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Doc#: 0932822086 Fee: \$46.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 11/24/2009 01:38 PM Pg: 1 of 6

This document prepared by
and when recorded return to:

Sweta Shah, Esq.
City of Chicago Department of Law
City Hall, Room 600
121 North LaSalle Street
Chicago, Illinois 60602

*all.
to all.
Dec for only GV 610508.*

ASSIGNMENT OF MORTGAGE AND DOCUMENTS

This Assignment of Mortgage and Documents (the "Assignment") is made and entered into as of November 17, 2009 by Mercy Portfolio Services, a Colorado non-profit corporation ("Assignor") in favor of the City of Chicago, Illinois ("Assignee").

WITNESSETH

WHEREAS, Assignee has or will receive certain funds in the approximate amount of \$55,238,017 (the "Program Funds") from the United States Department of Housing and Urban Development ("HUD") pursuant to the provisions of the Housing and Economic Recovery Act of 2008, Public Law 110-289 – July 30, 2008, Title III – Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes, Section 2301 et seq., as the same may be hereafter amended, restated or supplemented from time to time (the "Act") and the Notice of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes Developers under the Housing and Economic Recovery Act, 2008 issued by HUD and found at the Federal Register/Vol. 73, No. 194/Monday, October 6, 2008/Notices, as the same may be hereafter amended, restated or supplemented from time to time (the "Regulations"); and

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WHEREAS, Assignee has submitted to HUD, and HUD has approved, the Assignee's Substantial Amendment application to HUD governing the Assignee's use of the Program Funds in a neighborhood stabilization program (the "Program") in accordance with the Act and the Regulations to address the critical impact of increasing numbers of foreclosed properties within the City of Chicago. Pursuant to such approval, the Assignee and HUD have entered into that certain Grant Agreement dated effective as of March 27, 2009 (the "HUD Grant Agreement"). The Act, the Regulations, and the HUD Grant Agreement are collectively referred to herein as the "NSP Legal Requirements"); and

WHEREAS, the NSP Legal Requirements require the Assignee to use the Program Funds for certain eligible activities, including, without limitation: (a) establishing financing mechanisms for the purchase and redevelopment of abandoned or foreclosed homes and residential properties; (b) acquisition and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent, or redevelop such homes and properties; (c) establishing and operating land banks for homes and residential properties that have been abandoned or foreclosed; (d) demolition of blighted structures; and (e) redevelopment of demolished or vacant properties (collectively, the "Eligible Activities"); and

WHEREAS, the NSP Legal Requirements require that the Assignee allocate 25% of the Program Funds to purchase and redevelop abandoned or foreclosed upon residential properties for housing individuals whose incomes do not exceed 50% of the area median income; and

WHEREAS, the NSP Legal Requirements further require that the Assignee allocate 100% of the Program Funds to Eligible Activities benefiting communities and households whose incomes do not exceed 120% of the area median income; and

WHEREAS, the Assignee and the Assignor have entered into that certain Agreement Between The City of Chicago and Mercy Portfolio Services For Neighborhood Stabilization Program dated June 30, 2009 (the "Subgrant Agreement"), pursuant to which the Assignee has agreed to make the Program Funds available to the Assignor for Eligible Activities subject to the terms and conditions of such Subgrant Agreement; and

WHEREAS, the Assignor has agreed to provide NSP Funds in the form of a loan in the principal amount of \$1,825,930 (the "Loan") to MPS Community I, LLC, an Illinois limited liability company (the "Borrower") in connection with the acquisition, rehabilitation and/or construction of certain property as described on Exhibit A hereto and hereby made a part hereof (the "Property"); and

WHEREAS, the Assignor, the Borrower, and MPS Community I, LLC, an Illinois limited liability company, have entered into that certain Redevelopment Agreement in connection with the redevelopment of the Property dated as of the date hereof (the "Redevelopment Agreement"); and

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WHEREAS, the Assignor, the Assignee and the Borrower have entered into that certain Regulatory Agreement dated as of the date hereof in connection with the operation of the Property; and

WHEREAS, the Assignor is the present sole legal and equitable owner and holder of a Note (the "Assignor Note") dated as of the date hereof in the original principal amount of \$1,825,930 made by the Borrower in favor of the Assignor; and

WHEREAS, the Assignor Note is secured by the following documents:

- A. A Mortgage, Security Agreement and Financing Statement dated as of the date hereof (the "Mortgage") made by the Borrower in favor of the Assignor in connection with the Property;
- B. An Assignment of Rents and Leases dated as of the date hereof made by the Borrower in favor of the Assignor in connection with the Property (the "Assignment of Rents");
- C. A UCC-1 Financing Statement made by the Borrower in favor of the Assignor as secured party and assigned to the Assignee thereon; and

WHEREAS, the Mortgage and the Assignment of Rents were recorded in the Office of the Recorder of Deeds of Cook County, Illinois on the date hereof;

NOW THEREFORE, for good and valuable consideration the sufficiency of which is hereby acknowledged, the Assignor hereby agrees as follows:

1. The Assignor hereby grants, transfers and assigns to the Assignee all of the right, title and interest of the Assignor in and to the Assignor Note together with all sums of money due and payable thereunder, and hereby further grants, transfers and assigns to the Assignee all of the right title and interest of the Assignor in and to the Redevelopment Agreement, the Mortgage, the Assignment of Rents and the UCC-1 (collectively the Assignor Note, the Redevelopment Agreement, the Mortgage, the Assignment of Rents and the UCC-1 are hereinafter referred to as the "Documents").
2. This Assignment shall be non-recourse and in the event of default hereunder or under the Documents, the Assignee's sole source of satisfaction of repayment of the amounts due to the Assignee hereunder or under any of the Documents (except as otherwise set forth therein) shall be limited to the

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Assignee's rights with respect to the collateral pledged and assigned hereunder.

3. The Assignor hereby covenants and represents that (i) the Assignor has full right and title to assign all of the Documents, (ii) no other assignment of any interest therein has been made, (iii) the Assignor will comply with all of the material terms of the Documents, (iv) the Assignor will promptly give the Assignee a copy of any notice sent by the Assignor concerning any default by the Borrower under any of the Documents.

The Assignor hereby expressly agrees not to execute any release of the Mortgage or the other Documents, or any portion thereof, without the prior written consent of the Assignee. Any attempt by the Assignee to execute such a release without the prior written consent of the Assignee shall be deemed null and void and of no effect whatsoever.

5. This Assignment applies to and binds the parties hereto and their respective heirs, administrators, executors, successors and assigns, as well as any subsequent owner of the Property.

6. This Assignment shall be governed as to performance and interpretation in accordance with the internal laws of the State of Illinois without regard to its conflict of laws principles.

7. If any provision of this Assignment, or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstance, is held invalid, the remainder of this Assignment shall be construed as if such invalid part were never included herein and this Assignment shall be and remain valid and enforceable to the fullest extent permitted by law.

8. All capitalized terms used but not otherwise defined herein shall have the same meanings as set forth in the Redevelopment Agreement.

9. This document may be executed in counterparts, which, when taken together, shall constitute one original document.

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IN WITNESS WHEREOF, the Assignor has hereunto set its hand and seal as of the day and year first above written.

MERCY PORTFOLIO SERVICES, a
Colorado non-profit corporation

By: 

Its: President

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EXHIBIT A

1. Legal Description:

LOT 3 IN DIX'S SUBDIVISION OF LOT 2 IN NEWHALL
LARNED AND WOODBRIDGES SUBDIVISION IN THE
NORTHWEST ¼ OF SECTION 15, TOWNSHIP 38 NORTH,
RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN,
IN COOK COUNTY, ILLINOIS.

2. Address Commonly Known As:

5615 South Prairie Avenue, Chicago, Illinois

3. Permanent Index Number:

20-15-111-003-0000

Property of Cook County Clerk's Office