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Prepared by
After recording return to:
John J. Lipic
Bryan Cave LLP
161 N. Clark Street, Suite 4300
Chicago, IL 60601



Doc#: 1323212032 Fee: \$56.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 08/20/2013 10:00 AM Pg: 1 of 10

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[ABOVE SPACE RESERVED FOR RECORDING INFORMATION]

ASSUMPTION AGREEMENT

This Assumption Agreement ("**Agreement**") is made as of the 1st day of August, 2013 (the "**Effective Date**"), among THE NORTHERN TRUST COMPANY, an Illinois banking corporation, with a banking office at 50 South LaSalle Street, Chicago, Illinois 60603 ("**Northern**"), SCANDINAVIA REALTY, LLC, a Delaware limited liability company, with an address at 640 North LaSalle Street, Suite 638, Chicago, Illinois 60654 ("**Existing Mortgagor**"), and PP NT 1, LLC, an Illinois limited liability company, with an address at 640 North LaSalle Street, Suite 638, Chicago, Illinois 60654 ("**Assuming Mortgagor**"). Northern, Existing Mortgagor and Assuming Mortgagor are sometimes collectively referred to herein as the "**Parties**" or individually as a "**Party**."

RECITALS

- A. Northern made a loan in the original principal amount of up to Eight Million Three Hundred Thousand Dollars (\$8,300,000) (the "**Loan**") to Pangea Real Estate Holdings, LLC, a Delaware limited liability company ("**Borrower**"), which Loan is evidenced by a Master Note dated March 31, 2012, payable by Borrower to Northern (the "**Existing Note**"); capitalized terms used by not defined in this Agreement shall have the meanings ascribed them in the Note.
- B. The obligations under the Note are secured by, among other things, a Mortgage, Security Agreement, Assignment of Rents and Fixture Filing (with Future Advances) dated as of March 31, 2012 (the "**Mortgage**") and recorded on April 11, 2012 as document number 1210242020 with the Recorder of Deeds, Cook County, Illinois, with respect to real estate and improvements located at and commonly known as 1511-13 E. 73rd Street, Chicago, Illinois, 60619, as more particularly described in the Mortgage (collectively, the "**Real Estate**").

Box 400-CTCC

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- C. Existing Mortgagor also executed and delivered that certain Environmental Indemnification Agreement dated March 31, 2012, for the benefit of Northern (the "**Environmental Indemnity**").
- D. The Note, the Mortgage, the Environmental Indemnity and all other documents evidencing or securing the Loan are sometimes collectively referred to herein as the "**Loan Documents**."
- E. Pursuant to a Deed of even date herewith, Existing Mortgagor conveyed to Assuming Mortgagor all of Existing Mortgagor's interest in the Real Estate (the "**Conveyance**").
- F. The parties hereto desire that Assuming Mortgagor assume and become an additional mortgagor with respect to the Loan, and that Existing Mortgagor be released from its obligations under the Mortgage, subject to the terms and conditions set forth below in this Agreement.

AGREEMENTS

NOW, THEREFORE, in consideration of the following mutual agreements and other valuable consideration, the receipt and sufficiency of which are acknowledged and intending to be legally bound, the Parties agree as follows:

1. **Incorporation of Recitals and Exhibits**

The Recitals set forth above are incorporated as part of this Agreement.

2. **Assuming Borrower's Covenant to Perform**

Subject to all of the terms, covenants and provisions of each of the Loan Documents, Assuming Mortgagor hereby unconditionally assumes, covenants, and agrees to timely perform all of Existing Mortgagor's Obligations under the Loan Documents to which Existing Mortgagor is a party, and to comply with all of the terms, covenants, and conditions of such Loan Documents as if Assuming Mortgagor originally executed such Loan Documents. Assuming Mortgagor is familiar with all terms, conditions, and provisions of the Loan Documents, and fully comprehends the same, as modified by this Agreement. Assuming Mortgagor shall, upon Northern's request, execute and deliver to Northern any further documents requested by Northern to evidence Assuming Mortgagor's assumption of Existing Mortgagor's obligations under the Loan Documents, including but not limited to an environmental indemnity agreement substantially in the form of the Environmental Indemnity and any financing statements requested by Northern to perfect certain security interests granted under the Loan Documents.

3. **Release of Existing Mortgagor**

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Existing Mortgagor is hereby released from all of its obligations under any of the Loan Documents to which Existing Mortgagor is a party, it being understood and agreed that Assuming Mortgagor has, pursuant to this Agreement, assumed all of same.

4. Representations, and Agreements

Existing Mortgagor and Assuming Mortgagor, to the best of their knowledge, represent, warrant, covenant and agree as follows:

- 4.1 There exists no defense, offset or counterclaim with respect to the payment of the Loan or with respect to the payment of the Indebtedness or performance of the obligations under this Agreement, the Note or any of the other Loan Documents including, without limitation, any claim for breach of contract, failure to act in good faith, lack of fair dealing, misrepresentation, breach of fiduciary duty, fraud, or negligence. Neither Existing Mortgagor nor Assuming Mortgagor has any claim, defense, abatement, offset, or counterclaim against Northern or otherwise applicable to the Loan. If any such claims, defenses, abatements, offsets, or counterclaims, do presently exist, as additional consideration for this Agreement, Existing Mortgagor and Assuming Mortgagor hereby waive and release them to the fullest extent permitted by applicable law;
- 4.2 Existing Mortgagor and Assuming Mortgagor have all requisite power and authority to enter into this Agreement and to perform all actions required or contemplated by any provision contained in this Agreement or the Loan Documents. This Agreement and the Loan Documents are legal, valid and binding obligations of Existing Mortgagor and Assuming Mortgagor;
- 4.3 There is no legal or other action, proceeding or investigation pending or threatened against Existing Mortgagor or Assuming Mortgagor or the Real Property before any court, administrative agency or arbitrator that might in any way adversely affect Assuming Mortgagor's ability to fulfill its obligations under this Agreement or any of the Loan Documents;
- 4.4 Neither Existing Mortgagor nor Assuming Mortgagor is involved as a debtor in any state or federal bankruptcy, reorganization, arrangement, insolvency proceedings, receivership, or any other debtor-creditor proceeding, and neither Existing Mortgagor nor Assuming Mortgagor has made any assignment for the benefit of creditors;
- 4.5 All information and documentation supplied by Existing Mortgagor or Assuming Mortgagor to or for the benefit of Northern in connection with this Agreement is true and correct in all material respects;

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4.6 Assuming Mortgagor is not a foreign corporation, foreign partnership, foreign limited partnership, foreign trust or foreign estate (as those terms are defined in the United States Internal Revenue Code and Income Tax Regulations). Assuming Mortgagor's current U.S. Taxpayer Identification Number is: 27-0223101. Assuming Mortgagor understands that this certification as to non-foreign status may be disclosed by Northern to the United States Internal Revenue Service and that any false statements contained herein could be punished by fine, imprisonment, or both.

5. **Northern Consent to Conveyance**

Notwithstanding anything in the Loan Documents (including, without limitation, Section 8(j) of the Mortgage) to the contrary, Northern hereby consents to the Conveyance, subject to the terms and conditions of this Agreement. By consenting to the Conveyance, subject to terms and requirements of this Agreement, Northern hereby waives and relinquishes any objections or claims it may have under Section 8(j) of the Mortgage relating to the subject Conveyance, but not otherwise. Northern's consent to the Conveyance shall not constitute, however, its consent to any subsequent or other sales, conveyances or transfers, and Northern retains all its rights under the Loan Documents to approve, disapprove, or impose conditions upon any subsequent or other sale, conveyance or transfer.

6. **Intentionally omitted**

7. **Affirmation of Loan Documents**

Assuming Mortgagor hereby affirms that, as of the Effective Date, the representations and warranties of Existing Mortgagor set forth in the Loan Documents are and remain true and correct as though made on and as of the Effective Date and are hereby affirmed, ratified, and confirmed by Assuming Mortgagor. Assuming Mortgagor hereby confirms that the Loan Documents are and shall remain enforceable against it in accordance with their terms, shall continue to be in full force and effect, and are hereby confirmed and ratified in all respects. Assuming Mortgagor agrees that this Agreement shall not impair the Mortgage, the Environmental Indemnity or any lien or collateral securing the Indebtedness or the other obligations under the Loan Documents, that such liens are not waived, released, or extinguished in any manner, and that such liens are hereby acknowledged to be valid and existing and shall continue to secure payment of the Indebtedness and all other obligations under the Loan Documents. From and after the Effective Date, all references to the Loan Documents shall include this Agreement.

8. **Notices**

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Notices to the Parties hereto shall be delivered in accordance with the procedures set forth in Section 16 of the Mortgage, at the following addresses:

(a) If to Northern:

The Northern Trust Company
50 South LaSalle Street, B-4
Chicago, Illinois 60603
Attn: S. Scott Hensley

(b) If to Existing Mortgagor and/or Assuming Mortgagor:

c/o Pangea Real Estate Holdings, LLC
640 North LaSalle Street
Chicago, Illinois 60654

9. Construction

Captions and headings are for convenience and reference only and do not define, limit, or affect the contents of this Agreement. Reference to “paragraphs” or “sections” refer to this Agreement unless stated otherwise. All grammatical usage shall be deemed to refer to the masculine, feminine, neuter, singular, or plural as the context and identity of any persons may require.

10. Severability and Interpretation

The invalidity or unenforceability of any provision of this Agreement does not affect the remaining provisions. This Agreement shall be construed as if it excluded any invalid or unenforceable provision, which shall be severed from this Agreement. Whenever possible, this Agreement shall be interpreted so as to be valid under applicable law, and shall not be construed strictly in favor of or against any particular Party, including any Party who drafted or prepared this Agreement, but instead according to its plain meaning to give effect to its intended purposes.

11. Governing Law

This Agreement is governed by the laws of the State of Illinois, including its choice of law principles. The Parties consent and submit to the non-exclusive jurisdiction of the courts of the State of Illinois and the United States District Court situated in the State of Illinois, concerning any action or proceeding involving the Northern and arising under this Agreement, the Loan Documents, or the Loan.

12. Counterparts

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This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one document.

13. **Entirety; Modification**

This Agreement constitutes the entire agreement of the Parties with respect to the assumption contemplated hereby of the Loan. There are no oral agreements between the Parties. This Agreement and the Loan Documents as amended by this Agreement may be amended or modified only by a written document signed by all the Parties.

14. **Binding Effect**

This Agreement is binding upon and inures to the benefit of the Parties and their respective permitted successors and assign. However, this provision shall not be deemed to be a consent by Northern to any further sale or transfer of the Real Estate by Assuming Mortgagor.

15. **Further Assurances**

On the date hereof, or thereafter, if necessary, Assuming Mortgagor agrees to execute and deliver to or cause to be executed and delivered to Northern such further instruments as the Northern may reasonably request and take such other action as the Northern may reasonably require to carry out more effectively the transactions contemplated by this Agreement

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EXISTING MORTGAGOR:


SCANDINAVIA REALTY, LLC

By: PANGEA REAL ESTATE HOLDINGS, LLC

By: Pangea Equity Partners, L.P., its Managing Member

By: Pangea Equity GP, LLC, its General Partner

By: PEP Holdings, Inc., its Managing Member

By: 
Name: Albert Goldstein
Title: President

ASSUMING MORTGAGOR:

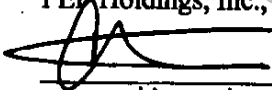
PP NT 1, LLC

By: PANGEA REAL ESTATE HOLDINGS, LLC

By: Pangea Equity Partners, L.P., its Managing Member

By: Pangea Equity GP, LLC, its General Partner

By: PEP Holdings, Inc., its Managing Member

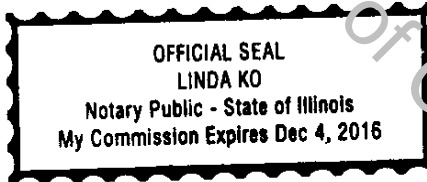
By: 
Name: Albert Goldstein
Title: President

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STATE OF ILLINOIS)
)
) SS:
COUNTY OF COOK)

On this 31 day of July 2013, before me appeared Albert Goldstein, to me personally known to be the President of the managing member of the general partner of the managing member of the managing member of SCANDINAVIA REALTY, LLC, a Delaware limited liability company, and that said instrument was signed in behalf of said limited liability company by authority of its authorized signatory, Albert Goldstein; and said Albert Goldstein acknowledged said instrument to be the free act and deed of said limited liability company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid on the day and year first above written.

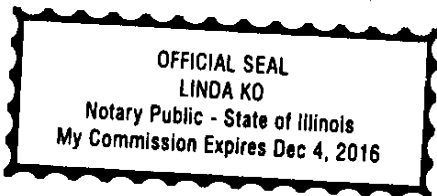


Linda Ko
Name (print): Linda Ko
Notary Public
My Commission Expires: 12/04/2016

STATE OF ILLINOIS)
)
) SS:
COUNTY OF COOK)

On this 21 day of July, 2013, before me appeared Albert Goldstein, to me personally known to be the President of the managing member of the general partner of the managing member of the managing member of PP NT 1, LLC, an Illinois limited liability company, and that said instrument was signed in behalf of said limited liability company by authority of its authorized signatory, Albert Goldstein; and said Albert Goldstein acknowledged said instrument to be the free act and deed of said limited liability company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid on the day and year first above written.



Linda Ko
Name (print): Linda Ko
Notary Public
My Commission Expires: 12/04/2016

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NORTHERN:

THE NORTHERN TRUST COMPANY

By: *[Signature]*
 Name: S. Scott Hensley
 Title: Senior V.P.

STATE OF ILLINOIS)
) ss.
 COUNTY OF COOK)

I, Shelly Bychowski, a Notary Public in and for and residing in said County, in the State aforesaid, do hereby certify that S. Scott Hensley, the Senior VP of THE NORTHERN TRUST COMPANY, an Illinois corporation, 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 (s)he signed and delivered the said instrument as her/his own free and voluntary act for the uses and purposes therein set forth.

Given under my hand and Seal of Office this 15 day of August, 2013.

[Signature]
 Notary Public

My Commission Expires: 3-23-15



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EXHIBIT A

LEGAL DESCRIPTION

LOTS 31 AND 32 IN SLAWSON'S SUBDIVISION OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 26, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ADDRESS: 1511-13 E. 73RD STREET, CHICAGO, ILLINOIS 60619

PINS: 20-26-222-003-0000