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ASSIGNMENT OF LEASES

Dec 11

Chicago Life Insurance Company

In consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged, Lake County Trust Company as Trustee under Trust No. 4050, an Indiana land trust (hereinafter the "Assignor"), with its principal mailing address as c/o R. Investments Incorporated, attention: Mr. James L. Reitsma, 5790 Grant Street, Merrillville, Indiana 46410, hereby assigns to the IDS Life Insurance Company, a Minnesota corporation (hereinafter the "Assignee"), with its principal mailing address as 733 Marquette Avenue, Minneapolis, Minnesota 55402, Attention: Real Estate Loan Management, Unit #401, and to its successors and assigns, all right, title and interest of the Assignor in, to and under those certain leases which are referred to and identified below, together with all rents and other sums, including any penalty, any bonus and any amount to be paid upon exercise of any option to purchase, due and becoming due thereunder, with full right and authority to collect such amounts and to give receipt and acquittance therefor, which said leases cover all or a portion of certain real estate and improvements thereon (the "Premises") in Merrillville, Lake County, Indiana commonly known as the Birchwood Apartments, Indiana, and the legal description of which is more specifically described in Exhibit "A" which is attached hereto.



The leases to which this instrument pertains were executed as of those dates as more particularly described and set forth in the Certificate of Tenancies and Leases (the "Certificate") which has been executed in connection with and contemporaneously by Assignor, as lessor.

This Assignment shall also cover and apply to any existing or future amendments, supplements, or modifications of the aforesaid leases and to any new lessees not now listed in the Certificate of Tenancies and Leases and to any short or memorandum form of said leases executed for recording purposes.

This Assignment is given as security for payment of a mortgage loan of Four Million Seventy-five Thousand and 00/100 Dollars (\$4,075,000.00) made to Assignor, represented by a promissory note (the "Note") and a mortgage, and security and fixture financing statement with assignment of leases and rents (the "Mortgage") securing the same, each of which is dated of even date herewith, covering the leased Premises. Acceptance of this Assignment shall not impair, affect, or modify any of the terms and conditions of said Note or the Mortgage securing the same.

This Assignment is absolute and is effective immediately and includes any extensions or renewals of the said leases. However, notwithstanding that this Assignment is effective immediately, until notified by the Assignee in writing that a default has

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occurred under the terms and conditions of the above described Note or Mortgage and the expiration of any applicable cure period, lessees shall continue to pay to the Assignor the rentals coming due under said leases as and when they accrue according to the terms of said leases, it being understood, however, that in no event shall Assignor collect rent for more than thirty (30) days in advance on the leases (other than as security deposits).

Assignee shall not be liable for failure to collect rentals or failure to enforce performance by the lessees.

Assignee may, at its option, although it shall not be obligated so to do, perform any lease covenant for and on behalf of the Assignor and may recover any money advanced for any such purpose from Assignor on demand, with interest at the maximum rate set out in the said Note from date of advancement, and may reimburse itself for amounts so advanced, with interest, from any rents collected and if not so repaid then any balance shall be added to said indebtedness and shall be secured by said Mortgage. Likewise Assignee may, at its option, exercise any option or election for and on behalf of Assignor.

Assignor represents that the said leases are in full force and effect according to their terms; that said leases have not been amended or modified as of this date other than as may be described in the Certificate; that Assignor is not in default thereunder; that Assignor has not sold, assigned, pledged or encumbered the said leases or the rentals thereof; that Assignor has not heretofore given its consent that the lessees may make alterations or improvements or its consent to any assignment of the leases by the lessees; that Assignor holds no deposit, except as may be set forth in the Certificate, or other security for performance by the lessees; and that rent has not been paid for more than thirty (30) days in advance by the lessees.

Assignor further agrees that hereafter it will not amend, modify, cancel or accept surrender of the said leases nor attempt to do so, nor will it enter into, or attempt to enter into, any new leases (except the standard form of lease as approved by Assignee) with the lessees set forth in the Certificate or any new lessees (except the standard form of lease as approved by Assignee), nor will it give its consent that the lessees may make alterations or improvements or that the lessees may assign, without, in each case, first obtaining the express written consent of the Assignee. Assignor will not consent to, cause or allow any modification or alteration of any of the terms (including, without limitation, the amount of rent), conditions or covenants of the leases or any lease hereafter effected, or the termination of any such lease except in accordance with the terms of such lease, without the prior written approval of Assignee, provided, however, that Assignor may, without Assignee's consent, modify or alter any of the terms, conditions

and covenants of any lease so long, as such modification or alteration does not result in a (i) surrender or termination of such lease or (ii) decrease in the amount of any payments due under such lease or (iii) change in the size of the leased premises or (iv) decrease in the term of such lease. In the event Assignor enters into any new or additional leases or makes modifications to any existing leases subsequent to the date of this Assignment, Assignor shall provide immediately such new or modified leases to Assignee.

The terms, covenants, stipulations and conditions set forth in the written Assignment of Rents, dated of even date herewith, and executed by Assignor to Assignee are in addition to, and not in derogation of, this Assignment.

Rentals and other sums, if any, paid to and received by the Assignee shall be held, without allowance of interest, and shall be applied by it for the following purposes (but not necessarily in the order stated), the priority and application of such funds being within the sole discretion of the Assignee:

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- (1) to the payment of principal and interest installments on the Note as and when the same become due and payable;
 - (2) to the making of any required deposits in an escrow fund for the future payment of taxes, assessments and insurance premiums;
 - (3) to the payment to Assignee of all other sums due it under its said Note and Mortgage or under this Assignment; and
 - (4) any amount not applied as above provided and remaining in the hands of the Assignee may, at its option, be applied by the Assignee to one or both of the following: (a) used for prepayment of principal in inverse order of its maturity, or (b) be refunded to the Assignor.

This Assignment has been executed and delivered in the State of Indiana with respect to Premises and leases located in the State of Indiana and is to be construed, interpreted and enforced according to and governed by the laws of the State of Indiana.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties hereto.

Whenever used herein the singular number shall include the plural, the plural the singular, and use of any gender shall include all genders.

The Assignee agrees that it shall not seek judgment on the

Note against any beneficiary or trustee of Assignor (except for any liability of such beneficiary or trustee as a guarantor under any guaranty and indemnity agreement or other guarantors under any personal guaranty executed in connection herewith) by reason of any default which may occur in the performance of any of the terms hereof undertaken or required to be performed hereunder, under the Note, the Mortgage, the Assignment of Rents, the Subordination, Recognition and Attornment Agreements, all of which secure such Note, or under any other document executed in connection with the loan evidenced by such Note, nor will the Assignee seek or be entitled to any personal judgment against Assignor or its beneficiary or trustee by reason of any default hereunder or under any of such other documents (except for any liability of such beneficiary or trustee as a guarantor under any guaranty and indemnity agreement or other guarantors under any personal guaranty executed in connection herewith). The sole remedy of the Assignee in the event of any default shall be to proceed against the real estate described herein and any other property (real or personal) as described herein or any other instrument being held as security for the payment of the indebtedness due under such Note and this Agreement or to proceed against any guarantor under any guaranty and indemnity agreement given in connection herewith.

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Notwithstanding anything to the contrary contained elsewhere in this Agreement, the Assignor, its beneficiary or trustee and any guarantors under a guaranty and indemnity agreement and all assets of the foregoing shall be and remain liable with respect to, and Assignee shall be entitled to recover from Assignor, its beneficiary or trustee and any such guarantors and all assets of the foregoing:

- a. any condemnation awards and insurance proceeds received by Assignor or its general partners;
- b. all security deposits or prepaid rents, all income and profits collected with respect to the Premises more than thirty (30) days in advance or rents, profits and income collected with respect to the Premises subsequent to a default and upon the Assignee's exercise of its rights under the Assignment of Rents given as additional security;
- c. damages sustained by Assignee as a result of any fraud, intentional misrepresentation of Assignor or its beneficiary or trustee;
- d. losses sustained by Assignee from hazardous substances and/or environmental pollution in connection with the Premises; and

e. real estate taxes and insurance premiums due and payable up to the date of taking title to the Premises by Assignee.

Executed as of this 14th day of December, 1993.

"ASSIGNOR"

LAKE COUNTY TRUST COMPANY AS TRUSTEE
UNDER TRUST NO. 4050,
an Indiana land trust

SEE SIGNATURE PAGE ATTACHED

By: _____

(Signature), Title

NOT OFFICIAL!

(Printed), Title

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the Lake County Recorder!

STOP



It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against LAKE COUNTY TRUST COMPANY on account of this instrument or on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

Nothing contained herein shall be construed as creating any liability on LAKE COUNTY TRUST COMPANY, personally under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) or the Indiana Responsible Property Transfer Law (the Act) as amended from time to time or any other Federal, State or local law, rule or regulation. LAKE COUNTY TRUST COMPANY, personally is not a "Transferor or Transferee" under the Act and makes no representations concerning any possible environmental defects. In making any warranty herein the Trustee is relying solely on information furnished to it by the beneficiaries and not of its own knowledge and specifically exculpates itself from any liabilities, responsibilities or damages as a result of including any warranty in this instrument.

The information contained in this instrument has been furnished the undersigned by the beneficiaries under aforesaid Trust and the statements made therein are made solely in reliance thereon and no responsibility is assumed by the undersigned, in its individual capacity for the truth or accuracy of the facts herein stated.

IN WITNESS WHEREOF, LAKE COUNTY TRUST COMPANY, not personally, but as Trustee as aforesaid, has caused these presents to be signed by its Trust Officer and attested by its Assistant Secretary this 14th day of December, 1993.

LAKE COUNTY TRUST COMPANY, not personally, but as Trustee under the provisions of a Trust Agreement dated February 26, 1990 and known as Trust No. 4050.

By: *Elaine M. Worstell*
Elaine M. Worstell, Trust Officer

ATTEST
BY: *Laura M. Anderson*
Laura M. Anderson, Assistant Secretary

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Officers of LAKE COUNTY TRUST COMPANY, who acknowledge the execution of the foregoing instrument as the free and voluntary act of said Corporation and as their free and voluntary act, acting for such Corporation, as Trustee.

Witness my hand and seal this 14th day of December, 1993.

Leah Susanne Anderson
Leah Susanne Anderson-Notary Public

My Commission Expires: 04-07-95 Resident: Lake County, Indiana

EXHIBIT "A"

to

ASSIGNMENT OF LEASES

Legal Description:

THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 35 NORTH, RANGE 18 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, EXCEPT THE EAST 660 FEET THEREOF AND EXCEPT THE SOUTH 1624.65 FEET THEREOF.

