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RECORDING REQUESTED
BY AND WHEN RECORDED
MAIL TO:

Doc#: 0329345053
Eugene "Gene" Moore Fee: \$44.00
Cook County Recorder of Deeds
Date: 10/20/2003 01:00 PM Pg: 1 of 11

Patzik, Frank & Samotny Ltd.
150 South Wacker Drive
Suite 900
Chicago, Illinois 60606
Attn: James M. Teper, Esq.

FIRST AMENDMENT TO NOTE, MORTGAGE AND OTHER LOAN DOCUMENTS

THIS FIRST AMENDMENT TO NOTE, MORTGAGE AND OTHER LOAN DOCUMENTS ("First Amendment") is made and entered into as of the 31st day of May, 2003, by and among SANTA ROSA ASSOCIATES, L.L.C., an Illinois limited liability company ("Borrower"), JAMES P. GRUSECKI ("J. Grusecki"), and THOMAS D. GRUSECKI ("T. Grusecki") [J. Grusecki and T. Grusecki are each hereinafter individually referred to as a "Guarantor" and collectively as the "Guarantors"] and LASALLE BANK NATIONAL ASSOCIATION, a national banking association ("Lender").

RECITALS

A. As of the date hereof, Borrower is presently indebted to Lender pursuant to that certain Promissory Note ("Note") in the original principal amount of One Million and No/100 Dollars (\$1,000,000.00), dated as of August 29, 2001, and executed by Borrower in favor of the Lender. The Note evidences a loan ("Loan") in the original principal amount of One Million and No/100 Dollars (\$1,000,000.00) from Lender to Borrower.

B. The indebtedness evidenced by the Note is secured by, among other documents, the following:

- (i) Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing dated August 29, 2001, executed by Borrower in favor of Lender and recorded on September 7, 2001, in the Recorder's Office of Cook County, Illinois, as Document No. 0010832445 ("Mortgage");
- (ii) Assignment of Rents and Leases dated August 29, 2001, executed by Borrower in favor of Lender and recorded on September 7, 2001, in the Recorder's Office of Cook County, Illinois, as Document No. 0010832446 ("Assignment of Rents");

Box 333

CHICAGO TITLE DI. MTR-1K 793 8587

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- (iii) UCC Financing Statements from Borrower, as debtor, in favor of Lender, as secured party ("Financing Statements");
- (iv) Certificate of Representations, Warranties and Covenants dated August 29, 2001, executed by Borrower and Guarantors in favor of Lender ("Certificate");
- (v) Environmental Indemnity Agreement dated August 29, 2001, executed by Borrower and Guarantors in favor of Lender ("Environmental Indemnity"); and
- (vi) Guaranty of Payment dated August 29, 2001, executed by the Guarantors in favor of Lender ("Guaranty");

The Note, Mortgage, Assignment of Rents, Financing Statements, Certificate, Environmental Indemnity and Guaranty, together with all other documents evidencing or securing the Loan including this First Amendment, are sometimes hereinafter collectively referred to as the "Loan Documents."

C. The Mortgage, as amended hereby, constitutes a valid first lien on the real property described on Exhibit A attached hereto and made a part hereof ("Property").

D. Borrower has requested that Lender agree to extend the Maturity Date of the Loan from May 31, 2003 to May 31, 2006.

E. Lender is willing to extend the Maturity Date of the Loan from May 31, 2003 to May 31, 2006 on the terms and conditions described in this First Amendment.

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

1. Incorporation by Reference. The foregoing recitals are hereby incorporated herein by reference as if set forth in full in the body of this First Amendment.
2. Defined Terms. Any and all capitalized terms used in this First Amendment, unless otherwise defined herein, shall have the definitions subscribed thereto in the Mortgage.
3. Modified Promissory Note. The Note is hereby modified to extend the "Maturity Date" from May 31, 2003 to May 31, 2006.
4. Modification of Mortgage. The Mortgage is hereby modified as follows:

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- (a) The "Maturity Date" is hereby extended from May 31, 2003 to May 31, 2006; and
- (b) Notwithstanding anything contained in Section 37 of the Mortgage to the contrary, in the event that the Debt Service Ratio during any Year shall be less than 1.20 to 1.00, Mortgagee agrees not to declare an Event of Default because of the violation of the Debt Service Ratio requirement contained therein provided that the Guarantors agree to a 100% guaranty of the Loan. The 100% guaranty of the Loan shall continue until such time as (i) Mortgagor has entered into a lease, with a tenant on terms and conditions satisfactory to Mortgagee, with the term expiring no earlier than May 31, 2006, (ii) there is not then a Default or Event of Default by Mortgagor under the Loan Documents, and (iii) Mortgagor is then in compliance with the Debt Service Ratio requirement of not less than 1.20 to 1.00.

5. Modification of Guaranty. Section 18 of the Guaranty is hereby deleted in its entirety. Upon (i) Borrower entering into a lease, with a tenant on terms and conditions satisfactory to Lender, with a term expiring no earlier than May 31, 2006, (ii) there not then being a Default or Event of Default by Borrower under the Loan Documents, and (iii) Borrower then being in compliance with the Debt Service Ratio requirement under the Mortgage of not less than 1.20 to 1.00, then Section 18 of the Guaranty shall be reinserted into the Guaranty.

6. Modification of Note, Mortgage and Other Loan Documents. The Note, Mortgage and other Loan Documents are hereby modified to provide that the Maturity Date of the Loan is hereby extended from May 31, 2003 to May 31, 2006.

7. Reaffirmation of Note and Guaranty. Borrower and the Guarantors hereby acknowledge and reaffirm their obligations under the Loan Documents and the indebtedness evidenced thereby, and acknowledge and agree that such indebtedness is owing to the Lender and is enforceable against the Borrower and Guarantors in accordance with the terms of the Loan Documents as modified, amended and extended by this First Amendment, subject to no defenses, counterclaims, deductions or set-offs whatsoever. Without limiting the foregoing, the Guarantors specifically acknowledge and agree that they are jointly and severally liable under the Guaranty, as modified by this First Amendment. Nothing contained in this First Amendment, or the transactions contemplated hereby, shall be deemed or construed to be a consent to or a waiver of any breach or default in the performance by Borrower or Guarantors of their respective obligations to Lender, whether evidenced by the Note, the other Loan Documents, or otherwise, nor shall Lender be impaired or limited in its ability to fully and completely enforce any and all the rights and remedies presently available to Lender under the Loan Documents for a breach of Borrower's obligations as required by the Note or the other Loan Documents as may exist at the time of the making of this First Amendment.

8. Reaffirmation of Representations and Warranties. Borrower and the Guarantors hereby acknowledge and reaffirm that all the representations and warranties of Borrower and the

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Guarantors as stated in the Loan Documents are true and correct as of the date hereof as to Borrower and the Guarantors, respectively.

9. Intent of Parties. The parties expressly agree that the liens evidenced by the Loan Documents shall be in no way be deemed to have been subordinated, released, modified, terminated, or otherwise affected by this First Amendment, it being understood by the parties hereto that the liens of said documents shall continue in full force and effect, and are to have the same validity, priority and effect that they had immediately prior to the execution of this First Amendment and the documents and instruments executed and delivered pursuant to this First Amendment, and shall survive and not be merged into the execution and delivery of this First Amendment or any of the documents and instruments to be executed pursuant to this First Amendment, without interruption; provided, however, that the respective liens shall be documented by, and all rights and privileges and obligations of the parties hereto, and the respective successors and assigns, shall be governed by the (i) Mortgage, as modified by this First Amendment; (ii) Loan Documents, as modified by this First Amendment; and (iii) all other documents and agreements executed in connection with the transactions described in this First Amendment.

10. No Third Party Beneficiaries. This First Amendment is made and entered into for the sole protection and benefit of the Lender, Borrower and Guarantors, and no other person, entity or entities shall have the right of action hereon, right to claim any right or benefit from the terms contained herein, or be deemed a third party beneficiary hereunder.

11. Title Insurance and Recording. As a condition precedent to Lender's agreement to modify the Note, Mortgage and other Loan Documents in accordance with the terms of this First Amendment, Borrower shall cause this First Amendment to be promptly recorded with the Recorder's Office of Cook County, Illinois.

12. Expenses. Borrower shall be responsible for any and all costs, expenses, fees, charges, taxes, of whatever kind and nature, incurred by Lender in connection with the modification of the Loan Documents provided for in this First Amendment including, without limitation, attorneys' fees and costs and recording fees.

13. Release of Claims. Borrower and Guarantors acknowledge and agree that Lender has fulfilled any and all of Lender's obligations under the Loan Documents to date. Borrower and Guarantors hereby release and hold Lender harmless from and against any and all claims, actions, law suits, damages, costs and expenses whatsoever which Borrower and/or Guarantors may have had or currently have against Lender in connection with or related to the Loan Documents or the Loan evidenced thereby.

14. Attorneys' Fees, Costs and Expenses. In any action or proceeding arising out of this First Amendment, Lender shall be entitled to recover from Borrower the reasonable attorneys' fees, court costs, filing fees, publication costs and other expenses incurred by the Lender in connection therewith.

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15. Loan Extension Fee. In consideration of Lender agreeing to extend the Maturity Date of the Loan as provided herein, Borrower shall simultaneous with execution of this First Amendment deliver to Lender a loan extension fee in the amount of \$2,500.00.

16. Conflicts. The provisions of this First Amendment shall govern and control in the event of any conflict between this First Amendment and the provisions of any of the Loan Documents.

17. Entire Agreement. Except as expressly set forth herein, this First Amendment and the Loan Documents constitute the entire agreement of the parties hereto with respect to the matters addressed herein, and supersede all prior or contemporaneous contracts, representations, statements and warranties, whether oral or written, with respect to such matters.

18. Successors and Assigns; Assignability. This First Amendment shall be binding upon and inure to the benefit of the parties hereto, their respective successors, legal representatives and assigns; provided, however, that Borrower may not assign its rights under the Loan Documents or this First Amendment.

19. Effect of First Amendment. Except as specifically amended or modified by the terms of this First Amendment, all terms and provisions of each of the Loan Documents shall remain in full force and effect. Lender's agreement to modify the Loan and the Loan Documents as set forth herein shall not be interpreted or construed as obligating Lender to make any future modifications to the Loan.

20. Governing Law. This First Amendment shall be governed by and be construed in accordance with the internal laws of the State of Illinois.

21. Captions. The title of this First Amendment and the headings of the various paragraphs of this First Amendment have been inserted only for the purposes of convenience and are not part of this First Amendment and should not be deemed in any manner to modify, explain, expand or restrict any of the provisions of this First Amendment.

22. Further Assurances. The parties hereto, and each of them, agree to execute from time to time, any and all documents reasonably requested by the others to carry out the intent of this First Amendment.

23. Effective Date of this First Amendment. The parties hereto acknowledge and agree that the terms and provisions of this First Amendment shall be effective as of the date hereof.


24. Counterparts. This First Amendment may be executed in counterparts, each of which shall constitute an original, but all together shall constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties hereto have executed this First Amendment on the day first above written.

LENDER:

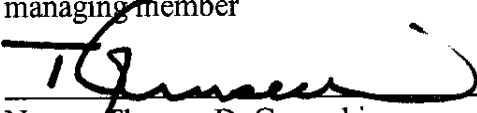
LASALLE BANK NATIONAL ASSOCIATION, a national banking association

By: 
Name: Alan J. Munson
Title: FVP

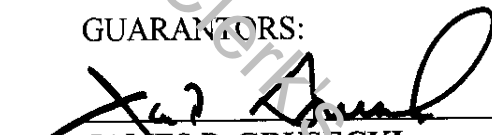

BORROWER:

SANTA ROSA ASSOCIATES, L.L.C., an Illinois limited liability company

By: **NORTHERN BUILDERS, INC.**, an Illinois corporation, its sole managing member

By: 
Name: Thomas D. Grusecki
Title: President

GUARANTORS:


JAMES P. GRUSECKI

THOMAS D. GRUSECKI

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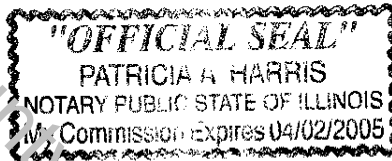
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, a notary public, in and for and residing in the County and the State aforesaid, do hereby certify that Alan J. Munson a First VP of LASALLE BANK NATIONAL ASSOCIATION, a national banking association, personally known to me to be the same person whose name is subscribed in the foregoing instrument as such First VP, appeared before me this day in person and being first duly sworn by me, acknowledged that he signed and delivered the said instrument as his free and voluntary act, and as the free and voluntary act of said national banking association, for the uses and purpose therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and notarial seal this day of 26 of August, 2003.

Patricia A. Harris
Notary Public

My commission expires:
4/2/05



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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 P. GRUSECKI, 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, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal this 26th day of Aug, 2003.

Anne M. Gentile
Notary Public

My commission expires:



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EXHIBIT A LEGAL DESCRIPTION

THAT PART OF THE WEST 257 FEET (MEASURED AT RIGHT ANGLES) OF LOTS 3 AND 4 LYING NORTH OF THE NORTH LINE OF SANTA ROSA DRIVE RECORDED AS DOCUMENT 19466917 AND LYING SOUTH OF THE NORTH 128.23 FEET OF SAID LOT 3 IN BAIRD AND WARNER'S O'HARE INDUSTRIAL PARK SUBDIVISION IN THE NORTHEAST ¼ OF SECTION 31, TOWNSHIP 41 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property Address: 520 Santa Rosa
Des Plaines, Illinois 60018

Permanent Index No: 09-31-200-012