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KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 11/02/2016 11:37 AM PG: 1 OF 12

**This Document Prepared By  
and After Recording Return to:**

Dentons US LLP  
233 South Wacker Drive, Suite 5900  
Chicago, Illinois 60606  
Attention: Steven K. Davidson, Esq.

1674230 4 of 6  
ASSIGNMENT OF LEASES AND RENTS

FOR VALUE RECEIVED, as of October 31, 2016, MONTROSE AND CLARENDON, LLC, a Delaware limited liability company (hereinafter called the "Assignor"), hereby grants, assigns, transfers, sells, conveys, delivers and sets over to JPMORGAN CHASE BANK N.A., a national banking association, in its capacity as Administrative Agent, for the benefit of the Lenders, and its successors and assigns (hereinafter called the "Assignee"), all right, title and interest of Assignor in and to all present and future leases, subleases, licenses, occupancy agreements and any other agreements creating the right of possession or right of use without transfer of title, together with all modifications, extensions, replacements and renewals thereof (collectively, the "Leases") demising and leasing all or portions of the premises legally described on Exhibit A attached hereto and made a part hereof ("Premises") together with all rents, amounts payable to Assignor on account of maintenance, repairs, taxes, insurance, common area expenses or similar charges and security deposits payable under the Leases, all tenant security deposit accounts, if any, relating to the Leases and the Premises, and all benefits and advantages to be derived therefrom to hold and receive them unto the Assignee, and together with all rights against guarantors, if any, of the obligations of the lessees (each, a "Lessee" and collectively, the "Lessees") under the Leases. This assignment is an absolute assignment to Assignee and not an assignment as security for the performance of the obligations under the Loan Documents. All initially capitalized terms used herein without definition shall have the meaning ascribed to such terms in the Loan Agreement (as hereinafter defined).

CCRD REVIEW 

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1. Subject to the terms of Section 7 hereof, the Assignor does hereby empower the Assignee, its agents or attorneys, to collect, sue for, settle, compromise and give acquittances for all of the rents and security deposits that may become due under the Leases and avail itself of and pursue all remedies for the enforcement of the Leases and Assignor's rights in and under the Leases as the Assignor might have pursued but for this Assignment of Rents and Leases (the "Assignment").

2. The Assignor represents and warrants: (i) that as of the delivery date of any rent roll, the Leases shown in such rent roll are in full force and effect; (ii) that, except as provided in the Mortgage (as hereinafter defined) Assignor has not heretofore assigned or pledged the same or any interest therein, and no material default exists on the part of the Assignor, as lessor, in the performance of the terms, covenants, provisions or agreements in the Leases contained; and (iii) that no rent has been paid by any Lessee for more than two installments in advance (other than first month's and/or last month's rent), and that the payment of none of the rents to accrue under the Leases has been or, except in the ordinary course of business, will be waived, released, reduced, discounted or otherwise discharged or compromised by the Assignor.

3. The Assignor covenants and agrees as follows, and as may be more fully set forth in the Loan Agreement (as hereinafter defined):

(a) that the Leases shall remain in full force and effect irrespective of any merger of the interest of the Lessor and Lessee thereunder;

(b) not to collect any of the rent, income and profits arising or accruing under any of the Leases more than sixty (60) days in advance of the time when the same become due under the terms thereof excluding the first month's and/or last month's rent, except as permitted by the Mortgage;

(c) not to discount any future accruing rents, except in accordance with the Leases or in Assignor's commercially reasonable business judgment in the ordinary course of business;

(d) not to execute any other assignments of any of the Leases or any interest therein or any of the rents thereunder;

(e) to perform all of Assignor's material covenants and agreements as lessor under the Leases and not to suffer or permit to occur, except in the ordinary course of business, (i) any release of liability of any of the Lessees, or (ii) any right of the Lessees to withhold payment of rent;

(f) to give prompt notice to the Assignee of any written notices of material default on the part of the Assignor with respect to (x) any Lease for the retail portion of the Premises received from the Lessees thereunder, and (y) any Lease for the residential portion of the Premises from the Lessees thereunder if, within any 12-month period, Assignor has received written notices of material default on the part of Assignor under

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twenty (20) or more of the Leases for the residential portion of the Premises, and, in each such case, to furnish Assignee with complete copies of said notices;

(g) to enforce the retail Leases and all remedies available to the Assignor against such Lessees in the ordinary course of business as determined by Assignor in its reasonable business judgment, in case of material default under any of the retail Leases by any of the retail Lessees;

(h) that none of the rights or remedies of the Assignee under the Mortgage shall be delayed or in any way prejudiced by this Assignment except as may be provided by law;

(i) that notwithstanding any variation of the terms of the Mortgage or any extension of time for payment thereunder, the Leases and benefits hereby assigned shall continue as additional security in accordance with the terms hereof until Assignee releases the lien of the Mortgage in accordance with the terms of the Loan Agreement;

(j) not to consent to any assignments of any of the Leases, or any subletting thereunder, except in accordance with their respective terms or in the ordinary course of business; and

(k) not to request, consent to, agree to or accept a subordination of any of the Leases to any mortgage or other encumbrance now or hereafter affecting the Premises other than the Mortgage.

4. This Assignment is given as additional security for the payment of (i) those certain Promissory Notes in the maximum aggregate principal amount of Eighty Million Dollars (\$80,000,000.00), made in favor of the Lenders (the promissory notes together with any amendments or allonges thereto, or restatements or replacements thereof, and/or new promissory notes to Lenders (collectively referred to herein as the "Note") under the Construction Loan and Security Agreement dated of even date herewith between Assignor and the Assignee (as the same may be amended, modified, supplemented or restated from time to time, the "Loan Agreement"), and all other sums secured by, among other things, the Construction Mortgage, Assignment of Rents, Security Agreement, and Fixture Filing, which encumbers Assignor's interest in the Premises (the "Mortgage") bearing even date herewith from Assignor, as mortgagor, to Assignee, as mortgagee. This Assignment is being delivered pursuant to the Loan Agreement. The security of this Assignment is and shall be primary and on a parity with the real estate covered by the Mortgage and not secondary. All amounts collected hereunder, after deducting the expenses of collection and, at Assignee's option, the expenses of operation of the Premises, shall be applied on account of the indebtedness secured by the Mortgage, or in such other manner as may be provided for in the Mortgage, or herein, or by law. Nothing herein contained shall be construed as constituting Assignee a trustee or mortgagee in possession.

5. Upon issuance of a deed or deeds pursuant to foreclosure of the Mortgage, all right, title, interest and powers of the Assignor in and to the Leases under the license granted in Paragraph 7 hereof shall, by virtue of this instrument, thereupon vest in and become the absolute

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property of the grantee or grantees in such deed or deeds without any further act or assignment by the Assignor.

6. In the exercise of the powers herein granted the Assignee, no liability shall be asserted or enforced against the Assignee, all such liability being hereby expressly waived and released by the Assignor, except liability arising from Assignee's gross negligence or willful misconduct or from and after the date Assignee or its designee obtains fee title to the Premises. The Assignee shall not be obligated to perform or discharge any obligation, duty or liability under any of the Leases, or under or by reason of this Assignment, and the Assignor does hereby indemnify the Assignee for, and agrees to defend and hold it harmless of and from any and all liability, loss or damage which it may or might incur under any of the Leases or under or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in any of the Leases, except for any and all liability, loss or damage resulting from Assignee's gross negligence or willful misconduct or from and after the date Assignee or its designee obtains fee title to the Premises. Should the Assignee incur any such liability, loss or damage under any of the Leases or under or by reason of this Assignment, or in the defense of any such claims or demands, then subject to the foregoing exceptions, the amount thereof, including costs, expenses and reasonable attorneys' fees, to the fullest extent not prohibited by applicable law, shall be secured hereby, and the Assignor shall reimburse the Assignee therefor within five (5) days following receipt of written demand therefore.

7. Although it is the intention of the parties that this instrument shall be an absolute, effective, irrevocable, completed and present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that Assignor shall have the right under a license granted hereby to collect, use and enjoy the rents payable under the Leases from time to time, and the Assignee shall not exercise any of the rights or powers herein conferred upon it until a Default shall occur and be continuing under the terms and provisions of this Assignment, but upon the occurrence of any such Default and during the continuance of such Default, Assignee shall be entitled, upon notice to the Lessees, and without regard for the adequacy of the security for the indebtedness secured hereby or the solvency of the Assignor, and with or without the appointment of a receiver by a court, to all rents and other amounts then due under the Leases and thereafter accruing, and this Assignment shall constitute a direction to and full authority to the Lessees to pay all such amounts to the Assignee without proof of the Default relied upon. The Lessees are hereby irrevocably authorized to rely upon and comply with (and shall be fully protected in so doing) any notice or demand by the Assignee for the payment to the Assignee of any rental or other sums which may be or thereafter become due under the Leases, or any of them, or for the performance of any of Lessees' undertakings under the Leases and shall have no right or duty to inquire as to whether any default under the Mortgage has actually occurred or is then existing.

This Assignment is given as security in addition to the security of the Mortgage, and not as a part of the security of the Mortgage, for the purpose of securing: (i) payment of all indebtedness evidenced by the Note (including any amendments, extensions, renewals or replacements thereof), of all other sums secured by the Mortgage and of all sums payable by the

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Assignor hereunder; and (ii) performance and discharge of each and every obligation, covenant and agreement of the Assignor contained herein, in the Note, in the Mortgage and in any other instrument which secures the Note.

The provisions of this Section 7 shall control and take precedence over any contrary provisions contained in this Assignment.

8. The occurrence of Default (as defined in the Loan Agreement) shall constitute a "Default" hereunder.

9. Any amounts received by Assignor or its agents for performance of any actions prohibited by the terms of this Assignment, including any amounts received in connection with any cancellation, modification, or amendment of any of the Leases prohibited by the terms of this Assignment, and any amounts received by Assignor as rents, income, issues, or profits from the Premises from and after the date of any Default under the Loan Agreement or under any of the Loan Documents (as defined in the Loan Agreement) but only for so long as such Default is occurring, which shall be held by Assignor as trustee for Assignee and all such amounts shall be accounted for to Assignee. Amounts received by Assignor after a Default may be used by Assignor for the payment of costs of operating the Premises incurred in the ordinary course of business and the payment of amounts due Assignee under the Note and Loan Agreement. Any person acquiring or receiving all or any portion of such trust funds shall acquire or receive the same in trust for Lender as if such person had actual or constructive notice that such funds were impressed with a trust in accordance herewith; by way of example and not of limitation, such notice may be given by an instrument recorded with the Recorder of Deeds, County Recorder or Registrar of Titles, as the case may be, of the county in which the Premises are located stating that Assignor has received or will receive such amounts in trust for Assignee, or stating that a proceeding has been commenced to foreclose the Mortgage.

10. In the event any of the Lessees under the Leases should be the subject of any proceeding under the Federal Bankruptcy Code, as amended from time to time, or any other federal, state, or local statute which provides for the possible termination or rejection of the Leases assigned hereby, the Assignor covenants and agrees that if any of the Leases is so terminated or rejected and a Default has occurred and is continuing, then no settlement for damages shall be made without the prior written consent of Assignee; otherwise, Assignor shall have the right to make a settlement for such damages. Any check in payment of damages for termination or rejection of any such Lease where Assignee has the right to approve the settlement for damages (as provided in the preceding sentence) will be made payable both to the Assignor and Assignee. The Assignor hereby assigns any such payment to Assignee and further covenants and agrees that upon the request of Assignee, it will duly endorse to the order of Assignee any such check, the proceeds of which will be applied to monthly debt service on the indebtedness secured by this Assignment.

11. This Assignment is intended to be supplementary to and not in substitution for or in derogation of any assignment of rents to secure said indebtedness contained in the Mortgage or in any other document.



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12. This Assignment shall include any extensions, replacements, modifications and renewals of the Leases, and any subleases, licenses and other tenancies, and any reference herein to the Leases shall be construed as including any such extensions, replacements, modifications and renewals of the Leases and any subleases, licenses and other tenancies.

13. This instrument shall be binding upon and inure to the benefit of (a) Assignee, its successors and assigns, including all holders, from time to time, of the Note, and (b) Assignor and its successors and permitted assigns. The words "Assignor," "Assignee" and "Lessees" wherever used herein, shall include the persons named herein and designated as such and their respective successors and assigns, and all words and phrases shall be taken to include the singular or plural and masculine, feminine or neuter gender, as may fit the case.

14. All notices and other communications provided to any party hereto under this Agreement or any other Loan Document shall be in writing or by telex and addressed or delivered to such party at its address set forth below or at such other address as may be designated by such party in a notice to the other parties. Any notice, if mailed and properly addressed with postage prepaid, shall be deemed given when received; any notice, if transmitted by telex, shall be deemed given when transmitted (answerback confirmed in the case of telexes provided that any notice by telex must also be sent by U.S. mail, postage prepaid, or reputable overnight courier). Notice may be given as follows:

Assignor: Montrose and Clarendon, LLC  
 c/o The Harlem Irving Companies  
 4104 North Harlem Avenue  
 Norridge, Illinois 60706  
 Attention: Lawrence A. Gerlach  
 Phone: (773) 625-3036  
 Email: LGerlach@harlemirving.com

Copy to: PGIM, Inc.  
 7 Giralda Farms,  
 Madison, New Jersey 07940  
 Attention: Chris Lackett  
 Phone: \_\_\_\_\_  
 Email: Chris.Lackett@pgim.com

Copy to: PGIM, Inc.  
 Law Department  
 7 Giralda Farms,  
 Madison, New Jersey 07940  
 Attention: Joan Hayden  
 Phone: \_\_\_\_\_  
 Email: Joan.Hayden@pgim.com

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Copy to: Goodwin Procter LLP  
 100 Northern Avenue  
 Boston, Massachusetts 02210  
 Attention: Minta E. Kay, Esq.  
 Phone: (617) 570-1877  
 Email: mkay@goodwinlaw.com

Assignee: JPMorgan Chase Bank, N.A.  
 Chase Tower  
 10 South Dearborn Street, 19th Floor  
 Mail Code: IL1-0958  
 Chicago, Illinois 60603  
 Attention: Gian Longo  
 Phone: (312) 732-1668  
 Email: gian.c.longo @jpmorgan.com

Copy to: Dentons US LLP  
 233 S. Wacker Drive, Suite 5900  
 Chicago, Illinois 60606  
 Attention: Steven R. Davidson, Esq.  
 Phone: (312) 876-8238  
 Email: steven.davidson@dentons.com

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

15. This Assignment is made for collateral purposes only and the duties and obligations of Assignor under this Assignment shall terminate when all sums due Assignee under the Loan Documents are paid in full and all obligations, covenants, conditions and agreements of Assignor contained in the Loan Agreement are performed and discharged (other than contingent indemnity obligations which shall survive the repayment at the principal amount of the Loan for which no claim has been asserted by Assignee (other than such claims which have been settled or paid)). Notwithstanding the foregoing, the rights of Assignee and the duties and obligations of Assignor hereunder shall be deemed released and terminated automatically at such time as Assignee has released the Mortgage.

16. This Assignment shall be governed and construed by the internal laws of the state in which the Premises is located.

17. Each party executing this Assignment as an Assignor shall be jointly and severally liable for all obligations of Assignor hereunder.

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18. ASSIGNOR AND ASSIGNEE, BY ITS ACCEPTANCE OF THIS ASSIGNMENT, EACH HEREBY WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHT UNDER THIS ASSIGNMENT OR ANY OTHER LOAN DOCUMENT OR RELATING THERETO OR ARISING FROM THE LENDING RELATIONSHIP WHICH IS THE SUBJECT OF THIS ASSIGNMENT AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

*[Remainder of Page Intentionally Blank]*

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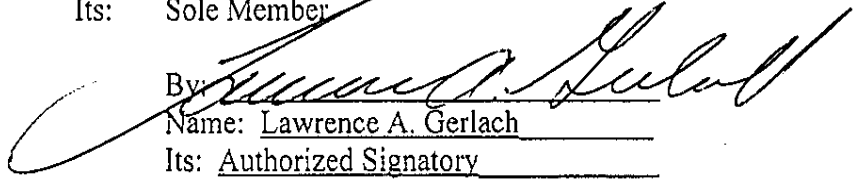
IN WITNESS WHEREOF, Assignor has executed this Assignment as of the date first set forth herein.

**BORROWER:**

**MONTROSE AND CLARENDON, LLC,**  
a Delaware limited liability company

By: Montrose and Clarendon Holdings, LLC,  
a Delaware limited liability company

Its: Sole Member

By:   
Name: Lawrence A. Gerlach  
Its: Authorized Signatory

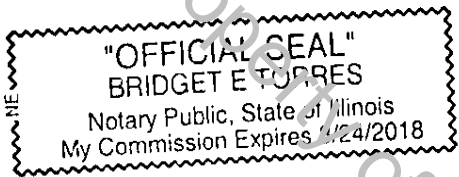
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[Assignment of Leases and Rents]

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STATE OF ILLINOIS     )  
   )  
 COUNTY OF COOK        )     SS

The foregoing instrument was acknowledged before me this 10<sup>TH</sup> day of October, 2016, by Lawrence A. Gerlach, the Authorized Signatory of Montrose and Clarendon Holdings, LLC, a Delaware limited liability company, the Sole Member of Montrose and Clarendon, LLC, a Delaware limited liability company, who acknowledged that he did sign the foregoing instrument on behalf of said limited liability company.



Sign Name: *Bridget E Torres*  
 Notary Public

Print Name: Bridget E Torres

[NOTARIAL SEAL]

My Commission Expires: 3/24/2018

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## EXHIBIT A

### Legal Description

#### PARCEL 2:

LOT 1 AND ALL OF LOTS 2, 3 AND 4 IN LYDSTON' RESUBDIVISION OF LOTS 3 TO 7 IN BLOCK 1 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL 3:

LOTS 1 AND 2 (EXCEPT THE NORTH 105 FEET OF THE EAST 85 FEET OF SAID LOTS) IN BLOCK 1 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL 4:

THAT PART OF THE NORTH 1/2 OF THE EAST AND WEST 16 FOOT VACATED PUBLIC ALLEY, LYING WEST OF THE WEST LINE OF CLARENDON AVENUE, LYING EAST OF A LINE 18 FEET EAST OF AND PARALLEL TO THE WEST LINE OF LOT 1 AND SAID WEST LINE PRODUCED SOUTH 16 FEET IN LYDSTON'S RESUBDIVISION OF LOTS 3 TO 7 OF BLOCK 1 AFORESAID, SAID VACATED ALLEY LYING SOUTH AND ADJOINING PARCELS 2 AND 3, IN COOK COUNTY, ILLINOIS

#### PARCEL 5:

LOT 18 (EXCEPT THE WEST 18 FEET THEREOF DEDICATED FOR PUBLIC ALLEY, BY INSTRUMENT RECORDED AUGUST 20, 1992 AS DOCUMENT 92618869) AND LOTS 19 AND 20, IN BLOCK 1 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL 6:

LOTS 1 TO 4, BOTH INCLUSIVE, IN THE SUBDIVISION OF LOT 2 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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PARCEL 7:

THAT PART OF THE SOUTH 1/2 OF THE EAST AND WEST 16 FOOT VACATED PUBLIC ALLEY, LYING WEST OF THE WEST LINE OF CLARENDON AVENUE, LYING EAST OF A LINE 18 FEET EAST OF AND PARALLEL TO THE WEST LINE OF LOT 1 AND SAID WEST LINE PRODUCED SOUTH 16 FEET IN LYDSTON'S RESUBDIVISION OF LOTS 3 TO 7 OF BLOCK 1 AFORESAID, SAID VACATED ALLEY LYING NORTH AND ADJOINING PARCELS 4 AND 5 AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL 8:

THE WEST 103 FEET OF THE SOUTH 147 FEET (EXCEPT THE NORTH 14 FEET OF THE EAST 51.6 FEET THEREOF) OF LOT 4 IN SCHOOL TRUSTEE'S SUBDIVISION OF SECTION 16, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 9:

THE NORTH 105 FEET OF THE EAST 85 FEET OF LOTS 1 AND 2 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ADDRESS: 750-810 West Montrose Avenue, Chicago, Illinois 60613

- PIN(S): 14-16-103-006-0000
- 14-17-229-008-0000
- 14-17-229-014-0000
- 14-17-229-015-0000
- 14-17-229-016-0000
- 14-17-229-017-0000
- 14-17-229-018-0000
- 14-17-229-019-0000