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Cook County Recorder 37.00



FIRST AMENDMENT TO LOAN DOCUMENTS

This FIRST AMENDMENT TO LOAN DOCUMENTS (the "Amendment") is made as of the 18th day of JANUARY, 2001, by and between LASALLE BANK NATIONAL ASSOCIATION, a national banking association ("Lender"), and GARFIELD-HALSTED, L.L.C., an Illinois limited liability company ("Borrower").

Recitals

A. Lender has made a loan to Borrower in the principal amount of TWO MILLION TWO HUNDRED NINETY-FIVE THOUSAND DOLLARS (\$2,295,000) (the "Loan") pursuant to a Construction Loan Agreement between Borrower and Lender dated October 18, 1999 ("Loan Agreement"). Initially capitalized terms used in this Amendment and not expressly defined herein have the meanings given them in the Loan Agreement.

B. The Loan is evidenced by a Note dated as of October 18, 1999, in the principal amount of \$2,295,000 from Borrower to Lender, and is secured by, among other things, a Mortgage from Borrower to Lender dated as of October 18, 1999, and recorded October 26, 1999, with the County Recorder of Cook County, Illinois as Document No. 09004535 (the "Mortgage"), and an Assignment of Rents and Leases recorded October 26, 1999, with the County Recorder of Cook County, Illinois as Document No. 09004536.

The Mortgage and Assignment of Rents and Leases encumber the real estate legally described in Exhibit A attached hereto and made a part hereof.

C. Borrower, Lender and Guarantor desire to amend the Loan Agreement, the Mortgage, the Assignment of Rents and Leases and certain of the other Loan Documents on the terms and conditions set forth in this Amendment.

Agreements

In consideration of the Recitals set forth above, which by this reference are made a part of this Amendment, the mutual covenants and agreements set forth herein, and other good and

valuable consideration, the receipt and sufficiency of which are acknowledged, Lender and Borrower agree as follows:

1. Decrease in Loan Amount. The Loan Amount is decreased in order to reflect the amount currently outstanding, so that the Loan Amount is SIX HUNDRED THIRTY THOUSAND FIVE HUNDRED SIXTY TWO AND 99/100 DOLLARS (\$630,562.99).

2. Extension of Loan Maturity Date. The Loan Maturity Date is hereby extended to June 1, 2001. All references in the Loan Agreement, Note, Mortgage and the other Loan Documents to the Loan Maturity Date shall be deemed references to the Loan Maturity Date as extended to June 1, 2001.

3. Suspension of Construction Advances and Obligations. Notwithstanding anything to the contrary contained in the Loan Agreement, the Mortgage or other Additional Collateral, due to the decreased Loan Amount, Borrower shall have no right to Advances or Letters of Credit and no further obligation to construct the Improvements and Guarantor shall have no further obligation under the Completion Guaranty.

4. Amendment to Loan Agreement. The Loan Agreement is hereby amended as follows:

(a) In Recital B, the words "TWO MILLION TWO HUNDRED NINETY-FIVE THOUSAND (\$2,295,000)" shall be deleted and the words "SIX HUNDRED THIRTY THOUSAND FIVE HUNDRED SIXTY TWO AND 99/100 DOLLARS (\$630,562.99)" shall be substituted in their place.

(b) In Section 1.1, the definition of "Agreement" is deleted, and the following is substituted in its place:

"Agreement. This Construction Loan Agreement, as amended by the Amendment."

(c) The following definition is added to Section 1.1, in alphabetical order:

"Amendment. That certain Amendment to Loan Documents dated as of _____, 2001 by and among Borrower, Lender, Guarantor and Indemnitor."

(d) In Section 1.1, the definition of "Loan; Loan Amount" is deleted, and the following is substituted in its place:

"Loan; Loan Amount. The loan in the amount of \$630,562.99."

(e) In Section 1.1, the definition of "Loan Maturity Date" is deleted, and the following is substituted in its place:

"Loan Maturity Date. June 1, 2001."

5. Amendment to Note. The Note is hereby amended as follows:

(a) by decreasing the principal amount thereof to SIX HUNDRED THIRTY THOUSAND FIVE HUNDRED SIXTY TWO AND 99/100 DOLLARS (\$630,562.99).

(b) In Section 2(a), the words "the date which is exactly fifteen months after the Loan Opening Date" are deleted, and the words "June 1, 2001" are substituted in their place.

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6. Amendment to Mortgage. The Mortgage is hereby amended as follows:

(a) by decreasing the principal amount of the Loan secured thereby to SIX HUNDRED THIRTY THOUSAND FIVE HUNDRED SIXTY TWO AND 99/100 DOLLARS (\$630,562.99).

(b) by deleting the first sentence in Recital C and inserting the following in its place:

"As evidence of the indebtedness incurred under the Loan Agreement, Mortgagor has executed and delivered to Mortgagee a certain note of even date herewith (the "Note"), made payable to the order of and delivered to Mortgagee, in and by which Note Mortgagor promises to pay the said principal sum of the Loan and interest at the rate and in installments as provided in the Note, with a final payment of the balance due on June 1, 2001, or such earlier date as may be provided in such Note."

7. Amendment to Assignment of Rents. The Assignment of Rents and Leases is hereby amended by decreasing the principal amount of the Loan secured thereby to SIX HUNDRED THIRTY THOUSAND FIVE HUNDRED SIXTY TWO AND 99/100 DOLLARS (\$630,562.99).

8. Amendment to Payment Guaranty. The Payment Guaranty is hereby amended as follows:

(a) by decreasing the principal amount thereof to SIX HUNDRED THIRTY THOUSAND FIVE HUNDRED SIXTY TWO AND 99/100 DOLLARS (\$630,562.99).

(b) by deleting the paragraph at the end of Paragraph 1 and substituting the following in its place:

"All amounts due, debts, liabilities, and payment obligations described in subparagraphs (a) and (b) of this Paragraph 1 are referred to herein as the "Indebtedness". Notwithstanding anything to the contrary in this Guaranty, the liability of Guarantor under paragraph 1(a) of this Guaranty shall not exceed THREE HUNDRED FIFTEEN THOUSAND TWO HUNDRED EIGHT ONE AND 50/100 DOLLARS (\$315,281.50)."

9. Consent and Ratification of Guarantor. In consideration of this Amendment and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor does hereby acknowledge and consent to the execution of this Amendment by the parties hereto and to all of the terms, conditions and provisions hereof. The Payment Guaranty is amended to provide that all references in the Payment Guaranty to any one or more of the Loan Documents shall be deemed references to such Loan Documents as amended by this Amendment. Guarantor acknowledges and agrees that the Payment Guaranty remains in full force and effect, as amended by this Amendment. Guarantor also agrees that as of the date

of this Amendment it has no defense, set-off or counterclaim to or against enforcement of the Payment Guaranty, as amended hereby, in accordance with their respective terms.

10. Consent and Ratification of Indemnitor. In consideration of this Amendment and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Indemnitor (as defined in the Environmental Indemnity Agreement dated as of October 18, 1999, from Borrower, Laurence Ashkin, Arthur Slaven, John McLinden and Sherwood Blitstein to Lender) does hereby acknowledge and consent to the execution of this Amendment by the parties hereto and to all of the terms, conditions and provisions hereof. The Environmental Indemnity Agreement is amended to provide that all references in the Environmental Indemnity Agreement to any one or more of the Loan Documents shall be deemed references to such Loan Documents as amended by this Amendment. Indemnitor acknowledges and agrees that the Environmental Indemnity Agreement remains in full force and effect, as amended by this Amendment. Indemnitor also agrees that as of the date of this Amendment it has no defense, set-off or counterclaim to or against enforcement of the Environmental Indemnity Agreement, as amended hereby, in accordance with their respective terms.

11. Reaffirmation of Representations and Warranties. The Borrower hereby certifies and confirms to Lender that all of the representations and warranties set forth in the Mortgage, Note and the Loan Documents, as amended hereby, remain true and correct in all respects as of the date hereof.

12. No Default. Borrower hereby certifies and confirms to Lender that no Event of Default or event which, with the passage of time, the giving of notice, or both, would constitute an Event of Default, has occurred and is continuing.

13. Ratification of Mortgage, Note and Loan Documents. Borrower hereby ratifies and reaffirms the Mortgage, Note and the other Loan Documents, as amended hereby, and the obligations, liabilities, liens, encumbrances and security interests created thereby. Borrower hereby acknowledges that neither Borrower nor any person or entity claiming by, through or under Borrower has any defense or claim for setoff against the enforcement by Lender of any of the Mortgage, Note or the other Loan Documents, as amended hereby.

14. Full Force and Effect. The Mortgage, Note and the other Loan Documents, as amended hereby, shall remain in full force and effect in accordance with their respective terms and provisions.

15. Binding Obligation. This Amendment and the Mortgage, Note and the other Loan Documents, as amended hereby, are and shall continue to be binding on Borrower and its successors and assigns, and inure and shall continue to inure to the benefit of Lender and its successors and assigns.

16. Interest Reserve. Borrower shall deposit an additional \$55,000 in the Reserve and the enforceability of this Amendment against Lender is conditioned upon said deposit.

17. Payment of Costs. Borrower shall pay all of Lender's costs and expenses incurred by Lender in connection with this Amendment, including without limitation, a fee to Lender in the amount of \$1,575 and all legal fees of Lender's counsel in connection herewith, and the

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enforceability of this Amendment against Lender is conditioned upon payment of said costs and expenses.

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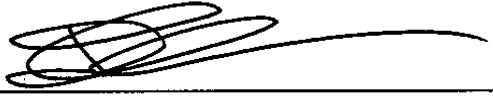
Property of Cook County Clerk's Office

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Lender and Borrower have executed this Amendment as of the date first above written.

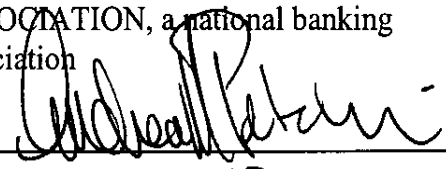

BORROWER:

GARFIELD-HALSTED, L.L.C., an Illinois limited liability company

By: 
John McLinden, its Manager

LENDER:


LASALLE BANK NATIONAL ASSOCIATION, a national banking association

By: 
Its: 

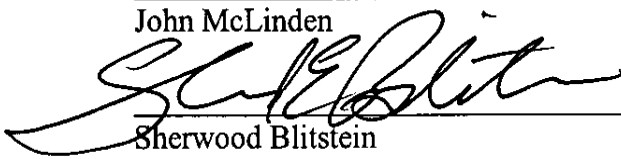
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GUARANTOR (as to Section 9 hereof only):

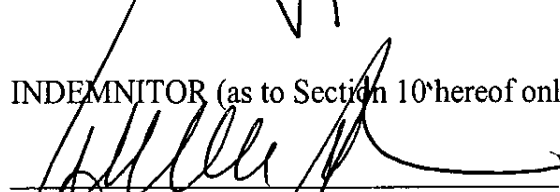

Laurence Ashkin


Arthur Slaven


John McLinden

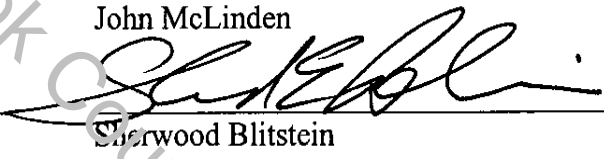

Sherwood Blitstein

INDEMNITOR (as to Section 10 hereof only):


Laurence Ashkin


Arthur Slaven


John McLinden


Sherwood Blitstein

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EXHIBIT A

Legal Description

LOT 6 THROUGH 16 IN BLOCK 7 OF H.B. BRYANT'S ADDITION TO CHICAGO IN THE WEST ½ OF THE SOUTHWEST ¼ OF SECTION 9, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN.

Address: Northeast corner of Garfield Blvd. and Halsted St., Chicago

P.I.N.s: 20-09-328-022
20-09-328-023
20-09-328-024
20-09-328-025
20-09-328-026
20-09-328-037

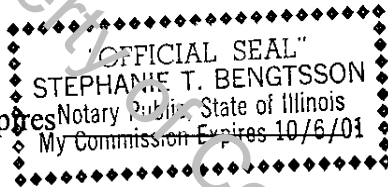
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STATE OF ILLINOIS)
)
COUNTY OF COOK) ss.

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that John McLinden personally known to me to be the Manager of Garfield-Halsted, L.L.C., an Illinois limited liability company (the "Company"), 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 acknowledged that as such Manager he signed and delivered the said instrument, pursuant to authority given by said Company, and as the free and voluntary act of said Company for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 4th day of April, 2001.



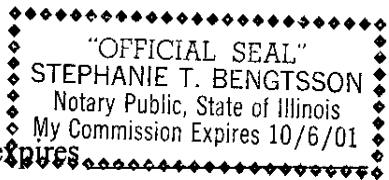
My commission expires

Stephanie T. Bengtsson
Notary Public

STATE OF ILLINOIS)
)
COUNTY OF COOK) ss.

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Laurence Ashkin, Arthur Slaven, John McLinden and Sherwood Blitstein, individually, personally known to me to be the same persons whose name are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 4th day of April, 2001.



My commission expires

Stephanie T. Bengtsson
Notary Public

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STATE OF ILLINOIS)
)
COUNTY OF COOK) ss.

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that ANDREA M. PATEL personally known to me to be the V.P. of LaSalle Bank National Association, a national banking association, who is 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 acknowledged that as such V.P., he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said Bank as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 10th day of April, 2001.

Maria T. Esparza
Notary Public

My commission expires _____



This instrument was prepared
by and after recording return to:

Sandra L. Waldier
Bell, Boyd & Lloyd LLC
70 West Madison, Suite 3100
Chicago, Illinois 60602

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