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Cook County Recorder of Deeds  
Date: 07/29/2015 12:12 PM Pg: 1 of 8

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## SUPPLEMENTAL ASSIGNMENT OF LEASES AND RENTS

Prepared by and:  
after recording return to:  
James H. Levine, Esq  
Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C  
1800 Republic Centre  
633 Chestnut Street  
Chattanooga, Tennessee 37450

FIDELITY NATIONAL TITLE 999011762  
4 of 5

CCRD REVIEWER

Rv

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 James H. Levine, Esq.  
 Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C.  
 1800 Republic Centre  
 633 Chestnut Street  
 Chattanooga, Tennessee 37450

FHA Project Number: **071-10021**  
 Project Name: **Norwood Crossing**

## SUPPLEMENTAL ASSIGNMENT OF LEASES AND RENTS

This Supplemental Assignment of Leases and Rents (this “**Agreement**”) is made, entered into **as of the date acknowledged below to be effective as of July 1, 2015**, by and between **NORWOOD CROSSING ASSOCIATION (“Operator”)**, a nonprofit corporation organized and existing under the laws of **Illinois** (which is the State in which the Operator is located, (as determined in accordance with the Uniform Commercial Code as now enacted in said State, hereafter amended or superseded (the “**UCC**”)) at **6016 North Nina Avenue, Chicago, Illinois 60631 (“Operator”)**, and **LANCASTER POLLARD MORTGAGE COMPANY, LLC (“Secured Party” or “Lender”)**, a limited liability company organized and existing under the laws of the State of **Delaware**, with the address of **65 East State Street, 16th Floor, Columbus, Ohio 43215**.

Operator and Lender have entered into that certain Supplemental Operator Security Agreement, dated as of substantially even date herewith (“**Security Agreement**”), securing, in part, a mortgage loan by Secured Party in connection with the financing of a healthcare facility commonly known as **Norwood Crossing (“Healthcare Facility”)**, authorized to receive mortgage insurance pursuant to Section 241(a) of the National Housing Act, as amended, and located on the real property legally described on Exhibit A attached hereto and incorporated herein by reference. Any terms not defined herein shall have the meaning given in the Security Agreement. To the extent allowable by law, any provisions of the Security Agreement not in conflict with the provisions set forth herein shall be deemed to apply to this Agreement. For example, any notice required by applicable law and/or this Agreement shall be deemed properly given if given in accordance with the notice provisions set forth in the Security Agreement. If there is a rider to the Security Agreement, the terms of that rider apply to this document as well.

### 1. Definitions:

(a) “**Eligible AR Lender**” shall mean a bank, financial institution or other institutional lender which is in the business of making loans to provide working capital to businesses and which is satisfactory to the Secured Party and approved by HUD.

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(b) **“Eligible AR Loan”** shall mean a loan or line of credit obtained by Operator from an Eligible AR Lender for the sole purpose of providing working capital for the operation of the Healthcare Facility and, with the approval of HUD and Secured Party, other healthcare facilities that are encumbered by mortgage loans insured or held by HUD, upon such terms as satisfactory to the Secured Party and approved by HUD.

(c) **“Event of Default”** shall mean an Event of Default pursuant to the Security Agreement.

(d) **“Government Payments”** shall mean a payment from a governmental entity and shall include, without limitation, payments governed under the Social Security Act (42 U.S.C. §§ 1395 et seq.), including payments under Medicare, Medicaid and TRICARE/CHAMPUS, and payments administered or regulated by the Centers for Medicare and Medicaid Services of Department of Health and Human Services.

(e) **“Government Receivables Accounts”** shall mean separate deposit account(s) into which only Government Payments are deposited.

(f) **“HUD”** shall mean the United States Department of Housing and Urban Development, acting by and through the Secretary, his or her successors, assigns or designates.

(g) **“Leases”** shall mean present and future leases, subleases, licenses, concessions or grants or other possessory interests, now or hereafter in force, whether oral or written, covering or affecting the Healthcare Facility, or any portion of the Healthcare Facility, and all modifications, extensions or renewals thereof, including without limitation all Residential Agreements.

(h) **“Provider Agreements”** means any and all Medicaid, Medicare, TRICARE/CHAMPUS, or other governmental insurance provider agreements.

(i) **“Rents”** shall mean all rents, payments, and other benefits derived due to Operator pursuant to the Leases.

(j) **“Required Intercreditor Agreement”** means an Intercreditor Agreement executed by the Secured Party, the Eligible AR Lender, Operator and Borrower, in form and substance satisfactory to Secured Party and approved by HUD.

(k) **“Residential Agreements”** shall mean any lease or other agreement now or hereafter entered into between Operator and any resident of the Healthcare Facility setting forth the terms of the resident’s living arrangement and/or the provision of services to the residents thereof.

## 2. Provisions:

(a) Any provisions of this Agreement shall be: (i) subject to the rights of any Eligible

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AR Lender as set forth in a Required Intercreditor Agreement, (ii) subject to the rights of Lender under that certain Assignment of Leases and Rents dated December 1, 2013 and recorded in the real estate records of Calvert County, Maryland as Book No. 4320 Pg. No. 252, and (iii) granted to the fullest extent permitted by and not in violation of any applicable law (now enacted and/or hereafter amended) and any Provider Agreements.

(b) To further secure the Obligations, Operator pledges to Secured Party all of Operator's rights, title and interest in, to and under all Residential Agreements, any other Leases, including Operator's right, power and authority to modify the terms of any such Lease, or extend or terminate any such Lease. This Agreement creates and perfects a lien on the Leases in favor of Secured Party, which lien shall be effective as of the date of this Agreement.

(c) Operator absolutely and unconditionally assigns and transfers to Secured Party all of Operator's rights, title and interest in and to the Rents. It is the intention of Operator to establish a present, absolute and irrevocable transfer and assignment to Secured Party of all of Operator's right, title and interest in and to the Rents. Operator and Secured Party intend this assignment of the Leases and Rents to be immediately effective and to constitute an absolute present assignment and not an assignment for additional security only. For purposes of this absolute assignment, the term "Rents" shall not be deemed to include Government Payments to the extent and for so long as assignment of such payments or receivables is prohibited by applicable law. If this present, absolute and unconditional assignment of the Rents is not enforceable by its terms under the laws of the applicable jurisdiction, then the Rents (including the Government Payments to the maximum extent now or hereafter permitted by applicable law) shall be included as a part of the collateral and it is the intention of Operator that in this circumstance this Agreement creates and perfects a lien on the Leases and Rents in favor of Secured Party, which lien shall be effective as of the date of this Agreement, to the fullest extent permitted by applicable law with respect to the Healthcare Assets.

(d) Operator shall have the right, power and authority to collect Rents, as such rights are limited or affected by the terms of the Loan Documents and Program Obligations. Upon the occurrence and continuance of an Event of Default, subject to applicable law with respect to Government Payments and Accounts, Secured Party may, upon giving Notice, terminate the permission given to Operator to collect the Rents (including those past due and unpaid and those that accrue thereafter) and Secured Party may exercise its rights, power and authority under the Leases, in whole or in part, as specified by Secured Party in its Notice (subject to Secured Party taking such enforcement action as may be required by applicable law as a condition for enforcement of an assignment of rents or leases). In any event, the permission given to Operator shall terminate upon the (i) foreclosure of the Borrower's Security Instrument; (ii) appointment of a receiver for the Healthcare Facility; or (iii) the taking of actual possession by Secured Party, its successors or assigns or nominees. Operator hereby agrees that Secured Party is entitled to the appointment of a receiver for the Healthcare Facility upon the occurrence of an Event of Default hereunder. Operator agrees to comply with and observe Operator's obligations under all Leases, including Operator's obligations, if any, pertaining to the maintenance and disposition of security deposits, both prior to and after any such termination of Operator's rights.

(e) Operator acknowledges and agrees that the exercise by Secured Party, either

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directly or by its designee, of any of the rights conferred under this Agreement shall not be construed to make Secured Party a lender-in-possession of the Healthcare Facility so long as, and to the extent, Secured Party, or an authorized agent of Secured Party, has not entered into actual possession of the Healthcare Facility. The acceptance by Secured Party of the assignment of the Leases and Rents shall not at any time or in any event obligate Secured Party to take any action under this Agreement or to expend any money or to incur any expenses. Secured Party shall not be liable in any way for any injury or damage to person or property sustained by any Person or Persons, firm or corporation in or about the Healthcare Facility unless Secured Party is a lender-in-possession. Prior to Secured Party's actual entry into and taking possession of the Healthcare Facility, Secured Party shall not (1) be obligated to perform any of the terms, covenants and conditions contained in any Lease (or otherwise have any obligation with respect to any Lease); (2) be obligated to appear in or defend any action or proceeding relating to the Lease or the Healthcare Facility; or (3) be responsible for the operation, control, care, management or repair of the Healthcare Facility or any portion of the Healthcare Facility. The execution of this Agreement by Operator shall constitute conclusive evidence that all responsibility for the operation, control, care, management and repair of the Healthcare Facility is and shall be that of Operator, prior to such actual entry and taking of possession.

(f) Upon delivery of Notice by Secured Party to Operator of Secured Party's exercise of Secured Party's rights under this Agreement at any time after the occurrence of an Event of Default, and without the necessity of Secured Party entering upon and taking and maintaining control of the Healthcare Facility directly, by a receiver, or by any other manner or proceeding permitted by the laws of the applicable jurisdiction, Secured Party immediately shall have all rights, powers and authority granted to Operator under any Lease, including the right, power and authority to modify the terms of any such Lease, or extend or terminate any such Lease.

(g) This document may be executed in counterparts


(h) ~~The rights and remedies in favor of Secured Party hereunder are subject to the limitations and terms set forth in the Rider to Operator Security Agreement.~~

[continued on following page]

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**OPERATOR:**

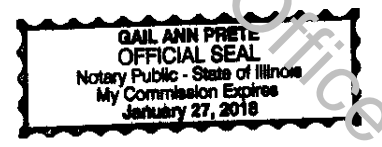
**NORWOOD CROSSING ASSOCIATION,**  
an Illinois nonprofit corporation

By:   
Michael D. Toohy, CEO

State of Illinois }  
County of Cook } ss:

I, Gail Ann Prete, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that **Michael D. Toohy**, personally known to me to be the same person whose name is respectively as **CEO of Norwood Crossing Association**, an Illinois nonprofit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that he, being thereunto duly authorized, signed, sealed with the corporate seal, and delivered the said instrument as the free and voluntary act of said corporation and as his own free and voluntary act, for the uses and purposes therein set forth.

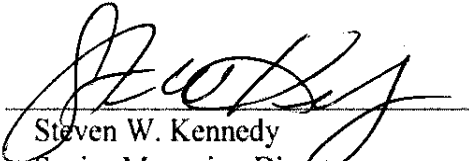
Gail Ann Prete 7/7/2015  
Notary Public  
Gail Ann Prete  
Printed Name  
Cook  
County of Residence



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**LENDER:**

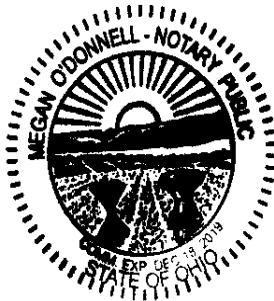
**LANCASTER POLLARD MORTGAGE COMPANY, LLC**, a Delaware limited liability company


By:   
Steven W. Kennedy  
Senior Managing Director

STATE OF OHIO

COUNTY OF Franklin

On this 7 day of July, 2015, personally appeared before me, Megan O'Donnell, a Notary Public in and for said County and State, **Steven W. Kennedy**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged that he is **Senior Managing Director of Lancaster Pollard Mortgage Company, LLC**, a Delaware limited liability company, and that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is authorized by the limited liability company to execute this instrument of behalf of the limited liability company.



  
Notary Public  
Megan O'Donnell  
Printed Name  
Franklin  
County of Residence

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## EXHIBIT A

LOTS 1 THROUGH 22 INCLUSIVE, AND THE 20 FOOT VACATED ALLEY IN BLOCK 5 IN THE TOWN OF NORWOOD PARK, A SUBDIVISION IN SECTION 6, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE FOLLOWING DESCRIBED TRACT: SAID LOTS 20, 21, AND 22 (EXCEPT THE NORTH 163.0 FEET THEREOF) AND THE NORTH HALF OF SAID VACATED ALLEY LYING SOUTH OF AND ADJACENT TO SAID LOTS 20, 21 AND 22) MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 1, BLOCK 5; THENCE NORTH 35 DEGREES 55 MINUTES 21 SECONDS EAST 211.59 FEET; THENCE SOUTH 55 DEGREES 47 MINUTES 33 SECONDS EAST 143.67 FEET; THENCE NORTH 34 DEGREES 12 MINUTES 27 SECONDS EAST 50.00 FEET; THENCE NORTH 55 DEGREES 47 MINUTES 33 SECONDS WEST 142.17 FEET TO A POINT ON THE WEST LINE OF SAID LOT 22; THENCE NORTH 35 DEGREES 55 MINUTES 21 SECONDS EAST 163.07 FEET TO THE NORTHWEST CORNER OF SAID LOT 22; THENCE SOUTH 55 DEGREES 47 MINUTES 33 SECONDS EAST 407.29 FEET TO A POINT OF CURVATURE; THENCE SOUTHEASTERLY 163.31 FEET ALONG THE ARC OF A CURVE, CONCAVE NORTHEASTERLY, WITH A RADIUS OF 276.90 FEET AND A CHORD WHICH BEARS SOUTH 19 DEGREES 39 MINUTES 47 SECONDS EAST 160.95 FEET; THENCE SOUTH 34 DEGREES 12 MINUTES 27 SECONDS WEST 329.60 FEET TO THE SOUTHEAST CORNER OF LOT 11 IN BLOCK 5; THENCE NORTH 55 DEGREES 47 MINUTES 33 SECONDS WEST 550.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

TAX PARCEL NOS: 13-06-117-004-0000, 13-06-117-010-0000, 13-06-117-011-0000,  
13-06-117-012-0000, 13-06-117-014-0000, and 13-06-117-015-0000

ADDRESS: 6016 North Nina Avenue, Chicago, IL 60631