the Mortgage or Financing Agreement, accept any payment of any installment of rent more than thirty (30) days before the due date thereof; or (d) make any lease of the Premises except for actual occupancy by the tenant or tenants thereunder.

3. That to the best of Assignor's knowledge, each of the Leases is valid and enforceable in accordance with its terms and none has been altered, modified, amended, terminated, cancelled, renewed or surrendered nor has any term or condition thereof been waived in any manner whatsoever, except as heretofore disclosed by Assignor or approved in writing by Assignee.

4. That none of the Leases shall be materially altered, modified, amended, terminated (except in accordance with its terms), cancelled or surrendered nor shall any material term or condition thereof be waived without the prior written approval of Assignee.

5. That there is no default now existing under any of the Leases by the Assignor, as landlord, or by any tenant thereunder, and, to the best knowledge of Assignor, there exists no state of fact, which, with the giving of notice or lapse of time or both, would constitute a default under any of the Leases; and that Assignor will fulfill and perform each and every covenant and condition of each of the Leases by the landlord thereunder to be fulfilled or performed and, at the sole cost and expense of Assignor, enforce the performance and observance of each and every covenant and condition of all such Leases by the tenants thereunder to be performed and observed.

6. That Assignor shall give prompt notice to Assignee of each notice received by Assignor claiming that a default has occurred under any of the Leases on the part of the landlord, together with a complete copy of each such notice.

7. That each of the Leases shall remain in full force and effect irrespective of any merger of the interest of any landlord and any tenant under any of the Leases.

8. That, without Assignee's prior written consent in each case, Assignor will not suffer or permit any of the Leases to become subordinate to any lien other than the lien of the Mortgage, this Assignment, general real estate taxes not delinquent, and the "Permitted Exceptions" as defined in the Mortgage.

9. That this Assignment is absolute and is effective immediately; however, until notice is sent by Assignee to the Assignor in writing that an Event of Default has occurred under the Mortgage, Indenture, Financing Agreement or under any other instrument at any time constituting security for the Financing Agreement (each such notice is hereafter called a "Notice"), Assignor may receive, collect and enjoy the rents, income and profits accruing

from the Premises, including the rents, income and profits accruing under any and all of the Leases and shall retain all other rights, title, interest and powers in, to and under the Leases.

10. That if any Event of Default occurs at any time under the Mortgage, Indenture, Financing Agreement or any other instrument constituting additional security for the Financing Agreement, Assignee may (at its option after service of a Notice) receive and collect when due all such rents, income and profits from the Premises and under any and all Leases of all or any part of the Premises. Assignee shall thereafter continue to receive and collect all such rents, income and profits until such Event of Default is cured and during the pendency of any foreclosure proceedings, and (if there is a deficiency) during the redemption period (if any). Assignee's receipt and application of any rents, income and profits, after the execution and delivery of a declaration of default and demand for sale, or during the pendency of a trustee's sale or foreclosure proceedings under the Mortgage, shall not cure such event of default or affect in any way such sale proceedings.

11. That Assignor hereby irrevocably appoints Assignee its true and lawful attorney-in-fact, with full power of substitution and with full power for Assignee in its own name and capacity or in the name and capacity of Assignor (from and after the service of a Notice) to demand, collect, receive and give complete acquittances for any and all rents, income and profits accruing from the Premises, and at Assignee's discretion to file any claim or take any other action or proceeding and make any settlement of any claims in its own name or in the name of Assignor or otherwise, which Assignee may deem necessary or desirable in order to collect and enforce the payment of the rents, income and profits. All present and future tenants of the Premises are hereby expressly authorized and directed to pay to Assignee, or to such nominee as Assignee may designate in a writing delivered to and received by such tenants, all amounts due Assignor or any of them pursuant to the Leases. All present and future tenants are expressly relieved of all duty, liability or obligation to Assignor and each of them in respect of all payments so made to Assignee or such nominee.

12. That after service of a Notice, Assignee is hereby vested with full power to use all measures, legal and equitable, deemed by it necessary or proper to enforce this Assignment and to collect the rents, income and profits assigned hereunder, including the right of Assignee or its designee to enter upon the Premises, or any part thereof, with or without force and with or without process of law, and take possession of all or any part of the Premises together with all personal property, fixtures, documents, books, records, papers and accounts of Assignor relating thereto, and may exclude the Assignor and its agents and servants wholly therefrom. Assignor hereby grants full power and authority to Assignee to exercise all rights, privileges and powers herein granted at any and all times (after service of a Notice) without further notice to Assignor, with full power to sue and apply all of the rents and other income herein assigned to payment of the costs of managing and operating the Premises and to payment of all indebtedness and liability of Borrower to Assignee, including but not limited to: (a) the payment of taxes, special assessments, insurance premiums, damage claims, the costs of maintaining, repairing, rebuilding and restoring the improvements on the Premises or of making the same rentable, attorneys' fees incurred in connection with the enforcement of this Assignment; and (b) principal and interest payments due from Borrower to Assignee under the Financing Agreement or the Mortgage, all in such order and for such time as Assignee may determine.

13. That Assignee shall be under no obligation to exercise or prosecute any of the rights or claims assigned to it hereunder or to perform or carry out any of the obligations of any landlord under any of the Leases. Assignee does not hereby, nor by exercising or prosecuting any of the rights or claims assigned to it hereunder, assume any of the liabilities

in connection with or arising or growing out of the covenants and agreements of Assignor or any of them under any of the Leases.

14. That Assignor hereby agrees to indemnify Assignee and to hold Assignee harmless from any liability, loss or damage including, without limitation, reasonable attorneys' fees which may or might be incurred by Assignee under the Leases 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 obligation or undertaking on its part to perform or discharge any term, covenant or agreement contained in any of the Leases, unless due to the intentional or grossly negligent conduct of Assignee.

15. This Assignment shall not operate to place responsibility for the control, care, management or repair of the Premises, or any part thereof, upon Assignee, nor shall it operate to make Assignee liable for the performance or observance of any term, condition, covenant or agreement contained in any of the Leases, or for any waste of the Premises by any tenant under any of the Leases or any other person, or for any dangerous or defective condition of the Premises or for any negligence in the management, upkeep, repair or control of the Premises resulting in loss or injury or death to any tenant, occupant, licensee, employee or stranger.

16. That Assignee may: (a) take or release other security; (b) release any party primarily or secondarily liable for any of the indebtedness secured hereby; (c) grant extensions, renewals or indulgences with respect to such indebtedness; and (d) apply any other security therefor held by Assignee to the satisfaction of such indebtedness; in each case without prejudice to any of Assignee's other rights hereunder or under any other security given to secure the indebtedness secured hereby.

17. That Assignee may, upon the occurrence of an Event of Default, at its option although it shall not be obligated to do so, perform any Lease covenant for and on behalf of the Assignor, and all monies expended in so doing shall be chargeable to the Borrower, with interest thereon at the "Default Rate" as defined in the Mortgage, and shall be added to the indebtedness secured hereby, and shall be immediately due and payable.

18. That waiver of, or acquiescence by Assignee in, any default by the Assignor, or failure of the Assignee to insist upon strict performance by the Assignor of any covenant, condition or agreement in this Assignment or otherwise, shall not constitute a waiver of any subsequent or other default or failure, whether similar or dissimilar.

19. That the rights, remedies and powers of Assignee under this Assignment are cumulative and are not in lieu of, but are in addition to, all other rights, remedies and powers which Assignee has under the Mortgage, Indenture, Financing Agreement and all instruments constituting security for the Financing Agreement, and at law and in equity.

20. If any provision contained in this Assignment or its application to any person or circumstances is to any extent invalid or unenforceable, the remainder of this Assignment and the application of such provisions to persons or circumstances (other than those as to which it is invalid or unenforceable) shall not be affected, and each term of this Assignment shall be valid and enforceable to the fullest extent permitted by law.

21. Except as otherwise herein provided, it shall, for purposes of this Assignment, be sufficient service or giving of any notice, request, complaint, demand or other instrument or document if it is in writing to the address given below for the party to whom it is directed. Any notice given by telegram, telecopy or telex shall be deemed to be given when

sent. Any notice given by mail shall be deemed to be given when sent by registered or certified mail, return receipt requested, addressed as follows:

To Trustee: INB Trust Company
One Indiana Square
Indianapolis, Indiana 46266
Attn: Corporate Trust Department

Assignor: c/o The Prime Group, Inc.
77 West Wacker Drive
Suite 3900
Chicago, Illinois 60601
Attn: Division Head
Industrial Division

With copy to: The Prime Group, Inc.
77 West Wacker Drive
Suite 3900
Chicago, Illinois 60601
Attn: Robert J. Rudnik

And to: Kemper Financial Services, Inc.
120 South La Salle Street
Chicago, Illinois 60603
Attn: Real Estate Investment Group

With copy to: Laurance P. Nathan
Keck, Mahin & Cate
77 West Wacker Drive
49th Floor
Chicago, Illinois 60601-1693

or to each such party at such other addresses as such party may designate in a written notice to the other parties.

22. The term "Assignor," "Assignee," and "Borrower" shall be construed to include the heirs, personal representatives, successors and assigns thereof. The gender and number used in this Assignment are used as a reference term only and shall apply with the same effect whether the parties are of the masculine or feminine gender, corporate or other form, and the singular shall likewise include the plural.

23. This Assignment may not be amended, modified or changed nor shall any waiver of any provisions hereof be effective, except only by an instrument in writing and signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought.

24. Notwithstanding anything to the contrary contained herein other than in this Section 24, neither Assignor nor any of its partners shall have any personal liability for the obligation to pay any principal, interest or other sums payable under this Assignment or the Mortgage, the Financing Agreement or other documents securing the Assignor's obligations under the Financing Agreement, or for the obligation to observe, perform or discharge any of the terms, covenants or conditions contained in the Financing Agreement, the Indenture, the Mortgage, this Assignment or other documents securing Assignor's obligations under the

Financing Agreement, and (a) no attachment, execution, writ or other process shall be sought and no judicial proceeding shall be initiated by or on behalf of the Assignee against Assignor as a result of a breach or default under this Assignment, the Financing Agreement, the Indenture, the Mortgage or such other documents unless such attachment, execution, writ or judicial proceeding shall be necessary to enforce any of the rights, remedies or recourses of Assignee against or with reference to the Premises; and (b) in the event that any suit brought under this Assignment, the Financing Agreement, the Indenture, the Mortgage or other such documents, whether before or after the maturity by acceleration, by passage of time or otherwise, any judgment obtained in or as a result of such suit shall be enforceable and/or enforced solely against the Premises; provided, however, that Assignee shall have full recourse against Assignor and Assignor will promptly account to Assignee for all rents, issues, profits and income derived from the Premises and received by Assignor and not properly expended by Assignor in connection with the operation of the Premises, that accrue from and after the occurrence of a default under this Assignment or an Event of Default under the Mortgage or Financing Agreement or any other instrument constituting additional security for the Financing Agreement. Nothing herein contained shall be construed to: (1) be a release or impairment of the indebtedness evidenced by the Financing Agreement or of the lien of the Mortgage; (2) prevent Assignee from exercising and enforcing, consistent with the provisions of this Section 24, any other remedy allowed at law or in equity or by any statute or by the terms of this Assignment, the Financing Agreement, the Indenture, the Mortgage or other documents securing Assignor's obligations under the Financing Agreement; (3) prevent Assignee from enforcing the guaranties required hereunder or other available remedies against Assignor for any separate certificate, indemnity, bond, guaranty, assignment or affidavit executed in connection with Assignor's obligations under the Financing Agreement; (4) prevent Assignee from recovering any funds, damages or costs (including, without limitation, legal expenses) incurred by Assignee as a result of any deliberate, intentional or willful action taken in bad faith or as a result of fraud or intentional misrepresentation by or on behalf of Assignor; or (5) prevent Assignee from recovering any condemnation or insurance proceeds, or other similar funds or payments attributable to the Premises, which under the terms of the Mortgage or any of the other documents securing Assignor's obligations under the Financing Agreement should have been, but were not, paid to Assignee.

25. Upon payment in full of all amounts owing under the Financing Agreement or otherwise owing under or secured by the Mortgage or the Financing Agreement, this Assignment shall terminate and be of no further force and effect and Assignee will execute and deliver, at the cost and expense of Assignor, a release hereof.

26. Notwithstanding anything contained in this Assignment to the contrary, Assignor and Assignee acknowledge and agree that this Assignment is entered into and executed for the benefit of Trustee, not personally but solely as trustee under the Indenture; and that all duties, covenants and conditions to be performed hereunder by Assignee are undertaken solely as trustee under the Indenture and not individually, and that no personal liability shall be asserted or be enforceable against Trustee by reason of any of the covenants, statements, representations or warranties contained in this Assignment; and that the Assignee may act or decline to act only in accordance with the terms of the Indenture, including any protections or indemnities contemplated thereunder.

27. KILICO may act on behalf of the Assignee without the consent or joint action of the Trustee with respect to any matter set forth in this Assignment or any other Loan Document (as defined in the Mortgage), including, without limitation, the exercise of any remedies hereunder, the declaration of defaults or Events of Default, the release, in whole or in part, of any collateral or other property, and any consent, approval or waiver required or permitted hereunder. Any such action by KILICO will be deemed the act of the Assignee

without need of further inquiry by any other party. The Trustee may not take any action as Assignee under this Assignment without the prior written consent of KILICO. KILICO shall indemnify the Trustee against and hold the Trustee harmless from any and all claims, demands, costs, damages, liabilities, expenses (including reasonable fees of counsel), actions, suits and judgments arising out of or as a result of any actions taken by KILICO on behalf of Assignee pursuant to this Section, whether with respect to this Assignment or any other Loan Document, except for such liability as is adjudicated to have resulted from the negligence or willful misconduct of the Trustee.

[SIGNATURE PAGE TO FOLLOW]

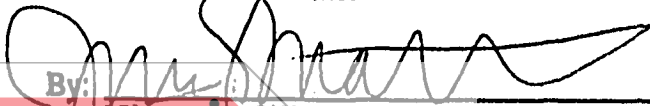


IN WITNESS WHEREOF, Assignor has caused this instrument to be signed and sealed as of the date first above written.

**Enterprise Center III, L.P.,
an Illinois limited partnership**

**By: K-P Enterprise Centers Limited Partnership
Its: General Partner**

**By: K-P Enterprise Centers, Inc.
Its: General Partner**

By: 

Document is JAMES G. MARTELL
Its: Senior Vice President

NOT OFFICIAL!

**This Document is the property of
the Lake County Recorder!**

(HPZ090931155.WWW)



PARTNERSHIP ACKNOWLEDGEMENT

STATE OF Illinois)
COUNTY OF Cook) SS

I, the undersigned, a Notary Public in and for the County and State aforesaid, does hereby certify that JAMES G. MARTELL personally known to me to be the SENIOR VICE PRESIDENT President of K-P Enterprise Centers, Inc., the general partner of K-P Enterprise Centers Limited Partnership, general partner of Enterprise Center III, L.P., an Illinois limited partnership, and the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and sealed such instrument, duly authorized on behalf of such partnership, as his free and voluntary act and the free and voluntary act of such partnership for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 25 day of June, 1993.

Document is
NOT OFFICIAL!

This Document is the property of [Signature]
the Lake County Recorder!
Name: Pamela Lyons
Notary Public

" OFFICIAL SEAL
PAMELA J. LYONS
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 12/2/96

My Commission Expires: _____

STOP



(HPZ109093)155.WWW

EC III
East Chicago

EXHIBIT "A"

PROPERTY

LOT 3, EAST CHICAGO ENTERPRISE CENTER TO THE CITY OF EAST CHICAGO, LAKE COUNTY, INDIANA, AS SHOWN IN PLAT BOOK 73, PAGE 78, RE-RECORDED IN PLAT BOOK 74, PAGE 35 AS DOCUMENT NO. 93034923 IN LAKE COUNTY, INDIANA.

NON-EXCLUSIVE EASEMENT CREATED IN EASEMENT AGREEMENT DATED AUGUST 23, 1991 RECORDED ~~NOVEMBER 14, 1991~~ AS DOCUMENT NO. 91057772.

Key Numbers: 30-29-33; 30-90-13; 31-35-2 and 9; 31-37-5, 10, 19, 21 and 24

Street Address: 4407 Railroad Avenue, East Chicago, Indiana



EXHIBIT "B"
SCHEDULE OF LEASES



(HPZ\09093\155.W\W)

EAST CHICAGO ENTERPRISE CENTER

06/15/93

RENT ROLL AS OF JUNE 25, 1993

UNIT #	TENANT	SQUARE FEET	BEGIN DATE	END DATE	MONTHLY RENT	RENT PSF	MONTHLY TAXES	TAXES PSF	MONTHLY INS	INS. PSF	MONTHLY CAM	CAM PSF	SEC. DEP.
030101	JERNBERG INDUSTRIES	3,500	02/01/90	M-TO-M	\$1,464	\$5.02	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$13,000
030102	VACANT - PLANT 3	284,630			0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	
030201	STERLING MACHINE	5,000	02/01/90	M-TO-M	500	\$1.20	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	
030203	PREMIERE INDUSTRIAL AUCTION	2,825	02/18/91	M-TO-M	930	\$3.95	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	
030204	HOFFMAN MACHINERY	1,600	10/23/91	M-TO-M	527	\$3.95	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	
030205	VAN DEILEN IND.	650	06/01/91	M-TO-M	214	\$3.95	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	
030207	HOMESTEAD TOOL	700	10/23/91	M-TO-M	500	\$8.97	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	
030208	NORTHSTAR	1,968	10/22/91	M-TO-M	648	\$3.95	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	
030209	SOIL TECH, INC.	2,307		M-TO-M	922	\$4.80							
030211	GOUGH, INC.	LND LSE		M-TO-M	100		\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	
030212	BMW CONSTRUCTION	0	05/18/92	M-TO-M	0	\$0.00	\$0	\$0.00	\$0	\$0.00	\$0	\$0.00	
030213	INDUSTRIAL CONTROLS	1,500	06/01/92	M-TO-M	100	\$0.80	\$41	\$0.33	\$9	\$0.07	\$63	\$0.50	
030215	UE&C CATALYTIC	0	10/01/92	M-TO-M	0	\$0.00							
030216	SYTEK-PA. ELECTRIC COIL	0	11/01/92	M-TO-M	0	\$0.00							
030301	STEEN MACHINERY	1,697		M-TO-M	262	\$1.85	\$46	\$0.33	\$10	\$0.07	\$71	\$0.50	
	Enterprise Center III	306,377			\$6,166		\$87		\$19		\$134		\$13,000

OCCUPANCY

NET OF SHORT TERM LEASES	0		
SHORT TERM LEASES	21,747		
TOTAL OCCUPANCY	21,747		

VACANCY

0.00%	100.00%
7.10%	92.90%
7.10%	92.90%

FOOTNOTES:

- (1) M-TO-M LEASE TERMS: lease can be cancelled by either party given 30 day notice.
 (2) UE&C CATALYTIC - 6 month lease term; 18 month extension option.

