

# UNOFFICIAL COPY

Prepared by:

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Karen A. Yarbrough  
Cook County Clerk  
Date: 05/04/2023 12:38 PM Pg: 1 of 5

Locke Lord LLP  
111 S. Wacker Drive  
Chicago, Illinois 60606  
Attention: Gina Gamal

*cdH 23005582M*

[SPACE ABOVE THIS LINE FOR RECORDER'S USE]

Prudential Loan No. 706111461

## ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT OF LEASES AND RENTS (this "**Assignment**") dated as of May 3, 2023, is made by LOCK UP NORTHFIELD, L.L.C., a Delaware limited liability company, having its principal office and place of business at c/o SHS Development Company, 800 Frontage Road, Northfield, IL 60093 ("**Assignor**"), to THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation, having an office c/o PGIM Real Estate Loan Services, Inc., 2100 Ross Avenue, Suite 2500, Dallas, Texas 75201, Attention: Asset Management Department; Reference Loan No. 706111461 ("**Lender**").

### Recitals

A. Assignor is the sole owner and holder of (a) the real property described in Exhibit A to this Assignment (the "**Property**"), and (b) the landlord's interest under the Leases (as defined in the Mortgage defined below).

B. Lender has made a loan ("**Loan**") to Assignor and to LOCK UP GOLDEN GATE PARKWAY, L.L.C., a Delaware limited liability company, LOCK UP CLYBOURN, L.L.C., a Delaware limited liability company, LOCK UP PARK RIDGE, L.L.C., a Delaware limited liability company, LOCK UP LIVINGSTON, L.L.C., a Delaware limited liability company, LOCK UP BONITA SPRINGS LLC, a Delaware limited liability company, LOCK UP SOUTH SETAUKET LLC, a Delaware limited liability company, and LOCK UP SARASOTA – DOWNTOWN, LLC, a Delaware limited liability company (together with Assignor, "**Borrowers**") in the aggregate principal sum of EIGHTY-THREE MILLION and no/100 U.S. DOLLARS (\$83,000,000.00), made pursuant to the Loan Agreement between Borrowers and Lender dated the same as this Assignment (the "**Loan Agreement**"), evidenced by that certain Amended and Restated Promissory Note in the original principal sum of EIGHTY-THREE MILLION and no/100 U.S. DOLLARS (\$83,000,000.00), dated the same date as this Assignment (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Note**"), and secured, in part, by the Mortgage, Security Agreement and Fixture Filing with Assignment of Leases and Rents (the "**Mortgage**") dated the same date as this Assignment, from Assignor, as mortgagor, in favor of Lender, as mortgagee, and encumbering the Property.

C. Lender's agreement to make the Loan to Borrowers is conditioned in part on the execution and delivery of this Assignment.

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D. Capitalized terms used but not defined in this Assignment are defined in the Loan Agreement or in the Mortgage.

NOW THEREFORE, in consideration of the Loan, Assignor agrees as follows:

1. **Assignment.** Assignor irrevocably and absolutely assigns, transfers, and sets over to Lender, its successors and assigns, all of the right, title, interest, and estate that Assignor may now or later have in, to and under (a) the Leases and all guaranties thereof now or hereafter entered into; (b) the Rents; (c) all proceeds from the cancellation, surrender, sale or other disposition of the Leases, including, but not limited to, any Recovery; (d) the right to collect and receive all the Rents; and (e) the right to enforce and exercise, whether at law or in equity or by any other means, all terms and conditions of the Leases. This Assignment is intended by Assignor and Lender to constitute a present, absolute assignment and not a collateral assignment for additional security only. Upon full payment and satisfaction of the Obligations and written request by Assignor, Lender shall transfer, set over, and assign to Assignor all right, title, and interest of Lender in, to, and under the Leases and the Rents.

2. **Assignor's License.** Until an Event of Default occurs, Assignor shall have a revocable license (the "*License*") from Lender to exercise all rights extended to the landlord under the Leases. Assignor shall hold the Rents in trust for application as required under the Loan Documents and, prior to the occurrence of an Event of Default, Assignor may use, distribute and enjoy all Rents remaining thereafter. Upon an Event of Default, whether or not legal proceedings have commenced and without regard to waste, adequacy of security for the Obligations or the solvency of Assignor, the License shall automatically terminate without notice by Lender (any such notice being expressly waived by Assignor). Upon such termination, Assignor shall deliver to Lender within seven (7) days after written notice from Lender (a) all Rents (including prepaid Rents) held or collected by Assignor from and after the date of the Event of Default, (b) all security or other deposits paid pursuant to the Leases, and (c) all previously paid charges for services, facilities or escalations to the extent allocable to any period after the Event of Default.

3. **Lender as Creditor of Tenant.** Upon execution of this Assignment, Lender, and not Assignor, shall be the creditor of any Tenant in respect of assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution or receivership proceedings affecting any such Tenant; provided, however, that Assignor shall be the party obligated to make timely filings of claims in such proceedings or to otherwise pursue creditor's rights therein. Notwithstanding the foregoing, Lender shall have the right, but not the obligation, to file such claims instead of Assignor and if Lender does file a claim, Assignor agrees that Lender (a) is entitled to all distributions on such claim to the exclusion of Assignor and (b) has the exclusive right to vote such claim and otherwise to participate in the administration of the estate in connection with such claim. Lender shall have the option to apply any monies received by it as such creditor to the Obligations in the order set forth in the Loan Documents. If a petition is filed under the Bankruptcy Code by or against Assignor, and Assignor, as landlord under any Lease, decides to reject such Lease pursuant to Section 365(a) of the Bankruptcy Code, then Assignor shall give Lender at least ten (10) days' prior written notice of the date when Assignor shall apply to the bankruptcy court for authority to reject the Lease. Lender may, but shall not be obligated to, send Assignor within such ten-day period a written notice stating that (a) Lender demands that Assignor assume and

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assign the Lease to Lender pursuant to Section 365 of the Bankruptcy Code and (b) Lender covenants to cure or provide adequate assurance of future performance under the Lease. If Lender sends such notice, Assignor shall not reject the Lease provided Lender complies with clause (b) of the preceding sentence.

4. **Notice to Tenant of an Event of Default.** Upon the occurrence of an Event of Default and written demand sent by Lender to any of the Tenants (in each case, a “**Rent Direction Letter**”), Assignor hereby irrevocably authorizes each Tenant to (a) pay all Rents to Lender and (b) rely upon any such Rent Direction Letter from Lender without any obligation to inquire as to the actual existence of the Event of Default, notwithstanding any claim of Assignor to the contrary. Assignor shall have no claim against any Tenant for any Rents paid by Tenant to Lender pursuant to any Rent Direction Letter.

5. **Indemnification of Lender.** Assignor hereby agrees to indemnify and hold Lender harmless from any and all Losses that Lender may incur under the Leases or by reason of this Assignment, except for Losses (i) incurred as a direct result of Lender’s willful misconduct or gross negligence, or (ii) arising after a Foreclosure Event. Nothing in this Assignment shall be construed to bind Lender to the performance of any of the terms of the Leases or to otherwise impose any liability on Lender including, without limitation, any liability under covenants of quiet enjoyment in the Leases in the event that any Tenant shall have been joined as party defendant in any action to foreclose the Mortgage and shall have been barred thereby of all right, title, interest, and equity of redemption in the premises. This Assignment imposes no liability upon Lender for the operation and maintenance of the Property or for carrying out the terms of any Lease before Lender has entered and taken actual possession and complete control of all operations of the Property. Any Losses incurred by Lender, by reason of actual entry and taking possession under any Lease or this Assignment or in the defense of any claims shall, at Lender’s request, be reimbursed by Assignor. Such reimbursement shall include interest at the Default Rate from the date of demand by Lender and any and all Costs incurred by Lender. Lender may, upon entry and taking of possession, collect the Rents and apply them to reimbursement for any such items.

6. **No Merger.** Each Lease shall remain in full force and effect, notwithstanding any merger of Assignor’s and Tenant’s interest thereunder.

7. **Loan Documents Incorporated.** The terms and conditions of the Loan Documents are incorporated into this Assignment as if fully set forth in this Assignment.

8. **Waiver of Trial by Jury.** EACH OF ASSIGNOR AND LENDER HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM FILED BY EITHER PARTY, WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN, THE LOAN DOCUMENTS, OR ANY ALLEGED ACTS OR OMISSIONS OF LENDER OR ASSIGNOR IN CONNECTION THEREWITH.

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IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed as of the day and year first above written.

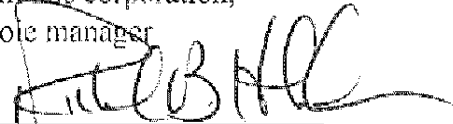
**ASSIGNOR:**

**LOCK UP NORTHFIELD, L.L.C.,**  
a Delaware limited liability company

By: Lock Up — Evergreen, LLC,  
a Delaware limited liability company,  
its sole member

By: Lock Up Holding LLC,  
an Illinois limited liability company,  
its sole manager

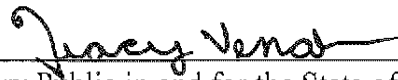
By: SHS Development Company,  
an Illinois corporation,  
its sole manager

By:   
Richard B. Hielscher  
Vice President

STATE OF ILLINOIS     )  
  )  
  )     ss.  
COUNTY OF COOK     )

I certify that I know or have satisfactory evidence that Richard B. Hielscher is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 30<sup>th</sup> day of March, 2023.

  
\_\_\_\_\_  
Notary Public in and for the State of Illinois

Name (printed or typed) Tracy Venable  
My commission expires: 2/8/25



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## EXHIBIT A

### (Legal Description)

All that real property situate in the City of Chicago, County of Cook, State of Illinois, more particularly described as follows:

LOT 1 IN LOCK UP NORTHFIELD PLAT OF CONSOLIDATION OF PART OF THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 13, TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 16, 1996 AS DOCUMENT NUMBER 96283161.

Address: 800 Frontage Road, Northfield, Illinois

PIN: 04-13-401-027-0000