

2017 082268

2017 DEC -5 AM 9:35

9

ASSIGNMENT OF RENTS AND LEASES MICHAEL B. BROWN
RECORDER

Property Address: 6529 S. Columbia Avenue
Hammond, Indiana 46320

Assessor's Parcel Number: 45-07-07-201-002.000.023

THIS ASSIGNMENT OF RENTS AND LEASES (this, "Assignment") is made this 15 day of November, 2017, Hammond One LLC, an Indiana limited liability company (herein called the "Assignor"), whose mailing address is c/o S&S Trucking, 477 Roland Way, Oakland, California 94621 to NPN Investments LLC, a California limited liability company (herein called the "Assignee"), whose mailing address is 477 Roland Way, Oakland, California 94621.

Document is NOT OFFICIAL!

FOR VALUE RECEIVED, Assignor hereby sells, bargains, conveys, grants, transfers and assigns to Assignee the immediate and continuing right to receive and collect the rents, income and profits (collectively the "Rents") arising out of or payable from the real property ("Premises") described as follows:

See attached Exhibit A
which is incorporated herein by this reference

RETURN TO
Chicago Title
Closer: AJ 519805
File No. _____

and all leases and agreements for the leasing, use or occupancy of the Premises, now heretofore or hereafter entered into, whether oral or written or whether for a definite term or month-to-month, including subleases thereof and tenancies following attornment (collectively "Leases"), together with all guarantees therefor and all renewals, replacements and extensions thereof, together with all payments derived therefrom including, but not limited to, claims for the recovery of damages done to the Premises or for the abatement of any nuisance existing thereon, claims for damages resulting from default under said Leases whether resulting from acts of insolvency or acts of bankruptcy or otherwise, and lump sum payments for the cancellation of said Leases or the waiver of any obligation or term thereof prior to the expiration date and the return of any insurance premiums or ad valorem tax payments made in advance and subsequently refunded, and all security deposits, damage deposits and other funds paid to Assignor by all lessees under the Leases, whether lump sum or in installments, all for the purpose of securing the following (herein collectively referred to as the "Indebtedness Secured Hereby"):

A. Payment of the indebtedness evidenced by that certain Secured Promissory Note (including any extensions, replacements, modifications or renewals thereof) in the principal sum of One Million Three Hundred Sixty-Three Seven Hundred Eighty-Two and No/100 Dollars (\$1,363,782.00), dated of even date herewith and maturing on October 31, 2022 (the "Note"), secured by a Real Estate Mortgage (referred to herein as the "Real Estate Mortgage") of the same date from Assignor to Assignee covering the Premises, filed for record in the Lake County Recorder's Office.

B. Payment, performance and discharge of each and every obligation, covenant and agreement of Assignor herein and in said Note, Real Estate Mortgage and any other instrument(s)

E

\$25,000
✓ # 11165
JTB

or document(s) evidencing or securing the indebtedness evidenced by the Note (collectively the "Security Documents").

C. Payment of future advances deemed necessary or desirable by Assignee to protect and preserve the Premises or the Leases or Rents, whether such advances are made pursuant to this Assignment or any other Security Document.

AND TO PROTECT THE SECURITY OF THIS ASSIGNMENT, ASSIGNOR AGREES:

1. **Performance of Leases.** To faithfully abide by, perform and discharge each and every obligation, covenant and agreement under any Leases of the Premises to be performed by the landlord thereunder; to use reasonable efforts to enforce or secure the performance of each and every obligation, covenant, condition and agreement of said Leases by the tenants thereunder to be performed; not to borrow against, pledge or assign any rentals due under said Leases, or anticipate the Rents thereunder or reduce the amount of the Rents and other payments thereunder; not to waive, excuse, condone or in any manner release or discharge the tenants thereunder of or from any material obligations, covenants, conditions and agreements by said tenants to be performed under the Leases or to permit the tenant to assign or sublet its interest in the Lease unless required to do so by the terms of the Lease without the prior written consent of Assignee; not to terminate the Leases or accept a surrender thereof or a discharge of the tenant unless required to do so by the terms of the Lease without the prior written consent of Assignee; and not to consent to a subordination of the interest of the tenants thereunder to any party other than Assignee and then only if specifically required to do so by the Assignee.

2. **Subsequent Leases.** Provided there does not then exist an event of default beyond any applicable cure period under the Note, Real Estate Mortgage or any other Security Documents, Assignee's prior consent shall not be required for new Leases or subleases.

Assignee shall complete any required review and provide its response to Assignor within five (5) business days of receiving the written request from Assignor. Provided Assignee has received all information reasonably necessary for it to conduct such a review, should Assignee fail to complete the review and communicate its determination to Assignor within this time frame, the documents shall be deemed approved as submitted. Notwithstanding the foregoing, Assignee's consent shall be required for all Lease terminations other than any termination pursuant to the express terms of any Lease, without regard to whether the Lease is a Material Lease.

3. **Protect Security.** During the continuance of a default by Assignor under the Real Estate Mortgage, the Assignee shall have the right at Assignor's sole cost and expense, to appear in and defend any action or proceeding arising under, growing out of or in any manner connected with the Leases or the obligations, duties or liabilities of the landlord thereunder, and Assignor agrees to pay all costs and expenses of Assignee, including attorney's fees in a reasonable sum, in any such action or proceeding in which the Assignee in its sole discretion may appear, together with interest at the Default Rate as provided in the Note, from the date incurred or advanced until paid.

4. **Representations.** Assignor represents and warrants that, to its current actual knowledge as of the date of this Assignment, it is now the absolute owner of said Rents with full right and title to assign the same; that there are no outstanding assignments or pledges of the Leases or Rents; that there are no existing defaults under the provisions of any of the

Leases on the part of any party to the Leases; that no Rents have been waived, anticipated, discounted, compromised or released, except as disclosed to Assignee in writing on the rent roll prepared by Assignor and delivered to Assignee contemporaneously herewith; and that the tenants under the Leases have any defenses, setoffs or counterclaims against Assignor.

5. **Present Assignment.** This Assignment shall constitute a perfected, absolute and present assignment of the Leases and Rents. Assignor shall have the right to collect (but not prior to accrual) all of the Rents, and to retain, use and enjoy the same at all times other than during the continuance of a Default in the payment when due of interest or principal under the Note or during the continuance of any other default hereunder or under the Note, Real Estate Mortgage or under any other Security Document.

6. **Remedies.**

(a) During the continuance of a default in the payment of any Indebtedness Secured Hereby or in the performance of any obligation, covenant or agreement contained herein or in said Note, Real Estate Mortgage or any Security Document or if any representation or warranty herein or given by Assignor in connection with the Indebtedness Secured Hereby proves to be untrue when made, the Assignee may declare all Indebtedness Secured Hereby immediately due and payable, may revoke the privilege granted Assignor hereunder to collect the Rents, and may, at its option, without notice, either in person or by agent, with or without taking possession of or entering the Premises, with or without bringing any action or proceeding, or by a receiver to be appointed by a court, collect all of the Rents payable under the Leases, enforce the payment thereof and exercise all of the rights of the Assignor under the Leases and all of the rights of the Assignee hereunder, and may enter upon, take possession of, manage and operate said Premises, or any part thereof; may cancel, enforce or modify the Leases, and fix or modify Rents, and do any acts which the Assignee deems proper to protect the security hereof with or without taking possession of said Premises, and may apply the same to the costs and expenses of operation, management and collection, including reasonable attorney's fees, to the payment of the expenses of any agent appointed by Assignee, to the payment of taxes, assessments, insurance premiums and expenditures for the upkeep of the Premises, to the performance of the landlord's obligation under the Leases and to any Indebtedness Secured Hereby all in such order as the Assignee may determine. The entering upon and taking possession of said Premises, the collection of such Rents, and the application thereof as aforesaid, shall not cure or waive any default or waive, modify or affect notice of default under said Real Estate Mortgage or invalidate any act done pursuant to such notice nor in any way operate to prevent the Assignee from pursuing any remedy which it now or hereafter may have under the terms or conditions of said Real Estate Mortgage or the Note secured thereby or any other Security Document or other instrument securing the same.

(b) Assignee shall have all other rights and remedies available at law or in equity. All rights and remedies provided herein shall be cumulative and concurrent and shall be in addition to the rights and remedies provided Assignee under the Real Estate Mortgage. The exercise by Assignee of any one of such remedies provided Assignee under this Assignment or under the Real Estate Mortgage shall not be deemed to be exclusive of any one of the other remedies available to Assignee

and shall in no way limit or prejudice any other legal or equitable remedies available to Assignee. In the event of any inconsistency between the terms of this Assignment, the Real Estate Mortgage or any of the Security Documents, the terms of the Real Estate Mortgage shall control; however, this provision shall not be deemed to limit, abrogate, restrict or impair any provision contained in this Assignment or in the Security Documents which provides for more extensive or expansive obligations, requirements or restrictions by or upon Assignor or more extensive or expansive rights or remedies of Assignee, than are contained in this Assignment.

7. No Liability for Assignee. The Assignee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge any obligation, duty or liability under the Leases nor shall this Assignment operate to place responsibility for the control, care, management or repair of the Premises upon the Assignee nor for the carrying out of any of the terms and conditions of said Leases, nor shall it operate to make the Assignee responsible or liable for any waste committed on the Premises, or for any dangerous or defective condition of the Premises.
8. Assignor Hold Assignee Harmless. The Assignor shall, and does hereby agree, to indemnify and to hold Assignee harmless for, from and against any and all liability, loss or damage which it may or might incur under 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 said Leases. Should the Assignee incur any such liability, or in the defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorney's fees, together with interest thereon at the Default Rate provided for in the Note, shall be secured hereby, shall be added to the Indebtedness Secured Hereby, and Assignor shall reimburse the Assignee therefor immediately upon demand, and upon the failure of Assignor to do so, the Assignee may declare all Indebtedness Secured Hereby immediately due and payable.
9. Authorization to Tenant. The tenants under the Leases are hereby irrevocably authorized and directed to recognize the claims of Assignee or any receiver appointed hereunder without investigating the reason for any action taken by the Assignee or such receiver, or the validity or the amount of indebtedness owing to the Assignee, or the existence of any default in the Note, Real Estate Mortgage, any Security Document or under or by reason of this Assignment, or the application to be made by the Assignee or such receiver. Assignor hereby irrevocably directs and authorizes the tenants to pay to Assignee or such receiver all sums due under the Leases and consents and directs that said sums shall be paid to Assignee or such receiver in accordance with the terms of its receivership without the necessity for a judicial determination that a default has occurred hereunder or under the Real Estate Mortgage or that Assignee is entitled to exercise its rights hereunder, and to the extent such sums are paid to Assignee or such receiver, the Assignor agrees that the tenant shall have no further liability to Assignor for the same. The sole signature of the Assignee or such receiver shall be sufficient for the exercise of any rights under this Assignment and the sole receipt of the Assignee or such receiver for any sums received shall be a full discharge and release therefor to any such tenant or occupant of the Premises. Checks for all or any part of the rentals collected under this Assignment shall upon notice from the Assignee or such receiver be drawn to the exclusive order of the Assignee or such receiver.

10. **Assignee Attorney-In-Fact.** Assignor hereby irrevocably appoints Assignee and its successors and assigns as its agent and attorney in fact, which appointment is coupled with an interest, to exercise any rights or remedies hereunder during the continuance of a default and to execute and deliver during the term of this Assignment such instruments as Assignee may deem necessary to make this Assignment and any further assignment effective.
11. **Subsequent Leases.** That until the Indebtedness Secured Hereby shall have been paid in full, Assignor will deliver to the Assignee executed copies of any and all other and future Leases or subleases upon all or a part of the said Premises and agrees to make, execute and deliver unto Assignee upon demand and at any time or times, any and all assignments and other instruments sufficient to assign such Leases or subleases and the Rents thereunder to Assignee or that the Assignee may deem to be advisable for carrying out the true purposes and intent of this Assignment. From time to time on request of the Assignee, the Assignor agrees to furnish Assignee with a rent roll of the Premises disclosing current tenancies, rents payable, and such other matters as Assignee may reasonably request.
12. **No Mortgagee in Possession.** Nothing is the property of the Assignee and no actions taken pursuant to this Assignment shall be construed as constituting the Assignee a "Mortgagee in Possession".
13. **Continuing Rights.** The rights and powers of Assignee hereunder shall continue and remain in full force and effect until all Indebtedness Secured Hereby, including any deficiency remaining after a foreclosure sale are paid in full, and shall continue after commencement of a foreclosure action and after foreclosure sale and until expiration of the equity of redemption if the Assignee be the purchaser at the foreclosure sale, all as conclusively evidenced by recordation of a full release and reconveyance of the Real Estate Mortgage.
14. **Successors and Assigns.** This Assignment and each and every covenant, agreement and provision hereof, shall be binding upon the Assignor and its successors and assigns including, without limitation, each and every record owner of the Premises or any other person having an interest therein and shall inure to the benefit of the Assignee and its successors and assigns. As used herein the words "successors and assigns" shall also be deemed to mean the heirs, executors, representatives and administrators of any natural person who is a party to this Assignment.
15. **Governing Law.** This Assignment is made pursuant to and shall be governed by the laws of the State of Indiana.
16. **Validity Clause.** It is the intent of this Assignment to confer to Assignee the rights and benefits hereunder to the full extent allowable by law. The unenforceability or invalidity of any provision hereof shall not render any other provision or provisions herein contained unenforceable or invalid. Any provisions found unenforceable shall be severable from this Assignment.
17. **Notices.** Any notice which any party hereto may desire or may be required to give to any other party, shall be effective if made in the same manner for notices given pursuant to the Real Estate Mortgage.

18. Attorney's Fees. Assignor agrees to pay to Assignee upon demand any collection expenses, court costs and reasonable attorneys' fees (whether or not suit is commenced) which may be incurred in the collection or enforcement of this Assignment or any part hereof or any of the Security Documents; and in the event suit is brought to enforce payment hereof, that such expenses, costs and fees be determined by a court sitting without a jury. Attorneys' fees shall include any such fees incurred in any bankruptcy, appellate or related ancillary or supplemental proceedings, whether before or after final judgment related to the enforcement or defense of this Assignment.
19. Security Deposits. During the continuance of a default, the Assignor agrees on demand to transfer to the Assignee any security deposits held by Assignor under the terms of the Leases. Assignor agrees that such security deposits may be held by the Assignee without any allowance of interest thereon to Assignee, shall become the absolute property of the Assignee under any circumstances where Assignee exercises its remedies hereunder, and shall be applied in accordance with the provisions of the Leases. Until Assignee makes such demand and the deposits are paid over to Assignee, the Assignee assumes no responsibility to the tenants under the Leases for any such security deposit.
20. Perfection. This Assignment shall be deemed perfected, absolute and choate upon the recording of this Assignment.



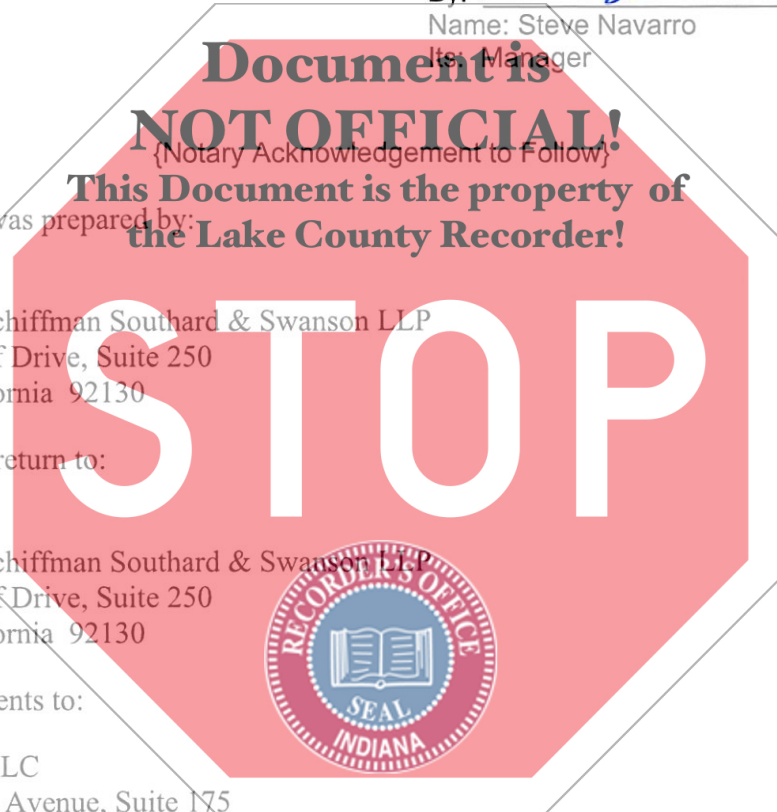
IN WITNESS WHEREOF, Assignor has executed this Assignment on the date set forth below and is effective on the date first set forth above.

ASSIGNOR:

HAMMOND ONE LLC,
an Indiana limited liability company

By: U.S. Charter II LLC,
a California limited liability company
its Manager

By: 
Name: Steve Navarro
Its Manager



This instrument was prepared by:

Collin Waring
Crosbie Gliner Schiffman Southard & Swanson LLP
12750 High Bluff Drive, Suite 250
San Diego, California 92130

Upon recording, return to:

Phil Jelsma
Crosbie Gliner Schiffman Southard & Swanson LLP
12750 High Bluff Drive, Suite 250
San Diego, California 92130

Send Tax Statements to:

Hammond One LLC
2532 Santa Clara Avenue, Suite 175
Alameda, CA 94501
Attention: Craig Miott

I affirm under the penalties of perjury, that I have taken reasonable care to redact each Social Security Number in this document, unless required by law.

Signature: _____

Printed Name: Phil Jelsma

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF ALAMEDA

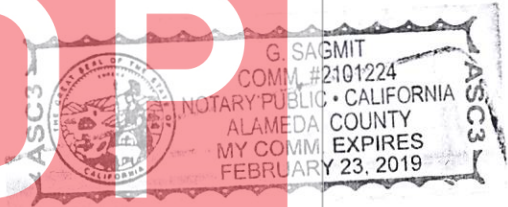
On 11/15, 2017, before me, G. Sagmit, Notary Public, personally appeared STEVE MARIANO, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____

G. Sagmit



(affix seal in above space)

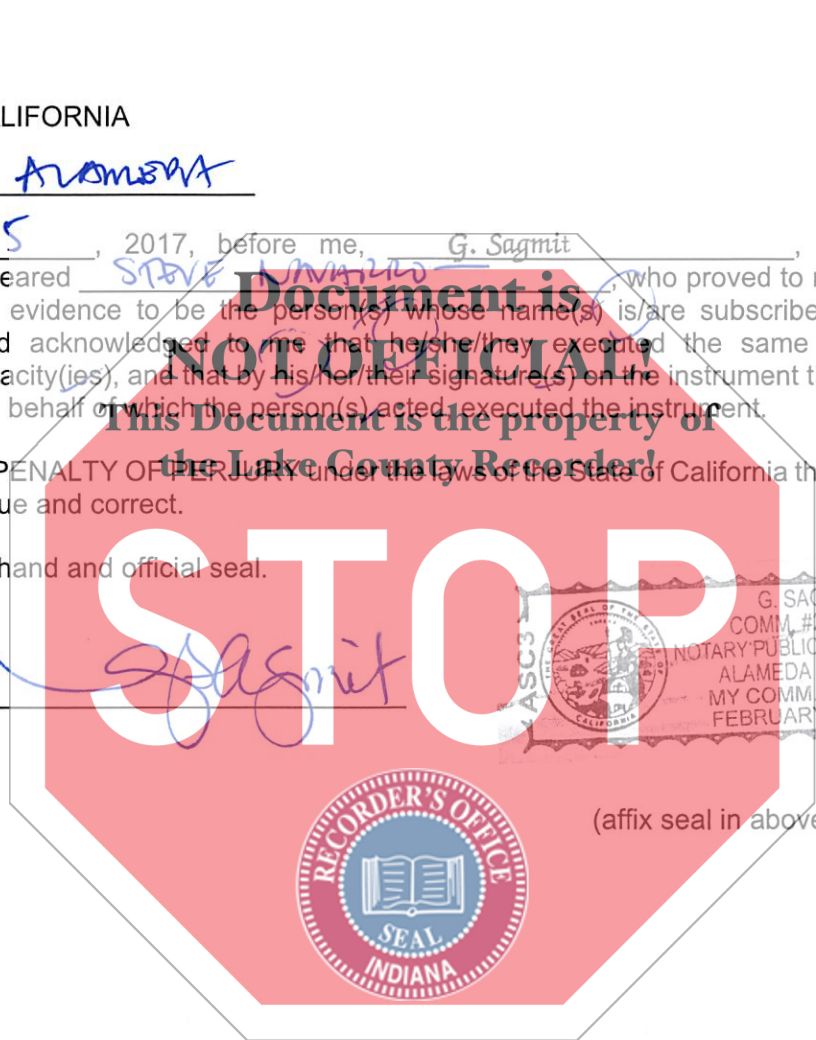


EXHIBIT A

**Legal Description of Property
To Assignment of Rents and Leases**

Part of Lot Numbered 2 as shown on the recorded plat of Water Tower Addition to the City of Hammond, recorded in Plat Book 94, Page 77, in the Office of the Recorder of Lake County, Indiana, more particularly described as follows:

Commencing at the Southwest corner of said Lot 2; thence North 00 degrees 29 minutes 23 seconds East along the East right of way line of Columbia Avenue, a distance of 123.77 feet to the point of beginning; thence South 89 degrees 30 minutes 37 seconds East, a distance of 212.37 feet; thence South 00 degrees 29 minutes 23 seconds West, a distance of 120.43 feet to a point on the South line of said Lot 2; thence North 89 degrees 35 minutes 13 seconds East along the South line of said Lot 2, a distance of 413.62 feet to the Southeast corner of said Lot 2; thence North 00 degrees 29 minutes 23 seconds East, a distance of 575.61 feet; thence North 89 degrees 32 minutes 23 seconds East, a distance of 90.01 feet; thence North 00 degrees 29 minutes 23 seconds East, a distance of 110.02 feet to a point on the South right of way line of 165th Street; thence South 89 degrees 32 minutes 23 seconds West along the South right of way line of 165th Street, a distance of 329.21 feet; thence South 00 degrees 29 minutes 23 seconds West, a distance of 50.01 feet; thence South 89 degrees 32 minutes 23 seconds West, a distance of 4.97 feet; thence South 00 degrees 29 minutes 23 seconds West, a distance of 43.91 feet to a point on a curve concave to the Southeast and having a radius of 398.94 feet; thence Southwesterly along said curve an arc length of 275.71 feet (chord bearing 39 degrees 50 minutes 44 seconds, chord distance of 270.26 feet); thence North 89 degrees 32 minutes 23 seconds East, a distance of 25.94 feet; thence South 00 degrees 29 minutes 23 seconds West, a distance of 221.22 feet; thence North 89 degrees 30 minutes 37 seconds West, a distance of 82.50 feet; thence North 80 degrees 41 minutes 35 seconds West, a distance of 104.38 feet; thence North 89 degrees 30 minutes 37 seconds West, a distance of 50.72 feet to a point on the East right of way line of Columbia Avenue; thence South 00 degrees 29 minutes 23 seconds West along the East right of way line of Columbia Avenue, a distance of 60.00 feet to the point of beginning, all in the City of Hammond, Lake County, Indiana, containing 6.20 acres, more or less.

[Handwritten mark]