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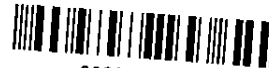
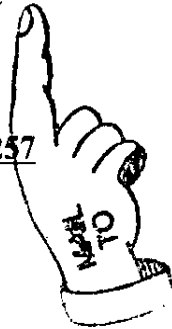
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Cook County Recorder 57.50

MTC 2025875 JH

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

RETURN TO BOX 257



0020735974

COOK COUNTY
RECORDER
EUGENE "GENE" MOORE
MARKHAM OFFICE

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SECOND EXTENSION AND MODIFICATION OF LOAN DOCUMENTS

THIS SECOND EXTENSION AND MODIFICATION OF LOAN DOCUMENTS (this "Agreement") is made as of the 1st day of March, 2002, by and among **Washington Franklin Self Park, L.L.C.**, an Illinois limited liability company (hereinafter referred to as "Borrower" or "Mortgagor"); **Calvin D. Boender** and **Robert Finnigan** (hereinafter individually referred to as a "Guarantor" and collectively referred to as "Guarantors"); and **LaSalle Bank National Association**, a national banking association, its successors and/or assigns (hereinafter referred to as "Lender" or "Mortgagee").

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RECITALS:

A. Borrower is indebted to Lender (i) in the outstanding principal amount not to exceed One Million Dollars (\$1,000,000.00) as of the date hereof (the "Revolving Line of Credit") as evidenced by a Revolving Line of Credit Note dated March 17, 2000 in the principal amount not to exceed One Million Dollars (\$1,000,000.00) made payable by Borrower to the order of Lender, as extended and modified by that certain Extension and Modification of Loan Documents dated March 1, 2001 (the "First Modification Agreement") among Borrower, Guarantors and Lender and recorded with the Recorder of Deeds of Cook County, Illinois (the "Recorder's Office") on October 23, 2001 as Document No. 0010988747, (the "Revolving Line of Credit Note"), and (ii) in the outstanding principal amount of Nine Million Seven Hundred Seventy Two Thousand Four Hundred Eighty Dollars (\$9,772,480.00) as of the date hereof (the "Term Loan") as evidenced by a Mortgage Note dated March 17, 2000 in the principal amount not to exceed Ten Million Dollars (\$10,000,000.00) made payable by Borrower to the order of Lender (the "Mortgage Note").

B. Each of the Revolving Line of Credit Note and Mortgage Note is secured by, among other things, (i) that certain Mortgage and Security Agreement dated March 17, 2000 from Mortgagor to Lender and recorded with the Recorder's Office on March 20, 2000 as Document No. 00193577 ("Mortgage"), which Mortgage encumbers the real property and all improvements thereon

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legally described on Exhibit A hereto ("Property"), (ii) that certain Collateral Assignment of Contracts, Leases and Rents dated March 17, 2000, from Mortgagor to Mortgagee and recorded in the Recorder's Office on March 20, 2000 as Document No. 00193578 (the "Assignment of Leases"); and (iii) certain other loan documents, all as extended and modified by the First Modification Agreement and as may be modified or extended (the Revolving Line of Credit Note, the Mortgage Note, the Mortgage, the Assignment of Leases, the other documents evidencing, securing and guarantying the Revolving Line of Credit and Term Loan, in their original form and as amended, modified and extended are sometimes collectively referred to herein as the "Loan Documents").

C. Guarantors have unconditionally guaranteed the repayment by Borrower of the loan indebtedness evidenced by the Revolving Line of Credit Note and the Mortgage Note and the performance and observance all of the terms, covenants, and conditions of each of the Loan Documents by the parties who have executed the same pursuant to that certain Guaranty dated March 17, 2000 executed and delivered by the Guarantors to Lender as extended and reaffirmed by the First Modification Agreement (the "Guaranty").

D. Borrower and Guarantors desire to extend the maturity date of the Revolving Line of Credit from March 1, 2002 to March 1, 2003 and to modify the interest rate provisions of the Term Loan.

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, (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 of Revolving Line of Credit.** The maturity date of the Revolving Line of Credit is extended from March 1, 2002 to March 1, 2003. Any reference in the Revolving Line of Credit Note or any other Loan Document to the maturity date of the Revolving Line of Credit shall mean March 1, 2003. Borrower shall continue to make the monthly payments of interest on the outstanding principal balance of the Revolving Line of Credit Note at the Interest Rate described in the Revolving Line of Credit Note to Lender on March 1, 2002 and on the first (1st) day of each month thereafter, except that the final payment the entire outstanding principal balance of the Revolving Line of Credit Note and accrued interest thereon shall be paid by Borrower to Lender on March 1, 2003.

2. **Modification of Mortgage Note.** The Mortgage Note is hereby modified to provide that Borrower hereby promises to pay to Lender the outstanding principal sum of Nine Million Seven Hundred Fifty Thousand One Hundred Ninety Dollars (\$9,750,190.00) with interest thereon at the Interest Rate and at the times and in the manner as follows:

(a) Unless an optional interest rate is in effect as described below and subject to conversion of the Term Loan as provided in Sub-Paragraph (d) below, interest shall accrue on the outstanding principal balance of the Mortgage Note from the date hereof through April 1, 2005, (the "**Maturity Date**") at an annual rate equal to the greater of (i) Four and One-Quarter percent (4.25%), or (ii) Prime Rate (the "**Loan Rate**"). Changes in the rate of interest to be charged under the Mortgage Note based on the Prime Rate shall take effect immediately upon the occurrence of any change in the Prime Rate.

"**Prime Rate**" means the rate of interest most recently announced by Lender at Chicago, Illinois as its prime or base rate. A certificate made by an officer of Lender stating the Prime Rate in effect on any given day, for the purposes hereof, shall be conclusive evidence of the Prime Rate in effect on such day. The "Prime Rate" is a base reference rate of interest adopted by Lender as a general benchmark from which Lender determines the floating interest rates chargeable on various loans to borrowers with varying degrees of creditworthiness and Borrower acknowledges and agrees that Lender has made no representations whatsoever that the "Prime Rate" is the interest rate actually offered by Lender to borrowers of any particular creditworthiness.

(b) **Optional Interest Rate.** Borrower may elect the optional interest rate described below subject to the floor rate of four and one-quarter percent (4.25%) per annum for all or a portion of the loan evidenced by the Mortgage Note (the "**Term Loan**") during the interest periods described below. Any principal amount bearing interest at an optional rate under the Mortgage Note is referred to as a "**Portion**".

(c) **LIBOR Rate.** Subject to the terms hereinafter set forth, Borrower may elect to have all or part of the outstanding principal balance of the Mortgage Note bear interest at an annual rate equal to the greater of (i) Four and One-Quarter percent (4.25%), or (ii) the one, two or three month LIBOR Rate plus One and 90/100ths percent (1.90%) ("**Applicable Margin**"). Designation of a LIBOR Rate Portion is subject to the following requirements:

(i) The interest period during which the LIBOR Rate will be in effect will be one, two or three months, or such other period as may be agreed to by Lender and Borrower. Borrower shall irrevocably request, in writing, a LIBOR Rate Portion no later than 2:00 p.m. Chicago time on the day on which the London Inter-Bank Offered Rate will be set, as specified below. If the first election for a LIBOR Rate Portion is made such that the interest period shall commence on any day other than the first Business Day of a month, then the initial interest period shall end on the last day of the month in which such election is made and the Portion for such partial month shall bear interest at a short term LIBOR Rate, plus the Applicable Margin. In any event the first day of the interest period must be a day on which Lender is open for business in Chicago, Illinois (a "**Business Day**") and banks are open in London, England and dealing in offshore United States dollars. The last day of the interest period and the actual number of days during the interest period will be determined

by Lender using the practices of the London inter-bank market.

(ii) Each LIBOR Rate Portion will be for an amount not less than the then current, entire outstanding principal loan balance. No more than one (1) separate LIBOR Rate Portion may be outstanding at any time.

(iii) "**LIBOR Rate**" means the interest rate determined by the following formula, rounded upward to the nearest 1/100 of one percent (all amounts in the calculation will be determined by Lender as of the first day of the interest period:

$$\text{LIBOR} = \frac{\text{London Inter-Bank Offered Rate}}{(1.00 - \text{Reserve Percentage})}$$

Where,

(1) "**London Inter-Bank Offered Rate**" means the rate per annum equal to the offered rate for deposits in U.S. dollars for the applicable interest period and for amounts comparable to the LIBOR Rate Portion published by Bloomberg's Financial Markets Commodities News at approximately 8:00 a.m. Chicago time two (2) Business Days before the commencement of the interest period (or if not so published, Lender, in its sole discretion, shall designate another daily financial or governmental publication of national circulation to determine such rate); provided, however, that after the first election of an interest period with respect to any Portion, the London Inter-Bank Offered Rate shall be determined at approximately 8:00 a.m. Chicago time on the first Business Day of the month for each interest period thereafter with respect to such Portion.

(2) "**Reserve Percentage**" means the total of the maximum reserve percentages for determining the reserves to be maintained by member banks of the Federal Reserve System for Eurocurrency Liabilities, as defined in Federal Reserve Board Regulation D, rounded upward to the nearest 1/100 of one percent. The percentage will be expressed as a decimal, and will include, but not be limited to, marginal, emergency, supplemental, special, and other reserve percentages.

(iv) Each LIBOR Rate Portion elected by Borrower shall automatically renew for the same interest period at the then current LIBOR Rate plus the Applicable Margin unless Borrower shall otherwise irrevocably request, in writing, a different interest period or conversion of all or a portion of the LIBOR Rate Portion to the Loan Rate, no later than 2:00 p.m. Chicago time on the second (2nd) Business Day before the expiration of the existing interest period. Borrower may not elect a LIBOR Rate and an interest period for a LIBOR Rate Portion shall not automatically

renew with respect to any principal amount which is scheduled to be repaid before the last day of the applicable interest period, and any such amounts shall bear interest at the Loan Rate, until repaid.

(v) Lender is not obligated to accept a deposit in the inter-bank market in order to charge interest on a LIBOR Rate Portion at the LIBOR Rate, once Borrower elects such rate.

(vi) Each prepayment of a LIBOR Rate Portion, whether voluntary, involuntary, by reason of acceleration or otherwise, will be accompanied by the amount of accrued interest on the amount prepaid and the "Make Whole Costs", as described below. A "prepayment" is a payment of an amount on a date earlier than the scheduled payment date for such amount as required by the Mortgage Note. The "Make Whole Costs" shall be equal to all costs, expenses, penalties and charges incurred by Lender as a result of the early termination or breakage of a LIBOR Rate Portion plus any Additional Costs (hereinafter defined) and the amount (if any) by which:

(1) the additional interest which would have been payable during the interest period on the amount prepaid had it not been prepaid, exceeds

(2) the interest which would have been recoverable by Lender by placing the amount prepaid on deposit in the domestic certificate of deposit market, the eurodollar deposit market, or other appropriate money market selected by Lender, for a period starting on the date on which it was prepaid and ending on the last day of the interest period for such Portion (or the scheduled payment date for the amount prepaid, if earlier).

(vii) Each prepayment of a LIBOR Rate Portion, whether voluntary, involuntary, by reason of acceleration or otherwise, will be accompanied by the amount of accrued interest on the amount prepaid and any and all costs, expenses, penalties and charges incurred by Lender as a result of the early termination or breakage of a LIBOR Rate Portion.

(viii) Lender will have no obligation to accept an election for a LIBOR Rate Portion if any of the following described events has occurred and is continuing:

(1) Dollar deposits in the principal amount, and for periods equal to the interest period, of a LIBOR Rate Portion are not available in the London inter-bank market; or

(2) maintenance of a LIBOR Rate Portion would violate any applicable law, rule, regulation or directive, whether or not having the force

of law; or

(3) the LIBOR Rate does not accurately reflect the cost of a LIBOR Rate Portion; or

(4) an Event of Default has occurred and is continuing or any event or circumstance exists which, with the giving of notice or passage of time, would constitute an Event of Default.

(ix) In addition, Borrower shall be responsible for paying any costs ("Additional Costs") actually incurred by Lender as a direct result of any change in Lender's cost of complying with any law, rule, regulation or other requirement imposed, interpreted or enforced by any federal, state or other governmental or monetary authority which is applicable to assets held by or deposits or accounts with or credits extended by Lender and which causes Lender to incur costs or increases the effective cost to Lender of lending to Borrower at the LIBOR Rate or decreases the effective spread or yield of One and 90/100ths percent (1.90%) per annum above the LIBOR Rate which would be made by Lender on a LIBOR Rate Portion.

(d) If no Event of Default (as described in any of the Loan Documents) exists, Borrower shall have a one time option to convert the applicable Interest Rate as described above to a fixed rate of interest (the "Fixed Rate Option"). Borrower shall exercise the Fixed Rate Option by providing to Lender in writing its request to exercise the Fixed Rate Option, which date of receipt of such exercise in writing by Lender is hereinafter referred to as the "Conversion Date". If Borrower exercises the Fixed Rate Option, then interest shall accrue on the outstanding principal balance of the Mortgage Note from the Conversion Date through the Maturity Date at the rate per annum equal to (i) One and 90/100ths percent (1.90%) plus (ii) the yield (converted as necessary to an annual interest rate) on U.S. Treasury Securities having a maturity date closest to the Maturity Date, as published in Bloomberg's Financial Markets Commodities News at approximately 8:00 a.m. Chicago time on the second (2nd) business day preceding the Conversion Date ("Determination Date") (or if not so published, Lender, in its sole discretion, shall designate another daily financial or governmental publication of national circulation to be used to determine such yield) plus the corresponding swap spread as published in Bloomberg's Financial Markets Commodities News as of the Determination Date (or if not so published, Lender, in its sole discretion, shall designate another daily financial or governmental publication of national circulation to be used to determine such spread). "U.S. Treasury Securities" means actively traded U.S. Treasury bonds, bills and notes, and if more than one issue of U.S. Treasury securities is scheduled to mature on or about the Maturity Date then to the extent possible, the U.S. Treasury security maturing most recently prior to the Maturity Date will be chosen as the basis of the yield.

(e) The interest payable under the Mortgage Note shall be calculated on the basis of a year consisting of 360 days and paid for the actual number of days elapsed.

(f) Subject to the payment by Borrower to Lender of the Exit Fee required pursuant to Sub-Paragraph (g) below, the outstanding principal balance of the Mortgage Note bearing interest at the Loan Rate may be prepaid, either in whole or in part, without penalty or premium, at any time and from time to time upon fourteen (14) days prior notice to Lender. Subject to the payment by Borrower to Lender of the Exit Fee required pursuant to Sub-Paragraph (g) below, the outstanding principal balance of the Mortgage Note bearing interest at the LIBOR Rate plus the Applicable Margin may be prepaid only on the last day of an interest period; provided, however, that Borrower may prepay the outstanding principal balance of the Mortgage Note bearing interest at a LIBOR Rate plus the Applicable Margin prior to such day so long as such prepayment is accompanied by a simultaneous payment of the Make Whole Costs described above, plus accrued interest on the outstanding principal balance of the Mortgage Note bearing interest at a LIBOR Rate plus the Applicable Margin being prepaid through the date of prepayment. Provided that no Event of Default then exists, Borrower may voluntarily prepay the principal balance of the Mortgage Note bearing interest at the Fixed Rate, in whole but not in part, at any time on or after the date hereof, subject to the following conditions:

(i) Not less than thirty (30) days prior to the date upon which Borrower desires to make such prepayment, Borrower shall deliver to Lender written notice of its intention to prepay the Mortgage Note in full, which notice shall be irrevocable and state the prepayment date ("**Prepayment Date**");

(ii) Borrower shall pay to Lender concurrently with such prepayment, a prepayment premium ("**Prepayment Premium**") equal to the greater of (A) the Yield Amount (as hereinafter defined) or (B) the Fixed Amount (as hereinafter defined); and

(iii) Borrower shall pay to Lender all accrued and unpaid interest through the date of such prepayment on the principal balance being prepaid. Notwithstanding the foregoing, no Prepayment Premium shall be owing if such prepayment is made on or after the ninetieth (90th) day prior to the Maturity Date.

(iv) Borrower acknowledges that the Term Loan was made on the basis and assumption that Lender would receive the payments of principal and interest set forth herein for the full term hereof. Therefore, if the maturity hereof has been accelerated by reason of the occurrence of an Event of Default the Prepayment Premium shall be due, in addition to the outstanding principal balance, accrued interest and other sums due hereunder.

(v) For purposes of the Mortgage Note, the "**Fixed Amount**" shall mean one percent (1.00%) of the amount prepaid.

For purposes of the Mortgage Note, the "**Yield Amount**" shall be the amount calculated as follows:

(A) There shall first be determined, as of the Prepayment Date, the amount, if any, by which the Loan Rate exceeds the yield to maturity percentage ("**Current Yield**") for actively traded U.S. Treasury bonds, bills and notes ("**Treasury Security**") closest in maturity to the Maturity Date as published in The Wall Street Journal on the fifth business day preceding the Prepayment Date. If publication of (A) The Wall Street Journal or (B) the Current Yield of the Treasury Security in The Wall Street Journal is discontinued, Lender, in its sole discretion, shall designate another daily financial or governmental publication of national circulation to be used to determine the Current Yield;

(B) The difference calculated pursuant to clause (A) above shall be multiplied by the outstanding principal balance of the Mortgage Note as of the Prepayment Date;

(C) The product calculated pursuant to clause (B) above shall be multiplied by the quotient, rounded to the nearest one-hundredth of one percent, obtained by dividing (1) the number of days from and including the Prepayment Date to and including the Maturity Date, by (2) 365; and

(D) The product calculated pursuant to clause (iii) above shall be discounted at the annual rate of the Adjusted Current Yield (where the "**Adjusted Current Yield**" means the Current Yield adjusted to reflect the difference in timing of semi-annual payments of interest on the Treasury Security and monthly payments under the Mortgage Note) to the present value thereof as of the Prepayment Date, on the assumption that said sum would be received in equal monthly installments on each monthly anniversary of the Prepayment Date prior to the Maturity Date, with the final such installment to be deemed received on the Maturity Date;

provided that Borrower shall not be entitled in any event to a credit against, or a reduction of, the indebtedness being prepaid if the Adjusted Current Yield exceeds the Interest Rate or for any other reason.

(g) Borrower acknowledges that the Term Loan was made on the basis and assumption that Lender would receive the payments of principal and interest set forth in the Mortgage Note for the full term hereof. Therefore, whenever the Mortgage Note is prepaid

at a time when the outstanding principal balance is bearing interest at either the Loan Rate or the LIBOR Rate plus the Applicable Margin and prior to the Maturity Date, whether by the acceleration of the maturity hereof by reason of the occurrence of an Event of Default or by the voluntary prepayment by Borrower, there shall be due, in addition to the outstanding principal balance, accrued interest and other sums due hereunder, an "Exit Fee" equal to one (1.0)% of the balance of the principal outstanding at the date of such prepayment.

(h) Commencing on April 1, 2002, and on the first (1st) day of each month thereafter through and including the month in which the Conversion Date occurs, payments of principal in the amount of \$11,355.00 plus interest accrued on the outstanding principal balance of the Mortgage Note bearing interest at the Loan Rate or at the LIBOR Rate plus the Applicable Margin, as the case may be, shall be due and payable. Interest accrued on the outstanding principal balance of the Mortgage Note bearing interest at the LIBOR Rate plus the Applicable Margin as of the date of termination, breakage or other disposition shall be due and payable in full on the date of such termination, breakage or disposition.

(i) Commencing on the first Business Day of the first month after the Conversion Date and on the first (1st) day of each month thereafter through and including the month in which the Maturity Date occurs, payments of principal and accrued and unpaid interest thereon shall be due and payable in an amount required to fully amortize the outstanding principal balance of the Term Loan in equal, consecutive monthly installments over the remaining 25 year period which began March 1, 2002.

(j) The unpaid principal balance of the Mortgage Note, if not sooner paid or declared to be due in accordance with the terms hereof and thereof, together with all accrued and unpaid interest thereon and any other amounts due and payable hereunder or under any other Loan Document (as hereinafter defined), shall be due and payable in full on the Maturity Date.

3. **Modification of Mortgage.** The Mortgage is hereby modified to provide that the following paragraphs are hereby added to Paragraph 8 of said Mortgage:

"Mortgagor and Mortgagee agree that this Mortgage shall constitute a Security Agreement within the meaning of the provisions of the Uniform Commercial Code, in effect from time to time (the "Code"), with respect to (a) all sums at any time on deposit for the benefit of Mortgagor or held by the Mortgagee (whether deposited by or on behalf of Mortgagor or anyone else) pursuant to any of the provisions of this Mortgage or the other Loan Documents, and (b) with respect to any personal property included in the granting clauses of this Mortgage, which personal property may not be deemed to be affixed to the Premises or may not constitute a "fixture" (within the meaning of Section 9-102(41) of the Code) (which property is hereinafter referred to as "Personal Property"), and all replacements of, substitutions for, additions to, and the proceeds thereof, and the supporting obligations (as defined in the Code) (all of said Personal Property and the replacements, substitutions

and additions thereto and the proceeds thereof being sometimes hereinafter collectively referred to as "Collateral"), and that a security interest in and to the Collateral is hereby granted to the Mortgagee, and the Collateral and all of Mortgagor's right, title and interest therein are hereby assigned to Mortgagee, all to secure payment of the Indebtedness. All of the provisions contained in this Mortgage pertain and apply to the Collateral as fully and to the same extent as to any other property comprising the Premises; and the following provisions of this Paragraph shall not limit the applicability of any other provision of this Mortgage but shall be in addition thereto:

- a. Mortgagor (being the Debtor as that term is used in the Code) is and will be the true and lawful owner of the Collateral and has rights in the power to transfer the Collateral, subject to no liens, charges or encumbrances other than the lien hereof, other liens and encumbrances benefitting Mortgagee and no other party, and liens and encumbrances, if any, expressly permitted by the other Loan Documents.
- b. The Collateral is to be used by Mortgagor solely for business purposes.
- c. The Collateral will be kept at the Real Estate and will not be removed therefrom without the consent of Mortgagee (being the Secured Party as that term is used in the Code). The Collateral may be affixed to the Real Estate but will not be affixed to any other real estate.
- d. The only persons having any interest in the Premises are Mortgagor, Mortgagee and holders of interests, if any, expressly permitted hereby.
- e. No Financing Statement (other than Financing Statements showing Mortgagee as the sole secured party, or with respect to liens or encumbrances, if any, expressly permitted hereby) covering any of the Collateral or any proceeds thereof is on file in any public office except pursuant hereto; and Mortgagor, at its own cost and expense, upon demand, will furnish to Mortgagee such further information and will execute and deliver to Mortgagee such financing statements and other documents in form satisfactory to Mortgagee and will do all such acts as Mortgagee may request at any time or from time to time or as may be necessary or appropriate to establish and maintain a perfected security interest in the Collateral as security for the Indebtedness, subject to no other liens or encumbrances, other than liens or encumbrances benefitting Mortgagee and no other party and liens and encumbrances (if any) expressly permitted hereby; and Mortgagor will pay the cost of filing or recording such financing statements or other documents, and this instrument, in all public offices wherever filing or recording is deemed by Mortgagee to be desirable.
- f. Upon an Event of Default hereunder, Mortgagee shall have the remedies of a secured party under the Code, including, without limitation, the right to take immediate and exclusive possession of the Collateral, or any part thereof, and for that purpose, so far as Mortgagor can give authority therefor, with or without judicial process, may enter (if this can

be done without breach of the peace) upon any place which the Collateral or any part thereof may be situated and remove the same therefrom (provided that if the Collateral is affixed to real estate, such removal shall be subject to the conditions stated in the Code); and Mortgagee shall be entitled to hold, maintain, preserve and prepare the Collateral for sale, until disposed of, or may propose to retain the Collateral subject to Mortgagor's right of redemption in satisfaction of Mortgagor's obligations, as provided in the Code. Mortgagee may render the Collateral unusable without removal and may dispose of the Collateral on the Premises. Mortgagee may require Mortgagor to assemble the Collateral and make it available to Mortgagee for its possession at a place to be designated by Mortgagee which is reasonably convenient to both parties. Mortgagee will give Mortgagor at least ten (10) days' notice of the time and place of any public sale of the Collateral or of the time after which any private sale or any other intended disposition thereof is made. The requirements of reasonable notice shall be met if such notice is mailed, by certified United States mail or equivalent, postage prepaid, to the address of Mortgagor hereinafter set forth at least ten (10) days before the time of the sale or disposition. Mortgagee may buy at any public sale. Mortgagee may buy at private sale if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations. Any such sale may be held in conjunction with any foreclosure sale of the Premises. If Mortgagee so elects, the Premises and the Collateral may be sold as one lot. The net proceeds realized upon any such disposition, after deduction for the expenses of retaking, holding, preparing for sale, selling and the reasonable attorneys' fees and legal expenses incurred by Mortgagee, shall be applied against the Indebtedness in such order or manner as Mortgagee shall select. Mortgagee will account to Mortgagor for any surplus realized on such disposition.

g. The terms and provisions contained in this Paragraph 8, unless the context otherwise requires, shall have the meanings and be construed as provided in the Code in effect from time to time.

h. This Mortgage is intended to be a financing statement within the purview of Section 9-502(b) of the Code with respect to the Collateral and the goods described herein, which goods are or may become fixtures relating to the Premises. This Mortgage is to be filed for recording with the Recorder of Deeds of the county or counties where the Premises are located.

i. To the extent permitted by applicable law, the security interest created hereby is specifically intended to cover all Leases between Mortgagor or its agents as lessor or franchisee, as the case may be, and various tenants named therein, as lessee or franchiser named therein, as the case may be, including all extended terms and all extensions and renewals of the terms thereof, as well as any amendments to or replacement of said Leases, together with all of the right, title and interest of Mortgagor, as lessor thereunder. thereunder.

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- j. Mortgagor represents and warrants that:
- i. Mortgagor is the record owner of the Premises;
 - ii. Mortgagor's chief executive office is located in the State of Illinois;
 - iii. Mortgagor's state of formation is the State of Illinois;
 - v. Mortgagor's exact legal name is as set forth in the first paragraph of this Mortgage; and
 - vi. Mortgagor's organizational identification number is 00283088.

k. Mortgagor agrees that:

- i. Mortgagee is authorized to file a financing statement describing the Collateral.
- ii. Where Collateral is in possession of a third party, Mortgagor will join with the Mortgagee in notifying the third party of the Mortgagee's interest and obtaining an acknowledgment from the third party that it is holding the Collateral for the benefit of Mortgagee;
- iii. Mortgagor will cooperate with the Mortgagee in obtaining control with respect to Collateral consisting of: deposit accounts, investment property, letter of credit rights and electronic chattel paper; and
- v. Until the Indebtedness is paid in full, Mortgagor will not change the state where it is located or change its company name without giving the Mortgagee at least 30 days' prior written notice in each instance.

l. To the extent permitted by the provisions of the Code, Mortgagor herewith specifically authorizes Mortgagee to file or record unsigned Financing Statements, or Financing Statements signed only by the Mortgagee as secured party, from time to time to perfect Mortgagee's security interest in the Collateral."

4. **Title Policy.** As a condition precedent to the agreements contained herein, Borrower shall, at its sole cost and expense, cause Chicago Title Insurance Company to issue an endorsement to Lender's title insurance policy No. 71 0016 107 00017702 (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.

5. **Reaffirmation of Guaranty.** Each 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 Guarantors in the Guaranty are, as of the date hereof, true and correct and Guarantors do not know of any default thereunder. The Guaranty continues to be the valid and binding obligations of each Guarantor enforceable in accordance with its terms and none of Guarantors has any claims or defenses to the enforcement of the rights and remedies of Lender thereunder, except as provided in the Guaranty.

6. **Representations and Warranties of Borrower and Guarantors.** Each of Borrower and Guarantors hereby represents, covenants and warrants to Lender as follows:

(a) The representations and warranties in the 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) under the Revolving Line of Credit Note, the Mortgage Note, the Mortgage or the other Loan Documents and Borrower and Guarantors 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 Revolving Line of Credit Note, the Mortgage 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 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, Guarantors or any other party whose financial statement has been delivered to Lender in connection with the Revolving Line of Credit or Term Loan from the date of the most recent financial statement received by Lender.

(e) As of the date hereof, none of Borrower or Guarantors has any claims, counterclaims, defenses, or set-offs with respect to the Revolving Line of Credit, Term Loan or the Loan Documents as modified herein.

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

5. **Expenses.** As a condition precedent to the agreements contained herein, Borrower and Guarantors shall pay to Lender a loan modification and extension fee in the amount of \$5,000.00 and 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.

6. **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 Guarantors merely by virtue of the fact that the same has been prepared by counsel for Lender, it being recognized that Borrower, Guarantors and Lender have contributed substantially and materially to the preparation of this Agreement, and Borrower, Guarantors 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 Guarantors nor shall privity of contract be presumed to have been established with any third party.

(d) Borrower, Guarantors 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, Guarantors 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 their respective heirs, executors, administrators, successors and assigns.

(f) Any references to the "Notes", the "Revolving Line of Credit Note", the "Mortgage Note", the "Mortgage" or the "Loan Documents" contained in any of the Loan Documents shall be deemed to refer to the Revolving Line of Credit Note and Mortgage Note, the Revolving Line of Credit Note, the Mortgage Note, the Mortgage and the other Loan Documents as extended or 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

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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 Guarantors' 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: [Signature]
Name: James A. [unclear]
Title: LSFP

Borrower:

Washington Franklin Self Park, L.L.C., an Illinois limited liability company,

By: [Signature]
Name: Calvin D. Boender
Title: Manager

By: [Signature]
Name: Robert Finnigan
Title: Manager

Guarantors:

[Signature]
Name: Calvin D. Boender

[Signature]
Name: Robert Finnigan

STATE OF ILLINOIS)
) .ss
COUNTY OF COOK)

I LUCIA SMITH, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Calvin D. Boender and Robert Finnigan, Managers of Washington Franklin Self Park, L.L.C., an Illinois limited liability company, personally known to me to be the same person whose names are subscribed to the foregoing instrument as such Managers of Washington Franklin Self Park, L.L.C., an Illinois limited liability company, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of Washington Franklin Self Park, L.L.C., an Illinois limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 20 day of MAY, 2002.

Lucia Smith
Notary Public

My Commission Expires: 4/17/04



STATE OF ILLINOIS)
) .ss
COUNTY OF COOK)

I LUCIA SMITH, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Calvin D. Boender, 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 20 day of May, 2002.

Lucia Smith
Notary Public

My Commission Expires: 4/17/04



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STATE OF ILLINOIS)
).ss
COUNTY OF COOK)

I LUCIA SMITH, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Calvin D. Boender, 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 20 day of May, 2002.

Lucia Smith
Notary Public

My Commission Expires: 4/17/04



STATE OF ILLINOIS)
).ss
COUNTY OF COOK)

I Audrey Salmon, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that JAMES PAPE, 1ST. V.P. 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 Audrey Salmon 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 28 day of May, 2002.

Audrey Salmon
Notary Public

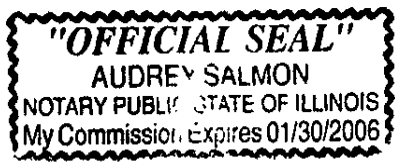


EXHIBIT A

THE PROPERTY

PARCEL A:

THE FOLLOWING PARCEL OF LAND, PROPERTY AND SPACE CONTAINED WITHIN, ABOVE AND BELOW A TRACT OF LAND DESCRIBED AS FOLLOWS:

PARCEL 1:

SUB LOTS 1 TO 8 IN THE CANAL TRUSTEES' SUBDIVISION OF LOT 5 IN BLOCK 41 IN THE ORIGINAL TOWN OF CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 1A:

THE VACATED 10.00 FOOT ALLEY LYING SOUTH OF AND ADJOINING LOT 4, AFORESAID AND LYING NORTH OF AND ADJOINING LOTS 5 TO 8 IN THE CANAL TRUSTEES' SUBDIVISION OF LOT 5, AFORESAID, VACATED BY ORDINANCE RECORDED JULY 10, 1907 AS DOCUMENT NUMBER 4064413, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 6 IN BLOCK 41 IN THE ORIGINAL TOWN OF CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

SUB LOTS 1 AND 2 IN CANAL TRUSTEES' SUBDIVISION OF LOT 7 IN BLOCK 41 IN THE ORIGINAL TOWN OF CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

SUB LOT 3 IN CANAL TRUSTEES' SUBDIVISION OF LOT 7 IN BLOCK 41 IN THE ORIGINAL TOWN OF CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

DESCRIBED AS FOLLOWS:

THAT PROPERTY BEGINNING AT A POINT ON THE SOUTH LINE OF SAID TRACT, 180.82 FEET NORTH OF THE SOUTHWEST CORNER TO THE NORTH LINE OF SAID TRACT; THENCE EAST ALONG SAID NORTH LINE 162.31 FEET; THENCE SOUTH 118.31 FEET; THENCE WEST 83.36 FEET; THENCE SOUTH 62.52 FEET TO THE SOUTH LINE OF SAID TRACT; THENCE WEST 79.14 FEET TO THE POINT OF BEGINNING.

ALSO

GARAGE LOBBY - 1ST LEVEL

THAT PROPERTY AND SPACE WHICH IS CONTAINED WITHIN AND BETWEEN THAT CERTAIN HORIZONTAL PLANE LOCATED 14.50 FEET ABOVE CHICAGO CITY DATUM, AND THAT CERTAIN OTHER HORIZONTAL PLANE LOCATED 29.70 FEET ABOVE CHICAGO CITY DATUM AND WHICH LIES WITHIN THE BOUNDARIES PROJECTED VERTICALLY OF THE FOLLOWING DESCRIBED PART OF SAID TRACT; BEGINNING AT A POINT ON THE SOUTH LINE OF SAID TRACT, 79.14 FEET EAST OF THE SOUTHWEST CORNER; THENCE NORTH 62.52 FEET; THENCE EAST 22.97 FEET; THENCE SOUTH 62.52 FEET TO THE SOUTH LINE OF SAID TRACT; THENCE WEST 22.97 FEET ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING.

PARCEL B:

EASEMENTS IN FAVOR AND FOR THE BENEFIT OF PARCEL A ABOVE CREATED BY THAT CERTAIN CITY CENTER CLUB, 208 WEST WASHINGTON, AND WASHINGTON FRANKLIN SELF PARK DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS DATED JUNE 1, 1999 MADE BY CITY CENTER LOFTS, L.L.C. AND LASALLE BANK NATIONAL ASSOCIATION, FORMERLY KNOWN AS LASALLE NATIONAL BANK, AS TRUSTEE UNDER A TRUST AGREEMENT DATED JUNE 1, 1998 AND KNOWN AS TRUST NO. 121802 AND RECORDED WITH THE COOK COUNTY RECORDER OF DEEDS ON JUNE 3, 1999 AS DOCUMENT NO. 99530391.

P.I.N.: 17-09-444-001; 17-09-444-002; 17-09-444-004; 17-09-444-005; 17-09-444-006; 17-09-444-007; 17-09-444-011

Address: 230 W. Washington, Chicago, IL