

UNOFFICIAL COPY 0020323064

2604/0335 55 001 Page 1 of 8
2002-03-21 12:20:58
Cook County Recorder 35.00

THIS DOCUMENT PREPARED BY
AND AFTER RECORDING RETURN TO:
Ruff, Weidenaar & Reidy, Ltd.
222 N. LaSalle Street
Suite 1525
Chicago, IL 60601
Attn: Timothy S. Breems, Esq.
RETURN TO BOX 257



0020323064

This space reserved for Recorder's use only

EXTENSION AND MODIFICATION OF LOAN DOCUMENTS

THIS EXTENSION AND MODIFICATION LOAN DOCUMENTS (this "Agreement") is made as of the 1st day of December, 2001, by and among **The Villas of Northbrook LLC**, an Illinois limited liability company (hereinafter referred to as "Borrower" or "Mortgagor"); **Adel T. Sotolongo** (hereinafter referred to as the "Guarantor"); and **LaSalle Bank National Association**, a national banking association (hereinafter referred to as "Lender" or "Mortgagee").

RECITALS:

A. Lender has heretofore made loans to Borrower in the aggregate principal amount not to exceed Three Million Sixty Thousand Dollars (\$3,060,000.00) (collectively the "Loans" and individually a "Loan") pursuant to the terms and conditions of a Construction Loan Agreement dated as of June 12, 2000 between Borrower and Lender, (the "Loan Agreement", all terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement), and as evidenced by (i) that certain Mortgage Note Series A dated June 12, 2000 in the principal amount of \$1,510,000.00 executed by Borrower and delivered by to Lender (the "Mortgage Note Series A"); (ii) that certain Construction Mortgage Note Series B dated June 12, 2000 in the principal amount not to exceed \$1,050,000.00 executed and delivered by Borrower to Lender (the "Construction Mortgage Note Series B"); and (iii) that certain Secured Demand Note Series C dated June 12, 2000 in the principal amount not to exceed \$500,000.00 executed and delivered by Borrower to Lender (the "Secured Demand Note Series C"). The Mortgage Note Series A, Construction Mortgage Note Series B and Secured Demand Note Series C are sometimes hereinafter collectively referred to as the "Notes".

B. The Notes are secured by, among other things, (i) that certain Mortgage and Security Agreement dated June 12, 2000 from Mortgagor to Mortgagee recorded with the Recorder of Deeds in Cook County, Illinois (the "Recorder's Office") on June 21, 2000 as Document No. 00459243 ("Mortgage"), which Mortgage encumbers the real property and all improvements thereon legally described on Exhibit A hereto ("Property"), (ii) that certain Collateral Assignment of Purchase Agreements, Leases and Rents dated June 12, 2000, from Mortgagor to Mortgagee and recorded in

Return to Box 257

121643

UNOFFICIAL COPY

the Recorder's Office on June 21, 2000 as Document No. 00459244 (the "Assignment of Leases"); and (iii) certain other loan documents (the Note, the Mortgage, the Assignment of Leases, the other documents evidencing, securing and guarantying the Loan, in their original form and as amended, are sometimes collectively referred to herein as the "Loan Documents").

C. The Loan is further secured by a Guaranty dated June 21, 2000 from Guarantor to Lender (the "Guaranty").

D. The Secured Demand Note Series C evidences any indebtedness of Borrower to Lender by reason of any funding of or draw upon irrevocable Standby Letter of Credit No. S528217 in the original amount of \$500,000.00 and reduced to the outstanding amount of \$373,451.00 as of the date hereof issued by the Lender upon the application of the Borrower for the benefit of the Village of Northbrook, IL (the "Letter of Credit").

E. Borrower desires to extend the maturity date of the Loans evidenced by the Mortgage Note Series A and the Construction Mortgage Note Series B from December 1, 2001 to February 1, 2002, extend the expiration date of the Letter of Credit to December 1, 2002 and amend the release provisions of the Loan Documents to provide for replacement of the Property as security for the Loans with cash collateral securing the Secured Demand Note Series C upon the final and full repayment of the Mortgage Note Series A and Construction Mortgage Note Series B.

AGREEMENTS:

NOW, THEREFORE, in consideration of (i) the facts set forth hereinabove (which are hereby incorporated into and made a part of this Agreement), (ii) the agreements by Lender to extend and modify the Loan Documents, as provided herein, and to extend the expiration date of the Letter of Credit to December 1, 2002, (iii) the covenants and agreements contained herein, and (iv) for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Maturity Date.** The maturity date of the Loans evidenced by the Mortgage Note Series A and the Construction Mortgage Note Series B is extended to February 1, 2002. Any reference in any of the Mortgage Note Series A, Construction Mortgage Note Series B or any other Loan Document to the maturity date of the Loans evidenced by the Mortgage Note Series A and the Construction Mortgage Note Series B or the last day of the term of such Loans shall mean February 1, 2002.

2. **Substitution of Cash Collateral to Secure Letter of Credit.** Notwithstanding anything contained in any of the Loan Documents, Borrower hereby acknowledges and agrees that prior to and as a condition of the issuance of any final and full release of the Mortgage and Assignment of Leases from the Property upon repayment by Borrower in full of the Mortgage Note Series A and the Construction Mortgage Note Series B, Borrower shall deliver, pledge to and deposit with Lender cash collateral in an amount at least equal to the then outstanding balance of the Letter

UNOFFICIAL COPY

of Credit and shall grant to Lender a first security interest in such cash collateral to secure any funding of the Letter of Credit and repayment of the Secured Demand Note Series C pursuant to a Security Agreement - Agreement to Pledge Cash Collateral prescribed by Lender.

3. **Title Policy.** As a condition precedent to the agreements contained herein, Borrower shall, at its sole cost and expense, cause Chicago Title Insurance Company (the "Title Insurer") to issue an endorsement to Lender's title insurance policy No. 1401 007842600D2 (the "Title Policy"), as of the date this Agreement is recorded, reflecting the recording of this Agreement and insuring the first priority of the lien of the Mortgage, subject only to the exceptions set forth in the Title Policy as of its date of issuance and any other encumbrances expressly agreed to by Lender.

4. **Reaffirmation of Guaranty.** Guarantor ratifies and affirms the Guaranty and agrees that the Guaranty is in full force and effect following the execution and delivery of this Agreement. The representations and warranties of Guarantor in the Guaranty are, as of the date hereof, true and correct and Guarantor does not know of any default thereunder. The Guaranty continues to be the valid and binding obligations of Guarantor, enforceable in accordance with its terms and Guarantor has no claims or defenses to the enforcement of the rights and remedies of Lender thereunder, except as provided in the Guaranty.

5. **Representations and Warranties of Borrowers.** Each of Borrower and Guarantor hereby represents, covenants and warrants to Lender as follows:

(a) The representations and warranties in the Loan Agreement, Mortgage and the other Loan Documents are true and correct as of the date hereof.

(b) There is currently no Event of Default (as defined in the Mortgage or other Loan Documents) under the Note, the Mortgage or the other Loan Documents and Borrower and Guarantor do not know of any event or circumstance which with the giving of notice or passing of time, or both, would constitute an Event of Default under the Note, the Mortgage or the other Loan Documents.

(c) The Loan Documents are in full force and effect and, following the execution and delivery of this Agreement, they continue to be the legal, valid and binding obligations of Borrower and Guarantor enforceable in accordance with their respective terms, subject to limitations imposed by general principles of equity.

(d) There has been no material adverse change in the financial condition of any of Borrower, Guarantor or any other party whose financial statement has been delivered to Lender in connection with the Loan from the date of the most recent financial statement received by Lender.

(e) As of the date hereof, Borrower and Guarantor have no claims, counterclaims, defenses, or set-offs with respect to the Loan or the Loan Documents as modified herein.

UNOFFICIAL COPY

(f) This Agreement has been duly executed and delivered on behalf of Borrower and Guarantor.

6. **Expenses.** As a condition precedent to the agreements contained herein, Borrower shall pay to Lender all out-of-pocket costs and expenses incurred by Lender in connection with this Agreement, including, without limitation, title charges, recording fees, appraisal fees and attorneys' fees and expenses.

7. **Miscellaneous.**

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

(b) This Agreement shall not be construed more strictly against Lender than against Borrower and Guarantor merely by virtue of the fact that the same has been prepared by counsel for Lender, it being recognized that Borrower, Guarantor and Lender have contributed substantially and materially to the preparation of this Agreement, and Borrower, Guarantor and Lender each acknowledges and waives any claim contesting the existence and the adequacy of the consideration given by the other in entering into this Agreement. Each of the parties to this Agreement represents that it or he has been advised by its or his respective counsel of the legal and practical effect of this Agreement, and recognizes that it or he is executing and delivering this Agreement, intending thereby to be legally bound by the terms and provisions thereof, of its or his own free will, without promises or threats or the exertion of duress upon it or him. The signatories hereto state that they have read and understand this Agreement, that they intend to be legally bound by it and that they expressly warrant and represent that they are duly authorized and empowered to execute it.

(c) Notwithstanding the execution of this Agreement by Lender, the same shall not be deemed to constitute Lender a venturer or partner of or in any way associated with Borrower or Guarantor nor shall privity of contract be presumed to have been established with any third party.

(d) Borrower, Guarantor and Lender each acknowledges that there are no other understandings, agreements or representations, either oral or written, express or implied, that are not embodied in the Loan Documents and this Agreement, which collectively represent a complete integration of all prior and contemporaneous agreements and understandings of Borrower, Guarantor and Lender; and that all such prior understandings, agreements and representations are hereby modified as set forth in this Agreement. Except as expressly modified hereby, the terms of the Loan Documents are and remain unmodified and in full force and effect.

(e) This Agreement shall bind and inure to the benefit of the parties hereto and

UNOFFICIAL COPY

their respective heirs, executors, administrators, successors and assigns.

(f) Any references to the "Note" the "Mortgage" or the "Loan Documents" contained in any of the Loan Documents shall be deemed to refer to the Note, the Mortgage and the other Loan Documents as amended hereby. The paragraph and section headings used herein are for convenience only and shall not limit the substantive provisions hereof. All words herein which are expressed in the neuter gender shall be deemed to include the masculine, feminine and neuter genders. Any word herein which is expressed in the singular or plural shall be deemed, whenever appropriate in the context, to include the plural and the singular.

(g) This Agreement may be executed in one or more counterparts, all of which, when taken together, shall constitute one original Agreement.

(h) Time is of the essence of each of Borrower's and Guarantor's respective obligations under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement dated as of the day and year first above written.

LENDER:

LaSalle Bank National Association, a national banking association

By: 

Name: James A. Pope

Title: 1st VP

BORROWER:

The Villas of Northbrook LLC, an Illinois limited liability company

By: 

Name: Adel T. Sotolongo

Title: Manager

GUARANTOR:


Name: Adel T. Sotolongo

20323064

201828084

UNOFFICIAL COPY

STATE OF Illinois)
)SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said county, in the State aforesaid, DO HEREBY CERTIFY that Adel T. Sotolongo, Manager of The Villas of Northbrook 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 of The Villas of Northbrook LLC, an Illinois limited liability company, 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 The Villas of Northbrook LLC, an Illinois limited liability company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 3rd day of December 2001.

STATE OF Illinois)
)SS
COUNTY OF COOK)

Marian E. Sotolongo
Notary Public



I, the undersigned, a Notary Public in and for said county, in the State aforesaid, DO HEREBY CERTIFY that Adel T. Sotolongo, 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 acts for the uses and purposes therein set forth.

Given under my hand and notarial seal this 3rd day of December 2001.

Marian E. Sotolongo
Notary Public



20323064

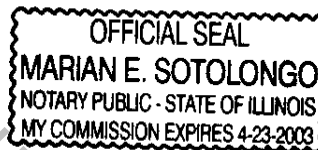
UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that James A. Pape, 1st Vice Pres of LaSalle Bank National Association, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such 1st Vice President of LaSalle Bank National Association, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of LaSalle Bank National Association, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 3rd day of December 2001.


Notary Public



20323064

UNOFFICIAL COPY

EXHIBIT A

THE PROPERTY

PARCEL 1:

THE NORTH 100 FEET OF THE SOUTH 1980 FEET OF THE WEST 627 FEET OF THE SOUTHWEST 1/4 OF SECTION 4, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE NORTH 100 FEET OF THE SOUTH 1880 FEET OF THE WEST 627 FEET OF THE SOUTHWEST 1/4 OF SECTION 4, TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N.: 04-04-302-035; 04-04-302-036

Address: East side of Pfingsten Road, approximately 1/4 mile north of Dundee Road and 1/4 mile south of Lake Cook Road, Northbrook, IL

20323084