

# UNOFFICIAL COPY



Doc#: 1208610061 Fee: \$52.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 03/26/2012 01:12 PM Pg: 1 of 8

WSA 7270 to U all & L MW

This document prepared by:

Eva L. Garrett, Esq.  
Mercy Portfolio Services  
120 S. LaSalle, Suite 1850  
Chicago, Illinois 60603

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

## ASSIGNMENT OF MORTGAGE AND DOCUMENTS

This Assignment of Mortgage and Documents (the "Assignment") is made and entered into as of March 23, 2012 by Mercy Portfolio Services, a Colorado non-profit corporation ("Assignor") in favor of the City of Chicago, Illinois ("Assignee").

### WITNESSETH

**WHEREAS**, the City has or will receive certain funds in the approximate amount of \$55,238,017 and \$98,008,384 (collectively, 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, H.R.1, 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

# UNOFFICIAL COPY

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 Notice of Fund Availability for the Neighborhood Stabilization Program2 (“NOFA”) under the Recovery Act (Docket No. FR-5321-N-01, May 4, 2009), the Notice of Fund Availability for Fiscal year 2009 NSP2 Program under the Recovery Act, Correction (Docket No. FR-5321-C-02, June 11, 2009; Docket No. FR-5321-C-03, November 9, 2009, Docket No. FR-5321-C-04, and Docket No. FR-5321-N-04); and the HUD regulations at 24 CFR Part 570 (as modified by the NOFA as now in effect and as may be amended from time to time) (collectively, the “Regulations”); and

**WHEREAS**, the City has submitted to HUD, and HUD has approved, the City’s Substantial Amendment application to HUD and an NSP2 application to HUD governing the City’s use of the Program Funds in a City 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 and that certain Funding Approval and Grant Agreement signed on February 11, 2010 (collectively, the “Grant Agreement”). The Act, the Regulations, and the Grant Agreement are collectively referred to herein as the “NSP Legal Requirements”); and

**WHEREAS**, the NSP Legal Requirements require the City 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 City 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 City 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 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 and that certain Agreement Between The City of Chicago and Mercy Portfolio Services For Neighborhood Stabilization Program 2 dated as of July 1, 2010 (collectively, the “Subgrant Agreement”), pursuant to which the

# UNOFFICIAL COPY

City has agreed to make the Program Funds available to MPS 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 \$2,167,595 (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

**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 \$2,167,595 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,

# UNOFFICIAL COPY

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 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.
4. 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 Assignor 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

# UNOFFICIAL COPY

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.


[The remainder of this page is intentionally left blank.]

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

**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 not profit corporation

By:   
Name: William W. Towns  
Its: Vice President

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

STATE OF ILLINOIS     )  
  ) SS.  
COUNTY OF COOK        )

I, the undersigned, a Notary Public in and for the county and 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 (the "Member"), and sole member of MPS Community I, LLC, an Illinois limited liability company (the "Assignor"), 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 acknowledged that as such Vice President, he signed and delivered the said instrument pursuant to authority given by the Board of Directors of the Member as their free and voluntary act, and as the free and voluntary act and deed of the Assignor, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 23<sup>rd</sup> day of March, 2012.



Notary Public



Notary Public of Cook County Clerk's Office

# UNOFFICIAL COPY

## EXHIBIT A

1. Legal Description:

LOT 3 IN SUBDIVISION IN THE WEST 283 FEET OF THE NORTHWEST  $\frac{1}{4}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF THE NOTHEAST  $\frac{1}{4}$  OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, (EXCEPT THAT PART OF THE EAST 100 FEET LYING SOUTH OF THE NORTH 190 FEET AND NORTH OF THE SOUTH 341 FEET THEREOF), EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY.

2. Address Commonly Known As:

3351 West Ohio Street, Chicago, Illinois 60624

3. Permanent Index Number:

16-11-229-016-1001:1015

Property of Cook County Clerk's Office