

This instrument was prepared by  
and When Recorded Mail to:

Bruce P. Weisenthal  
ArentFox Schiff LLP  
233 S. Wacker Drive  
Suite 7100  
Chicago, Illinois 60606

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**ASSIGNMENT AND ASSUMPTION OF (I) DECLARATION OF RESTRICTIVE  
COVENANTS AND REGULATORY AGREEMENT AND  
(II) TAX REGULATORY AGREEMENT**

This Assignment and Assumption Agreement (the “**Assignment and Assumption Agreement**”) is entered into as of January \_\_, 2024, by and between **BROOKSTONE APARTMENTS, LP**, an Illinois partnership (the “**Assignor**”) and **WAUKEGAN BROOKSTONE APARTMENTS LLC**, an Illinois limited liability company (the “**Assignee**”) and is acknowledged by **COMPUTERSHARE TRUST COMPANY, NATIONAL ASSOCIATION**, as successor trustee (the “**Trustee**”) and **THE COUNTY OF LAKE, ILLINOIS**.

**WITNESSETH:**

**WHEREAS**, in October, 2007, The County of Lake, Illinois issued its Multifamily Housing Revenue Bonds (Brookstone Apartments Project), Series 2007 (the “**Bonds**”) the proceeds of which were loaned to Assignor, pursuant to a Loan Agreement dated as of October 1, 2007 (the “**Agreement**”) between the Issuer and Prior Owner to finance costs of acquisition and renovation of a 168-unit low-income residential rental housing project known as Brookstone Apartments, Waukegan (the “**Project**”); and

**WHEREAS**, in connection with the issuance of the Bonds, a Declaration of Restrictive Covenants and Regulatory Agreement dated as of October 1, 2007 (the “**Land Use Restriction Agreement**”) was entered into; and

**WHEREAS**, in connection with the issuance of the Bonds, a Tax Regulatory Agreement dated as of October 1, 2007 (the “**Tax Regulatory Agreement**”) was entered into; and

**WHEREAS**, the Land Use Restriction Agreement was filed for record in the office of the Recorder of Lake County, Illinois on November 16, 2007, as file number 6271162;

**WHEREAS**, the Assignor is the owner of the Project and has entered into an Amended and Restated Purchase and Sale Agreement dated October 5, 2023, as amended by that certain First Amendment to Amended and Restated Real Estate Purchase and Sale Agreement dated December 26, 2023, with Srinivasa Nandipati, an individual who has assigned said agreement to Assignee, pursuant to which the Project will be sold by the Assignor to the Assignee (“**Transfer**”), and

**NOW THEREFORE**, in consideration of the sum of Ten and No/100 Dollars (\$10.00) paid by the Assignee to the Assignor, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, and the mutual covenants and conditions hereinafter set forth, the parties agree as follows:

1. **Recitals; Definitions.** The recitals set forth above are incorporated into this Assignment and Assumption Agreement and shall be deemed terms and provisions hereof, the same as if fully set forth in this Section 1. All capitalized terms used herein but not otherwise defined herein, will have the meanings ascribed to such terms in the Land Use Restriction Agreement or the Tax Regulatory Agreement, as applicable.

2. **No Default.** The Assignor hereby represents and certifies that, to its knowledge, it was not in default under the Land Use Restriction Agreement or the Tax Regulatory Agreement at the time of the Transfer.

3. **Assignment.** The Assignor hereby assigns to the Assignee all the Assignor’s right, title and interests in and to the Land Use Restriction Agreement and the Tax Regulatory Agreement.

4. **Assumption.** The Assignee hereby accepts and agrees to be bound by the Land Use Restriction Agreement and the Tax Regulatory Agreement and assumes all obligations of the Assignor under the Land Use Restriction Agreement and the Tax Regulatory Agreement and agrees to be directly responsible for all obligations and liabilities of the Assignor arising under the Land Use Restriction Agreement and the Tax Regulatory Agreement from and after the date of the Transfer.

5. **Indemnification.** The Assignee explicitly assumes the indemnification responsibilities and requirements regarding the Issuer and the Trustee, and their respective officers, members, directors, officials and employees as more fully set forth in Section 17 of the Land Use Restriction Agreement, including, without limitation, arising from facts or circumstances arising prior to the assignment (without prejudice to Assignee’s right to seek recovery from Assignor).

6. **References.** Unless the context requires otherwise, from and after the date hereof, signatories hereto agree that each reference to Assignor in the Land Use Restriction Agreement and the Tax Regulatory Agreement shall be deemed by signatories hereto to mean the Assignee.

7. **Release.** As between the Assignor and the Assignee, the Assignor is hereby released from all obligations assumed by the Assignee hereunder from and after the date hereof. The Issuer does not join in any release of the Assignor other than in the manner specifically provided in the Land Use Restriction Agreement and the Tax Regulatory Agreement and the other documents entered into in connection with the issuance of the Bonds. The Assignor and the Assignee each stipulate and agree that the duties and obligations of the Assignor as set forth in the Land Use Restriction Agreement and the Tax Regulatory Agreement, with respect to matters occurring prior to the date hereof, shall not terminate upon the execution of this Assignment and Assumption Agreement and the Tax Regulatory Agreement and shall remain the duties and obligations of the Assignor.

8. **Acknowledgement.** The Trustee and the Issuer hereby join in this Assignment and Assumption Agreement for the sole purpose of acknowledging the Transfer and the assignment and assumption of the Land Use Restriction Agreement and the Tax Regulatory Agreement described herein.

9. **Notices.** From and after the date hereof, all notices required or permitted to be sent to the “Borrower” and the “Owner” and all other designations which had previously referred to Assignor in the Land Use Restriction Agreement and the Tax Regulatory Agreement shall also be sent to Assignee at the following address, in the manner required under the respective document:

Waukegan Brookstone Apartments LLC  
5611 Highland  
Palatine, Illinois 60010  
Attention: Srinivasa Nandipati  
E-mail: Srinivasa.nandipati@yahoo.com

10. **Representations and Warranties.** . Each of Assignor and Assignee represents and warrants as to itself (except where otherwise stated), as of the date of the Transfer, as follows:

(a) It is duly organized and existing under the laws of the jurisdiction of its organization and is authorized to transact business in any jurisdiction in which such party owns property, with full power and authority to execute and deliver this Assignment and Assumption Agreement, to enter into the transactions contemplated hereby and to perform all the duties and obligations to be performed by it hereunder;

(b) It has duly authorized this Assignment and Assumption Agreement and the transactions contemplated hereby and the performance of all the duties and obligations to be performed hereunder by all necessary action;

(c) It has duly executed and delivered this Assignment and Assumption Agreement and this Assignment and Assumption Agreement constitutes its valid, legal

and binding obligation enforceable in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization or similar laws or equitable principles relating to or limiting creditors' rights generally;

(d) The execution and delivery of this Assignment and Assumption Agreement and the performance of the transactions contemplated hereby will not violate any agreement by which such party is bound or to which such party or any of its assets are affected, or its organization documents or any statute, regulation, rule, order or judgment applicable to such party;

(e) The Land Use Restriction Agreement and the Tax Regulatory Agreement will continue to be in full force and effect as of the date of the Transfer, and each constitutes a valid and binding agreement of each party thereto;

(f) There are no judgments outstanding against it, and there are no actions, suits, proceedings, inquiries or investigations, at law or in equity, or before or by any court, administrative agency, department or public body or arbitration panel, pending or, to the best of its knowledge, threatened against or affecting it, or any of its assets and properties, including, but not limited to, the Project, nor is there any basis therefor, wherein an unfavorable decision, ruling or finding might, in any way, result in any material adverse change in its business, operations, properties, assets, liabilities or condition (financial or otherwise);

(g) It is in compliance with all applicable laws and ordinances and rules and regulations of governmental bodies or agencies thereunder and with all orders and judgment of any court or governmental body or agency of competent jurisdiction affecting the existence, power and authority of it to own and operate the Project; and

(h) Assignor represents that the Project is in compliance with all applicable laws and ordinances and rules and regulations of governmental bodies or agencies thereunder.

11. **Costs, Expenses and Reimbursements.** Assignor and Assignee agree, jointly and severally, to pay all costs, counsel fees, expenses or liabilities incurred in connection with the execution, delivery and consummation of this Assignment and Assumption Agreement, including, but not limited to, all recording costs, fees and expenses, of the Trustee and the Issuer.

12. **Governing Law.** This Assignment and Assumption Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

13. **Provisions.** If any provision of this Assignment and Assumption Agreement shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

14. **Unconditional and Irrevocable.** The assumptions and agreements of the Assignee contained in this Assignment and Assumption Agreement are unconditional and irrevocable, notwithstanding the validity or enforceability of this Assignment and Assumption Agreement or any other event or condition, and the Assignee hereby waives any defense that it may have, and agrees not to assert any such defense, based on the invalidity or unenforceability of this Assignment and Assumption Agreement.

15. **Recording.** This document shall be recorded by Assignee in the Lake County Recorder's Office pursuant to the Land Use Restriction Agreement.

16. **Counterparts.** This Assignment and Assumption Agreement may be executed in counterparts, and each taken together with the other counterparts shall constitute one instrument, binding and enforceable against each signatory to any counterpart instrument.

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**IN WITNESS WHEREOF** the parties have executed and delivered this Assignment and Assumption Agreement as of the date first above written.

**ASSIGNEE:**

**WAUKEGAN BROOKSTONE  
APARTMENTS LLC,**  
an Illinois limited liability company

By: \_\_\_\_\_  
Printed name: Srinivasa Nandipati  
Its: Manager

**STATE OF ILLINOIS**                    )  
  ) **ss.**  
**COUNTY OF \_\_\_\_\_**                )

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that Srinivasa Nandipati personally known to me to be an authorized signatory of WAUKEGAN BROOKSTONE APARTMENTS LLC, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such individual, he/she signed and delivered the said instrument, pursuant to authority given by him/her as the free and voluntary act of such person, and as the free and voluntary act and deed of WAUKEGAN BROOKSTONE APARTMENTS LLC, for the uses and purposes therein set forth.

**GIVEN** under my hand and notarial seal this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_



STATE OF ILLINOIS                    )  
  ) ss.  
COUNTY OF LAKE                    )

IN WITNESS WHEREOF the Issuer has acknowledged this Assignment and Assumption Agreement as of the date first above written.

**THE COUNTY OF LAKE, ILLINOIS**

[SEAL]

By: \_\_\_\_\_  
Sandy Hart  
Chair of the County Board

By: \_\_\_\_\_  
Anthony Vega  
County Clerk and *ex officio* Clerk of the  
County Board

I, \_\_\_\_\_, a Notary Public do hereby certify that Sandy Hart and Anthony Vega, personally known to me to be the same persons whose name is, as the Chair and County Clerk of THE COUNTY OF LAKE, ILLINOIS, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that he/she, being thereunto duly authorized, signed and delivered the said instrument as the free and voluntary act of The County of Lake, for the uses and purposes therein set forth.

**GIVEN** under my hand and notarial seal this \_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_