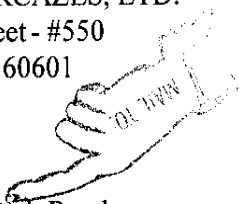




Doc#: 0405840101
Eugene "Gene" Moore Fee: \$36.00
Cook County Recorder of Deeds
Date: 02/27/2004 12:53 PM Pg: 1 of 7

Prepared By:
ALLEN C. WESOLOWSKI
MARTIN & KARCAZES, LTD.
161 N. Clark Street - #550
Chicago, Illinois 60601

Mail to:
PLAZA BANK
7460 W. Irving Park Road
Norridge, IL 60706



MODIFICATION AND SUBORDINATION AGREEMENT

THIS MODIFICATION AGREEMENT made as of this 21st day of December, 2003, by and between HENRY BARAN and BARBARA B. BARAN (hereinafter called "Borrower"), DUPAGE NATIONAL BANK, formerly known as The First National Bank of West Chicago, Not Personally but as Trustee under its Trust Agreement dated May 15, 1979 and known as Trust No. 1107, (hereinafter called "Mortgagor") and PLAZA BANK, an Illinois banking corporation, with an office at 7460 W. Irving Park Road, IL 60706 (hereinafter called "Lender").

Real Estate Index 2995957

WITNESSETH:

This Agreement is based upon the following recitals:

A. On December 21, 2002, for full value received, Borrower executed and delivered to Lender a Promissory Note in the principal amount of ONE MILLION SIX HUNDRED THOUSAND DOLLARS (\$1,600,000.00) (hereinafter called "Note"), in connection with a Line of Credit Loan Agreement and Construction Loan Agreement of even date by and between Borrower and Lender (collectively, the "Loan Agreement").

B. Mortgagor secured the obligations under the Note by granting to Lender a certain Mortgage (hereinafter called the "Mortgage"), dated December 21, 2002, covering certain improved real property at 1351-55 W. Granville, Chicago, IL 60660, which Mortgage was recorded as Document No. 0030069864 with the Recorder of Deeds of Cook County, Illinois, covering the property described below (hereinafter called the "Mortgaged Premises"):

LOTS 1 AND 2 IN BROST AND KEMPER'S SUBDIVISION OF THAT PART OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 5, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE SOUTH 30 ACRES THEREOF, IN COOK COUNTY, ILLINOIS.

PIN: 14-05-118-001-0000

C. On September 22, 2003, Mortgagor executed a promissory note in the principal amount of \$1,626,000.00 in favor of Borrower and secured the repayment of this promissory note by granting Borrower a junior mortgage in the Property recorded as Document No. 032693153 with the Cook County Recorder of Deeds.

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D. Borrower and Lender have agreed to an additional advance of \$300,000.00 under the Loan Agreement and to renew the Note for an additional twelve months as provided herein.

E. The principal balance of the Note as of December 21, 2003 is \$724,417.11.

F. Borrower represents to Lender that there is no junior mortgage or other subsequent lien now outstanding against the Mortgaged Premises except the mortgage dated September 22, 2003 and recorded as Document No. 0326931053 with the Cook County Recorder of Deeds in favor of Borrower (the "Junior Mortgage"), and that the lien of the Mortgage, as herein modified, is a valid, first and subsisting lien of said Mortgage Premises.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto do hereby mutually agree as follows:

1. The Loan Agreement shall be extended from December 21, 2003 to December 21, 2004.
2. The Note shall be renewed for an additional 12 months and additional funds of \$300,000.00 shall be advanced by Lender to Borrower pursuant to the terms of the Loan Agreement, as amended herein and evidenced by a Promissory Note of even date herewith in the original principal amount of \$1,024,117.11 (the "Renewal Note").
3. The Renewal Note shall be secured by the Mortgage and the line of the Junior Mortgage in favor of Borrower shall be subordinate to the lien of the Mortgage in favor of Lender.
4. Borrower shall pay to Lender a renewal fee of \$4,500.00 and reimburse Lender its attorneys' fees of \$350.00 and any recording fees in association herewith.
5. All other terms and conditions of the Loan Agreement and Mortgage shall remain in full force and effect.

In consideration of the renewal and modification of the Loan Agreement and Note, secured by the Mortgage, as hereinabove set forth, Borrower does hereby covenant and agree to pay the balance of the indebtedness evidenced by the Renewal Note secured by the Mortgage as herein modified, and to perform the covenants contained in the aforementioned documents, and Borrower represents to Lender that there is no junior mortgage or other subsequent lien now outstanding against the Mortgaged Premises except the Junior Mortgage, and that the lien of the Mortgage is a valid, first and subsisting lien on the Mortgaged Premises, with priority over the lien of the Junior Mortgage.

Nothing herein contained shall in any manner whatsoever impair the Renewal Note and other loan documents as identified hereby, or the lien created thereby or any other documents executed by Borrower or Mortgagor in connection therewith, or alter, waive, vary or affect any promise, agreement, covenant or condition recited in any of the above-mentioned documents, except as herein expressly modified, nor affect or impair any rights, powers, or remedies of Lender under any of the above-mentioned documents. Except as hereinabove otherwise provided, all terms and provisions of the Renewal Note and other instruments and documents executed in connection with the subject loan, shall remain in full force and effect and shall be binding upon the parties hereto, their successors and assigns.

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The undersigned hereby authorizes Lender to place a legend on any such instrument giving effect to the aforementioned modification or to attach this agreement or any executed counterpart thereof to said instrument as a part thereof.

This modification is executed by DUPAGE NATIONAL BANK not personally, but as Trustee under its Trust No. 1107 in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said corporation hereby warrants that it possesses full power and authority to execute this modification); and no personal liability shall exist or be asserted or enforceable against the said corporation generally in any capacity other than as Trustee as aforesaid, because or in respect of this modification, the Mortgage so modified, or the note secured thereby, and its liability as such Trustee shall be limited to and enforceable only out of the property described in the Mortgage and modification agreement, by enforcement of the lien of the Mortgage, and no duty shall rest upon said corporation to sequester, hold or maintain as a continuing trust asset, any property now or hereafter held by it as Trustee as aforesaid, nor any of the income therefrom nor proceeds or avails of any sale or other disposition thereof.

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Exculpatory Rider

This **Modification and Subordination Agreement** is executed by **DuPage National Bank** as Trustee under the provisions of a Trust Agreement dated **5/15/79** and known as **Trust #1107**, not personally, but solely as Trustee aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee. This instrument is executed and delivered by the Trust solely in the exercise of the powers expressly conferred upon the Trustee under the Trust and upon the written direction of the beneficiaries and/or holders of the power of direction of said Trust and DuPage National Bank warrants that it possesses full power and authority to execute this instrument. It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, warranties, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the said representations, warranties, covenants, undertakings and agreements of said Trustee are each and every one of them not made with the intention of binding DuPage National Bank in its individual capacity, but are made and intended solely for the purpose of binding only that portion of the Trust property specifically described herein. No personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against DuPage National Bank on account of any representations, warranties (including but not limited to any representations and/or warranties in regards to potential and/or existent Hazardous Waste), covenants, undertakings and agreements contained in the instrument, (including but not limited to any indebtedness accruing plus interest hereunder) either expressed or implied or arising in any way out of the transaction in connection with which this instrument is executed, all such personal liability or responsibility, if any, being expressly waived and released and any liability (including any and all liability for any violation under the Federal and/or State Environmental or Hazardous Waste laws) hereunder being specifically limited to the Trust assets, if any, securing this instrument. Any provision of this instrument referring to a right of any person to be indemnified or held harmless, or reimbursed by the Trustee for any costs, claims, losses, fines, penalties, damages, costs of any nature including attorney's fees and expenses, arising in any way out of the execution of this instrument or in connection thereto are expressly waived and released by all parties to and parties claiming, under this instrument. Any person claiming or any provision of this instrument referring to a right to be held harmless, indemnified or reimbursed for any and all costs, losses and expenses of any nature, in connection with the execution of this instrument, shall be construed as only a right of redemption out of the assets of the Trust. Notwithstanding anything in this instrument contained, in the event of any conflict between the body of this exoneration and the body of this instrument, the provisions of this paragraph shall control. Trustee being fully exempted, nothing herein contained shall limit the right of any party to enforce the personal liability of any other party to this instrument.

December 21, 2003

DuPage National Bank, as Trustee aforesaid

Attest:

by: 
its: Trust Officer

by: 
its: Assistant Secretary

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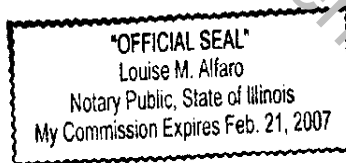
State of Illinois)
SS
County of DuPage)

I, the undersigned, a Notary Public, in and for said County, in the State aforesaid, do hereby certify, that Richard F. Mc Cracken the Trust Officer of DuPage National Bank, a National Banking Association and Esperanza Alfaro, the Assistant Secretary of said Company, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Trust Officer (title) and Assistant Secretary (title) respectively, 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 said Company, as Trustee as aforesaid, for the uses and purposes therein set forth; and the said Assistant Secretary (title) then and there acknowledged that she, as custodian of the corporate seal of said Company, did affix the corporate seal of said Company to said instrument as his/her own free and voluntary act and as the free and voluntary act of said Company, as Trustee aforesaid, for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 21st day of December, 2003

Louise M. Alfaro

Notary Public



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