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Doc#: 1025010056 Fee: \$64.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 09/07/2010 11:52 AM Pg: 1 of 15

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Property of Cook County Clerk's Office

Prepared by and After Recording Return to:

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

ASSIGNMENT, ASSUMPTION, AMENDMENT AND RELEASE

THIS ASSIGNMENT, ASSUMPTION, AMENDMENT AND RELEASE (this "Assignment") is made as of August 27, 2010 by and between Mercy Portfolio Services, a Colorado non-profit corporation ("MPS"), MPS Community I, LLC, an Illinois limited liability company (the "Assignor"), Sherman Park, LLC, an Illinois limited liability company ("Assignee"), , and the City of Chicago, an Illinois municipal corporation and home rule unit of government (the "City") (collectively, the "Parties").

Box 334

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It is expressly anticipated by the Parties hereto that the Assignor will convey the Property (as hereinafter defined) and assign the indebtedness evidenced by the Note (as hereinafter defined) to the Assignee, and that thereafter the Assignee will be bound by all the obligations of the Assignor under the documents described in this Assignment.

RECITALS

WHEREAS, the City has received 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 amended by the American Recovery and Reinvestment Act of 2009, as the same may be hereafter amended, restated or supplemented from time to time (collectively, 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

WHEREAS, the City has submitted to HUD, and HUD has approved, the City's Substantial Amendment application to HUD governing the City'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 City 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 City and MPS 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 City has agreed to make the Program Funds available to MPS for Eligible Activities (as defined therein), subject to the terms and conditions of such Subgrant Agreement; and

WHEREAS, Assignor, MPS and the City, have entered into that certain Redevelopment Agreement dated as of October 29, 2009, and recorded in the Office of the Recorder of Deeds of Cook County, Illinois (the "Recorder's Office") on December 2, 2009 as Document No. 0933622055 (the "Original Redevelopment Agreement"); and

WHEREAS, MPS and the City now desire to release the Original Redevelopment Agreement; and

WHEREAS, Assignor, MPS and the City have entered into that certain replacement Redevelopment Agreement, dated as of August 27, 2010, as the same may

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be amended, supplemented and restated from time to time (hereinafter the "Redevelopment Agreement"); and

WHEREAS, pursuant to the Redevelopment Agreement, MPS has agreed to provide Program Funds in the form of a loan in the principal amount of \$338,267 (the "Loan") to the Assignor to be used in connection with the acquisition, rehabilitation and/or construction of the Property legally described on Exhibit A attached hereto, which is improved with the improvements described thereon (the "Property"); and

WHEREAS, to evidence the Loan the Assignor has executed and delivered a promissory note in the principal amount of the Loan, dated as of August 27, 2010 and made payable to MPS. Such note, together with any and all amendments or supplements thereto, extensions thereof and notes which may be taken in whole or partial renewal, substitution or extension thereof, shall be called the "Note;" and

WHEREAS, to secure its obligations under the Note and the Redevelopment Agreement, Assignor has granted to MPS that certain Mortgage, Security Agreement and Financing Statement, dated as of August 27, 2010, as the same may be amended, supplemented and restated from time to time (the "Mortgage"); and

WHEREAS, as additional security of its obligations under the Note and the Redevelopment Agreement, the Assignor has executed and delivered to MPS that certain Assignment of Rents and Leases, dated as of August 27, 2010, as the same may be amended, supplemented and restated from time to time (the "Assignment of Rents"); and

WHEREAS, pursuant to that certain Assignment of Mortgage and Documents (the "Assignment of Mortgage"), dated as of August 27, 2009, MPS has assigned to the City all of the right, title and interest of MPS in and to the Note, together with all indebtedness evidenced thereunder, and further granted, transferred and assigned to the City all of the right, title and interest of MPS in and to the Redevelopment Agreement, the Mortgage, and the Assignment of Rents; and

WHEREAS, the City is the present, sole legal and equitable owner and holder of the Note; and

WHEREAS, the Assignor, MPS and the City have entered into that certain Regulatory Agreement in connection with the operation of the Property, dated as of August 27, 2009 as the same may be amended, supplemented and restated from time to time (the "Regulatory Agreement"); and

WHEREAS, pursuant to the Redevelopment Agreement, the Assignor has acquired the Property; and

WHEREAS, the Redevelopment Agreement contemplates that upon acquisition of the Property by the Assignor, the Assignor and the City shall identify a Participating Entity (as defined therein) which shall rehabilitate the Property and, upon such identification, the Assignor shall convey the Property to such Participating Entity, which

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shall thereafter complete the rehabilitation work specified in the Redevelopment Agreement and in the Exhibits attached thereto; and

WHEREAS, the Redevelopment Agreement further contemplates that concurrently with the conveyance of the Property to such Participating Entity, the Assignor shall assign the indebtedness evidenced by the Note to such Participating Entity, and thereafter such Participating Entity shall be bound by all of Assignor's obligations thereunder; and

WHEREAS, Assignor and the City have identified Assignee as such Participating Entity; and

WHEREAS, Assignor now desires to assign to Assignee, and Assignee desires to assume from Assignor, all of Assignor's rights and obligations under the Redevelopment Agreement, the Regulatory Agreement, the Note, the Mortgage, and the Assignment of Rents; and

WHEREAS, the Parties now desire to execute this Assignment to effect such assignment and assumption and to release the Original Redevelopment Agreement and replace it with the Redevelopment Agreement, as set forth herein;

NOW THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. The Assignor hereby grants, transfers and assigns to the Assignee all of the obligations under and rights, title, and interest of the Assignor in and to the Note, together with all sums of money due and payable thereunder, and hereby further grants, transfers and assigns to the Assignee all of the obligations under and rights, title, and interest of the Assignor in and to the Redevelopment Agreement, the Regulatory Agreement, the Mortgage and the Assignment of Rents (collectively the Note, the Redevelopment Agreement, Regulatory Agreement, the Mortgage, and the Assignment of Rents are hereinafter referred to as the "Documents").

2. Concurrently with the execution and recording of this Assignment, the Original Redevelopment Agreement, dated as of October 29, 2009, and recorded in the Office of the Recorder of Deeds of Cook County, Illinois (the "Recorder's Office") on December 2, 2009 as Document No. 0933622055 is hereby released of record and replaced with the Redevelopment Agreement; and

3. In conjunction with the assignment of the Redevelopment Agreement, the Assignor hereby assigns to the Assignee all of the Assignor's right, title and interest in the Assignor's title to the Property which the Assignor is conveying to the Assignee by its special warranty deed concurrently with the execution and recording of this Assignment.

4. Assignee hereby accepts such assignment and agrees to fully assume all of the obligations of the Assignor under the Documents.

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5. The Assignor hereby covenants and represents that (i) the Assignor has full right and title to assign all of the Documents to the Assignee; and (ii) no other assignment of any interest therein has been made.

6. Exhibit A to the Redevelopment Agreement is hereby deleted in its entirety and new Exhibit A, attached hereto and made a part hereof, is substituted in its place.

7. Exhibit B to the Regulatory Agreement is hereby amended as follows: The definition of "Senior Lender" in Section I is hereby amended by deleting the reference to "None" and replacing it with "Collectively, Chicago Community Loan Fund ("CCLF") and Austin Bank of Chicago ("ABC")." The definition of "Senior Loan" in Section I is hereby amended by deleting the reference to "None" and replacing it with "Collectively, that certain senior construction loan and senior permanent loan from CCLF and ABC, respectively, to the Participating Entity." The definition of "Senior Mortgage" in Section I is hereby amended by deleting the reference to "None" and replacing it with "Collectively, that certain Mortgage, Assignment of Rents and Security Agreement made by Participating Entity in favor of CCLF, as of the date hereof, and that certain mortgage which Participating Entity will make in favor of ABC upon completion of the Project."

8. This Mortgage is hereby amended by adding the following language:
(39) Subordination. This Mortgage shall be subject to and subordinate to the Senior Permanent Loan. This Mortgage shall also be subordinate to any subsequent mortgage that refinances the Senior Permanent Loan, so long as such refinancing is in an original principal amount less than or equal to the original principal amount of the Senior Permanent Loan, unless the Mortgagee, in its sole discretion, agrees to senior refinancing in a greater amount.

9. Exhibit B, Section 5 of the Mortgage is hereby amended by deleting it in its entirety and replacing it with the following language:

"Repayment Terms and Maturity Date of the Loan:

Upon the making of the Senior Permanent Loan (as defined in the Redevelopment Agreement, as amended), the Mortgagor shall make a payment to the Mortgagee of \$90,000, or such lesser amount as reflects the actual amount of the Senior Permanent Loan, which payment shall reduce the outstanding principal balance of the Note by such amount. The remaining principal balance of \$247,767 shall be forgiven on a pro rata basis, annually, over a period of 20 years from the date hereof (the "Maturity Date"), subject to compliance by the Mortgagor with all the terms and conditions of the Regulatory Agreement; provided, however, that the term Maturity Date shall also mean such earlier date as of which the principal of the Loan may become due and payable because of acceleration or prepayment as provided in any of the Documents.

10. The Note is hereby further amended by deleting the repayment terms stated in the first paragraph and replacing them with the following:

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“Upon the making of the Senior Permanent Loan (as defined in the hereinafter defined Loan Agreement, as amended), the Maker shall make a payment to the Holder of \$90,000, or such lesser amount as reflects the actual amount of the Senior Permanent Loan, which payment shall reduce the outstanding principal balance of the Note by such amount. The remaining principal balance of \$247,767 shall be forgiven on a pro rata basis, annually, over a period of 20 years from the date hereof (the “Maturity Date”), subject to compliance by the Maker with all the terms and conditions of the Regulatory Agreement; provided, however, that the term Maturity Date shall also mean such earlier date as of which the principal of the Loan may become due and payable because of acceleration or prepayment as provided in any of the Documents.

11. The parties hereto expressly acknowledge that the Loan and the Documents are subordinate to that certain Senior Construction Loan, as defined on Exhibit A attached hereto, and to that certain Senior Permanent Loan, as defined on Exhibit A attached hereto, each made to the Assignee in connection with the Project.

12. The City hereby agrees to use its best efforts to copy CCLF on the notice that it gives the Assignee regarding the City’s consent to the start of construction pursuant to Section 10 (xix) of the Mortgage.

13. 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.

14. This Assignment shall be governed as to performance and interpretation in accordance with the internal laws of the State of Illinois.

15. 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.

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

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

(SIGNATURE PAGE FOLLOWS)

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IN WITNESS WHEREOF, the undersigned have executed this Assignment and Assumption and Amendment of Documents as of the day and year first above stated.

Mercy Portfolio Services, a Colorado non-profit corporation

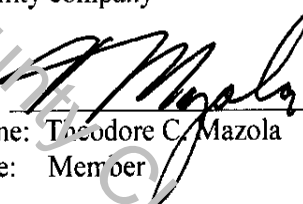
By: _____
Name: William W. Towns
Title: Vice President

MPS Community I, LLC, an Illinois limited liability company

By: Mercy Portfolio Services, a Colorado non-profit corporation and its sole member

By: _____
Name: William W. Towns
Title: Vice President

Sherman Park, LLC, an Illinois limited liability company

By:  _____
Name: Theodore C. Mazola
Title: Member

CITY OF CHICAGO, an Illinois municipal corporation, acting by and through its Department of Community Development

By: _____
Name: Christine A. Raguso
Title: Acting Commissioner

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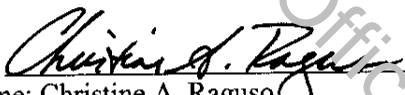
By: Mercy Portfolio Services, a Colorado non-profit corporation and its sole member

By: _____
Name: William W. Towns
Title: Vice President

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By: _____
Name: Christine A. Raguso
Title: Acting Commissioner

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STATE OF ILLINOIS)

) SS.

COUNTY OF COOK)

I, the undersigned., a Notary Public in and for said County, in the State aforesaid, do hereby certify that Theodore C. Mazola, personally known to me to be the member of Sherman Park,, LLC, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that he/she signed and delivered the foregoing instrument pursuant to authority given by said company, as his/her free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 26th day of August, 2010.

June E. Brown
NOTARY PUBLIC



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STATE OF ILLINOIS)

) SS.

COUNTY OF COOK)

I, Eva L. Garrett, a Notary Public in and for said County, in the State aforesaid, do hereby certify that William W. Towns, personally known to me to be the Vice President of Mercy Portfolio Services, a Colorado non-profit corporation and the sole member of MPS Community I, LLC, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that he/she signed and delivered the foregoing instrument pursuant to authority given by said company, as his/her free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 27th day of August, 2010.



 NOTARY PUBLIC


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STATE OF ILLINOIS)

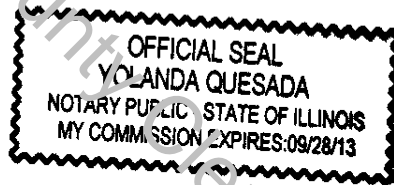
) SS.

COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Christine A. Raguso, personally known to me to be the Acting Commissioner of the Department of Community Development of the CITY OF CHICAGO, an Illinois municipal corporation and home rule unit of government, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that, as the Acting Commissioner, she signed and delivered the foregoing instrument pursuant to authority given by the City of Chicago as her free and voluntary act and as the free and voluntary act and deed of the corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 27 day of Aug, 2010.

Yolanda Quesada
NOTARY PUBLIC



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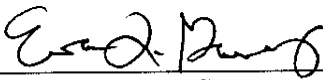
STATE OF ILLINOIS)

) SS.

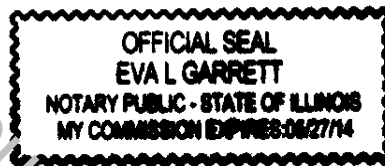
COUNTY OF COOK)

I, Eva L. Garrett, a Notary Public in and for said County, in the State aforesaid, do hereby certify that William W. Towns, personally known to me to be the Vice President of Mercy Portfolio Services, a Colorado non-profit corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that he/she signed and delivered the foregoing instrument pursuant to authority given by said company, as his/her free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 27th day of August, 2010.



NOTARY PUBLIC



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EXHIBIT A

NSP PROPERTY INFORMATION

Legal Description of Land: LOT 6 IN THE RESUBDIVISION OF LOTS 24 TO 33 AND 60 TO 69 ALL INCLUSIVE IN THE SUBDIVISION OF THE NORTHEAST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF THE SOUTHWEST $\frac{1}{4}$ OF LOTS 123 TO 127 AND 169 TO 179 ALL INCLUSIVE IN THE SUBDIVISION OF THE NORTHWEST $\frac{1}{4}$ OF THE NORTHEAST $\frac{1}{4}$ OF SOUTHWEST $\frac{1}{4}$ OF SECTION 8, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 1214 WEST 52ND STREET

PIN: 20-08-307-034-0000

Existing Improvements on the Land: 3-UNIT RESIDENTIAL BUILDING

NSP Acquisition Price: \$1,674

NSP Acquisition Loan Amount for acquisition and holding costs: \$10,000

NSP Rehabilitation Loan: \$327,767

NSP Loan Amount: \$338,267

Permitted Developer's Fee: \$33,446

NSP Total Development Cost: \$338,267

Senior Construction Loan: \$328,000

Senior Permanent Loan: \$90,000

Senior Construction Lender: Chicago Community Loan Fund ("CCLF")

Senior Permanent Lender: Austin Bank of Chicago (ABC)

Senior Loan Documents: collectively (i) that certain Loan Agreement made by the Assignee in favor of CCLF as of the date hereof, (ii) that certain Mortgage, Assignment of Rents and Security Agreement made by the Assignee in favor of CCLF as of the date hereof, (iii) that certain Promissory Note made by the Assignee in favor of CCLF as of the date hereof, and (iv) those certain documents which will evidence the Senior Permanent Loan upon completion of the Project.

Junior Loan: None.

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Junior Lender: None.

Junior Loan Documents: None.

Grant: None.

Repayment Terms: Upon the making of the Senior Permanent Loan, the Developer shall make a payment to the City of \$90,000, or such lesser amount as reflects the actual amount of the Senior Permanent Loan, which amount shall reduce the outstanding principal balance of the Note by such amount. The remaining principal balance of \$247,767 shall be forgiven on a pro rata basis, annually, over a period of 20 years from the date hereof (the "Maturity Date"), subject to compliance by the Developer with all the terms and conditions of the Regulatory Agreement; provided, however, that the term Maturity Date shall also mean such earlier date as of which the principal of the NSP Loan may become due and payable because of acceleration or prepayment as provided in any of the Documents.

Property of Cook County Clerk's Office