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Instrument prepared by and
after recording, return to:

Thompson & Knight LLP
One Arts Plaza
1722 Routh Street, Suite 1500
Dallas, TX 75201
Attention: Adam Hill

Doc#: 1336122081 Fee: \$54.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 12/27/2013 01:55 PM Pg: 1 of 9

Loan No. 70004508

PIN: 27-14-201-020-0000

Street Address: 8021 West 151st Street, Orland Park, Illinois 60462

2015

SPACE ABOVE THIS LINE FOR RECORDER'S USE

1348189 JW

ASSIGNMENT OF LEASES AND RENTS

This Assignment of Leases and Rents (this "Agreement") is executed as of December 20, 2013, by **ORLAND PARK MEMORY CARE, LLC**, a Delaware limited liability company (dba Autumn Leaves of Orland Park), whose address for notice is c/o The LaSalle Group, Inc., 545 E. John Carpenter Freeway, Suite 500, Irving (Las Colinas), Texas 75062 ("Borrower"), to **GENERAL ELECTRIC CAPITAL CORPORATION**, a Delaware corporation, in its capacity as administrative agent (in such capacity, "Administrative Agent") for the Lenders under the Loan Agreement described below, whose address for notice is 500 West Monroe Street, Chicago, Illinois 60661, Attention: Managing Director, HFS Real Estate Portfolio Management.

RECITALS:

A. Simultaneously with the execution of this Agreement, Borrower, Administrative Agent and the initial Lenders have executed a Loan Agreement dated of even date herewith (as amended, modified, supplemented, extended, renewed or replaced from time to time, the "Loan Agreement"), pursuant to which Lenders have agreed to make a loan to Borrower in the maximum principal amount of \$9,900,000 (as amended, modified, supplemented, extended, renewed or replaced from time to time, the "Loan"). All terms used but not otherwise defined herein shall have the meaning provided in the Loan Agreement.

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HSRE-LaSalle Orland
Loan No. 70004508
504085 000166 8348237.2

Old Republic National Title Insurance Company
20 South Clark Street
Suite 2000
Chicago, IL 60603

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B. Borrower is required by the Loan Agreement to execute and deliver this Agreement to, among other things, secure payment of the Obligations, which Borrower is willing to do in consideration of the agreement of the Lenders to make the Loan to Borrower pursuant to the terms of the Loan Agreement.

AGREEMENT:

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Administrative Agent agree as follows:

1. **Absolute Assignment.** Borrower unconditionally and absolutely assigns to Administrative Agent all of Borrower's right, title and interest in and to: (a) all leases, including without limitation, the Lease Agreement (as amended, the "**Operating Lease**") dated of even date with this Agreement, entered into by and between Borrower and HSRE-LSGI III TRS, LLC, a Delaware limited liability company ("**Operating Tenant**"), subleases, occupancy agreements, licenses, concessions, rental contracts and other agreements (written or oral) now or hereafter existing relating to the use or occupancy of the project located on the real property described in **Exhibit A** hereto (said land and project herein collectively referred to as the "**Property**"), together with all guarantees, letters of credit and other credit support, and all modifications, extensions and renewals of the foregoing (whether before or after the filing by or against Borrower of any petition of relief under 11 U.S.C. § 101 et seq., as same may be amended from time to time [the "**Bankruptcy Code**"]), and all related security, security deposits and other deposits (collectively, the "**Leases**"); (b) all rents, revenues, liquidated damages following defaults under the Leases, issues, profits, income and proceeds due or to become due from tenants of the Property, including rentals and all other payments of any kind under the Leases for using, leasing, licensing, possessing, operating from, rendering in, selling or otherwise enjoying the Property (collectively, the "**Rents**"); (c) all of Borrower's claims and rights (the "**Bankruptcy Claims**") to the payment of damages arising from any rejection by a lessee of any Lease under the Bankruptcy Code; and (d) any and all other rights of Borrower in and to the items set forth in subsections (a) through (c) above, and all amendments, modifications, replacements, renewals, proceeds and substitutions thereof. This Agreement is an absolute assignment to Administrative Agent and not an assignment as security for the performance of the obligations under the Loan Documents (defined below), or any other indebtedness, and such absolute assignment is presently and immediately effective. Notwithstanding the foregoing, the absolute assignment contained herein shall not itself reduce the obligations owing to Administrative Agent and Lenders under the Loan Documents or any Secured Party under a Secured Hedge Agreement unless and until Administrative Agent actually receives the Rents and such Rents are applied by Administrative Agent to such obligations pursuant to **Section 4** below.

2. **Rights of Administrative Agent.** Subject to the provisions of **Section 6** below, to the extent permitted by applicable law, Administrative Agent shall have the right, power and authority upon an Event of Default to: (a) notify any person that the Leases have been assigned to Administrative Agent and that all Rents are to be paid directly to Administrative Agent, whether or not Administrative Agent has commenced or completed foreclosure or taken possession of the Property; (b) settle, compromise, release, extend the time of payment of, and make allowances, adjustments and discounts of any Rents or other obligations under the Leases;

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(c) enforce payment of Rents and other rights under the Leases, prosecute any action or proceeding, and defend against any claim with respect to Rents and Leases; (d) enter upon, take possession of and operate the Property; (e) lease all or any part of the Property; and/or (f) perform any and all obligations of Borrower under the Leases and exercise any and all rights of Borrower therein contained to the full extent of Borrower's rights and obligations thereunder, with or without the bringing of any action or the appointment of a receiver. At Administrative Agent's request, Borrower shall deliver a copy of this Agreement to each tenant under a Lease and to each manager and managing agent or operator of the Property. Borrower irrevocably directs any tenant, manager, managing agent, or operator of the Property, without any requirement for notice to or consent by Borrower, to comply with all demands of Administrative Agent under this Agreement and to turn over to Administrative Agent on demand all Rents which it receives.

3. **No Obligation or Liability.** Notwithstanding Administrative Agent's rights hereunder, Administrative Agent shall not be obligated to perform, and Administrative Agent does not undertake to perform, any obligation, duty or liability with respect to the Leases, Rents or Property on account of this Agreement. Administrative Agent shall have no responsibility on account of this Agreement for the control, care, maintenance or repair of the Property, for any waste committed on the Property, for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property. Administrative Agent shall not be liable for any loss sustained by Borrower resulting from Administrative Agent's failure to let the Property after an Event of Default or from any other act or omission of Administrative Agent in managing the Property after an Event of Default, unless caused by the willful misconduct or gross negligence of Administrative Agent. Nothing herein contained shall be construed as constituting Administrative Agent a "mortgagee in possession" in the absence of the taking of actual possession of the Property by Administrative Agent. In the exercise of the powers herein granted Administrative Agent, no liability shall be asserted or enforced against Administrative Agent, all such liability being expressly waived and released by Borrower, unless caused by the willful misconduct or gross negligence of Administrative Agent in the exercise of its rights and remedies hereunder. **THE RELEASES AND INDEMNITIES CONTAINED IN THIS SECTION 3 SHALL INCLUDE CLAIMS, DEMANDS, LIABILITIES, LOSSES, DAMAGES, CAUSES OF ACTION, JUDGMENTS, PENALTIES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES) RESULTING FROM THE NEGLIGENCE OF ADMINISTRATIVE AGENT OR ANY STRICT LIABILITY, BUT NOT THOSE RESULTING FROM (i) THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF ADMINISTRATIVE AGENT, OR (ii) THE ACTS OR OMISSIONS OF ADMINISTRATIVE AGENT AFTER FORECLOSURE OF THE MORTGAGE OR AFTER THE DATE ADMINISTRATIVE AGENT TAKES POSSESSION (POSSESSION MEANING CONTROL OF DAY-TO-DAY OPERATIONS AND MANAGEMENT OF THE PROPERTY TO THE EXCLUSION OF BORROWER) OF THE PROPERTY.**

4. **Right to Apply Rents.** Administrative Agent shall have the right, but not the obligation, to use and apply any Rents received by Administrative Agent pursuant to the terms hereof in accordance with the terms of the Loan Agreement:

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(a) **Enforcement or Defense.** The payment of reasonable costs and expenses of enforcing or defending the terms of this Agreement or the rights of Administrative Agent hereunder, and collecting any Rents;

(b) **Loan Payments.** Interest, principal or other amounts payable pursuant to (i) the Loan Agreement; (ii) the Promissory Note of even date herewith in the stated principal amount of \$9,900,000 executed by Borrower, bearing interest and being payable to the order of GE Capital Bank, a Utah industrial bank (such promissory note, as the same may be modified, supplemented, extended, renewed, substituted or replaced from time to time, herein called the "**Note**"); (iii) the Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing, of even date, executed by Borrower for the benefit of Administrative Agent and relating to the Property (the "**Mortgage**"); (iv) all other documents and instruments evidencing, governing and securing the loan evidenced by the Note (the "**Loan**"); (v) the Secured Hedge Agreements; and (vi) any and all modifications, amendments or extensions thereof or replacements or substitutions therefor (the Loan Agreement, the Note, the Mortgage, such other documents and instruments, and such modifications, amendments, extensions, replacements, and substitutions thereof being herein collectively called the "**Loan Documents**"); and

(c) **Operating Expenses.** Payment of costs and expenses of the operation and maintenance of the Property, including (i) rentals and other charges payable by Borrower under any ground lease or other agreement affecting the Property; (ii) electricity, telephone, water and other utility costs, taxes, assessments, water charges and sewer rents and other utility and governmental charges levied, assessed or imposed against the Property; (iii) insurance premiums; (iv) costs and expenses with respect to any litigation affecting the Property, the Leases or the Rents; (v) wages and salaries of employees, commissions of agents and attorneys' fees and expenses; and (vi) all other carrying costs, fees, charges, reserves, and expenses whatsoever relating to the Property.

After the payment of all such costs and expenses and after Administrative Agent has established such reserves as it, in its sole and reasonable discretion, deems necessary for the proper management of the Property, Administrative Agent shall apply all remaining Rents received by it to the reduction of the Loan.

5. **No Waiver.** The exercise or nonexercise by Administrative Agent of the rights granted in this Agreement or the collection and application of Rents by Administrative Agent or its agent shall not be a waiver of any default by Borrower under this Agreement or any other Loan Document. No action or failure to act by Administrative Agent with respect to any obligations of Borrower under the Loan Documents, or any security or guaranty given for the payment or performance thereof, shall in any manner affect, impair or prejudice any of Administrative Agent's rights and privileges under this Agreement, or discharge, release or modify any of Borrower's duties or obligations hereunder. This Agreement is made and accepted without prejudice to any of the rights and remedies of Administrative Agent under the other Loan Documents.

6. **Revocable License.** Notwithstanding that this Agreement is an absolute assignment of the Rents and Leases and not merely the collateral assignment of, or the grant of a lien or security interest in the Rents and Leases, subject to the terms of this **Section 6** and each

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Deposit Account Control Agreement, Administrative Agent grants to Borrower a revocable license to collect and receive the Rents and to retain, use and enjoy such Rents. Such license shall be automatically revoked upon the occurrence of any Event of Default and Administrative Agent shall immediately be entitled to receive and apply all Rents, whether or not Administrative Agent enters upon and takes control of the Property; provided, however, that Administrative Agent may at any time, and from time to time, reinstate the revocable license. Prior to such revocation, Borrower shall apply any Rents which it receives to the payment of debt service on the Note and other payments due under the Loan Agreement, taxes, assessments, water charges, sewer rents and other governmental charges levied, assessed or imposed against the Property, insurance premiums, operation and maintenance charges relating to the Property, and other obligations of landlord under the Leases before using such proceeds for any other purpose. Administrative Agent is hereby granted and assigned by Borrower the right, at its option, upon an Event of Default and the revocation of the license granted herein to enter upon the Property in person, by agent or by court-appointed receiver to collect the Rents. Any Rents collected after the revocation of the license herein granted may be applied toward payment of the Indebtedness in such priority and proportion as Administrative Agent, in its discretion, shall deem proper.

7. **Term.** This Agreement shall continue in full force and effect until (a) all amounts due under the Loan Documents are paid in full, and (b) all other obligations of Borrower under the Loan Documents are fully satisfied.

8. **Appointment.** Borrower irrevocably appoints Administrative Agent its true and lawful attorney in fact, effective only upon an Event of Default, which appointment is coupled with an interest, to exercise any or all of the rights or powers described herein with the same force and effect as if exercised by Borrower, and Borrower ratifies and confirms any and all acts done or omitted to be done by Administrative Agent, its agents, servants, employees or attorneys in, to or about the Property in accordance with this Agreement.

9. **Liability of Administrative Agent.** Administrative Agent shall not in any way be liable to Borrower for any action or inaction of Administrative Agent, its employees or agents under this Agreement, **EVEN IF CAUSED BY THE NEGLIGENCE OF ADMINISTRATIVE AGENT IN THE EXERCISE OF ITS RIGHTS AND REMEDIES HEREUNDER**, unless caused by willful misconduct or gross negligence of Administrative Agent in the exercise of its rights and remedies hereunder.

10. **Indemnification.** Borrower shall indemnify, defend and hold harmless Administrative Agent and Lenders from and against all liability, loss, damage, cost or expense which they may incur under this Agreement or under any of the Leases, including any claim against Administrative Agent or Lenders by reason of any alleged obligation, undertaking, action, or inaction on its part to perform or discharge any terms, covenants or conditions of the Leases or with respect to Rents, and including reasonable attorneys' fees and expenses (including, without limitation, litigation preparation costs and expenses, paraprofessional fees, secretarial overtime, depositions, electronic research, postage, travel, communications and related costs and expenses), **EVEN IF THE CLAIM IS CAUSED BY THE NEGLIGENCE OF ADMINISTRATIVE AGENT OR LENDERS**, but excluding any claim to the extent caused by Administrative Agent or Lenders' gross negligence or willful misconduct. Any

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amount covered by this indemnity shall be payable on demand, and shall bear interest from the date of demand until the same is paid by Borrower to Administrative Agent at a rate equal to the Default Rate.

11. **Modification.** This Agreement may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of such change is sought.

12. **Bankruptcy.**

(a) Upon and during the occurrence of an Event of Default, Administrative Agent shall have the right to proceed in its own name or in the name of Borrower in respect of any claim, suit, action or proceeding relating to the rejection of any Lease, including, without limitation, the right to file and prosecute, to the exclusion of Borrower, any proofs of claim, complaints, motions, applications, notices and other documents, in any case in respect of the lessee under such Lease under the Bankruptcy Code.

(b) If there shall be filed by or against Borrower a petition under the Bankruptcy Code, and Borrower, as lessor under any Lease, shall determine to reject such Lease pursuant to Section 365(a) of the Bankruptcy Code, then Borrower shall give Administrative Agent not less than ten (10) days' prior notice of the date on which Borrower shall apply to the bankruptcy court for authority to reject the Lease. Administrative Agent shall have the right, but not the obligation, to serve upon Borrower within such ten-day period a notice stating that (i) Administrative Agent demands that Borrower assume and assign the Lease to Administrative Agent pursuant to Section 365 of the Bankruptcy Code and (ii) Administrative Agent covenants to cure or provide adequate assurance of future performance under the Lease. If Administrative Agent serves upon Borrower the notice described in the preceding sentence, Borrower shall not seek to reject the Lease and shall comply with the demand provided for in clause (i) of the preceding sentence within thirty (30) days after the notice shall have been given, subject to the performance by Administrative Agent of the covenant provided for in clause (ii) of the preceding sentence.

13. **Authority.** Borrower represents and warrants that it has full power and authority to execute and deliver this Agreement and the execution and delivery of this Agreement has been duly authorized and does not conflict with or constitute a default under any law, judicial order or other agreement affecting Borrower or the Property.

14. **Liability.** If Borrower consists of more than one person, the obligations and liabilities of each such person hereunder shall be joint and several.

15. **Headings, Etc.** The headings and captions of various paragraphs of this Agreement are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

16. **Notices.** Any notice required or permitted to be given to Borrower or Administrative Agent under this Agreement shall be (a) in writing, (b) sent in the manner set forth in the Loan Agreement, and (c) effective in accordance with the terms of the Loan Agreement.

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17. **Successors and Assigns.** This Agreement shall inure to the benefit of Administrative Agent and its successors and assigns and shall be binding on Borrower and its successors and assigns.

18. **Governing Law.** The provisions of Section 12.27 (Governing Law) of the Loan Agreement are incorporated herein by reference as though fully set forth herein.

19. **Conflict.** If any conflict or inconsistency exists between the absolute assignment of the Rents and the Leases in this Agreement and the assignment of the Rents and Leases as security in the Mortgage, the terms of this Agreement shall control.

20. **Limitation on Liability.** Borrower's liability hereunder is subject to the limitation on liability provisions of Article 13 of the Loan Agreement.

21. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall constitute an original, but all of which shall constitute one document.

EXECUTED as of the date first written above.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGE FOLLOWS]

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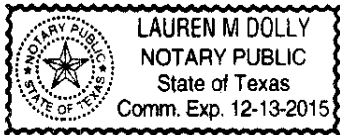
SIGNATURE PAGE OF BORROWER TO ASSIGNMENT OF LEASES AND RENTS

ORLAND PARK MEMORY CARE, LLC, a
Delaware limited liability company

By: [Signature]
Name: Brandi Brantley
Title: Authorized Signatory

THE STATE OF Texas §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on December 18, 2013, by
Brandi Brantley, Authorized Signatory of Orland Park
Memory Care, LLC, a Delaware limited liability company, on behalf of said limited liability
company.



[Signature]
Notary Public, State of Texas
Lauren M Dolly
(printed name)

My Commission Expires:
12-13-15

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EXHIBIT A

Legal Description

Lot 2 in Autumn Leaves Subdivision of a part of the East Half of the Northeast quarter of Section 14, Township 36 North, Range 12 East of the third Principal Meridian according to the plat thereof recorded October 8, 2008 as Document No. 0828210053 and re-recorded October 6, 2009 as document number 0927931125 in Cook County, Illinois, containing 2.893 acres or 126,001, square feet, more or less.

PIN: 27-14-201-020-0000

Street Address: 8021 West 151st Street, Orland Park, Illinois 60462

ASSIGNMENT OF LEASES AND RENTS – Exhibit A
HSRE-LaSalle Orland
Loan No. 70004508