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Cook County Recorder 73.00

THIS INSTRUMENT WAS
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TO:

PIPER MARBURY
RUDNICK & WOLFE
203 N. LASALLE STREET
CHICAGO, ILLINOIS 60601
ATTN: JOHN T. CUSACK, ESQ.

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ASSIGNMENT AND ASSUMPTION AGREEMENT

(Existing Loan Documents and Existing Option Agreement)
(Palmolive Venture and Trustee to Palmolive LLC)

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D. Wick

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is made as of December 17, 1999, by and between **PALMOLIVE VENTURE**, an Illinois limited partnership ("Palmolive Venture"), **AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, not personally but solely as Trustee under Trust Agreement dated November 15, 1979, and known as Trust No. 48322 (the "Trustee") (Palmolive Venture and the Trustee and are sometimes collectively referred to herein as the "Original Borrower"), **PALMOLIVE VENTURE LLC**, a Delaware limited liability company ("Palmolive LLC") and **LEHNDORFF 919 MICHIGAN ASSOCIATES**, a Texas joint venture ("Lender").

RECITALS:

A. Lender has heretofore made a loan (the "Loan") in the original aggregate principal amount of Sixty Seven Million Three Hundred Ninety Eight Thousand Four Hundred Eighty Five and No/100 Dollars (\$67,398,485.00) in connection with certain real estate located in Cook County, Illinois, described on Exhibit A attached hereto and made a part hereof (the "Property"), which Loan is evidenced by (i) that certain Mortgage Note dated as of July 13, 1989, in the original principal amount of Eleven Million Three Hundred Thirty Thousand and No/100 Dollars (\$11,330,000.00) and made by the Trustee in favor of Lender (the "First Note"); (ii) that certain Mortgage Note dated as of July 13, 1989, in the original principal amount of Fifty Six Million Sixty Eight Thousand Four Hundred Eighty Five and No/100 Dollars (\$56,068,485.00) and made by Trustee in favor of Lender (the "Second Note") (the First Note and the Second Note are sometimes collectively referred to herein as the "Notes"); (iii) that certain Loan Agreement dated July 13, 1989, among Trustee, Palmolive Venture and Lender (the "Loan Agreement"); (iv) that certain Leasehold Mortgage, Assignment of Leases and Rents and Security Agreement and Financing Statement dated as of

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July 13, 1989, made by Original Borrower in favor of Lender, recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Document No. 89334938 (the "Mortgage"); (v) that certain Assignment of Rents and Leases dated as of July 13, 1989, made by Original Borrower in favor of Lender, recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Document No. 89334939 (the "Assignment of Rents"); and (vi) certain other original loan documents listed and identified, along with the Notes, the Loan Agreement and certain certificates, guaranties and indemnity agreements of the principals of Palmolive Venture, on Exhibit B attached (such documents, the Notes, the Loan Agreement, the Mortgage and the Assignment of Rents being sometimes collectively referred to herein as the "Original Loan Documents").

B. Original Borrower and Lender have previously entered into (i) a Modification Agreement dated as of July 30, 1999, that was recorded on August 4, 1999, in the office of the Recorder of Deeds of Cook County, Illinois as Document Number 99741473 and subsequently re-recorded to correct a recording error as Document Number 9979556, (ii) a First Amendment to Modification Agreement dated as of September 1, 1999, that was recorded on September 17, 1999, in the office of the Recorder of Deeds of Cook County, Illinois, as Document Number 99884784, and (iii) a Second Amendment to Modification Agreement dated as of November 29, 1999, that was recorded on November 30, 1999, in the office of the Recorder of Deeds of Cook County, Illinois as Document No. 09118134. Said Modification Agreements are referred to herein collectively as the "Recent Loan Modification Agreements." The Original Loan Documents (with the exception of the Limited Guaranty dated as of July 13, 1989, made by Jerrold Wexler ("Wexler") and Edward W. Ross ("Ross") in favor of Lender and the Environmental Indemnity Agreement dated July 13, 1989, made by Wexler and Ross in favor of Lender; hereinafter the "Guaranty" and the "Environmental Indemnity", respectively), as modified pursuant to the Recent Loan Modification Agreements are referred to herein as the "Existing Loan Documents."

C. Original Borrower and Palmolive Partners Limited Partnership, an Illinois limited partnership ("Optionee") have previously entered into a certain Option Agreement dated as of July 13, 1989 (the "Original Option Agreement") relating to the Property. Original Borrower and Optionee recorded a Memorandum of Option in the Office of the Recorder of Deeds of Cook County, Illinois on July 21, 1989, as Document Number 89334937 (the "Memorandum") relating to the Original Option Agreement. Optionee exercised its option in accordance with Section 2.2 of the Original Option Agreement.

D. The Original Option Agreement and the Memorandum have been amended by (i) a certain Amendment to Option Agreement and Memorandum of Option dated as of July 30, 1999, and recorded on August 4, 1999, as Document Number 99741473, subsequently re-recorded to correct recording error as Document Number 99797556; (ii) a certain Second Amendment to Option Agreement and Memorandum of Option dated as of September 1, 1999, and recorded on September 17, 1999, as Document Number 99884786; (iii) a certain Third Amendment to Option Agreement and Memorandum of Option dated as of November 29, 1999, that was recorded on November 30, 1999, in the office of the Recorder of Deeds of Cook County, Illinois as Document No. 09118135, and (iv) a certain Fourth Amendment to Option Agreement and Memorandum of Option dated as of

even date herewith and recorded in the office of the Recorder of Deeds of Cook County, Illinois. Said Amendments are referred to herein collectively as the "Recent Option Amendments." The Original Option Agreement, as amended by the Recent Option Amendments, is referred to herein as the "Existing Option Agreement."

E. The Property is subject to that certain Lease made and entered into by The Prudential Insurance Company of America ("Prudential") and 2000 Corporation ("2000"), which Lease is dated December 26, 1958, and amended November 30, 1961, May 31, 1983, and July 20, 1989 (as amended, the "Underlying Lease"). Lender has succeeded to all right, title and interest of Prudential as lessor under the Underlying Lease and Trustee has succeeded to all right, title and interest of 2000 as lessee under the Underlying Lease. Lender and Trustee have executed and recorded with respect to the Underlying Lease (i) a certain Memorandum of Third Amendment to Lease in the Office of the Recorder of Deeds of Cook County, Illinois on July 21, 1989, as Document Number 89334936 (the "Memorandum"), (ii) a certain Amendment to Lease and Memorandum of Lease dated as of July 30, 1999, (iii) a certain Second Amendment to Lease and Memorandum of Lease dated as of September 1, 1999, and (iv) a certain Third Amendment to Lease and Memorandum of Lease dated as of November 29, 1999 (the Underlying Lease, as amended by the foregoing amendments, is hereinafter referred to as the "Existing Lease").

F. The Loan is fully disbursed and neither Original Borrower nor any assignee has any right to receive any additional funds on account of the Loan. The total amount due and owing under the Existing Loan Documents is referred to herein as the "Mortgage Debt."

G. Original Borrower desires to transfer all of its right, title and interest in and to the Property and the Existing Lease to Palmolive LLC, and Original Borrower and Palmolive LLC have requested Lender's consent thereto. Pursuant to the terms of that certain Consent Agreement dated as of even date herewith (the "Consent Agreement"), Lender has given such consent.

ACCORDINGLY, in consideration of the premises and the covenants hereinafter contained, it is agreed as follows:

ARTICLE I

DEFINITIONS AND INCORPORATION

1. Definitions. Unless otherwise defined herein, terms defined in the Consent Agreement are used herein as therein defined (such meanings being equally applicable to both the singular and plural form of the terms defined).

2. Incorporation. The recitals set forth above are incorporated herein as operative provisions of this Agreement by this reference.

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ARTICLE II

ASSIGNMENT AND ASSUMPTION OF EXISTING LOAN DOCUMENTS

1. Assignment and Assumption. Original Borrower hereby assigns to Palmolive LLC, on a joint and several basis with Palmolive Venture, all of Original Borrower's right, title and interest in, to and under the Existing Loan Documents, including specifically all rights and benefits (collectively, the "Loan Rights") and burdens and obligations (collectively, the "Loan Obligations"), and Palmolive LLC hereby assumes, on a joint and several basis with Palmolive Venture subject to the non-recourse provisions of the Existing Loan Documents, all of Original Borrower's right, title and interest in, to and under the Existing Loan Documents, including specifically the Loan Rights and Loan Obligations. Palmolive LLC hereby covenants to Lender that Palmolive LLC shall faithfully perform and be bound by all Loan Obligations under the Existing Loan Documents arising at any time, regardless of whether such Loan Obligations have arisen prior to the date of this Agreement, as if Palmolive LLC was an original signatory thereto including, without limitation, the obligation to timely pay all amounts due and owing under the Notes and the other Existing Loan Documents.

2. Amendments to Loan Agreement and Other Existing Loan Documents. Effective as of the date hereof, the Loan Agreement shall be amended as follows:

(a) References to the terms "Trustee," "Maker," "Palmolive" or "Venture" within the Loan Agreement and the other Existing Loan Documents shall be deemed to be a reference to the term "Borrower," and references to any "partner" of Borrower shall be deemed to be a reference to any "partner" or "member" of any Borrower. References to the term "Borrower" within the Loan Agreement and the other Existing Loan Documents shall be deemed to be, as the context requires, a reference to each Borrower under the Loan Agreement and the other Existing Loan Documents, as hereby amended, and shall mean Palmolive Venture and Palmolive LLC collectively on a joint and several basis.

(b) Section 1.1 of the Loan Agreement is hereby amended to add the following new definitions:

"Borrower Operating Agreement" means, collectively, any and all operating agreements, statement or limited liability company certificate, assumed name certificate, fictitious business name statement, trust agreements and other contracts, agreements, understandings, instruments, certificates, statements or other documents executed, filed or recorded in connection with the formation, existence, operation or purpose of the limited liability company comprising the Borrower, together with all amendments, modifications and supplements thereto.

"Borrower Organizational Documents" means, collectively, the Borrower Partnership Agreement and the Borrower Operating Agreement.

(c) Subparagraph (xxiii) of paragraph 1.1(hh) of the Loan Agreement is hereby deleted in its entirety and replaced with the following substitute subparagraph (xxiii):

(xxiii) If Borrower or one or more of them is dissolved or terminated or ceases to exist in good standing in the jurisdiction under which it is organized, existing, and operating;

(d) The definition of "Permitted Transfers" set forth in paragraph (www) of Section 1.1 of the Loan Agreement is hereby deleted in its entirety and replaced with the following substitute paragraph (www):

(www) "Permitted Transfers" means (i) transfers by any limited partner of the limited partnership constituting one of the entities comprising Borrower of all or a portion of such limited partner's interest in such limited partnership, subject to Section 1.1(www)(iii)(C); (ii) the transfer by reason of the death of Wexler or Ross of a general partnership interest in the limited partnership constituting one of the entities comprising Borrower, subject to the requirements of Section 10.8; or (iii) the transfer by Wexler or Ross of a portion of their general partnership interest in the limited partnership constituting one of the entities comprising Borrower during their respective lifetimes so long as: (A) the transferred interest is converted to a limited partnership interest; and (B) Wexler and Ross (or their personal representatives or heirs) together retain an aggregate general partnership interest of no less than fifteen percent (15%); and (C) Wexler, Ross and the immediate family members of Wexler and Ross (or trusts for the benefit of any of the foregoing) retain an aggregate general and limited partnership interest of not less than thirty-five percent (35%).

(e) The definition of "Ross" set forth in paragraph (nnnn) of Section 1.1 of the Loan Agreement is hereby deleted in its entirety and replaced with the following substitute paragraph (nnnn):

(nnnn) "Ross" means Edward W. Ross, one of the two (2) general partners of the limited partnership constituting one of the entities comprising Borrower.

(f) The definition of "Wexler" set forth in paragraph (ggggg) of Section 1.1 of the Loan Agreement is hereby deleted in its entirety and replaced with the following substitute paragraph (ggggg):

(ggggg) "Wexler" means Philip Rootberg, not personally but solely as Trustee of the Jerrold Wexler Declaration of Trust dated October 15, 1990,

one of the two (2) general partners of the limited partnership constituting one of the entities comprising Borrower.

(g) Paragraph (a) of Section 7.2 of the Loan Agreement is hereby deleted in its entirety and replaced with the following substitute paragraph (a):

(a) Each entity constituting Borrower is a duly organized limited partnership or limited liability company validly existing under the laws of the State of Illinois and has made all filings and recordings necessary to exist, operate and do business under all Governmental Regulations. Borrower has the power and authority to own and operate the Mortgaged Property and to carry on Borrower's business as currently conducted.

(h) Section 10.8 of the Loan Agreement is hereby deleted in its entirety and replaced with the following substitute Section 10.8:

10.8 No Change in Entities Constituting Borrower. Without the express prior written consent of Lender, the entities constituting Borrower shall not terminate, dissolve, permit any transfer of any partnership or membership interest or admit any additional partners or members or take any other action which effects a change in the structure, management, nature or control of such entity, whether by way of a change in the identity of any of the general partners, managers or members of such entity, by merger or otherwise, with the exception of a Permitted Transfer. In the event of the death or legal incapacity of the remaining general partner of the limited partnership constituting one of the entities comprising Borrower, the successors to the general partners or the limited partners shall, pursuant to the Borrower Partnership Agreement, appoint a substitute general partner or partners within sixty (60) days of the occurrence of such death or legal incapacity.

(i) Section 10.17 of the Loan Agreement is hereby deleted in its entirety and replaced with the following substitute Section 10.17:

10.17 Amendment of Borrower Organizational Documents. Borrower shall not amend or permit the amendment of the Borrower Organizational Documents without the express prior written consent of Lender in any manner other than: (i) to reflect Permitted Transfers; or (ii) as required by applicable law including to cause the Borrower Organizational Documents to conform to Section 704(b) of the Internal Revenue Code (except any changes which alter the authority or economic interests of the general partners of the limited partnership constituting one of the entities

comprising Borrower shall not be permitted without Lender's prior written consent which may be withheld in Lender's sole discretion).

3. Additional Events of Default. Palmolive Venture and Palmolive LLC agree that it shall constitute an Event of Default under the Existing Loan Documents if, subsequent to the date hereof, without Lender's prior written consent (except to the extent expressly permitted by the terms of the Consent Agreement): (i) there shall occur any change in, or amendment or modification to, the Borrower Organizational Documents (as defined in the Existing Loan Documents), (ii) there shall occur any change in the ownership structure of Palmolive Venture or Palmolive LLC, (iii) the Independent Manager shall be removed or replaced as manager of Palmolive LLC, or (iv) there shall occur any change in the ownership of the Property.

4. Acknowledgment of Debt. Palmolive Venture and Palmolive LLC acknowledge by their execution hereof that the Mortgage Debt shall be unconditionally due and owing to Lender on the Extended Second Note Maturity Date and agree that, as of the date hereof, Palmolive Venture and Palmolive LLC have no actions, defenses, demands and/or claims of set-off or deduction whatsoever against Lender, the Mortgage Debt or the Existing Loan Documents. Palmolive Venture and Palmolive LLC acknowledge, to the best of their knowledge, that as of the date hereof Lender has in no way defaulted or performed any act or omission under the Existing Loan Documents or any other agreements between or among Palmolive Venture, Palmolive LLC and Lender which would or could give rise to any action(s), cause(s) of action, suits, debts, sums of money damages, claims, costs, expenses and/or demands whatsoever, in law or in equity or otherwise, by Palmolive Venture or Palmolive LLC against Lender.

5. Knowledge of Existing Loan Documents. Palmolive LLC represents and warrants to Lender that Palmolive LLC has personal knowledge of all the terms and conditions of the Existing Loan Documents and agree that Lender has no obligation or duty to provide any information to Palmolive LLC regarding the terms and conditions of the Existing Loan Documents. Palmolive LLC acknowledges and agrees that, except as expressly provided in a writing executed by Lender, Lender has not waived any right of Lender or obligation of the Borrower under the Existing Loan Documents and except as set forth herein or in the Consent Agreement, Lender has not agreed to any other modification of any provision of the Existing Loan Documents or to any other extension of the Loan.

6. Confirmation of Security Interest. Nothing contained herein shall affect or be construed to affect any lien, charge or encumbrance created by any of the Existing Loan Documents or the priority of any such lien, charge or encumbrance over any other liens, charges or encumbrances. All assignments and transfers by Original Borrower to Palmolive LLC are subject to all security interests and mortgage liens held by Lender.

7. Related Agreement. This Agreement shall be deemed to be a Loan Document as defined in the Loan Agreement. From and after the date hereof, all references to the Loan Documents set forth in any of the Existing Loan Documents shall be deemed to refer to the Existing Loan Documents as amended by this Agreement.

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8. Integration of this Agreement and the Existing Loan Documents. This Agreement and the Existing Loan Documents shall for all purposes be deemed one and the same instrument. In the event of any conflict between the terms and provisions of this Agreement and the terms and provisions of the Existing Loan Documents, the terms and provisions of this Agreement shall in all instances control and prevail. As amended by this Agreement, the Existing Loan Documents are hereby ratified and confirmed and shall remain in full force and effect in accordance with their respective terms.

ARTICLE III

ASSIGNMENT AND ASSUMPTION OF EXISTING OPTION AGREEMENT

1. Assignment and Assumption. Original Borrower hereby assigns to Palmolive LLC, on a joint and several basis with Palmolive Venture, all of Original Borrower's right, title and interest in, to and under the Existing Option Agreement, including specifically all rights and benefits (collectively, the "Option Rights") and burdens and obligations (collectively, the "Option Obligations"), and Palmolive LLC hereby assumes, on a joint and several basis with Palmolive Venture, all of Original Borrower's right, title and interest in, to and under the Existing Option Agreement, including specifically the Option Rights and Option Obligations. Palmolive LLC hereby covenants to Lender that Palmolive LLC shall faithfully perform and be bound by all Option Obligations under the Existing Option Agreement arising at any time, regardless of whether such Option Obligations have arisen prior to the date of this Agreement, as if Palmolive LLC was an original signatory thereto.

2. Amendments to Existing Option Agreement. Effective as of the date hereof, the Existing Option Agreement shall be amended as follows:

(a) References to the term "Trustee" within the Existing Option Agreement are deleted from the Existing Option Agreement. References to the term "Palmolive" or "Palmolive Venture" within the Existing Option Agreement shall be deemed to be a reference to the term "Owner." References to the term "Owner" within the Existing Option Agreement shall be deemed to be, as the context requires, a reference to each Owner under the Existing Option Agreement, as hereby amended, and shall mean Palmolive Venture and Palmolive LLC collectively on a joint and several basis.

(b) Section 1.1 of the Existing Option Agreement is hereby amended to add the following new definitions:

"Manager's Certificate" means a certificate, duly executed for the benefit of Optionee by the manager of the limited liability company comprising Owner, substantially in the form of Exhibit "H" attached, with the exception that references to the word "Partnership" within Exhibit "H" shall be replaced

with a reference to the word "Company," references to the words "Palmolive Venture Partnership Agreement" shall be replaced with a reference to the operating agreement of such limited liability company, and the reference to the words "Certificate of Limited Partnership" shall be replaced with a reference to the words "Articles of Organization".

"Owner Operating Agreement" means, collectively, the operating agreement, statement or limited liability company certificate, assumed name certificate, fictitious business name statement, trust agreements and other contracts, agreements, understandings, instruments, certificates, statements or other documents executed, filed or recorded in connection with the formation, existence, operation or purpose of the limited liability company comprising the Owner, together with all amendments, modifications and supplements thereto.

"Owner Organizational Documents" means, collectively, the Owner Partnership Agreement and the Owner Operating Agreement.

(c) The definition of "Closing Documents" set forth in paragraph (f) of Section 1.1 of the Existing Option Agreement is hereby deleted in its entirety and replaced with the following substitute paragraph (f):

(f) "Closing Documents" means the Deed, Bill of Sale, Owner's Legal Opinion, Contracts Assignment, Lease Assignment, License and Permits Assignment, Warranty Assignment, Partner's Certificate, Manager Certificate, Non-Foreign Certification and Ground Lease Estoppel Certificate.

(d) The definition of "Owner's Legal Opinion" set forth in paragraph (dd) of Section 1.1 of the Existing Option Agreement is hereby deleted in its entirety and replaced with the following substitute paragraph (dd):

(dd) "Owner's Legal Opinion" means, collectively, an opinion of Illinois counsel for each Owner acceptable to Optionee stating that: (i) the Owner Organizational Documents have been validly executed and delivered for each respective Owner and are in full force and effect in accordance with their respective terms; (ii) each Owner is duly formed and in existence under the laws of the State of Illinois or Delaware and any other applicable Governmental Regulations; (iii) the individuals executing the Closing Documents on behalf of each Owner have the legal power, right and actual authority to bind each such Owner to the terms and conditions thereof; (iv) all requisite action has been taken by each respective Owner in connection with the execution and delivery of the Closing Documents and the consummation

of the transaction contemplated thereby; and (v) such other customary matters as Optionee may reasonably request.

(e) Subparagraph (xix) of paragraph 3.1(b) of the Existing Option Agreement is hereby deleted in its entirety and replaced with the following substitute subparagraph (xix):

(xix) Owner Organizational Documents. A list and legible copies of all documents which comprise the Owner Organizational Documents.

(f) Paragraph (f) of Section 6.1 of the Existing Option Agreement is hereby deleted in its entirety and replaced with the following substitute paragraph (f):

(f) Palmolive is a duly organized, validly existing limited partnership under the laws of the State of Illinois. The limited liability company comprising the Owner is duly organized, validly existing and in good standing under the laws of the State of Delaware and is qualified to transact business in the State of Illinois. Each of the entities comprising the Owner has made all filings and recordings necessary to exist, operate and do business under all applicable regulations. Owner has the power and authority to own and operate the Property and to carry on Owner's business as currently conducted. There are no contracts, agreements or understandings relating to the formation or existence of Owner other than those set forth on the list of documents which comprise the Owner Organizational Documents delivered to Optionee. The Owner Organizational Documents delivered to Optionee are true, correct and complete.

3. Integration of this Agreement and the Existing Option Agreement. This Agreement and the Existing Option Agreement shall for all purposes be deemed to be one and the same instrument. In the event of any conflict between the terms and provisions of this Agreement and the terms and provisions of the Existing Option Agreement, the terms and provisions of this Agreement shall in all instances control and prevail. As modified by this Agreement, the Existing Option Agreement are hereby ratified and confirmed and shall remain in full force and effect in accordance with its terms.

4. Agreement of Memorandum. From and after the date hereof, all references to the Existing Option Agreement as set forth in the Memorandum shall be deemed to refer to the Existing Option Agreement as amended by this Agreement. This Agreement shall be promptly recorded against the title to the Property to memorialize the matters set forth herein.

ARTICLE IV

MISCELLANEOUS

1. No Release of Palmolive Venture. Palmolive Venture agrees that nothing contained herein shall be construed to release Palmolive Venture from any of its obligations under the Existing Loan Documents or the Existing Option Agreement. Without limiting the remedies Lender may have under the Existing Loan Documents, at law or in equity, upon the occurrence of an Event of Default under the Existing Loan Documents or upon any default by Owner in any of its obligations under the Existing Option Agreement, Lender shall be entitled to enforce all of its remedies set forth in the Existing Loan Documents and the Existing Option Agreement against Palmolive Venture, Palmolive LLC and/or the Property, subject to the non-recourse provisions of the Existing Loan Documents and the Existing Option Agreement set forth in Section 16.2 of the Loan Agreement and Section 10.14 of the Original Option Agreement, respectively.

2. Consent to Certain Actions; Effect of Bankruptcy. Palmolive Venture and Palmolive LLC agree, on behalf of themselves and their respective partners, members and managers ("Consenting Parties"), that if the Loan is not paid in full at maturity and Lender commences a mortgage foreclosure against the Property, Consenting Parties shall not contest the relief requested in any motion or application of Lender made in any court of competent jurisdiction requesting the entry of a judgment of foreclosure against the Property in favor of Lender, and shall execute and deliver to Lender an order or other document consenting to the entry of such judgment of foreclosure, which order or other document shall be in a form sufficient to allow the entry of judgment. Consenting Parties further agree that in any such event, they shall not contest, and they shall consent to, the relief requested in any motion or application of Lender made in any court of competent jurisdiction seeking the appointment of a receiver or seeking to have itself appointed as mortgagee in possession of the Property. If a petition under any section, Chapter or provision of the United States Bankruptcy Code (the "Code") or similar law or statute is filed by or against Palmolive Venture or Palmolive LLC, Consenting Parties agree that they shall not contest, and they shall consent to, the relief requested in any motion or application of Lender made in any court of competent jurisdiction seeking modification or termination of any automatic stay or other injunction against Lender resulting from such filing, and they shall execute any order or other document necessary to effectuate such modification or termination. If such action is taken against Palmolive Venture or Palmolive LLC by a third party, Consenting Parties agree to take such action as may be necessary to have the petition filed by such third party dismissed and any relief requested by such third party denied.

3. Representations; No Consents Necessary. Each of Palmolive Venture and Palmolive LLC hereby represent and warrant to Lender that each such entity (i) is duly organized, validly existing and in good standing under the laws of the State of Illinois, (ii) has the requisite corporate power and authority to execute, deliver and perform this Agreement and perform under the Existing Loan Documents and the Existing Option Agreement. Each of Palmolive Venture and Palmolive LLC further represent and warrant to Lender that (i) this Agreement and each of the Existing Loan

Documents and the Existing Option Agreement are the legal, valid and binding obligations of each such entity, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and general principles of equity, (ii) the execution, delivery and performance of this Agreement and the performance under each of the Existing Loan Documents and the Existing Option Agreement shall not contravene the governing documents of any such entity, any requirement of law, or any indenture, contract, agreement or instrument or other commitment to which Palmolive Venture or Palmolive LLC is a party or by which any of their properties are bound, and will not, except as contemplated herein, result in the imposition of any liens upon any of their respective properties; (iii) no consent, authorization, permit or filing is required in connection with the execution, delivery and performance of this Agreement or the performance under each of the Existing Loan Documents and the Existing Option Agreement; (iv) to the best of their knowledge, no Event of Default, breach or failure of condition has occurred, or would exist with notice or the lapse of time or both, under any of the Existing Loan Documents or under the Existing Option Agreement (as modified in each case by this Agreement), and that all representations and warranties in the Existing Loan Documents and the Existing Option Agreement are true and correct as of the date hereof; and (v) no consent to the transfer of the Property to Palmolive LLC is required under any agreement to which Palmolive Venture or Palmolive LLC is a party, including; without limitation, any trust agreement, lease, construction agreement, operating agreement, deed of trust, mortgage or security instrument (other than the Existing Loan Documents and the Existing Option Agreement).

4. No Transfers of Interests. Palmolive Venture shall not directly or indirectly, voluntarily or involuntarily, sell, assign, transfer, pledge, hypothecate, encumber or otherwise dispose of the whole or any part of its membership interest in Palmolive LLC. Once Palmolive LLC shall have received an interest in the Property, Palmolive LLC shall not, directly or indirectly, voluntarily or involuntarily, sell, assign, transfer, pledge, hypothecate, encumber or otherwise dispose of the whole or any part of such interest except as may be expressly permitted in the Consent Agreement.

5. Integration; Interpretation. The Existing Loan Documents, the Existing Option Agreement, the Consent Agreement, and this Agreement contain or expressly incorporate by reference the entire agreement of the parties with respect to the express terms hereof and thereof and supersede all prior agreements regarding such express terms and shall not be modified except by written instrument executed by all parties.

6. Further Documentation. Palmolive Venture and Palmolive LLC agree to execute, and cause its respective managers and members to execute, such additional documents as Lender may reasonably require to retain its perfected security interest in the Property, including without limitation UCC-1 financing statements appropriately completed. Palmolive Venture and Palmolive LLC covenant and agree that they will, at any time, upon written request therefore, execute and deliver to Lender any new or confirmatory instruments which Lender may request in order to evidence Palmolive LLC's assumption, on a joint and several basis with Palmolive Venture, of the Existing Loan Documents and the Existing Option Agreement.

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7. Trustee's Release and Discharge of Lender. The Trustee, on behalf of itself and its successors and assigns (collectively and individually, the "Releasing Parties"), hereby fully, finally and completely RELEASE AND FOREVER DISCHARGE Lender and its successors, assigns, affiliates, subsidiaries, parents, officers, shareholders, directors, employees, attorneys, agents and properties, past, present and future, and their respective heirs, successors and assigns (collectively and individually, the "Lender Parties"), of and from any and all claims, controversies, disputes, liabilities, obligations, demands, damages, debts, liens, actions and causes of action of any and every nature whatsoever, known or unknown, whether at law, by statute or in equity, in contract or in tort, under state or federal jurisdiction, and whether or not the economic effect of such alleged matters arise or are discovered in the future, which Releasing Parties now have or may claim to have against Lender Parties or any one of them arising out of, connected with or relating to any and all acts, omissions or events occurring on or before the effective date of this Agreement, including, without limitation, matters arising out of, connected with or otherwise relating to the Existing Loan Documents, the Existing Option Agreement or the Existing Lease. The foregoing release is intended to be, and is, a full, complete and general release in favor of Lender Parties with respect to all claims, demands, actions, causes of action and other matters described herein including, without limitation, any claims, demands or causes of action based upon allegations of breach of fiduciary duty, breach of any alleged duty of fair dealing or good faith, economic coercion, usury, or any other theory, cause of actions, occurrence, matter or thing which might result in liability upon Lender Parties or any one of them arising or occurring on or before the date hereof.

8. Attorneys' Fees; Enforcement. If an attorney is engaged by Lender to enforce or defend any provision of this Agreement, with or without the filing of any legal action or proceeding, Palmolive Venture and Palmolive LLC jointly and severally agree to pay to Lender, immediately upon demand, all attorneys' fees and all costs incurred by Lender in connection therewith, together with interest thereon from the date of such demand until paid at the rate of interest applicable to the principal balance of the Notes as specified therein.

9. Notices. The address of Palmolive LLC for purposes of notices, demands and other communication under the Existing Loan Documents and the Existing Option Agreement shall be as set forth in Exhibit C attached. The Existing Loan Documents and the Existing Option Agreement are hereby modified such that such additional addresses shall be deemed to be an address for all notices required to be given pursuant to the Existing Loan Documents and the Existing Option Agreement.

10. Governing Law; Severability; Headings. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Illinois, except to the extent preempted by Federal law. Any term of this Agreement which is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable shall be deemed severed herefrom and the remaining parts shall remain in full force as though the invalid, illegal or unenforceable portion had not been a part hereof. The headings used in this Agreement are for convenience only and shall be disregarded in interpreting the substantive provisions of this Agreement.

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11. Successors and Assigns. Subject to all prohibitions against transfer contained in any of the Existing Loan Documents or in the Existing Option Agreement, this Agreement is binding upon and shall inure to the benefit of the heirs, successors and assigns of the parties.

12. Multiple-Parties. If more than one person or entity has signed this Agreement as Palmolive LLC or Original Borrower, then all references in this Agreement to Palmolive LLC or Original Borrower shall mean each and all of the persons so signing, as applicable. The liability of all persons and entities signing shall be joint and several.

13. Multiple Counterparts. To facilitate execution, this Agreement may be executed in as many counterparts as may be required, and it shall not be necessary that the signatures of, or on behalf of, each party, or that the signatures of all persons required to bind any party, appear on each counterpart; but it shall be sufficient that the signatures of, or on behalf of, each party, or that the signatures of the persons required to bind any party, appear on one or more of the counterparts. All counterparts shall collectively constitute a single agreement. It shall not be necessary in making proof of this Agreement to produce or account for more than that number of counterparts containing the respective signatures of, or on behalf of, all of the parties hereto.

14. Non-Recourse Obligation. Notwithstanding anything to the contrary contained in this Agreement, the parties hereby agree that there shall be no personal liability on the part of Palmolive Venture or Palmolive LLC, any general or limited partner of Palmolive Venture, any member or manager of Palmolive LLC, or the successors or assigns of any such persons or entities with respect to the breach of any representation or warranty made by Palmolive Venture or Palmolive LLC in, or the performance of any of the obligations of Palmolive Venture or Palmolive LLC under, this Agreement; it being understood that Lender shall be permitted to recover any damages against said persons or entities only to the extent of their interests, if any, in the Property. The foregoing limitation on liability shall not be deemed to limit or modify any personal liability imposed upon the borrower under Section 16.2(b) of the Loan Agreement (including without limitation Palmolive Venture or its general partners; hereinafter "General Partners") or under the Environmental Indemnity; nor shall it be deemed to limit the effectiveness of the Joinder to this Agreement signed by the General Partners for the sole purpose set forth therein.

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IN WITNESS WHEREOF, Original Borrower and Palmolive LLC hereby execute this Agreement as of the date first above written.

ORIGINAL BORROWER:

PALMOLIVE VENTURE, an Illinois limited partnership

By: 

Edward W. Ross, General Partner

By: 

Philip Rootberg, not personally, but solely as Trustee of the Jerrold Wexler Declaration of Trust dated October 15, 1990, General Partner

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as Trustee under Trust No. 48322

By: 

Its: _____

This instrument is executed by the undersigned Land Trustee, not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument.

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STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

09172718

I, Kathy Wilson, a Notary Public in and for the County in the State aforesaid, DO HEREBY CERTIFY that Philip Rootberg, not personally, but solely as Trustee of the Jerrold Wexler Declaration of Trust dated October 15, 1990, and Edward W. Ross, the general partners of PALMOLIVE VENTURE, an Illinois limited partnership, who are each personally known to me to be the same person whose names are subscribed to the foregoing instrument as such general partners, appeared before me this day in person and acknowledged that they each signed and delivered said instrument as their respective free and voluntary acts, as the free and voluntary act of said trust, and as the free and voluntary act of said partnership, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of December, 1999.

Kathy Wilson
Notary Public

My commission Expires: 1/11/2003



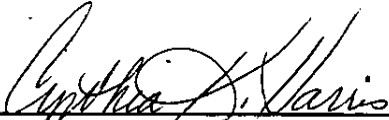
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STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

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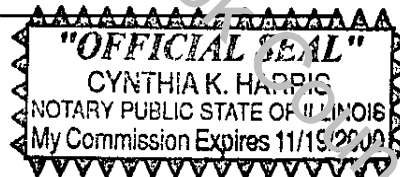
I, CYNTHIA K. HARRIS, a Notary Public in and for the County in the State aforesaid, DO HEREBY CERTIFY that, personally known to me to David S. Rosenfeld AWP of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association, personally known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me this day and personally acknowledged that as such officer he signed and delivered said instrument pursuant to authority given by the Board of Directors of said Bank, as his free and voluntary act and as the free and voluntary act of said Bank, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of December, 1999.



Notary Public

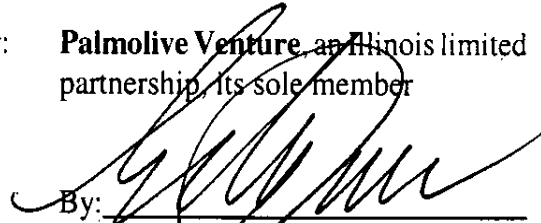
My commission Expires:




PALMOLIVE LLC:

PALMOLIVE VENTURE LLC, a Delaware limited liability company

By: **Palmolive Venture**, an Illinois limited partnership, its sole member

By: 
Edward W. Ross, General Partner

By: 
Philip Rootberg, not personally, but solely as Trustee of the Jerrold Wexler Declaration of Trust dated October 15, 1990, General Partner

LENDER:

LEHNDORFF 919 MICHIGAN ASSOCIATES, a Texas joint venture

By: **L&B Realty Advisors, Inc.**, a Delaware corporation, its partnership manager

By: 
Name: Paul C. Chapman
Its: Executive Vice President

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STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

09172718

I, Kathy Wilson, a Notary Public in and for the County in the State aforesaid, DO HEREBY CERTIFY that Philip Rootberg, not personally, but solely as Trustee of the Jerrold Wexler Declaration of Trust dated October 15, 1990, and Edward W. Ross, the general partners of Palmolive Venture, an Illinois limited partnership and the sole member of PALMOLIVE VENTURE LLC, a Delaware limited liability company, who are each personally known to me to be the same person whose names are subscribed to the foregoing instrument as such general partners of such limited partnership, appeared before me this day in person and acknowledged that they each signed and delivered said instrument as their respective free and voluntary acts, as the free and voluntary act of said trust, as the free and voluntary act of said partnership, and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of December, 1999.

Kathy Wilson
Notary Public

My commission Expires: 1/11/2003



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STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

09172718

I, Kathy Wilson, a Notary Public in and for the County in the State aforesaid, DO HEREBY CERTIFY that Paul C. Chapman, personally known to me to be the Executive Vice President of L&B Realty Advisors, Inc., a Delaware corporation, the partnership manager of LEHNDORFF 919 MICHIGAN ASSOCIATES, a Texas joint venture, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Executive Vice President, appeared before me this day and personally and severally acknowledged that as such he signed and delivered the said instrument pursuant to authority given by the Board of Directors of said corporation, as his free and voluntary act and as the free and voluntary act of said corporation, in its capacity as partnership manager for said joint venture, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of December, 1999.

Kathy Wilson
Notary Public

My commission Expires: 1/11/2003



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CONSENT OF OPTIONEE

09172718

The undersigned Optionee hereby consents to the terms and provisions of this Assignment and Assumption Agreement and consents to the transfer of the Property from Original Borrower to Palmolive LLC and the assignment and assumption of the Existing Loan Documents or the Existing Option Agreement.

OPTIONEE:

PALMOLIVE PARTNERS LIMITED PARTNERSHIP, an Illinois limited partnership

By: **Lehndorff 919 Michigan Associates**, a Texas joint venture, its general partner

By: **L&B Realty Advisors, Inc.**, a Delaware corporation, its partnership manager

By: 

Name: Paul C. Chapman

Its: Executive Vice President

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STATE OF ILLINOIS)

)SS.

COUNTY OF COOK)

I, Kathy Wilson, a Notary Public in and for the County in the State aforesaid, DO HEREBY CERTIFY that Paul C. Chapman, personally known to me to be the Executive Vice President of L&B Realty Advisors, Inc., a Delaware corporation, the partnership manager of Lehndorff 919 Michigan Associates, a Texas joint venture, the general partner of PALMOLIVE PARTNERS LIMITED PARTNERSHIP, an Illinois limited partnership, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Executive Vice President, appeared before me this day and personally and severally acknowledged that as such he signed and delivered the said instrument pursuant to authority given by the Board of Directors of said corporation, as his free and voluntary act and as the free and voluntary act of said corporation, as partnership manager for said joint venture, in its capacity as general partner of said limited partnership, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of December, 1999.

Kathy Wilson
Notary Public

My Commission Expires: 1/11/2003

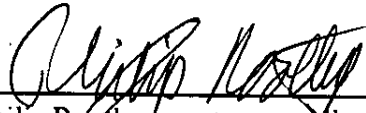


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CONSENT AND AGREEMENT OF INDEMNITORS

The undersigned Philip Rootberg, not personally but solely as Trustee of the Jerrold Wexler Declaration of Trust dated October 15, 1990, and Edward W. Ross, each an Indemnitor under the Environmental Indemnity Agreement dated as of July 13, 1989 (the "Indemnity"), hereby consent to the terms and provisions of this Assignment and Assumption Agreement ("Agreement"), ratify and reaffirm the Indemnity, and acknowledge and agree that (i) notwithstanding the modifications to the Existing Loan Documents and the execution and delivery of the Consent Agreement and the other documents entered into pursuant thereto (including without limitation this Agreement), the Indemnity remains in full force and effect and the undersigned remain liable for (and do hereby ratify and reaffirm) all other matters as to which they, or either of them, had personal liability under the Existing Loan Documents or the Existing Option Agreement (the "Recourse Obligations"), (ii) there presently exists no defense or counterclaim respecting the Indemnity or the Recourse Obligations that either could now or in the future maintain in connection therewith, and (iii) the Indemnity and the Recourse Obligations are the legal, valid and binding obligations of the undersigned, enforceable in accordance with their respective terms. The undersigned hereby specifically consent to, and agree with the terms of, Paragraph 2 of Article IV of the Agreement and agree to be bound by the terms thereof as if a party thereto.


Philip Rootberg, not personally, but as Trustee
as aforesaid


Edward W. Ross

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STATE OF ILLINOIS)

)SS.

09172718

COUNTY OF COOK)

I, Kathy Wilson, a Notary Public in and for the County in the State aforesaid, DO HEREBY CERTIFY that PHILIP ROOTBERG, not personally but solely as Trustee of the Jerrold Wexler Declaration of Trust dated October 15, 1990, and EDWARD W. ROSS, who are each personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Trustee and individually as aforesaid and who appeared before me this day in person and acknowledged that the execution and delivery of the foregoing instrument is their own free and voluntary act and the free and voluntary act of said trust, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of December, 1999

Kathy Wilson
Notary Public

My Commission Expires: 1/11/2003



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EXHIBIT A

LEGAL DESCRIPTION

Parcel 1

The North half of that certain tract of land described as follows: Lots 23 to 31 both inclusive in Allmendinger's Lake Shore Drive Addition to Chicago, a subdivision of part of Block 13 in the Canal Trustees Subdivision of the South fractional quarter of Section 3, Township 39 North, Range 14, East of the Second Principal Meridian upon which parcel there is located the building commonly known as 919 N. Michigan Avenue.

Parcel 2 - Easement

The easement for light, air and view for the benefit of Parcel 1 over and upon the premises described as follows: commencing at a horizontal plane parallel to and 63 feet above Chicago City Datum and extending vertically upwards to the zenith, at a point on the South line of Parcel 1, 62 feet East of the Westerly line of said Parcel 1, thence South along a line parallel to and 62 feet East of the Westerly line of Lots 26 and 27 in Allmendinger's Lake Shore Drive Addition to Chicago aforesaid (said Westerly line of Lots 26 and 27 aforesaid, being a continuation of the Westerly line of Parcel 1 extended South) a distance of 25 feet to a point in said Lot 26, thence East along a line parallel to the South line of Parcel 1 a distance of 88 feet to a point in Lot 24 in said Allmendinger's Lake Shore Drive Addition to Chicago aforesaid, thence North along a line parallel to the Westerly line of Lot 26 and 27 aforesaid a distance of 25 feet to the South line of Parcel 1, thence West along the South Line of Parcel 1 a distance of 88 feet to the place of beginning, as created by agreement between the Palmolive-Peet Company, a corporation of Delaware, and Chicago Title and Trust Company, a corporation of Illinois, as trustee under trust agreement dated July 15, 1927 and known as Trust No. 19104, dated March 31, 1928 and recorded April 30, 1928 as Document No. 10005790 and also recorded on June 21, 1932, as Document No. 11106014, all in the Recorder's Office of Cook County, Illinois.

PIN 17-03-213-001
Address 919 N. Michigan Ave.
Chicago IL

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EXHIBIT B

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SCHEDULE OF ORIGINAL LOAN DOCUMENTS

1. Loan Agreement dated as of July 13, 1989, between Original Borrower and Lender;
2. Mortgage Note dated as of July 13, 1989, made by Trustee and payable to the order of Lender in the principal sum of Eleven Million Three Hundred Thirty Thousand and No/100 Dollars (\$11,330,000.00);
3. Mortgage Note dated as of July 13, 1989, made by Trustee and payable to the order of Lender in the principal sum of Fifty Six Million Sixty Eight Thousand Four Hundred Eighty Five and No/100 Dollars (\$56,068,485.00);
4. Leasehold Mortgage, Assignment of Leases and Rents and Security Agreement and Financing Statement dated as of July 13, 1989, made by Original Borrower in favor of Lender, recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Document No. 89334938;
5. Assignment of Rents and Leases dated as of July 13, 1989, made by Original Borrower in favor of Lender, recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Document No. 89334939;
6. Collateral Assignment of Beneficial Interest Under Land Trust made by Original Borrower in favor of Lender as of July 13, 1989;
7. Assignment of Contracts dated as of July 13, 1989, made by Original Borrower in favor of Lender;
8. Assignment of Licenses and Permits dated as of July 13, 1989, made by Palmolive Venture in favor of Lender;
9. Assignment of Warranties dated as of July 13, 1989, made by Palmolive Venture in favor of Lender;
10. Assignment of Electricity Agreement dated as of July 13, 1989, made by Palmolive Venture in favor of Lender;
11. UCC Financing Statements given by Original Borrower as debtor to Lender as secured party;
12. UCC Financing Statement given by Palmolive LLC as debtor to Lender as secured party;

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13. Certificate regarding clogging the equity of redemption dated as of July 13, 1989, made by Palmolive Venture, Jerrold Wexler and Edward W. Ross in favor of Lender;
14. Non-Foreign Certifications dated as of July 13, 1989, made in favor of Lender;
15. Partners' Certificates dated as of July 13, 1989, made in favor of Lender;
16. Limited Guaranty dated as of July 13, 1989, made by Jerrold Wexler and Edward W. Ross in favor of Lender;
17. Environmental Indemnity Agreement dated July 13, 1989, made by Jerrold Wexler and Edward W. Ross in favor of Lender; and
18. Collateral Assignment of Membership Interest dated December 17, 1999, made by Palmolive Venture in favor of Lender.