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Cook County Recorder 41.50

This document prepared by
and after recording, please return to:
Arnstein & Lehr
Suite 1200
120 S. Riverside Plaza
Chicago, Illinois 60606
Attn.: Raymond J. Werner
140.14-0006



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MAIL TO

GNT 95-0730

LOAN MODIFICATION AGREEMENT

This Loan Modification Agreement ("**Agreement**") is made as of October 5, 2001 (the "**Effective Date**") by and between ARCHSTONE COMMUNITIES TRUST, a Maryland real estate investment trust (the "**Borrower**") and METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation, its successors and assigns (the "**Lender**") with reference to the following facts.

A. On or about September 21, 1995, Lender made a Loan (the "**Loan**") in the original principal amount of Eight Million Five Hundred Thousand and No/100 Dollars (\$8,500,000.00) to CHICAGO FOX-FIRE APARTMENTS, LTD. PARTNERSHIP, an Illinois Limited Partnership (the "**Original Borrower**").

B. The Loan was evidenced by that certain Promissory Note dated September 21, 1995 made by Original Borrower payable to the order of Lender in the original principal amount of Eight Million Five Hundred Thousand and No/100 Dollars (\$8,500,000.00) (the "**Note**").

C. The Loan is further evidenced and secured by that certain Mortgage and Security Agreement made by Original Borrower in favor of Lender dated September 21, 1995 and recorded September 21, 1995 as Document No. 95639381 (the "**Mortgage**"), which encumbers the property legally described on **Exhibit A** (the "**Property**"); that certain Assignment of Rents and Leases made by Original Borrower in favor of Lender dated September 21, 1995 and recorded September 21, 1995 as Document No. 95639382; that certain Unsecured Indemnity Agreement made by Original Borrower to Lender dated as of September 20, 1995 and recorded January 11, 1996 as Document NO. 96027984; that certain Security Agreement made by and between Original Borrower and Lender dated September 21, 1995; and various other documents and instruments relating thereto (collectively, the "**Original Loan Documents**"). The recording information set forth in this Agreement, unless otherwise indicated, relates to documents recorded with the Recorder of Cook County, Illinois.

D. On or about September 21, 1999, with Lender's consent, Original Borrower transferred title to the Property to Borrower, and Borrower assumed the obligations of the Original Borrower under the Loan Documents, pursuant to which Original Borrower, Lender, and Borrower entered into that certain Assignment,

Assumption and Amendment Agreement dated September 21, 1999 and recorded September 21, 1999 as Document No. 99891402, and in connection therewith, Original Borrower and Borrower gave that certain Borrower's Certificate to Lender and executed and entered into various other documents and instruments relating thereto (collectively, the "**Assignment, Assumption and Amendment Loan Documents**"). The Original Loan Documents and the Assignment, Assumption and Amendment Loan Documents may sometimes hereinafter be referred to collectively as the "**Loan Documents**."

E. The Borrower has proposed to enter into certain restructuring, reorganization and merger transactions which, if not otherwise consented to by Lender, would be a default under the Loan Documents. Borrower has requested that the Lender modify the Loan Documents upon the terms and conditions hereinafter set forth. The Lender has agreed to make such modifications to the Loan Documents in consideration of the agreements made herein by the Borrower.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Borrower and Lender agree as follows:

1. Recitals and Exhibits. The Recitals set forth above and the Exhibits attached hereto are true and correct and are incorporated into this Agreement by this reference as if they were fully set forth herein.

2. Scope of Agreement. This Agreement solely pertains to and modifies the Loan Documents and does not affect or alter the terms and conditions of any other loan documents or any other loan or relationship to which the Borrower and Lender may be parties.

3. Preservation of Rights. Nothing in this Agreement or the negotiations and discussions relating hereto is intended to release or discharge Borrower from any of the obligations or personal liability, if any, under the Loan Documents, or any other documents executed in connection with the loan.

4. Mortgage Section 3.03(a). Section 3.01(a) of the Mortgage is deleted in its entirety and the following is inserted in lieu thereof.

(a) Borrower shall not cause, permit or suffer: (i) The Property or any part thereof, or any interest therein, to be conveyed, transferred, assigned, encumbered, sold or otherwise disposed of, or (ii) any conveyance, transfer, pledge or encumbrance of any interest in Borrower. Notwithstanding the foregoing, the following transactions shall be permitted:

(1) Any issuance or transfer of stock in Borrower (and for the purpose of clauses (1) and (2) of this Section 3.03 (a), "Borrower" shall mean Borrower and any entity

into which Borrower may merge as part of the Restructuring, as that term is hereinafter defined) or New Archstone REIT, as that term is hereinafter defined; provided, however, that at all times after the consummation of the Restructuring, or issuance or transfer of stock in Borrower, New Archstone REIT (A) is listed on the New York Stock Exchange; (B) is the sole corporate trustee of Borrower, and (C) holds at least twenty percent (20.0%) of the ownership interests in Borrower, and provided further that at all times before the Restructuring is consummated, or if the Restructuring is not consummated, Borrower shall be a publicly traded real estate investment trust listed on the New York Stock Exchange. Borrower shall notify Lender that the Restructuring has been completed within fifteen (15) days after the consummation thereof, which notice shall be accompanied by (i) evidence reasonably satisfactory to Lender that the conditions described in clauses (A), (B) and (C) of this Section 3.03(a)(1) have been and are satisfied, (ii) the certificate of merger of Charles E. Smith Residential, Inc., a Maryland corporation into Archstone-Smith Trust, a Maryland real estate investment trust issued by the Secretary of the State of Maryland, (iii) a good standing certificate for Archstone-Smith Trust, a Maryland real estate investment trust issued by the Secretary of the State of Maryland, (iv) a certificate of merger of Charles E. Smith Residential L.P., a Delaware limited partnership into Borrower issued by the Secretary of the State of Maryland, (v) a certificate of the change of the name of Borrower into Archstone-Smith Operating Trust, a Maryland real estate investment trust issued by the Secretary of the State of Maryland, (vi) a certificate of good standing for Archstone-Smith Operating Trust, a Maryland real estate investment trust issued by the Secretary of the State of Maryland, (vii) evidence reasonably satisfactory to Lender that Archstone-Smith Operating Trust, a Maryland real estate investment trust has taken all actions required under the law of the state of Illinois to legally conduct its business in the state of Illinois, and (viii) UCC financing statements or amendments thereto filed with the Secretary of the State or other appropriate office in the state of Archstone-Smith Operating Trust's organization, and Cook County, Illinois, each

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evidencing the security interest of Lender in the property of Archstone-Smith Operating Trust;

- (2) The consummation of (a), the proposed reorganization of Borrower into an "UPREIT" structure (the "Restructuring"), with (i) Archstone-Smith Trust, a Maryland real estate investment trust ("New Archstone REIT"), as the real estate investment trust under Subchapter M of the Internal Revenue Code, (ii) Borrower as the "operating partnership" of New Archstone REIT, and (iii) New Archstone REIT as the sole corporate trustee of Borrower, and (b) the subsequent mergers of (i) Charles E. Smith Residential Realty, Inc., a Maryland corporation, into New Archstone REIT, and (ii) the Charles E. Smith Realty LP, a Delaware limited partnership into Borrower, all as described in filings made and to be made by Borrower with the United States Securities and Exchange Commission, copies of which have been delivered to the Lender. The Reorganization described in clause (a) may be approved and consummated even if the mergers described in clause (b) are not approved by Borrower's shareholders.

5. Recordation. This Agreement may be recorded with the Recorder of Cook County, Illinois.

6. Conditions Precedent. It shall be a condition precedent to the effect of this Agreement that Borrower shall execute and deliver to Lender: (a) a Borrower's Certificate in form and content reasonably acceptable to Lender; (b) an opinion of Borrower's counsel in form and content reasonably acceptable to Lender; and (c) a date down-mortgage modification endorsement to the loan policy of title insurance currently held by Lender with respect to the Mortgage and in form and content reasonably acceptable to Lender insuring continuing validity, enforceability and priority of the Mortgage, as modified, subject only to those defects, liens and encumbrances set forth in such policy.

7. Security Agreement. Through the provisions of the Mortgage, the Original Borrower has granted to the Lender a lien and security interest in certain property as described in the Mortgage, which security interest was evidenced by that certain Financing Statement filed with the Secretary of the State of Illinois on September 22, 1995 under Document No. 3449922 and which was amended by that certain Uniform Commercial Code UCC-3 filed with the Illinois Secretary of State's Office on September 29, 1999 as Document No. 4101083, that certain UCC-1 Financing Statement originally filed with the Recorder of Cook County, Illinois on September 1, 1995 as Document No. 95 U 11906 as amended by that certain Uniform Commercial Code UCC-3 filed with the

Recorder of Cook County, Illinois September 21, 1999 as Document No. 99 UO7237, and that certain UCC-1 Financing Statement naming Borrower as Debtor and Lender as Secured Party filed with the Secretary of the State of Colorado on September 30, 1999 as Document No. 1999-2054676 (collectively the "**Financing Statements**"). By inadvertence and not through any intentional act, the Financing Statements have lapsed. The Borrower acknowledges and hereby ratifies and confirms the continuing force and effect of the security interest granted by the Original Borrower in favor of Lender, and hereby affirmed and confirmed by the Borrower in the property described in the Mortgage, and hereby grants a security interest and creates a lien on such property to the extent that such is personal property or fixtures under applicable law, subject to the terms and conditions of the Mortgage. Except as permitted pursuant to this Agreement, the Borrower agrees to preserve its existence, not to change its state of organization, and not to change its name without providing the Lender at least thirty (30) days prior written notice, and Borrower authorizes the Lender to file, in the jurisdiction where this Agreement will be given effect, financing statements covering any property which is subject to the provisions of the Uniform Commercial Code and the proceeds thereof. Within twenty-one (21) days after the change of the name of Borrower into Archstone-Smith Operating Trust, a Maryland real estate investment trust, or any other name Borrower shall file with the Secretary of the state of Maryland and the Recorder of Cook County, Illinois Uniform Commercial Code Financing Statement Amendments identifying such entity as the debtor in form reasonably satisfactory to Lender and provide to Lender a copy thereof bearing the file stamps of the Secretary of the state of Maryland and the Recorder of Cook County, Illinois.

8. Construction. The language in all parts of this Agreement in all cases shall be construed simply according to its fair meaning and not strictly for or against any party. All words used herein in the singular number shall extend to and include the plural number. All words used herein in the plural number shall extend to and include the singular number. All words used in any gender, male, female or neuter shall extend to and include all genders as may be applicable in any particular context. Captions and headings contained in this Agreement are inserted only as a matter of convenience and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision of this Agreement. This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, among other things, any rule of law or any other statute, legal decision or common law principle that would require interpretation of any ambiguities in this Agreement against the party that has drafted this Agreement are of no application, and are hereby expressly waived by all parties hereto.

9. Governing Laws. This Agreement, and the obligations of the parties hereunder, shall be interpreted, construed, and enforced in accordance with the laws of the State of Illinois.

10. Integration. This Agreement embodies the entire agreement and understanding among the parties hereto relating to the subject matter hereof and supersedes all prior agreements, understandings, representations and discussions

relating thereto. Neither this Agreement, nor any of its provisions may be changed, amended, waived or otherwise modified except by an agreement in writing duly executed by, or on behalf of, the party against whom enforcement of any change, amendment, waiver, modification, consent or discharge is sought. The parties fully understand and acknowledge the import of the foregoing provision, and are aware that the law may permit subsequent oral modification of a contract, notwithstanding any contractual language which requires that any such modification be in writing, but the parties hereby fully and expressly intend that the foregoing requirements as to a writing shall be strictly adhered to and strictly interpreted and enforced by any court which may be asked to decide the question.

11. Effect of Other Agreements. Except as expressly set forth herein, all terms and provisions of any and all other written agreements entered into by and among some or all of the parties hereto, or their predecessors in interest, are hereby ratified and confirmed, and shall remain in full force and effect, unmodified in any manner whatsoever. In the event that this Agreement shall be deemed null and void for any reason, the provisions of any and all agreements entered into by and among some or all of the parties hereto, or their predecessors in interest, shall continue to control the relationship of the parties.

12. Binding Effect. Except as herein otherwise provided to the contrary, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and legal representatives.

13. Counterparts. This Agreement may be executed in several counterparts and, taken together all so executed shall constitute one agreement binding on all of the parties hereto, notwithstanding the fact that all of the parties are not signatories to the original or the same counterpart.

14. Effect of Declaration of Trust. In accordance with the Amended and Restated Declaration of Trust of Buyer dated as of June 30, 1993, notice is hereby given that all persons dealing with the Borrower shall look solely to the assets of the Borrower for the enforcement of any claim against the Borrower, as none of the Trustees, employees and shareholders of the Borrower assume any personal liability for obligations entered into by or on behalf of the Borrower.

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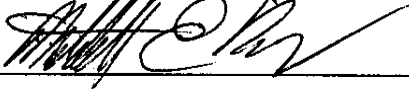
IN WITNESS WHEREOF, the undersigned has executed this Agreement on the date set forth below, but effective as of the date first set forth above.


LENDER:

BORROWER:

METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation

ARCHSTONE COMMUNITIES TRUST, a Maryland real estate investment trust

By:  VF
SW

By: 

Printed Name

Printed Name

Its: MITCHELL E. RYAN
VICE PRESIDENT

Its: Michael R. Berman
Vice President

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State of Illinois)
) SS:
County of DUPAGE)

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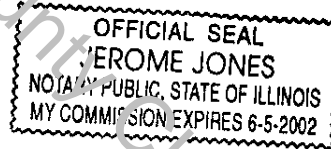
I, JEROME JONES, a Notary Public in and for the County and State aforesaid, do hereby certify that MITCHELLE RYAN, VICE PRESIDENT of METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such MR. RYAN, appeared before me this day in person and acknowledged that HE signed and delivered the said instrument as HIS own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 16TH day of OCTOBER, 2001.

Jerome Jones
Notary Public

My Commission Expires:

6-5-2002



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State of Colorado)
) SS:
County of Arapahoe)

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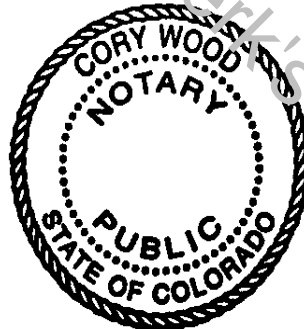
I, Cory Wood, a Notary Public in and for the County and State aforesaid, do hereby certify that Michael Benan, Vice President of ARCHSTONE COMMUNITIES TRUST, a Maryland real estate investment trust, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Mr. Benan, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 5th day of October, 2001.

Cory Wood
Notary Public

My Commission Expires:

6/5/04



My Commission Expires
6/5/2004

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EXHIBIT A

Legal Description of Property

A PART OF THE EAST ½ OF SECTION 2, TOWNSHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE CENTER LINE OF RAND ROAD, WHICH IS 901.10 FEET SOUTHEASTERLY OF THE INTERSECTION OF SAID CENTER LINE, WITH THE CENTER LINE OF HICKS ROAD; THENCE SOUTHWESTERLY AT RIGHT ANGLES TO THE CENTER LINE OF RAND ROAD AND SAID CENTER LINE EXTENDED, A DISTANCE OF 50.04 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF RAND ROAD, BEING THE POINT OF BEGINNING; THENCE SOUTHEAST ALONG THE SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF RAND ROAD, BEING A CURVE, CONVEX TO THE NORTHEAST AND HAVING A RADIUS OF 10,743.00 FEET, 50.04 FEET DISTANT FROM THE CENTER LINE THEREOF, AN ARC DISTANCE OF 254.17 FEET, HAVING A CHORD BEARING OF SOUTH 43 DEGREES 6 MINUTES 29 SECONDS EAST (ASSUMED BEARING) AND A CHORD LENGTH OF 254.16 FEET; THENCE SOUTH 47 DEGREES 34 MINUTES 10 SECONDS WEST, A DISTANCE OF 10.00 FEET; THENCE SOUTHEASTERLY, ALONG A CURVE CONVEX TO THE NORTHEAST, HAVING A RADIUS OF 10,733.00 FEET, AN ARC DISTANCE OF 110.00 FEET, HAVING A CHORD BEARING OF SOUTH 42 DEGREES 34 MINUTES 10 SECONDS WEST AND A CHORD LENGTH OF 110.00 FEET; THENCE NORTH 48 DEGREES 3 MINUTES 25 SECONDS EAST, A DISTANCE OF 10.00 FEET; THENCE SOUTHEASTERLY, ALONG A CURVE CONVEX TO THE NORTHEAST, HAVING A RADIUS OF 10,743 FEET, AN ARC DISTANCE OF 99.00 FEET HAVING A CHORD BEARING OF SOUTH 41 DEGREES 34 MINUTES 36 SECONDS EAST, AND A CHORD LENGTH OF 99.90 FEET; THENCE SOUTH 49 DEGREES 14 MINUTES 23 SECONDS WEST, A DISTANCE OF 927.74 FEET; THENCE NORTH 81 DEGREES 00 MINUTES 00 SECONDS WEST, A DISTANCE OF 562.66 FEET, TO THE EASTERLY RIGHT-OF-WAY LINE OF HICKS ROAD, BEING 1306.03 FEET SOUTHERLY, AS MEASURED ALONG THE EASTERLY RIGHT-OF-WAY LINE OF HICKS ROAD, FROM THE MOST WESTERLY CORNER OF SAID LOT 1 IN HASTEROCK PARK; THENCE NORTHERLY ALONG THE EASTERLY RIGHT-OF-WAY LINE OF HICKS ROAD, BEING A CURVED LINE, 50.00 FEET EASTERLY, MEASURED RADially, OF THE CENTER LINE OF SAID HICKS ROAD, CONVEX TO THE NORTHWEST, HAVING A RADIUS OF 2814.93, AN ARC DISTANCE OF 574.23 FEET, HAVING A CHORD BEARING OF NORTH 4 DEGREES 53 MINUTES 50 SECONDS EAST, AND A CHORD LENGTH OF 573.21 FEET; THENCE SOUTH 87 DEGREES 45 MINUTES 21 SECONDS EAST, A DISTANCE OF 296.28 FEET; THENCE NORTH 46 DEGREES 3 MINUTES 14 SECONDS EAST, A DISTANCE OF 250.00 FEET; THENCE SOUTH 43 DEGREES 56 MINUTES 45 SECONDS EAST, A DISTANCE OF 200.00 FEET; THENCE NORTH 46 DEGREES 3 MINUTES 15 SECONDS EAST, A DISTANCE OF 390.00 FEET, TO THE

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POINT OF BEGINNING, CONTAINING 687,679 SQUARE FEET OR 15.787 ACRES,
MORE OR LESS.

LESS AND EXCEPT THAT PORTION CONVEYED TO KATHY JORDAN BY DEED
FROM CHICAGO FOXFIRE APARTMENTS LIMITED PARTNERSHIP, AN ILLINOIS
LIMITED PARTNERSHIP, DATED AUGUST 8, 1994 AND RECORDED OCTOBER 14,
1994 AS DOCUMENT NUMBER 94882063.

ABOVE TRACT OF LAND IS ALSO COMMONLY KNOWN AS LOTS 1 THROUGH 13,
INCLUSIVE, AND OUTLOT "A" IN HAMPTON PLACE PLAT OF PLANNED UNIT
DEVELOPMENT IN THE EAST HALF OF SECTION 2, TOWNSHIP 42 NORTH,
RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY,
ILLINOIS.

PIN: 02-02-400-003
02-02-204-010

COMMON ADDRESS: 2030 NORTH RAND ROAD
PALATINE, ILLINOIS