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2002-01-18 12:49:13  
Cook County Recorder 39.00



ABOVE SPACE FOR RECORDING PURPOSES ONLY

LOAN MODIFICATION AGREEMENT

THIS AGREEMENT is made as of December 15, 2001 and between 888 South Michigan, LLC, an Illinois limited liability company ("Borrower"), and Inland Mortgage Corporation ("Lender"), an Illinois corporation, the current holder of the Note as hereinafter defined.

WITNESSETH THAT:

WHEREAS, Lender is the holder and owner of a loan to Borrower ("Loan") in the original principal amount of \$10,600,000.00.

WHEREAS, the Loan is evidenced and secured by instruments including, but not limited to, the following (herein collectively called the "Loan Documents"):

- a. Installment Note dated as of October 10, 2000 in the original principal amount of \$10,600,000.00 made by Borrower to the order of Lender (the "Note");
- b. Illinois First Mortgage and Security Agreement dated as of October 10, 2000, made by Borrower, as Mortgagor, to Lender, as Mortgagee, encumbering the property legally described on Exhibit A attached hereto and commonly known as 888 S. Michigan, Chicago, Illinois (the "Property"), and recorded with the Cook County Recorder, Cook County, Illinois (the "Recorder") as Document No. 00834313 (the "Mortgage");
- c. Assignment of Leases and Rents dated as of October 10, 2000, made by Borrower, as Assignor, to Lender, as Assignee, and recorded with the Recorder as Document No. 00834314;

78-76-981 Div. 2 Gault

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**BOX 333-CTI**

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- d. Loan Guaranty Agreement dated as of October 10, 2000 made by Keith Giles ("Guarantor"), to Lender;
- e. Environmental Indemnity Agreement dated as of October 10, 2000 between Borrower, Guarantor and Lender;
- f. UCC Financing Statements;
- g. Interest Reserve Holdback Agreement ("Interest Reserve") dated as of October 10, 2000 made by Borrower and Lender;
- h. Collateral Assignment of Tenant Deposits dated as of October 10, 2000 by Borrower and Lender;
- i. Collateral Assignment of Agreements Affecting Real Estate dated as of October 10, 2000 made by Borrower and Lender;
- j. Construction Loan Agreement ("Loan Agreement") dated as of October 10, 2000 between Borrower and Lender;
- k. Collateral Assignment of Condominium Unit Purchase Agreement and Deposits dated as of October 10, 2000 between Borrower and Lender;
- l. Collateral Assignment of General Contract, Plans, Specifications and Permits dated as of October 10, 2000 between Borrower and Lender;
- m. Collateral Assignments of Representations, Covenants, Indemnities, Guaranties and Warranties dated as of October 10, 2000 between Borrower and Lender;
- n. Collateral Assignment of Developers Rights under Condominium Association Documents dated as of October 10, 2000 between Borrower and Lender;
- o. Collateral Assignment of Construction Contract dated as of October 10, 2000 between Borrower and Lender;
- p. Collateral Assignment of Architects Agreement dated as of October 10, 2000 between Borrower and Lender;
- q. Collateral Assignment of Engineers Agreement dated as of October 10, 2000 between Borrower and Lender; and
- r. Closing Certificate dated as of October 10, 2000 from Borrower to Lender.



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WHEREAS, the Borrower has requested that Lender increase the Loan Amount by \$1,555,000 to be paid as follows: \$1,220,025 to be added to the Capital Improvement Holdback, (\$110,000 to be held for the extension fee due in April, 2002) as defined in the Loan Agreement, \$155,000 to be added to the Interest Reserve and \$69,975 as a modification fee.

WHEREAS, Lender is willing to grant such an extension.

NOW, THEREFORE, in consideration of the foregoing and of the mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of all of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. The preambles set forth above are incorporated herein by reference and made a part hereof as fully and with the same force and effect as if each and every provision was specifically recited herein.

2. The Note is modified on the second page, subparagraph (c) by deleting in the third line "\$12,614,000.00" and inserting "\$14,169,000.00" in its stead.

3. The Interest Reserve is amended by deleting in the fourth paragraph on page 1 "\$810,000.00" and inserting "\$965,000.00" in its stead.

4. The Loan Agreement is amended as follows:

a. In Paragraph 1, the words "TEN MILLION SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$10,600,000.00)" are deleted and the words "ELEVEN MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$11,500,000.00)" are inserted in its stead and the words "TWELVE MILLION SIX HUNDRED FOURTEEN THOUSAND AND NO/100 DOLLARS (\$12,614,000.00)" are deleted and the words "FOURTEEN MILLION ONE HUNDRED SIXTY NINE THOUSAND AND NO/100 DOLLARS (14,169,000.00)" are inserted in its stead.

b. In Paragraph 10 (k) and subparagraph ii of this paragraph, the amount "\$9,720,867.00" is deleted and the amount "\$11,050,892.00" is inserted in its stead.

c. In Paragraph 10 (o), the amount "\$12,850,000.00" is deleted and the amount "\$15,235,000.00" is inserted in its stead.

d. Exhibit E is deleted and the attached Exhibit E is inserted in its stead.

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5. The Construction Loan Escrow Agreement is modified by deleting the number "\$12,614,000.00" under the "AMOUNT TO BE DISBURSED THROUGH ESCROW" and inserting the number "\$14,169,000.00" in its stead.

6. Upon Borrower's execution of this Agreement, Borrower shall also obtain and deliver a Reaffirmation of Guaranty from Guarantor to Lender.

7. The Principal balance of the Loan as of today's date is \$6,997,724.26.

8. All of the Loan Documents are hereby deemed to be amended, as required to conform to the terms of Paragraphs 2 through 5 hereof.

9. As amended by this Agreement, the Loan Documents and all of the terms, conditions and provisions thereof shall be and remain in full force and effect.

10. This Agreement and each and every covenant, agreement and other provision herein shall be binding upon the parties hereto, and their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

11. Borrower hereby recertifies as true and accurate all covenants, representations and warranties contained in the Loan Documents.

12. Wherever herein Lender is referred to, such reference shall be deemed to include Lender's successors and assigns and such successors and assigns shall have and enjoy all of the rights, privileges, powers, options and benefits afforded hereby and hereunder, and may enforce each and all of the terms and provisions hereof as fully and to the same extent and with the same effect as if such successors and assigns were herein by name specifically granted such rights, privileges, powers, options and benefits and were herein by name designated.

12. The Loan Documents shall not be deemed amended and modified as herein provided unless and until at Lender's request the Borrower shall cause Chicago Title Insurance Company to issue an endorsement to its Loan Policy No. 1401 007876981 D2 dated \_\_\_\_\_ (the "Policy") in favor of, and in all respect acceptable to, Lender, which Policy (i) reflects the recording of this Loan Modification Agreement, and previous assignments of the Loan Documents, and (ii) reveals no encumbrances senior to the lien of the Loan Documents, as amended and modified hereby, other than those appearing on the Policy (provided that as to general real estate taxes, only taxes not yet due and payable shall be a permitted exception). In the event that, by virtue of any of the terms, conditions and provisions of this Agreement, a lien or other property interest in the Premises otherwise junior in priority to the liens created by the Loan Documents, shall gain superiority over the liens created by the Loan Documents, this Agreement shall, nunc pro tunc, be null and void without further action of the parties to the fullest extent as if the same had never been executed, to the end that the priority of the Loan Documents shall not be impaired.

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13. This Agreement may be executed in several counterparts, each of which when so executed may be deemed to be an original.

WHEREFORE, the parties hereto have executed this Agreement as of the day and year first above written.

888 SOUTH MICHIGAN, LLC, an Illinois limited liability company

By: [Signature]  
Its: Managing Member

INLAND MORTGAGE CORPORATION, an Illinois corporation

By: [Signature]  
Its: President

Property of Cook County Clerk's Office

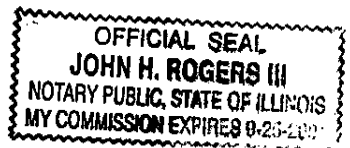
STATE OF )  
                  ) SS  
COUNTY OF )

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Keith Giles, Manager of 888 South Michigan, LLC, an Illinois limited liability company, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Manager 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 company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 26 day of December, 2001.

[Signature]  
Notary Public

My commission expires:



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STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF DU PAGE     )

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Raymond E. Petersen, President of Inland Mortgage Corporation, an Illinois Corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such President 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 4<sup>th</sup> day of January, 200<sup>2</sup>.

*Ann Marie Svehla*

Notary Public



My commission expires: 9/3/02

**Prepared by and after recording mail to:**  
Janet R. Heintz  
c/o The Inland Real Estate Group, Inc.  
2901 Butterfield Road  
Oak Brook, IL 60523

**Property Address:** See Attached Exhibit A

**P.L.N. No:** See Attached Exhibit A

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STATE OF )  
                  ) ss  
COUNTY OF )

I, the undersigned, a Notary Public in and for the said County, in the State aforesaid, do hereby certify that Keith Giles, 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 he signed and delivered the said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 28 day of December, 2001.

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

My commission expires: 9-25-2004





EXHIBIT "E"

836 SOUTH MICHIGAN AVENUE  
OWNER'S STATEMENT

DRAW # 15  
12/15/01

TYPE OF WORK	NAME	FUNDED CONTRACT AMOUNT	MODIFICATION AMOUNT	MODIFIED CONTRACT AMOUNT	CHANGE ORDERS	ADJUSTED CONTRACT AMOUNT	PREVIOUS DRAWS	AMOUNT PAID BY OWNER	RETAINAGE	NET AMOUNT THIS DRAW	FUNDED BALANCE DUE
LAND ACQUISITION	CITY OF CHICAGO	1,883,777.62		1,883,777.62		1,883,777.62	1,883,776.87				0.75
BLDG ACQUISITION		(0.75)		(0.75)							(0.75)
ARCHITECTURAL	MAYER JEFFERS GILLESPIE	47,490.88		47,490.88		47,490.88	4,400.88				4,090.00
ENGINEERING	STEARNS / JOGLEKAR	25,000.00		25,000.00		25,000.00	23,379.00				1,621.00
CONSULTANTS	INNOVATIVE	44,000.00		44,000.00		44,000.00	27,801.93				16,198.07
CONSULTANTS	TARGET GROUP	35,229.00		35,229.00		35,229.00	25,153.00				10,076.00
LOAN FEE	IMC	467,160.00	589,975.00	537,135.00		537,135.00	516,975.00				20,160.00
EXTENSION FEE	IMC		510,000.00	110,000.00		110,000.00					110,000.00
OUT OF POCKET EXPENSES	IMC	546.62		546.62		546.62	546.62				
DEVELOPER OVERHEAD	FRANKEL & GILES	150,000.00		150,000.00		150,000.00	150,000.00				
SURVEY	JENS K. DOE	10,000.00		10,000.00		10,000.00	885.00				9,115.00
TITLE CHARGES	CHICAGO TITLE INSURANCE	15,000.00		15,000.00		15,000.00	13,299.50				1,700.50
LEGAL	BRONSON & KAHN	63,434.22		63,434.22		63,434.22	63,434.22				
LEGAL	INLAND MORTGAGE	12,452.00		12,452.00		12,452.00	12,452.00				
REAL ESTATE TAX	IMC	46,718.19		46,718.19		46,718.19	46,718.19				
LOAN DRAW COSTS	L M CONSULTANTS, INC.	6,500.00		10,200.00		12,600.00	7,800.00				4,800.00
APPRAISAL	INLAND MORTGAGE	6,500.00		6,500.00		6,500.00	6,500.00				
ENGINEERING	LM / CONSULTANTS	3,750.00		3,750.00		3,750.00	3,750.00				
ENVIRONMENTAL	ENVIRONMENTAL DESIGN	7,614.50		7,614.50		7,614.50	7,614.50				
INSURANCE	NEAR NORTH INSURANCE / IMC	50,057.00		50,057.00		50,057.00	50,057.00				
INSURANCE	INLAND RISK MANAGEMENT	200.00		200.00		200.00	200.00				
BUILDING PERMITS/IMPACT FEES	ANTHONY MENOTTI	102,661.50		102,661.50		102,661.50	102,661.50				
MARKETING	LUBOW	43,854.13		43,854.13		43,854.13	36,561.74				5,292.39
ADVERTISING / PR	VARIOUS	76,157.14		76,157.14		76,157.14	76,157.14				0.00
INTEREST RESERVE	INLAND MORTGAGE	810,000.00	162,258.11	972,258.11		972,258.11	482,709.93			60,149.96	419,998.22

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TYPE OF WORK	NAME	FUNDED CONTRACT AMOUNT	MODIFICATION AMOUNT	MODIFIED CONTRACT AMOUNT	CHANGE ORDERS	ADJUSTED CONTRACT AMOUNT	PREVIOUS DRAWS	AMOUNT PAID BY OWNER	RETAINAGE	NET AMOUNT THIS DRAW	FUNDED BALANCE DUE
GREEN FEE	CITY OF CHICAGO	25,000.00		25,000.00		25,000.00	25,000.00				
SOFT COST CONTINGENCY HOLDBACK	888 S. MICHIGAN, L.L.C.	6,646.95		6,646.95		4,246.95					4,246.95
GENERAL CONTRACTOR'S FEES HOLDBACK	WOLVERINE CONSTRUCTION	167,288.00		167,288.00		167,288.00	64,701.5				102,586.49
HARD COSTS CONSTRUCTION HOLDBACK	888 S. MICHIGAN	8,622,885.67	360,329.20	89,156,514.46		9,156,514.46	4,317,537.03				4,836,977.43
	OWNER REIMBURSEMENT										
HARD COST CONTINGENCY HOLDBACK	WOLVERINE CONSTRUCTION	(116,022.67)	(648,937.69)	732,815.02		732,815.02	(173,259.99)				905,075.00
		12,614,000.00	1,555,000.00	14,342,299.59		14,342,299.59	\$7,829,832.37	\$0.00		60,149.96	6,457,317.26
	LESS: ADDITIONAL HARD COST FUNDS AVAILABLE	(2,014,000.00)	(828,299.59)	(2,842,299.59)		(2,842,299.59)				(2,842,299.59)	(2,842,299.59)
	MAXIMUM BALANCE AVAILABLE	10,600,000.00		11,500,000.00		11,500,000.00					3,610,011.67

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## CHICAGO TITLE INSURANCE COMPANY

ORDER NUMBER: 1401 007876981 D2  
STREET ADDRESS: 836 S. MICHIGAN  
CITY: CHICAGO COUNTY: COOK  
TAX NUMBER: 17-15-305-018-0000

### LEGAL DESCRIPTION:

A TRACT OF LAND

COMMENCING AT A POINT AT THE INTERSECTION OF THE WEST LINE OF MICHIGAN AVENUE WITH THE NORTH LINE OF ELDREDGE COURT (NOW 9TH STREET) AND RUNNING THENCE NORTH ON SAID WEST LINE OF MICHIGAN AVENUE, 40 FEET; THENCE WEST ON A LINE PARALLEL WITH THE NORTH LINE OF THE ELDREDGE COURT (NOW PLACE), 160 FEET MORE OR LESS TO AN ALLEY; THENCE SOUTH ALONG SAID ALLEY 40 FEET TO THE NORTH LINE OF ELDREDGE COURT; THENCE EAST ON SAID NORTH LINE OF ELDREDGE COURT (NOW PLACE) TO THE POINT OF BEGINNING, SAID DESCRIBED PROPERTY BEING SITUATED IN LOT 9 IN BLOCK 17 IN FRACTIONAL SECTION 15 ADDITION TO CHICAGO IN SECTION 15, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Record of Cook County Clerk's Office

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