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Prepared by and after recording
return to:

Mauricio M. Rodriguez
Vedder Price P.C.
222 N. LaSalle Street, Suite 2500
Chicago, Illinois 60601

Doc#: 1335222074 Fee: \$52.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 12/18/2013 01:02 PM Pg: 1 of 8

RELEASE AND ASSUMPTION AGREEMENT

This RELEASE AND ASSUMPTION AGREEMENT ("Agreement"), is entered into as of December 10, 2013, by and between ~~THE~~ LESTER AND ROSALIE ANIXTER CENTER, an Illinois not-for-profit corporation ("Seller"), and CHASE APARTMENTS, an Illinois not-for-profit corporation ("Purchaser").

WHEREAS, Seller, Purchaser, and the Secretary of the United States Department of Housing and Urban Development ("Secretary") consummated a final closing on December 10, 2013, relative to a certain project located in the City of Chicago, Cook County, Illinois, under the designation of Chase Apartments, FHA Project No. 071-EH061 ("Project"), covering certain real property located at 1401 West Chase Street, Chicago Illinois, and more particularly described in Exhibit A and attached hereto and incorporated by reference herein ("Property"); and

WHEREAS, in connection with said final closing, Seller assigned to Purchaser, and Purchaser assumed from Seller, all of Seller's rights, interests and obligations in, to, and under the following documents:

1. Mortgage, Deed of Trust or Security Agreement dated September 15, 1980, and recorded October 24, 1980, as Document No. 25638823 ("**Original First Mortgage**"), executed in favor of Secretary, in the principal amount of Five Hundred Eighty Seven Thousand Six Hundred and No/100 Dollars (\$587,600.00), which First Mortgage was amended pursuant to that certain Modification and Consolidation Agreement, dated March 1, 1982, and recorded as Document No. 26507161 ("**Modification Agreement**," and together with the Original First Mortgage, the "**First Mortgage**");

2. Mortgage, Deed of Trust or Security Agreement dated May 1, 1982, and recorded February 15, 1983, as Document No. 26507160 ("**Second Mortgage**,"), executed in favor of Secretary, in the principal amount of Seven Thousand Seven Hundred and No/100 Dollars (\$7,700.00), which Second Mortgage was modified by the Modification Agreement (the First Mortgage and Second Mortgage are collectively referred to herein as the "**Mortgage**");

3. Regulatory Agreement – Housing for the Elderly, dated September 15, 1980, and recorded October 24, 1980, as Document No. 25638824 ("**Original Regulatory Agreement**"),

8886698 AY 2 of 2

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which Original Regulatory Agreement was modified pursuant to the Modification and Consolidation Agreement dated March 1, 1982, and recorded as Document No. 26507161 (the Original Regulatory Agreement and Modification Agreement are collectively referred to herein as "**Regulatory Agreement**");

4. Security Agreement dated September 15, 1980, executed in favor of Secretary ("**Security Agreement**");

5. Mortgage Note dated September 15, 1980, executed in favor of Secretary, in the principal amount of Five Hundred Eighty Seven Thousand Six Hundred and No/100 Dollars ("**First Note**"); and

6. Supplemental Mortgage Note dated March 1, 1982 ("**Second Note**"), executed in favor of Secretary, in the principal amount of Seven Thousand Seven Hundred and No/100 Dollars (\$7,700.00) (First Note and Second Note are collectively referred to herein as the "**Notes**");

WHEREAS, Seller, the Purchaser and others have entered onto a Real Estate Purchase and Sale Agreement, dated May 1, 2012, whereunder Seller agrees to sell, and Purchaser agrees to purchase, the Property, including, without limitation, the Project situated thereon ("**Transaction**"); and

WHEREAS, Purchaser has submitted to Secretary an Application for Transfer of Physical Assets (HUD Form 92266) and documents in support thereof ("**T.P.A. Application**") requesting Secretary's approval of the Transaction; and

WHEREAS, in connection with the proposed T.P.A. Application, Purchaser has agreed to assume on a non-recourse basis Seller's obligations under the Mortgage, Regulatory Agreement, Security Agreement and Notes in accordance with the terms of this Agreement;

NOW, THEREFORE, in consideration of Secretary's consent to the Transaction, to the assumption of the Mortgage, Regulatory Agreement, Security Agreement and Notes by Purchaser, and in order to comply with the requirements of the Secretary, the National Housing Act of 1937, and the regulations adopted pursuant thereto, the parties hereto agree as follows:

1. Effective as of the date of recordation of the deed conveying title to the Property to the Purchaser ("**Recording Date**"), (i) Purchaser agrees to assume, except as limited and modified herein, and to be bound by said Mortgage, Regulatory Agreement, Security Agreement and Notes, and (ii) Seller shall be released from any further liability under the Mortgage, Regulatory Agreement, Security Agreement and Notes, excepting that the Seller shall remain liable under said Regulatory Agreement with respect to the matters hereinafter stated, namely:

(a) for funds or property of the Project coming into its hands which, by the provisions thereof, Seller is not entitled to retain;

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(b) for its own acts and deeds or acts and deeds of others that it has authorized in violation of the provisions thereof;

2. Purchaser acknowledges that, upon default under the Regulatory Agreement as specified therein, Secretary may declare the Mortgage in default and the whole of the indebtedness secured thereby to be due and payable. Further, in the event that the Mortgage is assigned and reinsured, and upon default under the Regulatory Agreement as specified therein, and upon the request of Secretary, the Mortgage may be declared to be in default and the whole of the indebtedness secured thereby to be due and payable.

3. Notwithstanding anything provided herein, neither the Purchaser nor any of its present or future officers, directors, and shareholders, managers, partners or associates assume personal liability for payments due under the Mortgage.

4. Purchaser shall remain liable under the Regulatory Agreement only with respect to the matters hereinafter stated, namely:

(a) for funds or property of the Project coming into its hands which, by the provisions thereof, it is not entitled to retain;

(b) for its own acts and deeds or acts and deeds of others which it has authorized in violation of the provisions thereof.

5. Purchaser agrees to be bound by the Mortgage, Regulatory Agreement, Security Agreement and Notes, subject to the foregoing limitation of personal liability, with respect to all obligations occurring from and after the Recording Date to the same extent as if it has been an original party to said instruments.

6. Purchaser agrees that there shall be full compliance: (a) with the provisions of any laws prohibiting discrimination in housing on the basis of race, sex, color, creed, national origin, familial status or handicap and (b) with the regulations of the Federal Housing Administration providing for nondiscrimination and equal opportunity in housing. It is understood and agreed that failure or refusal to comply with any such provisions shall be a proper basis for Secretary to take any corrective action he may deem necessary, including, but not limited to, the rejection of future applications for FHA mortgage insurance and the refusal to enter into future contracts of any kind with which Purchaser is identified; and further, Secretary shall not have a similar right of corrective action: (i) with respect to any individuals who are present or future officers, directors, and shareholders, managers, partners or associates of Purchaser; and (ii) with respect to any corporation or any other type of business association or organization with which the present or future officers, directors, principal stockholders, trustees, managers, partners or associates of Purchaser may be identified.

[signature page follows]

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IN WITNESS WHEREOF, the parties hereto have entered into this Release and Assumption Agreement on and as of the day and year first written above.

PURCHASER:

CHASE APARTMENTS, an Illinois not-for-profit corporation

By: *Elaine D. Cottey*
Elaine D. Cottey, President

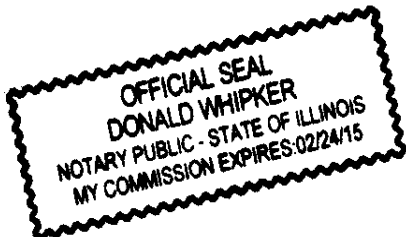
Property of Cook County Clerk's Office

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

Before me, a Notary Public in and for said County and State, personally appeared Elaine D. Cottey who represented herself to be the President of CHASE APARTMENTS, an Illinois not-for-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 acknowledged that as such President, she signed and delivered the said instrument pursuant to authority given by the company as her free and voluntary act, and as the free and voluntary act and deed of the company, for the uses and purposes therein set forth.

WITNESS my hand and Notarial Seal this 10th day of December, 2013.

Donald Whipker
Notary Public
My commission expires: 02/24/15



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SELLER:

THE LESTER AND ROSALIE ANIXTER CENTER, an Illinois not-for-profit corporation

By: Kevin Limbeck
Kevin Limbeck, President

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

Before me, a Notary Public in and for said County and State, personally appeared Kevin Limbeck who represented himself to be the President of LESTER AND ROSALIE ANIXTER CENTER, an Illinois not-for-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 acknowledged that as such President, he signed and delivered the said instrument pursuant to authority given by the company as his free and voluntary act, and as the free and voluntary act and deed of the company, for the uses and purposes therein set forth.

WITNESS my hand and Notarial Seal this 10th day of December, 2013.

Donald Whipker
Notary Public
My commission expires: 02/24/15



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MORTGAGEE'S CONSENT

December 10, 2013

The United States Department of Housing and Urban Development hereby consents to the foregoing Release and Assumption Agreement, dated as the 10th day of December, 2013, by and between THE LESTER AND ROSALIE ANIXTER CENTER, an Illinois not-for-profit corporation, as Seller, and CHASE APARTMENTS, an Illinois not-for-profit corporation, as Purchaser.

MORTGAGEE:

UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

By: *[Signature]*
Its: Director

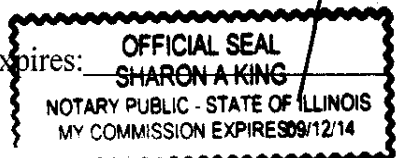
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Daniel J. Burke, the Director MFLHub of THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, 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 he signed and delivered the said instrument as his free and voluntary act and as the free and voluntary act of said entity for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 26 day of NOVEMBER, 2013.

[Signature]
Notary Public

Commission expires:



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SECRETARY'S ENDORSEMENT

December 10, 2013

The Secretary of the United States Department of Housing and Urban Development hereby consents to the foregoing Release and Assumption Agreement, dated as the 10th day of December, 2013, by and between THE LESTER AND ROSALIE ANIXTER CENTER, an Illinois not-for-profit corporation, as Seller, and CHASE APARTMENTS, an Illinois not-for-profit corporation, as Purchaser.

SECRETARY:

SECRETARY OF THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

By: James J. Burke

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

Before me, the undersigned, a Notary public in and for said County, personally appeared Daniel J. Burke, authorized agent of the Federal Housing Commissioner, pursuant to authority conferred upon him/her by 24 CFR 207, and acknowledged that he/she signed and delivered the foregoing agreement as the free and voluntary act of the Secretary of Housing and Urban Development acting by and through the Federal Housing Commissioner for the uses and purposes therein set forth.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal at COOK County, Illinois, this 26 day of NOVEMBER, 2013.

Sharon A. King
Notary Public
Commission expires:



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EXHIBIT A

Legal Description of Property

^{✓ AND 3}
Lot 2 in the Subdivision of Lot 9 and the West ½ of Lot 10 of Block 17 of Birchwood Beach, a subdivision in Section 29, Township 41 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Common Address: 1401 West Chase Street, Chicago Illinois

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Tax P.I.N.: 11-29-320-008-0000