

Doc#: 1113331053 Fee: \$68.00  
Eugene "Gene" Moore  
Cook County Recorder of Deeds  
Date: 05/13/2011 12:23 PM Pg: 1 of 17

Doc#: 1036322039 Fee: \$64.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 12/29/2010 11:22 AM Pg: 1 of 15

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Prepared by and After Recording Return to:

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

ASSIGNMENT, ASSUMPTION AND AMENDMENT OF DOCUMENTS

**THIS ASSIGNMENT, ASSUMPTION AND AMENDMENT OF DOCUMENTS** (this "Assignment") is made as of December 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"), Celadon-Vernon LLC, an Illinois limited liability company ("Celadon") (the "Assignee"), and the City of Chicago, an Illinois municipal corporation and home rule unit of government (the "City") (collectively, the "Parties").

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.

\*Being re-recorded to add missing information\*

Box 334

Box 334

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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 is the Developer under that certain Redevelopment Agreement by and among Assignor, MPS and the City, dated as of September 1, 2010 as the same may be amended, supplemented and restated from time to time (the "Redevelopment Agreement"); and

**WHEREAS**, pursuant to the Redevelopment Agreement, MPS agreed to provide Program Funds in the form of a loan in the principal amount of \$1,623,804 (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 executed and delivered a promissory note in the principal amount of the Loan, dated as of December 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 granted to MPS that certain Mortgage, Security Agreement and Financing Statement, dated as of December 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 executed and delivered to MPS that certain Assignment of Rents and Leases, dated as of December 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 December 27, 2010, MPS assigned to the

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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 December 27, 2010 as the same may be amended, supplemented and restated from time to time (the "Regulatory Agreement"); and

**WHEREAS**, the Regulatory Agreement was recorded in the Office of the Recorder of Deeds of Cook County, Illinois (the "Recorder's Office") on December 28, 2010 as Document No. 1036210028; the Redevelopment Agreement was recorded in the Recorder's Office on December 28, 2010 as Document No. 1036210029; the Mortgage was recorded in the Recorder's Office on December 28, 2010 as Document No. 1036210030; the Assignment of Rents was recorded in the Recorder's Office on December 28, 2010 as Document No. 1036210031; and the Assignment of Mortgage was recorded in the Recorder's Office on December 28, 2010 as Document No. 1036210032; 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 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**, pursuant to the Redevelopment Agreement, such Participating Entity shall enter into a loan agreement with a private lender acceptable to Assignor, MPS and the City, for financing up to an amount necessary to complete the rehabilitation of the Property; and

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WHEREAS, the Redevelopment Agreement further contemplates that prior to the transfer of the Property to such Participating Entity, such Participating Entity shall enter into a loan commitment for permanent financing with a private lender acceptable to Assignor, MPS and the City to refinance the Property upon completion of rehabilitation of such property; and

WHEREAS, however, notwithstanding these requirements, Assignee has not yet arranged rehabilitation and permanent financing for the Property; 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, subject to the terms and conditions of this Assignment; and

WHEREAS, the Parties now desire to execute this Assignment to effect such assignment and assumption and to amend the Redevelopment Agreement, the Regulatory Agreement, the Note, the Mortgage, the Assignment of Mortgage and the Assignment of Rents 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"), subject to the Conditions Precedent set forth in Section 5 of this Assignment.
2. 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.
3. The Assignee hereby accepts such assignment and agrees to fully assume all of the obligations of the Assignor under the Documents, subject to the Conditions Precedent set forth in Section 5 of this Assignment.
4. 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.

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5. This Assignment is subject to the following conditions precedent (the "Conditions Precedent"), which shall be satisfied on or before March 15, 2011 (the "Effective Date"): The Assignee shall (a) enter into a loan agreement with a private lender acceptable to Assignor, MPS and the City, for financing up to an amount necessary to complete the rehabilitation of the Property; and (b) enter into a loan commitment for permanent financing with a private lender acceptable to Assignor, MPS and the City to refinance the Property upon completion of rehabilitation of such property. If the Conditions Precedent are not satisfied by the Effective Date, this Assignment shall be null and void.
6. Recital M of the Redevelopment Agreement is hereby amended by inserting after the term "After the date hereof," the following: "but in any event no later than March 15, 2011."
7. Recital N of the Redevelopment Agreement is hereby amended by inserting after the term "but in any event," the following: "no later than March 15, 2011." Recital N of the Redevelopment Agreement is hereby further amended by deleting the following: "prior to the transfer of the NSP Property to the Participating Entity."
8. Section 6(F) of the Redevelopment Agreement is hereby amended by deleting the following sentence: "If it is anticipated that the Participating Entity shall act as Developer, such payment and performance bond or Performance Deposit shall be made at the time of the conveyance of the NSP Property by MPS LLC to such Participating Entity," and replacing it with the following sentence: "If it is anticipated that the Participating Entity shall act as Developer, such payment and performance bond or Performance Deposit shall be made at the time of the construction loan closing."
9. Section 8 of the Redevelopment Agreement is hereby amended by deleting the first sentence and replacing it with the following: "The Developer shall commence the Required Work for the NSP Property promptly upon closing on the loans for the rehabilitation and Permanent Financing of such property, but any event no later than March 15, 2011, subject to any extension approved by the City, in its sole discretion, and shall thereafter diligently proceed to complete the Required Work within eight (8) months of such loan closing date (this requirement shall not apply to MPS LLC with respect to the NSP Property that is to be conveyed to a Participating Entity for rehabilitation or construction)." Section 8 of the Redevelopment Agreement is hereby further amended by deleting the reference to "six (6)" and replacing it with "eight (8)."
10. Section 15.4 of the Redevelopment Agreement is hereby amended by adding the following language: "(h) The Developer fails to enter into a loan agreement with a private lender acceptable to Assignor, MPS and the City, for financing up to an amount necessary to complete the rehabilitation of the Property by March 15, 2011." Section 15.4 of the Redevelopment Agreement is hereby further amended by adding the following language: "(i) The Developer fails to enter into a loan commitment for permanent financing with a private lender acceptable to Assignor, MPS and the City to refinance the Property upon completion of rehabilitation of such property by March 15,

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- 2011.” Section 15.4 of the Redevelopment Agreement is hereby further amended by adding the following sentence to the end of such section: “Notwithstanding the foregoing, if the Developer has delivered all requested information to a private lender, such lender’s decision not to provide a loan shall not constitute a “default” hereunder; however, the NSP Parties shall then have the right to exercise the remedies available hereunder with respect to the NSP Property.”
11. Section 23 of the Redevelopment Agreement is hereby amended by removing each reference to “MPS LLC.” Section 23 of the Redevelopment Agreement is hereby further amended by adding the following: “If to the Developer: Celadon-Vernon, LLC; 30 South Wacker Drive, Suite 2200, Chicago, Illinois 60606; Attention: Scott Henry, with a copy to Applegate and Thorne-Thomsen; 322 South Green, Suite 400; Chicago, Illinois 60607; Attention: Ben Applegate.”
12. Exhibit B to the Redevelopment Agreement is hereby amended by deleting the last sentence and replacing it with the following sentence: “The Scope of Work shall be supplemented at the time of the construction loan closing.”
13. Section 3.1 of the Regulatory Agreement is hereby amended by deleting the second sentence and replacing it with the following: “The Borrower agrees to commence construction on the Project promptly upon closing on the loans for the rehabilitation and Permanent Financing of the Property, but any event no later than March 15, 2011, subject to any extension approved by the City, in its sole discretion, and shall thereafter diligently proceed to complete construction within 8 months of such loan closing date.”
14. Exhibit B to the Regulatory Agreement is hereby amended as follows: The definition of the term “Low-Income Project” on Section I is hereby amended by deleting the number “16” and replacing it with the number “8.”
15. Exhibit B to the Regulatory Agreement is hereby amended as follows: Paragraph 7 in Section II is hereby amended by deleting each reference to Borrower’s address and replacing each reference with the following: “Celadon-Vernon LLC; 30 South Wacker, Suite 2200, Chicago, Illinois 60606; Attention: Scott Henry.”
16. Exhibit E to the Regulatory Agreement is hereby amended by deleting each reference to “MPS Community I, LLC” and replacing each reference with “Celadon – Vernon, LLC.”
17. The Assignee shall apply for and use its best efforts to secure any necessary financing required to carry out its obligations under the Redevelopment Agreement and this Assignment.
18. 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.

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

20. 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.

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

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

(SIGNATURE PAGE FOLLOWS)

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

**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

**Celadon-Vernon, LLC**, an Illinois limited liability company

By: *MJG MATLY*  
Name: *Thad Carter Scott Handy*  
Title: *Members of Celadon Holdings, LLC, sole member of Celadon-Vernon, LLC*

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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

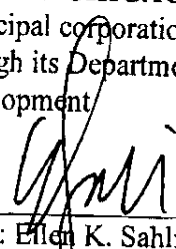
**Celadon-Vernon, LLC**, an Illinois limited liability company

By: Celadon Holdings, LLC, an Illinois limited liability company, its sole member

By: \_\_\_\_\_  
Name: Scott Henry, Member

By: \_\_\_\_\_  
Name: Thad Garver, Member

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

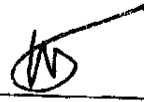
By:   
Name: Ellen K. Sahli  
Title: First Deputy Commissioner

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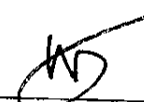
IN WITNESS WHEREOF, the undersigned have executed this Assignment and Assumption and Amendment of Documents as of the day and year first above stated.

**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

**Celadon-Vernon, LLC**, an Illinois limited liability company

By: Celadon Holdings, LLC, an Illinois limited liability company, its sole member

By: \_\_\_\_\_  
Name: Scott Henry, Member

By: \_\_\_\_\_  
Name: Thad Garver, Member

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

By: \_\_\_\_\_  
Name: Ellen K. Sahli  
Title: First Deputy Commissioner

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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 27 day of Decembert, 2010.

*Eva L. Garrett*  
\_\_\_\_\_  
NOTARY PUBLIC



# UNOFFICIAL COPY

STATE OF ILLINOIS )

) SS.

COUNTY OF COOK )

I, Yolanda Quesada, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Ellen K. Sahli, personally known to me to be the First Deputy 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 First Deputy 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 23 day of December, 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 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 21 day of December, 2010.

Eva L. Garrett  
NOTARY PUBLIC



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STATE OF ILLINOIS )

) SS.

COUNTY OF COOK )

I, Laura Ruiz, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Scott Henry, personally known to me to be a member of Celadon-Vernon 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 23rd day of December, 2010.

Laura Ruiz  
NOTARY PUBLIC



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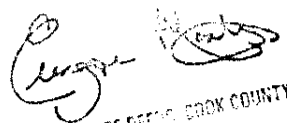
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I CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF DOCUMENT # 1036322039

MAY 10 11

  
RECORDER OF DEEDS, COOK COUNTY



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## **EXHIBIT A LEGAL DESCRIPTION**

LOTS 23 AND 24 IN BLOCK 7 IN CHATHAM FIELDS, BEING A SUBDIVISION OF THE NORTHEAST QUARTER OF SECTION 34, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 7953 South Vernon Avenue, Chicago, Illinois 60619

PIN: 20-34-201-017-0000

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