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Document Number

## COLLATERAL ASSIGNMENT OF PROMISSORY NOTE AND MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT

Document Title



\*1718018168\*

Doc# 1718018168 Fee \$52.00

RHSP FEE:\$9.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 06/29/2017 03:05 PM PG: 1 OF 8

**CROSS  
REFERENCE:**

**Junior Mortgage**

Document No.

1718018167

Property of Cook County Clerk's Office

Recording Area

**After Recording Return to:**

Albert, Whitehead, P.C.  
10 North Dearborn Street  
Suite 600  
Chicago, Illinois 60602  
Attn: Patricia Holland

Parcel Identification Number (PIN)

See Attached Exhibit A

Drafted by:

Patricia Holland  
Albert, Whitehead, P.C.  
10 North Dearborn Street  
Suite 600  
Chicago, Illinois 60602

Bm

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## COLLATERAL ASSIGNMENT OF PROMISSORY NOTE AND MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT

This COLLATERAL ASSIGNMENT OF PROMISSORY NOTE and MORTGAGE, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT (this "Assignment") is made June 29, 2017, by **Full Circle Communities, Inc**, an Illinois not-for-profit corporation with a mailing address of 310 South Peoria Street, suite 500, Chicago, Illinois 60607, ("Assignor") to and in favor of **IFF**, an Illinois not-for-profit corporation, its successors and assigns ("**IFF**"), with a mailing address at One North LaSalle Street, Suite 700, Chicago, Illinois 60602.

### WITNESSETH

WHEREAS, Assignor has received a Subsidy award in the amount of Five Hundred Forty Thousand and 00/100 Dollars (\$540,000.00)(the "AHP Subsidy") from IFF under the Affordable Housing Program of the Federal Home Loan Bank of Chicago ("FHLBC"); and

WHEREAS, in connection with the AHP Subsidy, IFF, Assignor and FHLBC have entered into an Affordable Housing Program Agreement with an effective date of November 14, 2016, as such agreement may be amended from time to time (the "AHP Agreement"); and

WHEREAS, Assignor will loan or transfer the proceeds from the AHP Subsidy to **Brainerd Park Apartments Limited Partnership**, an Illinois limited partnership ("Owner") for the purposes described in the AHP application as approved by the FHLBC (the "AHP Application"); and

WHEREAS, under the "Repayment Agreement" (as defined below), Assignor has agreed to assure that it and the Owner comply with the Obligations. As used herein the term "Obligations" means (i) the affordable housing program regulations of the Federal Housing Finance Agency (currently 12 C.F.R. Part 1291) as may be in effect from time to time, or the regulations in effect from time to time of any successor in interest to the Federal Housing Finance Agency; (ii) the affordable housing restrictions set forth in the AHP Agreement and the covenants and agreements contained therein; and (iii) the covenants and agreements in the Subsidy Documents. As used herein the term "Subsidy Documents" means the AHP Application, the AHP Agreement, the Retention/Recapture Agreement for Rental Projects dated of even date herewith between Assignor, IFF and Owner ("Repayment Agreement"), the promissory note dated of even date herewith executed by Assignor in favor of IFF, the Mortgage (as such term is defined below), the Note (as such term is defined below), this Assignment, and all other documents relating to or securing the AHP Subsidy (as renewed, amended, modified, restated and extended from time to time); and

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WHEREAS, to secure repayment or recapture of the AHP Subsidy, Assignor has received from Owner a Promissory Note in the amount of \$540,000.00 of even date or substantially even date herewith (the "Note") and a Mortgage, Assignment of Rents and Security Agreement of even date or substantially even date herewith, such Mortgage recorded with the Cook County, Illinois Recorder of Deeds as document no. 1718018167 encumbering title to the real estate legally described in Exhibit A attached hereto and made a part hereof (the "Mortgage").

NOW, THEREFORE, in consideration of the AHP Subsidy and other valuable consideration, the receipt of which is hereby acknowledged, and as further security for the performance of the Obligations, the Assignor hereby grants, conveys, transfers, and assigns to the IFF, the Mortgage, the Note, the debt and claims thereby secured and all of the Assignor's right, title and interest by virtue of said Mortgage, in and to the real estate therein described, and benefits under, in and to the Mortgage.

TO HAVE AND TO HOLD the same with all of the rights, privileges and appurtenances thereunto belonging unto the IFF, its successors and assigns until such time as the Obligations have been satisfied in full for the purpose of further and collaterally securing same (but not, however, for the purposes of securing any other obligations to IFF, whether now existing or hereafter arising).

The Assignor and the IFF agree that the following terms and conditions shall govern this Agreement:

1. Assignment of Note. To evidence further the assignment of the Note by the Assignor to IFF, Assignor shall concurrently herewith execute the Allonge to the Note, thereby endorsing the Note to IFF.

2. Assignor's Rights until Default. So long as no event of default under any of the Subsidy Documents shall exist, the Assignor shall have the right to exercise all of the Assignor's rights and benefits under, in and to the Note and the Mortgage.

3. IFF's Rights in Event of Default.

3.1 Immediately upon the occurrence of an event of default under any of the Subsidy Documents, and until such default shall have been cured, IFF is hereby expressly and irrevocably authorized to assume any or all of Assignor's rights with respect to the Note and the Mortgage without further authorization, notice or demand and without the commencement of any action.

3.2 The Assignor hereby constitutes and appoints IFF irrevocably, and with full power of substitution and revocation, the true and lawful attorney, for and in the name, place and stead of the Assignor, to exercise any and all rights and remedies of the Assignor under the Note and the Mortgage. This appointment is effective immediately but shall not be exercised until the occurrence of an event of default under any of the Subsidy Documents. The Assignor hereby grants unto said attorney full power and authority to do and perform each and every act whatsoever requisite to be done with respect to the Note and the Mortgage, as fully to all intents and purposes, as the Assignor could do if personally present, hereby ratifying and confirming all

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that said attorney shall lawfully do or cause to be done by virtue hereof, and further confirming that in the exercise of the powers herein granted to IFF, no liability shall be asserted or enforced against IFF, all such liability being hereby expressly waived and released by Assignor unless attributable to IFF's gross negligence or willful misconduct. Assignor hereby agreed to indemnify and hold IFF free and harmless from and against any and all liability, expense, cost, loss or damage which IFF may incur by reason of any act of omission of Assignor (except for liability, expense, cost, loss or damage resulting from the gross negligence or willful misconduct of IFF). Should IFF incur any liability, expense, cost, loss or damage by reason of the exercise of IFF's rights hereunder the amount thereof, including costs, expenses and attorneys' fees and expenses shall be secured hereby and by the other Subsidy Documents (whether or not such amount, when aggregated with other sums secured by the Loan, exceeds the face amount of the Note) and shall (a) be due and payable immediately upon demand by IFF, and (b) bear interest at the rate as set forth in the Note.

3.3 Acceptance of this Assignment by IFF shall not constitute a satisfaction of all or any part of the Obligations of the Assignor.

3.4 The rights and powers of IFF hereunder shall continue and remain in full force and effect until all Obligations are satisfied in full. IFF shall not be liable to Assignor or anyone claiming under or through Assignor by reason of any act or omission by the Assignor hereunder.

3.5 A default shall be cured when the Assignor shall have satisfied applicable provisions for cure in the AHP Agreement and AHP regulations and policies of the Federal Housing Finance Board adopted therein and the Repayment Agreement.

4. Termination. Upon satisfaction in full of the Obligations, this Assignment shall be void and of no effect and, in that event, upon Assignor's request, IFF agrees to execute and deliver to the Assignor instruments evidencing the termination of this Agreement and/or release of IFF's interest in the Note and the Mortgage, all without recourse upon, or warranty whatsoever, by IFF and at the sole cost and expense of Assignor.

5. Notice. Any notice, demand request or other communication given in connection with this Assignment shall be deemed sufficient if in writing and will be transmitted in the manner and to the addresses required by the Repayment Agreement, or to such other addresses as IFF and Assignor may specify from time to time in writing. Notwithstanding the foregoing, routine communications may be sent by ordinary first-class mail.

## 6. Miscellaneous.

6.1 This Assignment and all obligations of Assignor hereunder shall be binding upon the successors and assigns of Assignor, except that Assignor shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of IFF and shall, together with the rights and remedies of IFF hereunder, inure to the benefit of IFF and its respective successors and assigns. This Assignment shall be governed by, and be construed and interpreted in accordance with, the laws of the State of Illinois. Neither this Assignment nor anything set

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forth herein is intended to, nor shall it, confer any rights on any person or entity other than the parties hereto and all third party rights are expressly negated.

6.2 Any provision of this Assignment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

6.3 No amendment, modification, cancellation or discharge of this Assignment shall be valid unless the IFF shall have consented thereto in writing.

6.4 All capitalized terms herein shall have the meanings ascribed to them in the Repayment Agreement unless otherwise defined in this Agreement.

6.5 Assignor certifies that Assignor has full power to make this Assignment and has not otherwise conveyed, sold, hypothecated, pledged, transferred or assigned the Note or the Mortgage.

6.6 This Assignment may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

6.7 Assignor, in its capacity as Mortgagee under the Mortgage from Owner in favor of Assignor dated of even date herewith, consents to the recording of the Repayment Agreement, the Mortgage and this Assignment as liens and encumbrances against the real estate legally described on Exhibit A attached hereto.

7. WAIVER OF JURY TRIAL. ASSIGNOR AND IFF, BY ITS ACCEPTANCE OF THIS ASSIGNMENT, HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS ASSIGNMENT AND THE BUSINESS RELATIONSHIP THAT IS BEING ESTABLISHED. THIS WAIVER IS KNOWINGLY, INTENTIONALLY AND VOLUNTARILY MADE BY ASSIGNOR AND IFF, AND ASSIGNOR ACKNOWLEDGES THAT NEITHER IFF NOR ANY PERSON ACTING ON BEHALF OF IFF HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR HAS TAKEN ANY ACTIONS WHICH IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. ASSIGNOR AND IFF ACKNOWLEDGE THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH OF THEM HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. ASSIGNOR AND IFF FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS ASSIGNMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL.

8. VENUE. ASSIGNOR AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING OUT OF, RELATED TO OR FROM THIS ASSIGNMENT SHALL BE

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LITIGATED, AT IFF'S SOLE DISCRETION AND ELECTION, ONLY IN COURTS HAVING A SITUS WITHIN THE STATE OF ILLINOIS. ASSIGNOR HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT LOCATED WITHIN SAID STATE. ASSIGNOR HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY LITIGATION BROUGHT AGAINST IT BY IFF ON THE SUBSIDY DOCUMENTS IN ACCORDANCE WITH THIS PARAGRAPH.

SIGNATURE PAGE FOLLOWS

**COOK COUNTY  
RECORDER OF DEEDS**

**COOK COUNTY  
RECORDER OF DEEDS**

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IN WITNESS WHEREOF, Assignor has executed this Assignment or has caused the same to be executed by Assignor's duly authorized representative(s) as of the date first above written.

**ASSIGNOR:**

FULL CIRCLE COMMUNITIES, INC.

By: \_\_\_\_\_  
 Name: Joshua Wilmoth  
 Title: President

Property of Cook County Clerk's Office

STATE OF ILLINOIS     )  
                                   )  
 COUNTY OF Cook     )     SS

I, Margaret Ann Shultz, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Joshua Wilmoth, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as the President of Full Circle Communities, Inc., appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said Company for the uses and purposes therein.

Given under my hand and notarial seal this 27<sup>th</sup> day of June, 2017.

Margaret Ann Shultz  
 Notary Public

My commission expires on \_\_\_\_\_  
 "OFFICIAL SEAL"  
 MARGARET ANN SHULTZ  
 Notary Public, State of Illinois  
 My Commission Expires 4/29/2018



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## EXHIBIT A

### LEGAL DESCRIPTION

LOT 1 (EXCEPT THE NORTH 42.50 FEET THEREOF) AND ALL OF LOTS 2 TO 12, INCLUSIVE, IN BLOCK 9 IN E.L. BRAINERD'S SUBDIVISION OF TELFORD BURNHAM'S SUBDIVISION (EXCEPT BLOCKS 1 AND 8 THEREOF) OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 5, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. ✓

- PIN: 25-05-119-016-0000
- 25-05-119-018-0000
- 25-05-119-019-0000
- 25-05-119-020-0000
- 25-05-119-022-0000
- 25-05-119-023-0000 ✓
- 25-05-119-026-0000
- 25-05-119-027-0000
- 25-05-119-030-0000
- 25-05-119-031-0000

Address: 8902-8956 South Loomis, Chicago, Illinois

**COOK COUNTY  
RECORDER OF DEEDS**