

Record & Return to  
Empire Mortgage Limited Partnership  
4 North Park Drive, Suite 100  
Hunt Valley, MD 21030

**UNOFFICIAL COPY**

97242445

COLLATERAL ASSIGNMENT OF MORTGAGES AND LOAN DOCUMENTS

\$27.50

[ILLINOIS]

T#6666 TRAN 2483 04/08/97 10:20:00  
#6315 + IR # -97-242445

COOK COUNTY RECORDER

THIS COLLATERAL ASSIGNMENT is made as of the 15TH day of SEPTEMBER, 1996, by  
EMPIRE MORTGAGE LIMITED PARTNERSHIP VI (the "BORROWER") having the address of  
4 North Park Drive, suite 100, Hunt Valley, Maryland 21030 to and for the benefit of FIRST UNION  
BANK, (the "LENDER") having the address of 7 E. Baltimore St., Sixth Floor, Baltimore, Maryland  
21203.

DEPT-10 PENALTY

\$24.00

RECITALS

A. The Borrower is purchasing or intends to purchase certain promissory notes, mortgage notes and deed of trust notes (collectively, the "Underlying Notes"), together with all right, title and interest in and to any and all deeds of trust, mortgages, security instruments, financing statements or other agreements securing to the Borrower the payment or collectibility of the Underlying Notes, including but not limited to all of the documents set forth on Schedule 1 attached hereto and incorporated herein by reference (collectively, the "Loan Documents").

B. To permit Borrower to purchase the Underlying Notes and all of the right, title, and interest in and to the Loan Documents, the Lender has agreed to provide a line of credit facility in the maximum principal amount of Two Million One Hundred Thousand Dollars (\$2,100,000.00) (the "Loan"), and the Borrower has executed and delivered or will execute and deliver to the Lender certain Time Notes evidencing advances made pursuant to the Loan (the "Notes"). Advances of the Loan are to be made pursuant to a Business Loan Agreement (the "Loan Agreement") between the Borrower and the Lender, and the Loan is secured, in part, by a Commercial Security Agreement between the Borrower and Lender.

C. As a condition of making the Loan, the Lender has required the Borrower to pledge and assign to the Lender and grant to the Lender a security interest in all of the Borrower's right, title and interest in and to the Loan Documents in order to secure the obligations of the Borrower. As used in this Assignment, the term "Obligations" shall mean the obligations of the Borrower: (a) to pay when and as due all principal, interest, late charges and other fees and expenses owed by the Borrower to the Lender in connection with the Loan as provided in the Notes and all other documents executed by the Borrower in connection with the Loan, and (b) to perform and observe all of the terms, provisions, covenants and conditions set forth and contained in the aforesaid Notes and related loan documents, including but not limited to all duties of payment and performance.

WITNESSETH

NOW, THEREFORE, in consideration of these premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower agrees as follows:

1. Assignment and Pledge of Loan Documents. In order to secure the payment and performance of the Obligations, the Borrower hereby assigns and pledges to the Lender and grants Lender a first priority security interest in and to: (a) all of the Borrower's right, title and interest in and to the Loan Documents, and all amendments, modifications, extensions, and renewals thereof and substitutions therefor, and (b) Borrower's right, title and interest in and to the income, principal, interest, penalties, fees, rents and other sums payable with respect to the loan Documents (collectively, the "Payments"), including but not limited to any and all charges, reimbursements, casualty insurance proceeds, proceeds of any foreclosure or sale, payments made in consequence of any defaults by any obligor or maker under the Loan Documents or in settlement, compromise or satisfaction of any obligations of an obligor or maker of the Underlying Notes due the borrower as a result or in consequence of the Loan Documents.

97242445

2730  
2400  
51.50

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

2. Termination of Assignment and Pledge. The security interest of the Lender in or to the Loan Documents and the Payments shall end immediately upon full satisfaction by the Borrower of all of the Obligations and termination of all rights of Borrower to obtain additional disbursements of the Loan. The Lender agrees to execute and deliver to Borrower a deed of release of this Assignment upon such full satisfaction.

3. Lender Has No Obligation to Perform Borrower's Obligations Under Loan Documents. The Lender shall have no obligation to the Borrower or to any maker or obligor of the Underlying Notes to perform the Borrower's obligations under any Loan Document. The Borrower agrees to indemnify and hold the Lender harmless (including payment of the Lender's reasonable counsel fees) from any attempts by any maker or obligor to force or compel the Lender to meet the Borrower's obligations to such maker or obligor. The Borrower further covenants and agrees to satisfy and fulfill all of the Borrower's obligation under the Loan Documents in accordance with the terms and provisions thereof. It is expressly agreed by the parties hereto that except as set forth in Paragraph 9 herein, none of the terms of the Assignment shall be construed nor be deemed made for the benefit of any third party or parties.

4. No further assignments. The Borrower shall not make any further assignments of Payments or the Borrower's right, title and interest in and to the Loan Documents while this Assignment is in effect except in favor of the Lender.

5. Default. The following shall constitute a default under this Assignment, subject to any applicable cure period: (a) the failure of the Borrower to satisfy or perform any of the Obligations, when and as due; (b) the failure of the Borrower to perform and observe any of the terms and conditions contained herein; or (c) the occurrence or happening of an Event of Default as defined in the Loan Agreement.

6. Rights of Lender Upon the Occurrence of a Default. Upon the occurrence of a default, the Lender may, in addition to any other right or remedy which the Lender may have under the Loan Agreement or applicable law, upon five (5) days advance written notice, collect all Payments and enforce all of the Borrower's right, title and interest in and to the Loan Documents, and to this end notify the makers or obligors of the Underlying Notes forthwith to forward all Payments directly to Lender.

7. Borrower's Rights Prior to Default. So long as the Assignor is not in default under its obligations hereunder, or under the terms of the Loan from the Lender, then the Borrower shall have the right to exercise any and all of its rights, including without limitation the foreclosure of the mortgages or deeds of trust or the acceptance of a deed in lieu thereof, and as holder of the Loan Documents to collect and/or accept such sums as may be due thereunder. The Lender shall, promptly upon request, provide such partial releases of this Assignment as may be appropriate to allow the Borrower to fully effect the collection of such sums as may be due under the Loan Documents. In the event of the foreclosure or liquidation of the collateral on which the Loan Documents create a lien, the Borrower and the Lender agree that the proceeds realized thereby shall be applied first to the payment of taxes and assessments charged against the collateral on which the Loan Documents create a lien, second to the cost of insurance, maintenance and repairs as may be required by the Loan Documents and applicable law, third to the expenses of liquidation of the liens created by the Loan Documents; and finally to interest and principal due and owing on the Notes and otherwise allowable under the terms of the Loan.

8. Further Assurances. The Borrower shall execute any further or additional documents considered necessary, appropriate or proper by the Lender so as to effectuate the purposes and intent of this Assignment.

9724445

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

9. Binding Nature. This Assignment shall inure to the benefit of the Lender and Lender's successors and assigns, and shall be binding upon the Borrower and Borrower's successors and assigns.

10. Amendment. The terms and conditions of this Assignment may be amended only by a writing executed by the parties hereto.

11. Notices. Any notice required or permitted hereunder shall be in writing and shall be made to the Lender or the Borrower at the addresses set forth in the Loan Agreement or to such other address or addresses as may be hereafter specified in writing, and shall be given in accordance with the procedures specifically set forth in the Loan Agreement.

12. Choice of Law. This Assignment shall be governed by the laws of the State of Pennsylvania, without reference to principles of conflict of laws.

IN WITNESS WHEREOF, the Borrower has executed this Assignment as an instrument under seal as of the date first above written.

WITNESS/ATTEST:

BORROWER:

EMPIRE MORTGAGE LIMITED PARTNERSHIP VI

BY: EMPIRE MORTGAGE V, INC.,  
ITS CENTRAL PARTNER

Carolyn Olschansky  
Carolyn Olschansky, Secretary

BY: Charles M. Lott  
Charles M. Lott, President  
Duly Authorized

STATE OF MARYLAND  
COUNTY OF BALTIMORE

BE IT REMEMBERED, that on this 15<sup>th</sup> day of September, 1996, before me, the undersigned authority, personally appeared Charles M. Lott, the President of Empire Mortgage VI, Inc., a Maryland Corporation, such corporation being sole general partner of Empire Mortgage Limited Partnership VI, a Limited Partnership formed under the laws of the State of Maryland, who I am satisfied is the person who made this Collateral Assignment of Mortgage and Loan Documents, and this person acknowledged that this person signed, sealed with the corporate seal, and delivered the same as such officer aforesaid, and that the within instrument is the voluntary act and deed of such corporation as sole corporate general partner of Empire Mortgage Limited Partnership VI, made by virtue of a Resolution of its Board of Directors.

[SEAL]

Kelly A. Hughes  
Notary Public

My Commission Expires:

KELLY A. HUGHES  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires March 15, 1998

97282145

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

## SCHEDULE I

All of the promissory notes, mortgage notes, deed of trust notes, deeds of trust, mortgages, security instruments, financing statements and other agreements, documents, instruments, surveys, insurance policies or certificates, and title insurance policies evidencing or pertaining to the following loans, together with all amendments and modifications thereof:

### LIST OF LOANS LOCATED IN THE COUNTY OF COOK, STATE OF ILLINOIS

BORROWER: AILEEN BULLARO  
LENDER: FLEET  
DATE: FEBRUARY 22, 1994  
AMOUNT OF LIEN: \$76,500.00  
RECORDING REFERENCE: DOC. # 94194588

BORROWER: SCOTT J. MASON  
LENDER: FLEET  
DATE: MAY 23, 1990  
AMOUNT OF LIEN: \$107,000.00  
RECORDING REFERENCE: BOOK 9428, PAGE 641

BORROWER: AURA VALDEZ  
LENDER: FLEET  
DATE: AUGUST 19, 1993  
AMOUNT OF LIEN: \$75,000.00  
RECORDING REFERENCE: DOC. # 93680767

97242445

# UNOFFICIAL COPY

Property of Cook County Clerk's Office

.R DEPT-01 RECORDING \$27.50  
T#6666 TRAN 2483 04/08/97 10:20:00  
#6815 # IR \*-97-242445  
COOK COUNTY RECORDER

.R DEPT-10 PENALTY \$24.00  
T#6666 TRAN 2483 04/08/97 10:21:00  
#6816 # IR \*-97-242445  
COOK COUNTY RECORDER