

# UNOFFICIAL COPY

Prepared by and after recording return to:

Campbell Killin Brittan & Ray, LLC  
Attn: J. Kevin Ray, Esq.  
270 St Paul, Suite 200  
Denver, CO 80206



Doc#: 1308622038 Fee: \$48.00  
RHSP Fee: \$10.00 Affidavit Fee:  
Karen A. Yarbrough  
Cook County Recorder of Deeds  
Date: 03/27/2013 09:11 AM Pg: 1 of 6

Record Against PIN:  
14-31-214-005-0000

1915 West Dickens Avenue  
Chicago, Illinois 60614

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## COLLATERAL ASSIGNMENT OF NOTE & MORTGAGE

GRANTOR: Richard D. Sharp, Jr.

TODAY'S DATE: March 22, 2013

ASSIGNOR: Burling Dickens Sheffield Real Estate Investors, LLC  
270 Saint Paul Street, Suite 300  
Denver, CO 80206

ASSIGNEE: Cottonwood Capital, LLC  
270 St. Paul Street, Suite 300  
Denver, CO 80206

THIS COLLATERAL ASSIGNMENT OF NOTE & MORTGAGE (this "Assignment") made and executed as of March 22, 2013, by Burling Dickens Sheffield Real Estate Investors, LLC, a Colorado limited liability company ("Assignor," sometimes referred to as "Borrower"), in favor of Cottonwood Capital, LLC, a Colorado limited liability company ("Assignee," sometimes referred to as "Lender").

WHEREAS, Borrower and Lender are parties to a Loan and Security Agreement dated as of even date herewith (the "Loan Agreement"), pursuant to which Lender has made a loan to Borrower in the original principal amount US\$2,570,000, or so much thereof as may be advanced and be outstanding, together with interest as specified in the Promissory Note dated an even date with the Loan Agreement (the "Note") and the Make Whole Amount, as evidenced by the Note given by Borrower in favor of Lender which is secured by a security interest granted by Borrower to Lender on certain personal property of Borrower. All initially capitalized terms not otherwise defined herein shall have the meaning attributed to such terms in the Loan Agreement.

NOW, THEREFORE, to secure the payment and performance of the Note and the associated Loan Documents, and for other good and valuable consideration the receipt of which is hereby acknowledged, Borrower hereby collaterally conveys, assigns, transfers and sets over unto Lender, with full recourse, as collateral security for the Note and associated Loan Documents, all of Borrower's right, title and interest in and to the following "Collateral":

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1. Promissory Note dated April 23, 2010, made by George Haldes and Sharon Haldes in favor of Bridgeview Bank Group in the original principal amount of \$1,718,148.50 (the "Note 1").
2. Promissory Note dated October 11, 2007, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group in the original principal amount of \$1,125,000.00.
3. Promissory Note dated October 11, 2008, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group in the original principal amount of \$1,225,000.00.
4. Change in Terms Agreement dated January 11, 2009, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group in the original principal amount of \$1,225,000.00.
5. Change in Terms Agreement dated March 11, 2009, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group in the original principal amount of \$1,225,000.00.
6. Change in Terms Agreement dated August 11, 2009, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group in the original principal amount of \$1,224,233.91.
7. Promissory Note dated February 11, 2010, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group in the original principal amount of \$1,224,032.67 ("Note 2").
8. Change in Terms Agreement dated August 11, 2010, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group in the original principal amount of \$1,224,032.67.
9. Change in Terms Agreement dated February 11, 2011, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group in the original principal amount of \$1,224,032.67.
10. Change in Terms Agreement dated August 11, 2011, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group in the original principal amount of \$1,224,032.67.
11. Mortgage dated April 23, 2010, and recorded July 1, 2010 as document number 1018210007, made by Chicago Title Land Trust Company, as Successor Trustee u/t/a Dated March 1, 1980 a/k/a Trust #398 in favor of Bridgeview Bank Group (the "Sheffield Mortgage").
12. Mortgage dated April 23, 2010, and recorded July 1, 2010 as document number 1018210006, made by George Haldes and Sharon Haldes in favor of Bridgeview Bank Group (the "Burling Mortgage").
13. Construction Mortgage dated October 11, 2007, and recorded October 22, 2007 as document number 0729526233, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group (the "Dickens Mortgage").
14. Modification of Mortgage dated October 11, 2008, and recorded January 1, 2009 as document number 0902008353, made by Richard Sharp, Jr. in favor of Bridgeview Bank Group (the "Dickens Mortgage Modification").
15. Assignment of Rents dated April 23, 2010, and recorded July 1, 2010 as document number 1018210008, against the property commonly known as 1841 N. Sheffield,

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Chicago, IL 60614, made by Chicago Title Land Trust Company, as Successor Trustee u/t/a Dated March 1, 1980 a/k/a Trust #398 in favor of Bridgeview Bank Group.

16. *In Rem* Judgment of Foreclosure and Sale dated December 11, 2012 in the principal amount of \$1,326,703.49 against the property commonly known as 1915 West Dickens Avenue, Chicago, Illinois 60614 ("Dickens Property") in favor of Bridgeview Bank Group.
17. Certificate of Sale for the Dickens Property dated February 21, 2013 in favor of Bridgeview Bank Group.

In addition, the word "Collateral" also includes all the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located:

- (A) All accessions, attachments, accessories, tools, parts, supplies, replacements of and additions to any of the collateral described herein, whether added now or later;
- (B) All product and produce of any of the property described in this Collateral section;
- (C) All accounts, general intangibles, instruments, rents, monies, payments, and all other rights, arising out of a sale, lease, consignment or other disposition of any of the property described in this Collateral section;
- (D) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Collateral section, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process;
- (E) All records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media; and
- (F) All other Collateral connected therewith collaterally assigned to Lender pursuant to the terms of the Note and Loan Agreement, together with all proceeds derived therefrom and other collateral delivered in substitution or replacement thereof.

Borrower hereby represents and warrants to Lender that the above referenced Collateral collaterally assigned hereby have not previously been collaterally assigned or otherwise transferred by Borrower and are held free and clear of all prior liens, security interests, charges and encumbrances whatsoever except for matters appearing of record or permitted in the Loan Agreement, the Loan Purchase Agreement of even date herewith by and between Borrower and the Bank, the Business Loan Agreement of even date herewith by and between Borrower and the Bank, or the Intercreditor Agreement of even date herewith by and between Lender and the Bank (the "Intercreditor Agreement"). Borrower further covenants and agrees with Lender to maintain such note and Mortgage in good standing at all times in accordance with the terms thereof and not to take any action with respect to said note and Mortgage which may be prejudicial to the rights of Lender hereunder.

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT BORROWER MAY NOT COMMENCE ANY COLLECTION EFFORTS PURSUANT TO THE MORTGAGE, DESCRIBED ABOVE

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(INCLUDING, WITHOUT LIMITATION, ANY FORECLOSURE ACTION, COLLECTION OF RENTS, APPOINTMENT OF A RECEIVER, OR THE ACCEPTANCE OF A DEED-IN-LIEU OF FORECLOSURE) WITHOUT THE PRIOR WRITTEN CONSENT OF LENDER, NOR SHALL BORROWER DO ANY OF THE FOLLOWING, WITHOUT THE PRIOR WRITTEN CONSENT OF LENDER: (A) WAIVE, RENEW, EXTEND, ACCELERATE, MODIFY, OR OTHERWISE CHANGE THE TIMES FOR OR TERMS OF PAYMENT OR PERFORMANCE OF THE OBLIGATIONS SECURED BY THE MORTGAGE, DESCRIBED ABOVE; OR (B) TO EXCHANGE, ENFORCE, WAIVE, OR RELEASE ANY SECURITY UNDER THE MORTGAGE, DESCRIBED ABOVE. ANY SUCH ACTIONS BY BORROWER WITHOUT THE EXPRESS WRITTEN APPROVAL OF LENDER SHALL BE VOID.

The execution and delivery of this Assignment shall not subject Lender to, or transfer or pass to Lender, or in any way affect or modify, the liability of Borrower or Underlying Obligor under and any note and Mortgage hereby assigned, it being understood and agreed that notwithstanding this Assignment or any subsequent collateral assignment, all of the obligations of the Underlying Obligor to the Borrower, in its capacity as lender, under such note and Mortgage shall be and remain enforceable by Borrower, in its capacity as lender, its successors and assigns, against Underlying Obligor and its successors and assigns, and that Lender has not assumed any of the obligations or duties of Borrower or Underlying Obligor under or with respect to each note and Mortgage.

Borrower hereby agrees and acknowledges that neither the acceptance of this Assignment by Lender nor the exercise of, or failure to exercise, any right, power or remedy in this instrument conferred upon Lender shall be deemed or construed to obligate Lender, or its successors or assigns, to pay any sum of money, take any action or incur any liability in connection with the note and Mortgage hereby assigned to Lender. It is further agreed and understood by Borrower that neither Lender nor its successors or assigns shall be liable in any way for any costs, expenses or liabilities connected with, or any charges or liabilities resulting from, such note and Mortgage.

If any provision of this Assignment is held to be illegal, invalid or unenforceable under present or future laws effective during the term thereof, such provision shall be fully severable, this Assignment shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof or thereof, and the remaining provisions hereof or thereof shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision as similar in tenor to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

This Assignment shall be binding upon Borrower and its successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

Notwithstanding anything herein to the contrary, Lender's rights and remedies herein are subject to the terms of the Intercreditor Agreement.



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## LEGAL DESCRIPTION

LOT 7 IN BLOCK 40 IN SHEFFIELD'S ADDITION TO CHICAGO IN THE NORTH EAST ¼ OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Permanent Index Number: 14-31-214-005-0000

Commonly Known As: 1915 West Dickens Avenue, Chicago, IL 60614.

Property of Cook County Clerk's Office