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Prepared by and
after recording return to:

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Doc#: 0521002045
Eugene "Gene" Moore Fee: \$66.00
Cook County Recorder of Deeds
Date: 07/29/2005 10:23 AM Pg: 1 of 22

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LOAN AGREEMENT AND OTHER LOAN DOCUMENTS MODIFICATION AGREEMENT

THIS LOAN AGREEMENT AND OTHER LOAN DOCUMENTS MODIFICATION AGREEMENT (this "Modification Agreement") is made as of May 24, 2005 (the "Effective Date"), by and among 1035 NORTH DEARBORN, LLC, an Illinois limited liability company ("Borrower"); JDL DEVELOPMENT CONTRACTORS, LLC, an Illinois limited liability company ("Contractors"); JDL DEVELOPMENT INTERESTS, LLC, an Illinois limited liability company ("Interests"); JAMES D. LETCHINGER ("Letchinger"); Contractors, Interests and Letchinger are collectively referred to herein as "Guarantors"; CIG INTERNATIONAL, LLC, a Delaware limited liability company ("Lender"); and CAPITALSOURCE FINANCE LLC, a Delaware limited liability company ("Collateral Assignee").

RECITALS:

A. Lender has heretofore made a loan ("Loan") to Borrower in the principal amount of Three Million Eight Hundred Thousand Dollars (\$3,800,000.00) pursuant to the terms and conditions of a Loan Agreement dated as of May 24, 2004, 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 a Mortgage Note dated May 24, 2004, in the principal amount of the Loan made payable by Borrower to the order of Lender (the "Original Note").

B. The Loan is secured by a Mortgage, Security Agreement, Fixture Filing and Assignment of Leases and Rents dated May 24, 2004, from Borrower to Lender recorded in the office of the Recorder of Deeds of Cook County, Illinois (the "Recorder") on June 2, 2004, as Document No. 0415435004 (the "Mortgage"), which Mortgage encumbers the real property and all improvements thereon legally described on Exhibit A hereto (the "Property"), (ii) that certain Environmental Indemnity Agreement dated May 24, 2004, from Borrower and Guarantors to Lender (the "Indemnity Agreement"); (iii) that certain Account Pledge Agreement dated May 24,

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2004 by and between Borrower and Lender (the "Account Pledge Agreement"), and (iv) certain other loan documents (the Loan Agreement, the Original Note, the Mortgage, the Indemnity Agreement, the Account Pledge Agreement and all other documents evidencing, securing and guarantying the Loan, are sometimes collectively referred to herein as the "Loan Documents").

C. The Loan is further secured by (i) a Payment Guaranty dated May 24, 2004 from contractors and Interests to Lender (the "Payment Guaranty"); and (ii) a Limited Payment Guaranty dated May 24, 2004 from Letchinger to Lender (the "Limited Guaranty"; and together with the Payment Guaranty, the "Guaranties").

D. The Loan is further secured by Collateral Pledge and Security Agreements dated as of May 24, 2004 and May 1, 2005 (together, the "Membership Interests Pledge Agreements"), pursuant to which the members of the Borrower have pledged to Lender as security for the Loan all of the outstanding membership interests in Borrower.

E. The Loan has been collaterally assigned by Lender to Collateral Assignee pursuant to that certain Collateral Assignment of Loan Documents by Lender for the benefit of Collateral Assignee dated May 24, 2004 and recorded in the Recorder's Office on June 2, 2004, as Document No. 0415435007.

F. Borrower has requested that Lender (i) extend the maturity date of the Loan to May 24, 2006; and (ii) make certain additional modifications to the Loan and the Loan Documents, and, pursuant to the terms and conditions of this Modification Agreement, Lender has agreed to do so.

AGREEMENTS:

NOW, THEREFORE, in consideration of (i) the facts set forth hereinabove (which are hereby incorporated into and made a part of this Modification Agreement), (ii) the agreements by Lender to 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. **Loan Agreement Definitions.** Article 1 of the Loan Agreement is hereby amended by the restatement of, or the addition of, as applicable, the following defined terms:

"Asset Management Fee" shall have the meaning set forth in Section 2.10(b) below.

"Current Interest" shall have the meaning set forth in Section 2.3(a) hereof.

"Current Interest Rate" shall have the meaning set forth in Section 2.2(a) hereof.

"Default Interest" shall have the meaning set forth in Section 2.2(b).

"Default Interest Rate" shall have the meaning set forth in Section 2.2(b).

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“Deferred Interest” shall have the meaning set forth in Section 2.3(b) hereof.

“Deferred Interest Rate” shall have the meaning set forth in Section 2.2(a) hereof.

“Interest” shall have the meaning set forth in Section 2.3(b) hereof.

“Interest Rate” shall have the meaning set forth in Section 2.2(a) hereof.

“Loan Amount” shall mean \$3,946,800.00.

“Maturity Date” shall have the meaning set forth in Section 2.3(d) below.

2. **Article 2 of the Loan Agreement.** Article 2 of the Loan Agreement is amended and restated in its entirety as follows:

2.1 **Agreement to Borrow and Lend.** Borrower agrees to borrow from Lender, and Lender agrees to lend to Borrower, an amount not to exceed the Loan Amount on the terms of and subject to the conditions of this Agreement.

2.2 **Interest Rate.**

(a) Interest shall accrue on the outstanding principal balance of the Loan (as such principal balance may be increased from time to time by disbursements hereunder or by compounding of interest as hereinafter provided) from the date hereof through the Maturity Date at a per annum rate of interest equal to the sum of the Current Interest Rate and the Deferred Interest Rate (such sum, the “Interest Rate”).

(i) The Current Interest Rate shall mean the Prime-Based Rate (as hereinafter defined) plus one and one-half percent (1.50%) per annum. As used herein, “Prime-Based Rate” shall mean the greater of (i) the “Prime” rate of interest published each Business Day in The Wall Street Journal as the “Prime Rate,” and (ii) eight and one-half percent (8.50%) per annum. The Prime-Based Rate shall adjust daily and automatically without notice to the Borrower. If more than one “Prime Rate” is published in The Wall Street Journal for a day, the highest of such “Prime Rates” shall be used. In the event that The Wall Street Journal is no longer published or ceases to publish the “Prime Rate”, Lender may substitute another publication publishing the “Prime Rate”, reasonably acceptable to Lender. In the event that “Prime Rates” are no longer generally published or are limited, regulated or administered by a governmental or quasi-governmental body, Lender may substitute another rate approximating the “Prime Rate.” In no event shall the Prime-Based Rate at any time be less than eight and one-half percent (8.50%) per annum. Lender and Borrower acknowledge that, as of the date hereof, the Current Interest Rate is ten percent (10.0%) per annum.

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(ii) The Deferred Interest Rate shall mean the rate of nine percent (9.0%) per annum.

(b) From and after the Maturity Date or upon the occurrence of an Event of Default, interest shall accrue on the unpaid principal balance during any such period, and upon all other amounts due during any such period, including but not limited to and fees, costs and Loan Expenses provided hereunder or under any other Loan Document, at an annual rate (the "Default Interest Rate") equal to thirty percent (30%) per annum ("Default Interest"); provided, however, in no event shall the Default Interest Rate exceed the maximum rate permitted by law. Default Interest shall be immediately due and payable by Borrower to Lender upon demand.

(c) Interest shall be calculated on the basis of a 360-day year, and shall be computed for the actual number of calendar days in the period for which interest is charged. Interest shall be compounded monthly, which shall mean that (i) all Deferred Interest accruing during any month and remaining unpaid as of the last day of such month, and (ii) any Current Interest payable during such month and remaining unpaid as of the last day of such month, shall be added to the principal balance of the Loan as of the last day of such month.

2.3 Payments of Principal and Interest; Maturity Date. Interest, principal and all other sums payable under this Agreement shall be payable, without any offset, reduction, counterclaim or recoupment whatsoever, in lawful money of the United States of America which shall be legal tender in payment of all debts and dues, public and private, at the time of payment, and shall be due and payable as follows:

(a) Commencing on June 1, 2005, and continuing on the first day of each month thereafter until the Maturity Date, interest only on the outstanding principal balance of the Loan (as such principal balance may be increased from time to time by disbursements hereunder or by compounding of interest) at the Current Interest Rate ("Current Interest").

(b) Interest only on the outstanding principal balance of the Loan (as such principal balance may be increased from time to time by disbursements hereunder or by compounding of interest) at the Deferred Interest Rate ("Deferred Interest;" and together with Current Interest, "Interest") shall accrue and be due and payable, if not sooner paid, on the Maturity Date.

(c) Upon the settlement of the sale of each Condominium Unit and each portion of the Commercial Space, the Release Fee for such Condominium Unit or portion of the Commercial Space, as provided in Section 9.2 of this Agreement.

(d) All unpaid sums due Lender hereunder, including, without limitation, Current Interest, Deferred Interest, Default Interest (if any), the

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outstanding principal balance of the Loan, and fees, costs and Loan Expenses payable hereunder or under any other Loan Document, if not sooner paid, shall be due and payable on May 24, 2006, or such earlier date as payment of the Loan become due, whether by acceleration or otherwise (the "Maturity Date").

(e) All payments of principal and interest on the Loan shall be made to Lender by federal funds wire transfer as instructed by Lender in immediately available funds not later than 11:00 a.m. (Eastern time) on the dates such payments are to be made. Any payment received after 11:00 a.m. (Eastern time) shall be deemed received by Lender on the next Business Day. If any payment of interest or principal to be made by Borrower shall become due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall be included in computing any interest with respect to such payment.

2.4 Application of Payments. All Release Fees shall be applied as provided in Section 9.2 of this Agreement. All other payments made hereunder shall be applied first on account of late charges, if any, then to Lender's costs of collection (including, without limitation, reasonable attorneys' fees and expenses), if any, then to accrued and unpaid Default Interest, if any, then to accrued and unpaid Current Interest, then to accrued and unpaid Deferred Interest and then to the reduction of principal. Upon an Event of Default, all payments shall be applied in the Lender's sole and absolute discretion.

2.5 Late Charge. In the event any principal amount and/or Interest due under this Agreement is not actually received by Lender within five (5) days after the date when the same is due, then Lender shall be entitled to collect a late charge in an amount equal to five percent (5%) of such overdue amount. The Borrower agrees that the damages to be sustained by the holder hereof for the detriment caused by any late payment are extremely difficult and impractical to ascertain, and that the amount of five cents for each one dollar due is a reasonable estimate of such damages, does not constitute interest, and is not a penalty.

2.6 Prepayment. Subject to the terms and provisions of the Subordination Agreement (as hereinafter defined), Borrower may prepay, in whole but not in part, upon forty-five (45) days prior written notice, the outstanding principal balance of the Loan and all Interest by payment of a sum equal to the outstanding principal of the Loan plus the greater of (i) all accrued and unpaid Interest, and (ii) the difference between \$1,254,000.00 and the amount of Interest (excluding Default Interest) previously paid by Borrower to Lender. Concurrently with any such prepayment, Borrower shall also pay all other amounts then due and payable hereunder or under any other Loan Document, including but not limited to any fees, costs and Loan Expenses payable hereunder or under any other Loan Document. Notwithstanding the foregoing, Borrower and Lender acknowledge and agree that it is Borrower's obligation to pay Release Fees in accordance with Section 9.2 of this Agreement, and in the event all outstanding principal and Interest hereunder shall be paid in full pursuant to

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Release Fees required to be paid by Borrower to Lender hereunder, no additional amount shall be due and payable by Borrower to Lender in payment of principal and Interest pursuant to this Section 2.6.

2.7 Obligations Absolute; Waivers. The payment obligations of Borrower hereunder are absolute and unconditional, without any right of rescission, setoff, counterclaim or defense for any reason against Lender. Without limitation to the forgoing, to the fullest extent permitted under applicable law, Borrower hereby (a) waives presentment, protest and demand, notice of default, notice of intent to accelerate, notice of acceleration, notice of protest, notice of demand and of dishonor and non-payment of the indebtedness evidenced by this Agreement; (b) waives any and all lack of diligence and delays in the enforcement of the payment of the Loan; (c) agrees to any substitution, subordination, exchange or release of any security or the release of any party primarily or secondarily liable for the payment of the Loan; (d) agrees that Lender shall not be required to first institute suit or exhaust its remedies hereon against Borrower or others liable or to become liable hereon, whether primarily or secondarily (collectively, the "Obligors"), or to perfect or enforce its rights against any Obligor or any security for the Loan; (e) consents to any extensions or postponements of time of payment of the Loan for any period or periods of time and to any partial payments, before or after maturity, and to any other indulgences with respect hereto, without notice thereof to any Obligor; (f) waives and renounces any and all homestead, redemption and exemption rights and the benefit of all valuation and appraisement privileges in connection with the Loan; (g) waives any applicable statute of limitations as a defense to any demand for payment under this Agreement or any other Loan Document; (h) except as expressly provided hereunder or in any other Loan Document, waives any and all notices in connection with the performance, default, or enforcement of the payment of the Loan; and (i) agrees that its liability for payment of the Loan shall not be affected or impaired by any determination that any security interest or lien taken by Lender to secure the Loan is invalid or unperfected.

2.8 Use of Loan Proceeds. The Borrower shall use the proceeds of the Loan solely for the following purposes:

(a) \$982,600.00, which amount has been reserved for the payment of Current Interest and Asset Management Fees pursuant to the terms and provisions of Section 2.9 below, such amount being comprised of the following:

(i) \$418,000.00, which amount was heretofore disbursed by Lender and, pursuant to the terms and conditions of the Account Pledge Agreement, deposited into an interest bearing account (the "Pledged Account") maintained at Chevy Chase Bank. As of the Effective Date, \$43,729.36 remains on deposit in the Pledged Account.

(ii) \$418,000.00, which amount was included within the original stated amount of the Loan of \$3,800,000.00, but not disbursed,

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and which will be included in Interest Reserve I (as defined in Section 2.9 below);

(iii) \$82,000.00, which amount constitutes an increase in the stated principal amount of the Loan, and which will be included in Interest Reserve I (as defined in Section 2.9 below).

(iv) \$64,800.00, which amount constitutes an increase in the stated principal amount of the Loan, and which will be included in Interest Reserve II (as defined in Section 2.9 below).

(b) \$114,000.00 has heretofore been paid to Lender in payment of the Origination Fee (as hereinafter defined); and

(c) \$2,850,000.00 has heretofore been disbursed to pay of a portion of the purchase price of the Land.

2.9 Interest Reserve.

(a) So long as no Default has occurred and is continuing and no Event of Default has occurred, all amounts remaining in the Pledged Account from and after the Effective Date shall be used to pay Current Interest and Asset Management Fees when due. Upon depletion of all funds remaining in the Pledged Account, the Pledged Account shall be closed and the Account Pledge Agreement shall be deemed terminated.

(b) Upon depletion of the funds remaining in the Pledged Account, and so long as no Default has occurred and is continuing and no Event of Default has occurred, and subject to the next sentence of this section, Lender shall disburse funds from Interest Reserve I (as hereinafter defined) to pay Current Interest and Asset Management Fees when due. At such time as Interest Reserve I does not contain sufficient funds to pay Current Interest and Asset Management Fees when due, Borrower shall pay Current Interest and Asset Management Fees from funds other than proceeds of the Loan.

(c) A total of Five Hundred Sixty-Four Thousand Eight Hundred Dollars (\$564,800.00) of the Loan has been retained by Lender as an interest reserve for the Loan (the "Interest Reserve"). Borrower agrees that the Interest Reserve is in accordance with the line item for an interest reserve under the Approved Budget. The Interest Reserve shall be divided into two tranches; a first tranche in the amount of Five Hundred Thousand Dollars (\$500,000.00) ("Interest Reserve I"), and a second tranche in the amount of Sixty-Four Thousand Eight Hundred Dollars (\$64,800.00) ("Interest Reserve II").

(i) Provided that no Default shall have occurred and be continuing and no Event of Default shall have occurred, and Interest Reserve II remains fully funded at the level provided herein, advances shall be made by Lender from Interest Reserve I for payment when due of

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Current Interest and Asset Management Fees hereunder. BORROWER HEREBY REQUESTS THAT LENDER DISBURSE AND APPLY FUNDS FROM INTEREST RESERVE I TO LENDER TO PAY ALL OR ANY PORTION OF REGULARLY SCHEDULED CURRENT INTEREST AND ASSET MANAGEMENT FEES HEREUNDER ON AND SUBJECT TO THE TERMS HEREIN STATED. Borrower recognizes that the payment of Current Interest and Asset Management Fees by the method described herein is for its convenience and benefit. If at any time there are no funds remaining in the Interest Reserve I, Lender shall no longer have any obligation for funding of Current Interest or Asset Management Fees hereunder, whereupon Borrower shall be and remain responsible for the continuation of all such payments under and in accordance with the terms of this Agreement.

(ii) Lender shall have the absolute and unconditional right (but no obligation) at any time and from time to time, to advance funds from Interest Reserve II to pay when due Current Interest and Asset Management Fees hereunder. In the event any portion of the funds held in Interest Reserve II are disbursed for any reason, Borrower shall, within five (5) days of receipt of written notice from Lender, repay the amount so disbursed, the intent of Borrower and Lender being that at all times until the Loan is repaid in full the amount maintained in Interest Reserve II shall be Sixty-Four Thousand Eight Hundred Dollars (\$64,800.00).

(iii) The Interest Reserve shall in no way waive or otherwise modify any of Borrower's indebtedness or obligations hereunder or under any other Loan Document, including the obligation to make monthly payments pursuant to the terms and conditions of this Agreement. Any funds disbursed from the Interest Reserve shall be deemed to have been paid to and received by Borrower and shall be added to the outstanding principal balance of the Loan and bear interest at the Interest Rate or the Default Interest Rate, as applicable. Notwithstanding anything herein to the contrary, Lender shall have no obligation to fund any sums from the Interest Reserve at any time a Default shall have occurred and be continuing or an Event of Default shall have occurred.

2.10 Loan Fees. Borrower has heretofore paid, or shall pay as provided below, the following fees in connection with the Loan:

(a) Borrower has heretofore paid a loan origination fee in the amount of \$114,000.00 (the "Origination Fee") upon the closing of the Loan. Borrower shall pay to Lender an additional Origination Fee in the amount of \$2,460.00 in connection with the increase of the stated principal amount of the Loan pursuant to Section 2.8(a)(iii) above (the "Additional Origination Fee") as a condition precedent to the extension and modification of the Loan. Lender acknowledges receipt of the Additional Origination Fee.

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(b) Commencing on June 1, 2005, and continuing on the first day of each month thereafter until the Loan is repaid in full, the Borrower shall pay to Lender a fee (the "Asset Management Fee") in the amount of \$3,000.00. Any Asset Management Fee not paid when due shall bear interest at the Default Interest Rate. In the event any Asset Management Fee is not actually received by Lender within five (5) days after the date when the same is due, then Lender shall be entitled to collect a late charge to cover the increased costs of performing its obligations hereunder in an amount equal to five percent (5%) of such overdue amount. So long as no Default has occurred and is continuing and no Event of Default has occurred, and subject to the next sentence of this section, the Lender shall disburse funds from the Pledged Reserve, and thereafter from Interest Reserve I, to pay the Asset Management Fee when due. At such time as Interest Reserve I does not contain sufficient funds to pay the Asset Management Fee when due, Borrower shall pay the Asset Management Fee from funds other than proceeds of the Loan.

2.11 Usury. Notwithstanding any provisions of this Agreement or any other Loan Document to the contrary, it is the intent of Lender that Lender shall never be entitled to receive, collect or apply, as interest on principal of the Loan, any amount in excess of the maximum rate of interest permitted to be charged by applicable law; and if under any circumstance whatsoever, fulfillment of any provision of this Agreement, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by applicable law, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity; and in the event Lender ever receives, collects or applies as interest any such excess, such amount which would be excess interest shall be deemed a permitted partial prepayment of principal without penalty or premium and treated hereunder as such; and if the principal of the Loan is paid in full, any remaining excess funds shall forthwith be paid to Borrower. In determining whether or not the interest paid or payable exceeds the highest lawful rate, the parties hereto shall, to the maximum extent permitted under applicable law, characterize any non-principal payment as an expense, fee, or premium rather than as interest, exclude voluntary prepayments and the effect thereof, and "spread" the total amount of interest or payments in the nature of interest throughout the contemplated term of the obligation so that the interest rate is uniform throughout the entire term of the obligation. If any excess interest is provided for, or is adjudicated to be provided for, in this Loan Agreement, the Mortgage or any other Loan Document, then in such event: (a) the provisions of this paragraph shall govern and control; (b) neither Borrower nor any other obligor shall be obligated to pay any excess interest; (c) any excess interest that Lender may have received hereunder shall, at the option of Lender, be (i) applied as a credit against the then outstanding principal balance of the Loan, accrued and unpaid interest thereon not to exceed the maximum amount permitted by law, or both, (ii) refunded to the payor thereof, or (iii) any combination of the foregoing; (d) the applicable interest rate or rates hereunder shall be automatically subject to reduction to the maximum lawful contract rate allowed under the applicable usury laws, and this Loan Agreement, the Mortgage and the other Loan Documents shall be deemed to have

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been, and shall be, reformed and modified to reflect such reduction in such applicable interest rate or rates; and (e) neither Borrower nor any other obligor shall have any action or remedy against Lender, and, to the fullest extent permitted under applicable law, Borrower covenants and agrees not to bring, commence, prosecute, maintain, or cause or permit any Guarantor or other Affiliate of Borrower to bring, commence, prosecute or maintain, any suit, action, litigation or judicial or administrative action, for any damages whatsoever or as a defense to enforcement of this Loan Agreement, the Mortgage or any other Loan Document, arising out of or alleging the payment or collection of any excess interest.

2.12 Notes. Borrower agrees that:

(a) Upon written notice by Lender to Borrower that a promissory note or other evidence of indebtedness is requested by Lender to evidence the Loan and other obligations owing or payable to, or to be made by, Lender, Borrower promptly shall (and in any event within three (3) Business Days of any such request) execute and deliver to Lender an appropriate promissory note or notes in form and substance reasonably satisfactory to Lender and Borrower, payable to the order of Lender in a principal amount equal to, or in aggregate principal amounts equal to, the Loan Amount.

(b) All references to "Note" or "Notes" in the Loan Documents shall mean Notes, if any, to the extent issued (and not returned to Borrower for cancellation) hereunder, as the same may be amended, supplemented, modified, divided and/or restated and in effect from time to time. Any Note issued hereunder shall be deemed to be a Loan Document hereunder and under each of the other Loan Documents.

(c) Upon Lender's written request, and in any event within three (3) Business Days of any such request, Borrower shall execute and deliver to Lender new Notes and/or split or divide the Notes, or any of them, in exchange for the then existing subject Notes, in such smaller amounts or denominations as Lender shall specify; provided, that the aggregate principal amount of such new, split or divided Notes shall not exceed the aggregate principal amount of the Notes outstanding at the time such request is made; and provided, further, that such Notes that are replaced shall then be deemed no longer outstanding hereunder and replaced by such new Notes and returned to Borrower within a reasonable period of time after Lender's receipt of the replacement Notes.

(d) Upon receipt of evidence reasonably satisfactory to Borrower of the mutilation, destruction, loss or theft of any Notes and the ownership thereof, Borrower shall, upon the written request of the holder of such Notes, execute and deliver in replacement thereof new Notes in the same form, in the same original principal amount and dated the same date as the Notes so mutilated, destroyed, lost or stolen; and such Notes so mutilated, destroyed, lost or stolen shall then be deemed no longer outstanding hereunder. If the Notes being replaced have been

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mutilated, they shall be surrendered to Borrower; and if such replaced Notes have been destroyed, lost or stolen, such holder shall furnish Borrower with an indemnity in writing to indemnify, defend and save it harmless in respect of such replaced Notes.

3. **Other Amendments to the Loan Agreement.** Sections 5.8; 5.13; 5.14 and 5.15 of the Loan Agreement are deleted in their entirety, and the section title "Intentionally Deleted" is inserted at the beginning of each such section.

4. **Supersession of Original Note.** As of the Effective Date:

(a) all indebtedness heretofore evidenced by the Original Note shall be evidenced by the Loan Agreement, as amended by this Modification Agreement;

(b) all references in any of the Loan Documents to the loan or the indebtedness evidenced by the Original Note shall be deemed to refer to the loan and the indebtedness evidenced by the Loan Agreement, as amended by this Modification Agreement;

(c) all references in any of the Loan Documents to the stated principal amount of the loan or the Original Note shall be deemed to be references to the Loan Amount, as defined in the Loan Agreement, as amended by this Modification Agreement; and

(d) all references in any of the Loan Documents to terms as defined in the Original Note shall be deemed to refer to such terms as defined in the Loan Agreement, as amended by this Modification Agreement.

5. **Maturity Date.** The Maturity Date, as defined in the Mortgage, shall mean the Maturity Date, as defined in the Loan Agreement, as amended by this Modification Agreement.

6. **Conditions Precedent.** As conditions precedent to the agreements contained herein, Borrower shall, at its sole cost and expense:

(a) cause Chicago Title Insurance Company to issue an endorsement to Lender's Title Insurance Policy No. 008187919 (the "Title Policy"), as of the date this Agreement is recorded, to: (i) reflect the recording of this Agreement and insuring the continued 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; (ii) increase the amount of title insurance provided thereunder to \$3,946,800.00; (iii) issue an ALTA 14 endorsement to the Title Policy; and (iv) bring forward mechanics' lien coverage under the Title Policy to the date of such coverage under the last date down of the title policy of the Senior Lender (as defined in the Loan Agreement);

(b) cause the members of the Borrower to execute and deliver a consent to the execution and delivery of this Modification Agreement; and

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(c) deliver to Lender evidence satisfactory to Lender that the maturity date of the Senior Loan has been extended to a date not earlier than May 24, 2006.

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

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

(b) There is currently no Event of Default under the Loan Agreement, the Mortgage or the other Loan Documents and Borrower does 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 Loan Agreement, 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 Modification 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 Borrower, any 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 has no claims, counterclaims, defenses, or set-offs with respect to the Loan or the Loan Documents as modified herein.

(f) Borrower is validly existing under the laws of the State of Illinois and has the requisite power and authority to execute and deliver this Modification Agreement and to perform the Loan Documents as modified herein. The execution and delivery of this Modification Agreement and the performance of the Loan Documents as modified herein have been duly authorized by all requisite action by or on behalf of Borrower. This Modification Agreement has been duly executed and delivered on behalf of Borrower.

8. **Reaffirmation of Guaranty.** Contractors and Interests ratify and affirm the Payment Guaranty and agree that the Payment Guaranty is in full force and effect following the execution and delivery of this Modification Agreement. The representations and warranties of Contractors and Interests in the Payment Guaranty are, as of the date hereof, true and correct and Contractors and Interests do not know of any default thereunder. The Payment Guaranty continues to be the valid and binding obligation of Contractors and Interests, enforceable in accordance with its terms and Contractors and Interests no claims or defenses to the enforcement of the rights and remedies of Lender thereunder, except as provided in the Payment Guaranty. Letchinger ratifies and affirms the Limited Guaranty and agree that the Limited Guaranty is in full force and effect following the execution and delivery of this Modification Agreement. The representations and warranties of Letchinger in the Limited Guaranty are, as of the date hereof, true and correct and Letchinger does not know of any default thereunder. The Limited Guaranty continues to be the valid and binding obligation of Letchinger, enforceable in accordance with its

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terms and Letchinger has no claims or defenses to the enforcement of the rights and remedies of Lender thereunder, except as provided in the Limited Guaranty.

9. **Membership Interests.** Borrower represents and warrants that, as of the date hereof, no membership certificates evidencing any interest in the Borrower have been issued, and the Borrower has not taken any action to elect to have any membership interests in the Borrower treated as securities under Article 8 of the Uniform Commercial Code of Illinois. Borrower covenants and agrees that, without the prior written consent of Lender, no membership certificates evidencing any interest in the Borrower shall be issued, and the Borrower shall not take any action to elect to have any membership interests in the Borrower treated as securities under Article 8 of the Uniform Commercial Code of Illinois. Letchinger acknowledges and agrees that a breach of the foregoing representations, warranties, covenants or agreements shall constitute a Full Recourse Event under Section 2(c) of the Limited Guaranty.

10. **Modification Fee; Expenses.** As a condition precedent to the agreements contained herein, Borrower shall pay (i) the Additional Origination Fee, receipt of which is hereby acknowledged by Lender, and (ii) all out-of-pocket costs and expenses incurred by Lender in connection with this Modification Agreement, including, without limitation, title charges, recording fees, appraisal fees and attorneys' fees and expenses.

11. **No Modification of Organizational Documents.** Borrower represents and warrants that (i) no modifications or amendments to the Articles of Organization or Operating Agreement of any of Borrower, Interests, or Contractors have been made on or after May 24, 2004; and (ii) no modifications or amendments to the Articles of Incorporation or Bylaws of J&A Holdings Corporation, an Illinois corporation, have been made on or after May 24, 2004.

12. **Consent of Collateral Assignee.** Collateral Assignee hereby consents to the terms and conditions of this Modification Agreement.

13. **Miscellaneous.**

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

(b) This Modification Agreement shall not be construed more strictly against Lender than against Borrower or 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 Modification Agreement, and Borrower, Guarantors and Lender each acknowledge and waive any claim contesting the existence and the adequacy of the consideration given by the other in entering into this Modification Agreement. Each of the parties to this Modification Agreement represents that it has been advised by its respective counsel of the legal and practical effect of this Modification Agreement, and recognizes that it is executing and delivering this Modification Agreement, intending thereby to be legally bound by the terms and provisions thereof, of its own free will, without promises or threats or the exertion of duress upon it. The signatories hereto state that they have read and understand this Modification Agreement, that they intend to be legally bound by it

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and that they expressly warrant and represent that they are duly authorized and empowered to execute it.

(c) Notwithstanding the execution of this Modification 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 Modification 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 Modification Agreement. Except as expressly modified hereby, the terms of the Loan Documents are and remain unmodified and in full force and effect.

(e) This Modification Agreement shall bind and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

(f) Any references contained in any of the Loan Documents to the "Loan Agreement," the "Mortgage," the "Loan Documents" or to any other Loan Document shall be deemed to refer to the Loan Agreement, the Mortgage, the other Loan Documents or such other Loan Document 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 Modification Agreement may be executed in one or more counterparts, all of which, when taken together, shall constitute one original Modification Agreement.

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


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

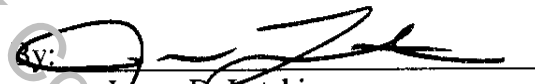
BORROWER:

1035 NORTH DEARBORN, LLC,
an Illinois limited liability company


By: 
James D. Letchinger
Its: Manager

GUARANTORS:

JDL DEVELOPMENT INTERESTS, LLC,
an Illinois limited liability company

By: 
James D. Letchinger
Its: Manager

JDL DEVELOPMENT CONTRACTORS, LLC,
an Illinois limited liability company

By: 
James D. Letchinger
Its: Manager

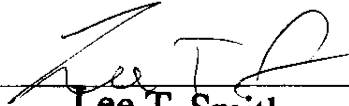

JAMES D. LETCHINGER, personally

Property of Cook County Clerk's Office

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LENDER:

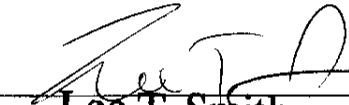
CIG INTERNATIONAL, LLC, a Delaware limited liability company

By: 
Lee T. Smith

Its: Authorized Person

COLLATERAL ASSIGNEE:

CAPITALSOURCE FINANCE, LLC, a Delaware limited liability company

By: 
Lee T. Smith

Its: Senior Counsel

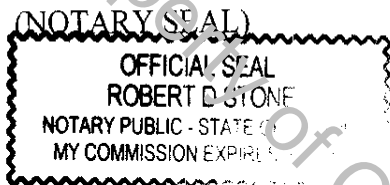
Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

I HEREBY CERTIFY that on this 6th day of June, 2005, before me personally appeared James D. Letchinger, the manager 1035 North Dearborn, LLC, an Illinois limited liability company ("Borrower"), to me known to be the same person who signed the foregoing instrument as his act and deed as such manager for the use and purpose therein mentioned, and that the said instrument is the act and deed of Borrower.

WITNESS my signature and official seal at Chicago, in the County of Cook and State of Illinois, the day and year last aforesaid.



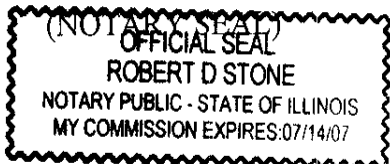
Robert D. Stone
Notary Public

My Commission Expires: 7/14/07

STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

I HEREBY CERTIFY that on this 6th day of June, 2005, before me personally appeared James D. Letchinger, the manager of JDL Development Interests, LLC, an Illinois limited liability company, to me known to be the same persons who signed the foregoing instrument as his act and deed as such manager for the use and purpose therein mentioned, and that the said instrument is the act and deed of said company.

WITNESS my signature and official seal at Chicago, in the County of Cook and State of Illinois the day and year last aforesaid.



Robert D. Stone
Notary Public

My Commission Expires: 7/14/07

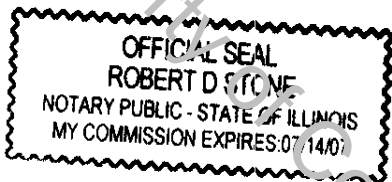
UNOFFICIAL COPY

STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

I HEREBY CERTIFY that on this 6th day of June, 2005, before me personally appeared James D. Letchinger, the manager of JDL Development Contractors, LLC, an Illinois limited liability company, to me known to be the same persons who signed the foregoing instrument as his act and deed as such manager for the use and purpose therein mentioned, and that the said instrument is the act and deed of said company.

WITNESS my signature and official seal at Chicago, in the County of Cook and State of Illinois the day and year last aforesaid.

(NOTARY SEAL)



Robert D. Stone

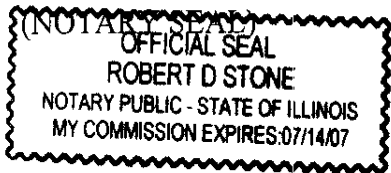
Notary Public

My Commission Expires: 7/14/07

STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

I HEREBY CERTIFY that on this 6th day of June, 2005, before me personally appeared James D. Letchinger, to me known to be the same person who signed the foregoing instrument as his act and deed for the use and purpose therein mentioned.

WITNESS my signature and official seal at Chicago, in the County of Cook and State of Illinois, the day and year last aforesaid.



Robert D. Stone

Notary Public

My Commission Expires: 7/14/07

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STATE OF MARYLAND)
)SS.
COUNTY OF MONTGOMERY)

On this the 30 day of June, 2005, before me personally appeared Lee T. Smith,
the ~~Authorized Person~~ of CIG INTERNATIONAL, LLC, a Delaware limited liability
company, and executed the forgoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Jackie M. Mathewson
Notary Public Jackie M. Mathewson

[SEAL]

My commission expires: **8/31/08**

STATE OF MARYLAND)
)SS.
COUNTY OF MONTGOMERY)

On this the 30 day of June, 2005, before me personally appeared Lee T. Smith,
the Senior Counsel of CAPITALSOURCE FINANCE LLC, a Delaware limited liability
company, and executed the forgoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Jackie M. Mathewson
Notary Public Jackie M. Mathewson

[SEAL]

My commission expires: **8/31/08**

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EXHIBIT "A"

LEGAL DESCRIPTION

LOTS 1, 2, 3, 4 AND 5 IN SUBDIVISION OF LOT 4 IN BLOCK 16 OF BUSHNELL'S ADDITION TO CHICAGO IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 1035 North Dearborn, Chicago, Illinois

PINs: 17-04-424-001-0000
17-04-424-002-0000
17-04-424-003-0000
17-04-424-004-0000
17-04-424-005-0000

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CONSENT OF SENIOR LENDER

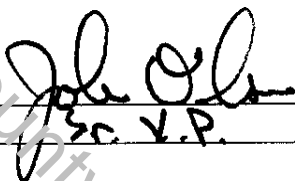
Pursuant to Subordination Agreement dated as of May 24, 2004 (the "Subordination Agreement") between First American Bank, an Illinois banking corporation ("Senior Lender") and CIG International, LLC ("Junior Lender"), Senior Lender hereby acknowledges and consents to the execution and delivery of the foregoing Modification Agreement (the "Modification Agreement") by Borrower and each Guarantor.

Junior Lender hereby acknowledges to the Senior Lender: (i) that the Subordination Agreement remains in full force and effect and is not affected by the Modification Agreement; and (ii) all debt and collateral amended by the Modification Agreement remain subordinate to Senior Lender pursuant to terms of Subordination Agreement.

Senior Lender acknowledges and agrees that the Maturity Date, as defined in the Construction Loan Agreement by and between Senior Lender and Borrower dated as of May 24, 2004, has been extended to May 24, 2006.

SENIOR LENDER:

FIRST AMERICAN BANK,
an Illinois banking corporation

By: 
Its: Sec. V.P.

JUNIOR LENDER:

CIG INTERNATIONAL, LLC, a Delaware
limited liability company

By: _____
Its: _____

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CONSENT OF SENIOR LENDER

Pursuant to Subordination Agreement dated as of May 24, 2004 (the "Subordination Agreement") between First American Bank, an Illinois banking corporation ("Senior Lender") and CIG International, LLC ("Junior Lender"), Senior Lender hereby acknowledges and consents to the execution and delivery of the foregoing Modification Agreement (the "Modification Agreement") by Borrower and each Guarantor.

Junior Lender hereby acknowledges to the Senior Lender: (i) that the Subordination Agreement remains in full force and effect and is not affected by the Modification Agreement; and (ii) all debt and collateral amended by the Modification Agreement remain subordinate to Senior Lender pursuant to terms of Subordination Agreement.

Senior Lender acknowledges and agrees that the Maturity Date, as defined in the Construction Loan Agreement by and between Senior Lender and Borrower dated as of May 24, 2004, has been extended to May 24, 2006.


SENIOR LENDER:

FIRST AMERICAN BANK,
an Illinois banking corporation

By: _____
Its: _____

JUNIOR LENDER:

CIG INTERNATIONAL, LLC, a Delaware
limited liability company

By: 
Its: **Lee T. Smith**
Authorized Person