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Doc#: 0835829066 Fee: \$56.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 12/23/2008 04:56 PM Pg: 1 of 11

This document was prepared by,  
and after recording, return to:

Derek L. Cottier, Esq.  
Dykema Gossett PLLC  
180 North LaSalle Street  
Suite 2700  
Chicago, Illinois 60601

**Permanent Tax Index Numbers:**

See Exhibit "A" attached hereto

**Property Address:**

2021 South Morgan Street  
Chicago, Illinois 60608

*This space reserved for Recorders use only.*

## ASSIGNMENT OF RENTS AND LEASES

This **ASSIGNMENT OF RENTS AND LEASES** dated as of December 23, 2008 (the "Assignment"), is executed by **CASA MARAVILLA LP**, an Illinois limited partnership (the "Assignor"), to and for the benefit of **U.S. BANK NATIONAL ASSOCIATION**, a national banking association, its successors and assigns (the "Assignee").

### RECITALS:

A. Pursuant to the terms and conditions of a Construction and Permanent Loan Agreement of even date herewith between Assignor and Assignee (as amended, restated or replaced from time to time "Loan Agreement"), Assignee has agreed to make to Assignor: (i) a convertible term loan in the stated principal amount of \$1,250,000.00 (the "Convertible Term Loan"), and (ii) a construction bridge loan in the stated principal amount of \$6,423,384.00 (the "Construction Bridge Loan"; and together with the Convertible Term Loan, the "Loans"). The Convertible Term Loan is evidenced by that certain Promissory Note of even date herewith made by Assignor to the order of Assignee in the stated principal amount of \$1,250,000.00 (as amended from time to time, the "Convertible Term Note"), and the Construction Bridge Loan is evidenced by that certain Promissory Note of even date herewith made by Assignor to the order of Assignee in the stated principal amount of \$6,423,384.00 (the "Construction Bridge Note"; and together with the Convertible Term Note, the "Notes").

B. The Loans will be used to finance a portion of the cost to construct a 73-unit senior affordable rental housing project commonly known as Casa Maravilla Apartments. The Loan Agreement, the Notes, the Mortgage (as hereinafter defined) and all other documents evidencing and securing the Loans (or either of them), as amended, supplemented or restated from time to time, are hereinafter referred to collectively as the "Loan Documents". A

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condition precedent to the Assignee's extension of the Loans to the Assignor is the execution and delivery by the Assignor of this Assignment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto mutually agree as follows:

## AGREEMENTS:

1. Definitions. All capitalized terms which are not defined herein shall have the meanings ascribed thereto in that certain Construction Mortgage, Security Agreement, Assignment of Rents and Leases And Fixture Filing dated as of even date herewith, executed by the Assignor to and for the benefit of the Assignee (the "Mortgage").

2. Grant of Security Interest. The Assignor hereby grants, transfers, sets over and assigns to the Assignee, all of the right, title and interest of the Assignor in and to (i) all of the rents, revenues, issues, profits, proceeds, receipts, income, accounts and other receivables arising out of or from the land legally described in Exhibit "A" attached hereto and made a part hereof and all buildings and other improvements located thereon (said land and improvements being hereinafter referred to collectively as the "Premises"), including, without limitation, lease termination fees, purchase option fees and other fees and expenses payable under any lease; (ii) all leases and subleases (each, a "Lease", and collectively, the "Leases"), now or hereafter existing, of all or any part of the Premises together with all guaranties of any of such Leases and all security deposits delivered by tenants thereunder, whether in cash or letter of credit; (iii) that certain Agreement to Enter Into Housing Assistance Payments Contract dated as of December 18, 2008, by and between Assignor and the Chicago Housing Authority (the "AHAP"); (iv) that certain Housing Assistance Payments Contract to be entered into by and between Assignor and the Chicago Housing Authority pursuant to the AHAP; (v) all rights and claims for damage against tenants arising out of defaults under the Leases, including rights to termination fees and compensation with respect to rejected Leases pursuant to Section 365(a) of the Federal Bankruptcy Code or any replacement Section thereof; and (vi) all tenant improvements and fixtures located on the Premises. This Assignment is an absolute transfer and assignment of the foregoing interests to the Assignee given to secure:

(a) the payment by the Assignor when due of (i) the indebtedness evidenced by the Notes, the Loan Agreement, each of the other Loan Documents and any and all renewals, extensions, replacements, amendments, modifications and refinancings thereof; (ii) any and all other indebtedness and obligations that may be due and owing to the Assignee by the Assignor under or with respect to the Loan Documents; and (iii) all costs and expenses paid or incurred by the Assignee in enforcing its rights hereunder, including without limitation, court costs and reasonable attorneys' fees; and

(b) the observance and performance by the Assignor of the covenants, conditions, agreements, representations, warranties and other liabilities and obligations of the Assignor or any other obligor to or benefiting the Assignee which are evidenced or secured by or otherwise provided in the Notes, the Loan Agreement, the Mortgage, this Assignment or any other Loan Document, together with all amendments and modifications thereof.

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3. Representations and Warranties of the Assignor. The Assignor represents and warrants to the Assignee that:

(a) this Assignment, as executed by the Assignor, constitutes the legal and binding obligation of the Assignor enforceable in accordance with its terms and provisions;

(b) as of the date hereof, there are no Leases;

(c) except for the Subordinate Loan Documents, there are no other existing assignments of the Assignor's entire or any part of its interest in or to any of the Leases, or any of the rents, issues, income or profits assigned hereunder, nor has the Assignor entered into any agreement to subordinate any of the Leases or the Assignor's right to receive any of the rents, issues, income or profits assigned hereunder; and

(d) the Assignor has not executed any instrument or performed any act which may prevent the Assignee from operating under any of the terms and provisions hereof or which would limit the Assignee in such operation.

4. Covenants of the Assignor. The Assignor covenants and agrees that so long as this Assignment shall be in effect:

(a) Assignor shall not lease any portion of the Premises unless Assignor obtains Assignee's prior written consent to all aspects of such lease; provided, however, Assignor hereby consents to the execution by Assignee of residential Leases for one or more of the 73 rental units to be contained in the Premises if (i) each such Lease shall be for a term of not more than one year and on a form approved by Assignee in its reasonable discretion, the Limited Partners (as defined in the Loan Agreement) and, as required by any of the Project Agreements (as defined in the Loan Agreement), any other party whose approval is required under any of the Project Agreements; and (ii) each such Lease otherwise shall be in full compliance with the terms and conditions of the Loan Documents and each of the Project Agreements.

(b) the Assignor shall observe and perform all of the covenants, terms, conditions and agreements contained in the Leases to be observed or performed by the lessor thereunder, and the Assignor shall not do or suffer to be done anything to impair the security thereof. Except as otherwise approved by Assignee or as otherwise permitted under Section 4(e) hereof, the Assignor shall not (i) release the liability of any tenant under any Lease, (ii) consent to any tenant's withholding of rent or making monetary advances and off-setting the same against future rentals, (iii) consent to any tenant's claim of a total or partial eviction, (iv) consent to a tenant termination or cancellation of any Lease, except as specifically provided therein, or (v) enter into any oral leases with respect to all or any portion of the Premises;

(c) the Assignor shall not collect any of the rents, issues, income or profits assigned hereunder more than thirty days in advance of the time when the same shall become due, except for security or similar deposits;

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(d) except for the Subordinate Loan Documents, the Assignor shall not make any other assignment of its entire or any part of its interest in or to any or all Leases, or any or all rents, issues, income or profits assigned hereunder;

(e) Assignor shall not, without the prior written consent of Assignee: (i) materially modify the terms and provisions of any Lease, unless such modification does not materially adversely effect Assignee's interest in any of the Leases or otherwise violate the Loan Documents or any of the Project Agreements; (ii) give any consent to (including, but not limited to, any consent to any assignment of, or subletting under, any Lease, except as expressly permitted thereby) or approval, required or permitted by such terms and provisions, unless the giving of such consent or approval does not materially adversely effect Assignee's interest in any of the Leases or otherwise violate the Loan Documents or any of the Project Agreements; or (iii) cancel or terminate any Lease; provided, however, that Assignor may cancel or terminate any Lease as a result of a material default by the tenant thereunder and failure of such tenant to cure the default within the applicable time periods set forth in the Lease;

(f) the Assignor shall not accept a surrender of any Lease or convey or transfer, or suffer or permit a conveyance or transfer, of the premises demised under any Lease or of any interest in any Lease so as to effect, directly or indirectly, proximately or remotely, a merger of the estates and rights of, or a termination or diminution of the obligations of, any tenant thereunder; any termination fees payable under a Lease for the early termination or surrender thereof shall be paid jointly to the Assignor and the Assignee;

(g) the Assignor shall not materially alter, modify or change the terms of any guaranty of any Lease, or cancel or terminate any such guaranty or do or permit to be done anything which would terminate any such guaranty as a matter of law;

(h) the Assignor shall not waive or excuse the obligation to pay rent under any Lease;

(i) the Assignor shall, at its sole cost and expense, appear in and defend any and all actions and proceedings arising under, relating to or in any manner connected with any Lease or the obligations, duties or liabilities of the lessor or any tenant or guarantor thereunder, and shall pay all costs and expenses of the Assignee, including court costs and reasonable attorneys' fees, in any such action or proceeding in which the Assignee may appear;

(j) the Assignor shall give prompt notice to the Assignee of any notice of any default by the lessor under any Lease received from any tenant or guarantor thereunder;

(k) the Assignor shall enforce the observance and performance of each covenant, term, condition and agreement contained in each Lease to be observed and performed by the tenants and guarantors thereunder;

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(l) the Assignor shall not permit any of the Leases to become subordinate to any lien or liens other than liens securing the indebtedness secured hereby or liens for general real estate taxes not delinquent;

(m) From and after the Conversion Date (as defined in the Permanent Note), not later than ten (10) days after the end of each calendar quarter (provided, however, that from the Conversion Date to the end of the first full calendar year after the Conversion Date, not later than ten (10) days after the end of each calendar month), the Assignor shall deliver to the Assignee a certified rent roll for the Premises as of the last day of such period in a form reasonably satisfactory to the Assignee.

5. Rights Prior to Default. Unless or until an Event of Default (as defined in Section 6) shall occur, the Assignor shall have the right to collect, at the time (but in no event more than thirty days in advance) provided for the payment thereof, all rents, issues, income and profits assigned hereunder, and to retain, use and enjoy the same. Upon the occurrence of an Event of Default, the Assignor's right to collect such rents, issues, income and profits shall immediately terminate without further notice thereof to the Assignor. The Assignee shall have the right to notify the tenants under the Leases of the existence of this Assignment at any time.

6. Events of Default. An "Event of Default" shall occur under this Assignment upon the occurrence of (a) a breach by the Assignor of any of the covenants, agreements, representations, warranties or other provisions hereof which is not cured or waived, after notice from Assignee, within the applicable grace or cure period, if any, set forth in the Mortgage, or (b) any other Event of Default described in either Note, the Loan Agreement, the Mortgage or any other Loan Document. Notwithstanding anything to the contrary contained herein, the Assignee hereby agrees that any cure of any default made or tendered by one or more of the Limited Partners (as defined in the Loan Agreement) shall be deemed to be a cure by the Assignor and shall be accepted or rejected on the same basis as if made or tendered by the Assignor.

7. Rights and Remedies Upon Default. At any time upon or following the occurrence of any Event of Default, the Assignee, at its option, may exercise any one or more of the following rights and remedies without any obligation to do so, without in any way waiving such Event of Default, without further notice or demand on the Assignor, without regard to the adequacy of the security for the obligations secured hereby, without releasing the Assignor or any guarantor of the Indebtedness from any obligation, and with or without bringing any action or proceeding to foreclose the Mortgage or any other lien or security interest granted by the Loan Documents:

(a) Declare all Indebtedness immediately due and payable;

(b) Enter upon and take possession of the Premises, either in person or by agent or by a receiver appointed by a court, and have, hold, manage, lease and operate the same on such terms and for such period of time as the Assignee may deem necessary or proper, with full power to make from time to time all alterations, renovations, repairs or replacements thereto or thereof as may seem proper to the Assignee, to make, enforce,



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modify and accept the surrender of Leases, to obtain and evict tenants, to fix or modify rents, and to do any other act which the Assignee deems necessary or proper;

(c) Either with or without taking possession of the Premises, demand, sue for, settle, compromise, collect, and give acquittances for all rents, issues, income and profits of and from the Premises and pursue all remedies for enforcement of the Leases and all the lessor's rights therein and thereunder. This Assignment shall constitute an authorization and direction to the tenants under the Leases to pay all rents and other amounts payable under the Leases to the Assignee, without proof of default hereunder, upon receipt from the Assignee of written notice to thereafter pay all such rents and other amounts to the Assignee and to comply with any notice or demand by the Assignee for observance or performance of any of the covenants, terms, conditions and agreements contained in the Leases to be observed or performed by the tenants thereunder, and the Assignor shall facilitate in all reasonable ways the Assignee's collection of such rents, issues, income and profits, and upon request will execute written notices to the tenants under the Leases to thereafter pay all such rents and other amounts to the Assignee; and

(d) Make any payment or do any act required herein of the Assignor in such manner and to such extent as the Assignee may deem necessary, and any amount so paid by the Assignee shall become immediately due and payable by the Assignor with interest thereon until paid at the Default Rate and shall be secured by this Assignment.

8. Application of Proceeds. All sums collected and received by the Assignee out of the rents, issues, income and profits of the Premises following the occurrence of any one or more Events of Default shall be applied in accordance with the Illinois Mortgage Foreclosure Law (Chapter 735, Sections 5/15-1101 et seq., Illinois Compiled Statutes) and, unless otherwise specified in such act, in such order as the Assignee shall elect in its sole and absolute discretion.

9. Limitation of the Assignee's Liability. The Assignee shall not be liable for any loss sustained by the Assignor resulting from the Assignee's failure to let the Premises or from any other act or omission of the Assignee in managing, operating or maintaining the Premises following the occurrence of an Event of Default. The Assignee shall not be obligated to observe, perform or discharge, nor does the Assignee hereby undertake to observe, perform or discharge any covenant, term, condition or agreement contained in any Lease to be observed or performed by the lessor thereunder, or any obligation, duty or liability of the Assignor under or by reason of this Assignment. The Assignor shall and does hereby agree to indemnify, defend (using counsel reasonably satisfactory to the Assignee) and hold the Assignee harmless from and against any and all liability, loss or damage which the Assignee may incur under any Lease or under or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against the Assignee by reason of any alleged obligation or undertaking on its part to observe or perform any of the covenants, terms, conditions and agreements contained in any Lease; provided, however, in no event shall the Assignor be liable for any liability, loss or damage which the Assignor incurs as a result of the Assignee's gross negligence or willful misconduct. Should the Assignee incur any such liability, loss or damage under any Lease or under or by reason of this Assignment, or in the defense of any such claim or demand, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall become immediately due and payable by the Assignor with interest thereon at the Default Rate and shall

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be secured by this Assignment. This Assignment shall not operate to place responsibility upon the Assignee for the care, control, management or repair of the Premises or for the carrying out of any of the covenants, terms, conditions and agreements contained in any Lease, nor shall it operate to make the Assignee responsible or liable for any waste committed upon the Premises by any tenant, occupant or other party, 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. Nothing set forth herein or in the Mortgage, and no exercise by the Assignee of any of the rights set forth herein or in the Mortgage shall constitute or be construed as constituting the Assignee a "mortgagee in possession" of the Premises, in the absence of the taking of actual possession of the Premises by the Assignee pursuant to the provisions hereof or of the Mortgage.

10. No Waiver. Nothing contained in this Assignment and no act done or omitted to be done by the Assignee pursuant to the rights and powers granted to it hereunder shall be deemed to be a waiver by the Assignee of its rights and remedies under any of the Loan Documents. This Assignment is made and accepted without prejudice to any of the rights and remedies of the Assignee under the terms and provisions of such instruments, and the Assignee may exercise any of its rights and remedies under the terms and provisions of such instruments either prior to, simultaneously with, or subsequent to any action taken by it hereunder. The Assignee may take or release any other security for the performance of the obligations secured hereby, may release any party primarily or secondarily liable therefor, and may apply any other security held by it for the satisfaction of the obligations secured hereby without prejudice to any of its rights and powers hereunder.

11. Further Assurances. The Assignor shall execute or cause to be executed such additional instruments (including, but not limited to, general or specific assignments of such Leases as the Assignee may designate) and shall do or cause to be done such further acts, as the Assignee may request, in order to permit the Assignee to perfect, protect, preserve and maintain the assignment made to the Assignee by this Assignment.

12. Security Deposits. The Assignor acknowledges that the Assignee has not received for its own account any security deposited by any tenant pursuant to the terms of the Leases and that the Assignee assumes no responsibility or liability for any security so deposited.

13. Severability. If any provision of this Assignment is deemed to be invalid by reason of the operation of law, or by reason of the interpretation placed thereon by any administrative agency or any court, the Assignee and the Assignor shall negotiate an equitable adjustment in the provisions of the same in order to effect, to the maximum extent permitted by law, the purpose of this Assignment and the validity and enforceability of the remaining provisions, or portions or applications thereof, shall not be affected thereby and shall remain in full force and effect.

14. Successors and Assigns. This Assignment is binding upon the Assignor and its legal representatives, successors and assigns, and the rights, powers and remedies of the Assignee under this Assignment shall inure to the benefit of the Assignee and its successors and assigns.

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15. Written Modifications. This Assignment shall not be amended, modified or supplemented without the written agreement of the Assignor and the Assignee at the time of such amendment, modification or supplement.

16. Duration. This Assignment shall become null and void at such time as all of the Indebtedness shall have been irrevocably paid in full and Assignee shall have no further obligation to make any disbursement under either Loan.

17. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of Illinois.

18. Notices. All notices, demands, requests and other correspondence which are required or permitted to be given hereunder shall be deemed sufficiently given when delivered or mailed in the manner and to the addresses of the Assignor and the Assignee, as the case may be, as specified in the Mortgage.

19. WAIVER OF TRIAL BY JURY. THE ASSIGNOR AND THE ASSIGNEE (BY ACCEPTANCE HEREOF), HAVING BEEN REPRESENTED BY COUNSEL, EACH KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (A) UNDER THIS ASSIGNMENT OR ANY RELATED AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THIS ASSIGNMENT OR (B) ARISING FROM ANY BANKING RELATIONSHIP EXISTING IN CONNECTION WITH THIS ASSIGNMENT, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. THE ASSIGNOR AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST THE ASSIGNEE OR ANY OTHER PERSON INDEMNIFIED UNDER THIS ASSIGNMENT ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.

20. Non-Recourse. The non-recourse provisions of Section 12.19 of the Loan Agreement are incorporated herein by reference as if set forth in full.

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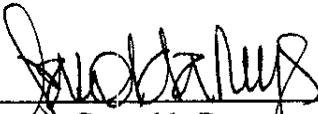
IN WITNESS WHEREOF, the Assignor has executed and delivered this Assignment of Rents and Leases as of the day and year first above written.

**ASSIGNOR:**

**CASA MARAVILLA LP**, an Illinois limited partnership

By: Casa Maravilla Apartments Corp., an Illinois corporation

Its: General Partner

By:   
Name: Guacolda Reyes  
Title: Secretary/Treasurer

Property of Cook County Clerk's Office

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STATE OF ILLINOIS            )  
  ) SS.  
COUNTY OF \_\_\_\_\_ )

The undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Guacolda Reyes, the Secretary/Treasurer of Casa Maravilla Apartments Corp., an Illinois corporation ("General Partner"), the general partner of **CASA MARAVILLA LP**, an Illinois limited partnership ("Assignor"), who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such manager, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of General Partner in General Partner's capacity as general partner of Assignor, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 23rd day of December, 2008.

*Heather Aeschleman*  
\_\_\_\_\_  
Notary Public



My Commission Expires:  
\_\_\_\_\_

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## EXHIBIT "A"

### LEGAL DESCRIPTION OF REAL ESTATE

THAT PART OF BLOCK 18 IN WALSH AND MCMULLEN'S SUBDIVISION OF THE SOUTH 3/4 OF THE SOUTHEAST 1/4 OF SECTION 20, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE WEST LINE OF SAID BLOCK 18, SAID POINT OF BEGINNING BEING LOCATED ON THE EAST RIGHT OF WAY LINE OF SOUTH MORGAN STREET AND DISTANT 120.80 FEET SOUTH OF THE NORTHWEST CORNER OF SAID BLOCK 18; THENCE SOUTH 89 DEGREES 54 MINUTES 27 SECOND EAST ALONG THE SOUTH LINE OF THE NORTH 120.80 FEET OF SAID BLOCK 18 A DISTANCE OF 207.95 FEET TO A POINT; THENCE SOUTH 00 DEGREES 00 MINUTES 24 SECONDS WEST A DISTANCE OF 95.00 FEET TO A POINT; THENCE NORTH 89 DEGREES 50 MINUTES 08 SECONDS EAST A DISTANCE OF 21.50 FEET TO A POINT; THENCE SOUTH 00 DEGREES 05 MINUTES 06 SECONDS EAST A DISTANCE OF 74.30 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 152.00 FEET OF SAID BLOCK 18; THENCE NORTH 89 DEGREES 52 MINUTES 20 SECONDS WEST ALONG SAID NORTH LINE A DISTANCE OF 229.55 FEET TO A POINT IN THE WEST LINE OF SAID BLOCK 18 WHICH IS 152.00 FEET NORTH OF THE SOUTHWEST CORNER THEREOF; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST ALONG THE WEST LINE OF SAID BLOCK 18 A DISTANCE OF 169.06 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

ADDRESS: 2021 SOUTH MORGAN STREET, CHICAGO, ILLINOIS 60608

PIN NOS. 17-20-433-005  
17-20-433-013