



Doc# 2321915000 Fee \$88.00

After Recording Return To:

KHRE SMA Funding, LLC
c/o Knighthead Funding, LLC
777 W. Putnam Ave., 3rd Floor, Suite B-2
Greenwich, CT 06830
Attention: Loan Servicing

RHSP FEE:\$18.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 08/07/2023 10:14 AM PG: 1 OF 10

Handwritten: 3/4, 66815000022

ASSIGNMENT OF LEASES AND RENTS

NORTH BESLY (PROPCO) LLC, an Illinois limited liability company

as Assignor

To

KHRE SMA FUNDING LLC

as Assignee

Dated: August 4, 2023

Premises: 1800-1854 North Besly Court and 1824-1832 North Elston Avenue
Chicago, Illinois

County: Cook

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THIS ASSIGNMENT OF LEASES AND RENTS (the "Assignment") is made as of August 4, 2023, by **NORTH BESLY (PROPCO) LLC**, an Illinois limited liability company, having its principal place of business at 120 N. Racine, Suite 200, Chicago, IL 60607 (being referred to herein as the "Assignor"), to **KHRE SMA FUNDING LLC**, a Delaware limited liability company having an address at c/o Knighthead Funding, LLC, 777 W. Putnam Ave., 3rd Floor, Suite B-2, Greenwich, Connecticut 06830 (together with its successors and assigns, the "Assignee").

WITNESSETH:

THAT Assignor, for good and valuable consideration, receipt whereof is hereby acknowledged, hereby grants, transfers and assigns to Assignee the entire lessor's interest in and to all leases and other agreements affecting the use, enjoyment, or occupancy of all or any part of that certain lot or piece of land, more particularly described in Schedule "A" annexed hereto and made a part hereof (the "Premises"), together with the buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter located thereon (hereinafter collectively referred to as the "Mortgaged Property");

TOGETHER WITH all leases and other agreements affecting the use, enjoyment or occupancy of the Mortgaged Property now or hereafter made affecting the Mortgaged Property or any portion thereof, together with any extension or renewal of the same, this Assignment of other present and future leases and present and future agreements being effective without further or supplemental assignment (the leases and other agreements described above together with all other present and future leases and present and future agreements and any extension or renewal of the same are hereinafter collectively referred to as the "Leases");

TOGETHER WITH all rents, income, issues and profits arising from the Leases and renewals thereof and together with all rents, income, issues and profits (including all oil and gas or other mineral royalties and bonuses) from the use, enjoyment and occupancy of the Mortgaged Property (hereinafter collectively referred to as the "Rents");

A. This Assignment is given in connection with a loan in the principal sum of Twenty-Four Million Two Hundred Fifty Thousand and 00/100 Dollars (\$24,250,000.00) (the "Loan") made by Assignee to Assignor pursuant to that certain Loan Agreement dated as of the date hereof between Assignor and Assignee (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the "Loan Agreement") and evidenced by that certain Promissory Note dated the date hereof made by Assignor to Assignee (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the "Note"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Loan Agreement.

B. The Note is secured by that certain Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated as of the date hereof (as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, the "Security Instrument") made by Assignor to the Trustee named therein for the benefit of Assignee.

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C. Assignor desires to further secure the payment of the Loan and performance of all of its other obligations under the Note, the Loan Agreement and the other Loan Documents.

ASSIGNOR COVENANTS with Assignee that Assignor shall comply with the terms of Section 5.1.17 of the Loan Agreement.

THIS ASSIGNMENT is made on the following terms, covenants and conditions:

1. Present Assignment. Assignee is hereby granted and assigned by Assignor the right to enter the Mortgaged Property for the purpose of enforcing its interest in the Leases and the Rents, this Assignment constituting a present, absolute assignment of the Leases and Rents. Nevertheless, subject to the terms of this paragraph 1, Assignee grants to Assignor a revocable license to operate and manage the Mortgaged Property and to collect the Rents. Assignor shall hold the Rents, or a portion thereof sufficient to discharge all current sums due on the Debt, for use in the payment of such sums. Upon or at any time after an Event of Default, the license granted to Assignor herein may be revoked by Assignee without notice or demand. Assignee agrees to use reasonable efforts to provide notice to Assignor of a revocation of such license, which notice may be included in a notice of default or otherwise combined with another notice, and no failure to provide such notice shall in any way diminish the effect of Assignee's revocation of the license. THIS IS AN ABSOLUTE ASSIGNMENT, NOT AN ASSIGNMENT FOR SECURITY ONLY.

2. Remedies of Assignee. Upon or at any time after an Event of Default, Assignee may, at its option, without waiving such Event of Default, without notice and without regard to the adequacy of the security for the Debt, either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, exercise any or all of the rights and remedies available to it at law or in equity, revoke the license granted in paragraph 1 of this Assignment and take possession of the Mortgaged Property and have, hold, manage, lease and operate the Mortgaged Property on such terms and for such period of time as Assignee may deem proper and either with or without taking possession of the Mortgaged Property in its own name, demand, sue for and otherwise collect and receive all Rents, including those past due and unpaid with full power to make from time to time all alterations, renovations, repairs or replacements thereto or thereof as may seem proper to Assignee and may apply the Rents to the payment of the following in such order and proportion as Assignee in its sole discretion may determine, any law, custom or use to the contrary notwithstanding: (a) all expenses of managing and securing the Mortgaged Property, including, without being limited thereto, the salaries, fees and wages of a managing agent and such other employees or agents as Assignee may deem necessary or desirable and all expenses of operating and maintaining the Mortgaged Property, including, without being limited thereto, all taxes, charges, claims, assessments, water charges, sewer rents and any other liens, and premiums for all insurance which Assignee may deem necessary or desirable, and the cost of all alterations, renovations, repairs or replacements, and all expenses incident to taking and retaining possession of the Mortgaged Property; and (b) the Debt, together with all actual out-of-pocket costs and actual attorneys' fees reasonably incurred in connection with the foregoing. In addition to the rights which Assignee may have herein, upon the occurrence of an Event of Default, Assignee, at its option, may require Assignor to vacate and surrender possession of the Mortgaged Property to Assignee or to such receiver and, in default thereof, Assignor may be evicted by summary proceedings or otherwise. For purposes of this paragraph 2, Assignor grants to Assignee its irrevocable power of attorney, coupled with an interest, to take any and all of the

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aforementioned actions and any or all other actions designated by Assignee for the proper management and preservation of the Mortgaged Property. The exercise by Assignee of the option granted it in this paragraph 2 and the collection of the Rents and the application thereof as herein provided shall not be considered a waiver of any default by Assignor under the Note, the Security Instrument, the Loan Agreement, the Leases, this Assignment or the other Loan Documents.

3. No Liability of Assignee. Assignee shall not be liable for any loss sustained by Assignor resulting from Assignee's failure to let the Mortgaged Property after an Event of Default or from any other act or omission of Assignee in managing the Mortgaged Property after default unless such loss is caused by the willful misconduct and bad faith of Assignee. Assignee shall not be obligated to perform or discharge any obligation, duty or liability under the Leases or under or by reason of this Assignment and Assignor shall, and hereby agrees, to indemnify Assignee for, and to hold Assignee harmless from, any and all liability, loss or damage which may or might be incurred under the Leases or under or by reason of this Assignment and from any and all claims and demands whatsoever, including the defense of any such claims or demands which may be asserted against Assignee by reason of any alleged obligations and undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases, other than claims or demands resulting from the gross negligence or willful misconduct of Assignee or its agents or employees, as a determined by a final non-appealable judgment of a court of competent jurisdiction. Should Assignee incur any such liability, the amount thereof, including costs, expenses and actual attorneys' fees, shall be secured hereby and by the Security Instrument and the other Loan Documents and Assignor shall reimburse Assignee therefor within ten (10) days after written demand and upon the failure of Assignor to do so Assignee may, at its option, declare all sums secured hereby and the Security Instrument and the other Loan Documents immediately due and payable. This Assignment shall not operate to place any obligation or liability for the control, care, management or repair of the Mortgaged Property upon Assignee, nor for the carrying out of any of the terms and conditions of the Leases; nor shall it operate to make Assignee responsible or liable for any waste committed on the Mortgaged Property by the tenants or any other parties, or for any dangerous or defective condition of the Mortgaged Property, including without limitation the presence of any Hazardous Materials, or for any negligence in the management, upkeep, repair or control of the Mortgaged Property resulting in loss or injury or death to any tenant, licensee, employee or stranger provided, however, the foregoing shall not be construed to release Assignee from any claims or demands resulting from the gross negligence or willful misconduct of Assignee or its agents or employees.

4. Notice to Lessees. Assignor hereby authorizes and directs the lessees named in the Leases or any other or future lessees or occupants of the Mortgaged Property upon receipt from Assignee of written notice to the effect that Assignee is then the holder of the Security Instrument and that an Event of Default exists thereunder or under this Assignment, the Note, the Loan Agreement or the other Loan Documents to pay over to Assignee all Rents and to continue so to do until otherwise notified by Assignee.

5. Other Security. Assignee may take or release other security for the payment of the Debt, may release any party primarily or secondarily liable therefor and may apply any other security held by it to the reduction or satisfaction of the Debt without prejudice to any of its rights under this Assignment.

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6. Other Remedies. Nothing contained in this Assignment and no act done or omitted by Assignee pursuant to the power and rights granted to Assignee hereunder shall be deemed to be a waiver by Assignee of its rights and remedies under the Note, the Security Instrument, the Loan Agreement or the other Loan Documents and this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by Assignee under the terms thereof. The right of Assignee to collect the Debt and to enforce any other security therefor held by it may be exercised by Assignee either prior to, simultaneously with, or subsequent to any action taken by it hereunder.

7. No Mortgagee in Possession. Nothing contained in this Assignment shall be construed as constituting Assignee a "mortgagee in possession" in the absence of the taking of actual possession of the Mortgaged Property by Assignee. In the exercise of the powers herein granted Assignee, no liability shall be asserted or enforced against Assignee, all such liability being expressly waived and released by Assignor.

8. Conflict of Terms. In case of any conflict between the terms of this Assignment and the terms of the Loan Agreement, the terms of the Loan Agreement shall prevail.

9. No Oral Change. This Assignment and any provisions hereof may not be modified, amended, waived, extended, changed, discharged or terminated orally, or by any act or failure to act on the part of Assignor or Assignee, but only by an agreement in writing signed by the party against whom the enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

10. Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Assignment may be used interchangeably in singular or plural form and the word "Assignor" shall mean "each Assignor and any subsequent owner or owners of the Mortgaged Property or any part thereof or any interest therein," the word "Assignee" shall mean "Assignee and any subsequent holder of the Note," the word "Note" shall mean "the Note and any other evidence of indebtedness secured by the Security Instrument," the word "person" shall include an individual, corporation, partnership, limited liability company, trust, unincorporated association, government, governmental authority, and any other entity, the words "Mortgaged Property" shall include any portion of the Mortgaged Property and any interest therein, and the word "Debt" shall mean the principal balance of the Note with interest thereon as provided in the Note and the Security Instrument and all other sums due pursuant to the Note, the Security Instrument, this Assignment, the Loan Agreement and the other Loan Documents; whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

11. Non-Waiver. The failure of Assignee to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Assignment. Assignor shall not be relieved of Assignor's obligations hereunder by reason of (i) failure of Assignee to comply with any request of Assignor or any other party to take any action to enforce any of the provisions hereof or of the Security Instrument, the Note, the Loan Agreement or the other Loan Documents, (ii) the release regardless of consideration, of the whole or any part of the Mortgaged Property, or (iii) any agreement or stipulation by Assignee extending the time of payment or otherwise

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modifying or supplementing the terms of this Assignment, the Note, the Security Instrument, the Loan Agreement or the other Loan Documents. Assignee may resort for the payment of the Debt to any other security held by Assignee in such order and manner as Assignee, in its discretion, may elect. Assignee may take any action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Assignee thereafter to enforce its rights under this Assignment. The rights of Assignee under this Assignment shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Assignee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

12. Applicable Provisions. If any term, covenant or condition of this Assignment is held to be invalid, illegal or unenforceable in any respect, this Assignment shall be construed without such provision.

13. Duplicate Original. This Assignment may be executed in any number of duplicate originals and each such duplicate original shall be deemed to be an original.

14. Governing Law; Jurisdiction; Service of Process. WITH RESPECT TO MATTERS RELATING TO THE CREATION, PERFECTION AND PROCEDURES RELATING TO THE ENFORCEMENT OF THE LIENS CREATED PURSUANT TO THIS ASSIGNMENT, THIS ASSIGNMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED (WITHOUT REGARD TO CONFLICT OF LAW PROVISIONS THEREOF), IT BEING UNDERSTOOD THAT, EXCEPT AS EXPRESSLY SET FORTH IN THIS PARAGRAPH AND TO THE FULLEST EXTENT PERMITTED BY THE LAW OF SUCH STATE, AND EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THE LOAN DOCUMENTS, THE LAW OF THE STATE OF NEW YORK (WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS (OTHER THAN §§ 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW)) SHALL GOVERN ALL MATTERS RELATING TO THIS ASSIGNMENT AND THE OTHER LOAN DOCUMENTS AND ALL OF THE INDEBTEDNESS OR OBLIGATIONS ARISING HEREUNDER OR THEREUNDER PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW. ALL PROVISIONS OF THE LOAN AGREEMENT INCORPORATED HEREIN BY REFERENCE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO CONFLICT OF LAW PROVISIONS THEREOF) PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW. ASSIGNOR (A) AGREES THAT ANY SUIT, ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS ASSIGNMENT MAY BE BROUGHT IN A COURT OF RECORD IN THE COUNTY WHERE THE PROPERTY IS LOCATED OR IN THE COURTS OF THE UNITED STATES OF AMERICA LOCATED IN SAID COUNTY, (B) CONSENTS TO THE JURISDICTION OF EACH SUCH COURT IN ANY SUCH SUIT, ACTION OR PROCEEDING AND (C) WAIVES ANY OBJECTION WHICH IT MAY HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY OF SUCH COURTS AND ANY CLAIM THAT SUCH SUIT, ACTION, OR PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. ASSIGNOR IRREVOCABLY CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING BY SERVICE OF COPIES OF

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SUCH PROCESS TO ASSIGNOR AT ITS ADDRESS PROVIDED HEREIN. NOTHING CONTAINED IN THIS ASSIGNMENT SHALL PREVENT ASSIGNEE FROM BRINGING ANY ACTION, ENFORCING ANY AWARD OR JUDGMENT OR EXERCISING ANY RIGHT OR REMEDY AGAINST ASSIGNOR, OR AGAINST ANY SECURITY OR COLLATERAL FOR THE DEBT, WITHIN ANY OTHER COUNTY, STATE OR ANY OTHER FOREIGN OR DOMESTIC JURISDICTION.

15. Termination of Assignment. Upon payment in full of the Debt and the delivery and recording of a satisfaction or discharge of the Security Instrument duly executed by Assignee, this Assignment shall become and be void and of no effect.

16. Joint and Several Obligations. Notwithstanding anything to the contrary, if the Assignor consists of more than one (1) person or entity, the representations, warranties, covenants and agreements made by Assignor herein and/or in any of the other Loan Documents, and the liability of the Assignor hereunder or thereunder, is joint and several.

17. Consent to Jurisdiction. With respect to any claim or action arising hereunder, Assignor (a) irrevocably submits to the nonexclusive jurisdiction of the courts of the State of New York and the United States District Court located in the Borough of Manhattan in New York, New York and appellate courts from any thereof, and (b) irrevocably waives any objection which it may have at any time to the laying on venue of any suit, action or proceeding arising out of or relating to this Assignment brought in any such court, irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

18. WAIVER OF TRIAL BY JURY. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ASSIGNOR AGREES NOT TO ELECT A TRIAL BY JURY OF ANY ISSUE TRIABLE OF RIGHT BY JURY, AND FOREVER WAIVES ANY RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST, WITH REGARD TO THIS ASSIGNMENT, THE NOTE, THE SECURITY INSTRUMENT OR THE OTHER LOAN DOCUMENTS, OR ANY CLAIM, COUNTERCLAIM OR OTHER ACTION ARISING IN CONNECTION THEREWITH. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY ASSIGNOR AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. ASSIGNEE IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY ASSIGNOR.

19. Notices. All notices or other written communications hereunder shall be delivered in accordance with Section 10.6 of the Loan Agreement.

20. Successors and Assigns. THIS ASSIGNMENT, together with the covenants and warranties therein contained, shall inure to the benefit of Assignee and any subsequent holder of the Security Instrument and shall be binding upon Assignor, its successors and assigns and any subsequent owner of the Mortgaged Property. Assignee shall have the right to assign, sell, pledge, participate, delegate or transfer, as applicable, to one or more Persons, all

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or any portion of its rights and obligations under this Assignment in connection with any assignment of the Loan and the Loan Documents to any Person at no cost or expense to Assignor other than Assignor counsel's fees, if any. Any assignee or transferee of Assignee shall be entitled to all the benefits afforded to Assignee under this Assignment. Assignor shall not have the right to assign, delegate or transfer its rights or obligations under this Assignment without the prior written consent of Assignee, except as provided in the Loan Agreement, and any attempted assignment, delegation or transfer without such consent shall be null and void.

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IN WITNESS WHEREOF, Assignor has executed this Assignment the day and year first above written.

ASSIGNOR:

NORTH BESLY (PROPCO) LLC, a Delaware limited liability company

By: NORTH BESLY (INVESTORS) LLC, a Delaware limited liability company, its sole member

By: NORTH BESLY (MANAGER) LLC, a Delaware limited liability company, its sole manager

By: [Signature]
Name: Jeffrey Robbins
Title: Authorized Signatory

Property of Cook County Clerk

ACKNOWLEDGMENT

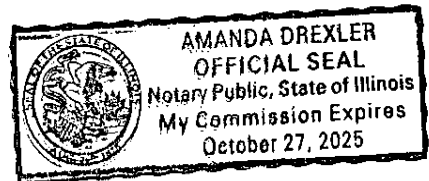
STATE: OF ILLINOIS)
) ss.
COUNTY OF COOK)

I, AMANDA DREXLER a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that JEFFREY ROBBINS, the AUTHORIZED SIGNATORY of NORTH BESLY (MANAGER) LLC, the sole manager of NORTH BESLY (INVESTORS) LLC, the sole member of NORTH BESLY (PROPCO) LLC, a Delaware limited liability, appeared before me this day in person, and severally that as such AUTHORIZED SIGNATORY s/he signed and delivered the said instrument of said company as his/her free and voluntary act, and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

Given under my hand and official seal, this 2nd day of August, 2023.

My Commission Expires: 10/27/2025

[Signature]
Notary Public



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SCHEDULE A

LEGAL DESCRIPTION

LOTS 34 TO 44, BOTH INCLUSIVE AND LOT 45 (EXCEPT THE SOUTH 25.00 FEET THEREOF) IN BLOCK 20 IN SHEFFIELD'S ADDITION TO CHICAGO IN THE SOUTHWEST 1/4 OF SECTION 32, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, INCLUDING A STRIP ON REAR OF SAID LOTS MARKED "RESERVED FOR ALLEY" UPON PLAT OF SAID SUBDIVISION OF BLOCK 20 RECORDED OCTOBER 22, 1856 IN BOOK 125 OF MAPS, PAGES 37 AND 38, (EXCEPT FROM SAID PREMISES ANY PORTION THEREOF USED OR OCCUPIED FOR RAILROAD PURPOSES), IN COOK COUNTY, ILLINOIS.

and

LOT 79 AND THE NORTH HALF OF LOT 78 IN THE SUBDIVISION OF BLOCK 17, 18, 20, 21 (EXCEPT LOTS 1, 6, AND 12 IN SAID BLOCK 21) 23, 28, 29, 30, 31, 32 (EXCEPT LOTS 1, 2, 3, 6 AND 7 IN SAID BLOCK 32), 33, 38, 39, 40 AND 41 OF SHEFFIELD'S ADDITION TO CHICAGO IN SECTIONS 29, 31, 32 AND 33 TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED OCTOBER 22, 1856, IN COOK COUNTY, ILLINOIS.

PROPERTY ADDRESS FOR REAL ESTATE: 1854 North Besly Court, Chicago, Illinois 60642

PERMANENT TAX IDENTIFICATION NUMBER(S):
 14-32-300-004-0000
 14-32-300-005-0000
 14-32-300-006-0000
 14-32-301-011-0000
 14-32-301-012-0000