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Prepared by and after recording
return to:

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Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
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AMENDMENT TO MORTGAGE AND OTHER LOAN DOCUMENTS AND REAFFIRMATION AND ACKNOWLEDGEMENT OF GUARANTORS

This Amendment to Mortgage and other Loan Documents and Reaffirmation and Acknowledgement of Guarantors ("Modification Agreement") is entered into as of the 4th day of February, 2006, by and among BELSON STEEL CENTER SCRAP, INC., an Illinois corporation ("Mortgagee"), Chicago Title Land Trust Company, Successor Trustee to LaSalle Bank National Association, as Trustee under that certain Trust Agreement dated August 24, 2004 and known as Trust Number 133236 ("Mortgagor"), JABCO INDUSTRIAL SERVICES COMPANY ("JABCO"), an Illinois corporation, ("Borrower") and GLENN POKROPINSKI ("POKROPINSKI") (JABCO and POKROPINSKI are collectively known as "Guarantor" or "Guarantors").

RECITALS

WHEREAS, Mortgagee has previously lent to Borrower, and Borrower has borrowed from Mortgagee, the original principal amount of \$200,000.00 ("Loan"), secured in part by a Mortgage and Assignment of Leases and Rents on certain real property commonly known as 2710 State, Chicago Heights, IL 60411 (the "Premises"), and legally described as follows:

THAT PART OF THE NORTH 1/2 OF THE SOUTH EAST 1/4 OF SECTION 28, TOWNSHIP 35 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT 34 FEET NORTH OF THE SOUTH LINE OF THE NORTH 1/2 OF SAID SOUTH EAST 1/4 AND 50 FEET WEST OF THE EAST LINE OF SAID SOUTH EAST 1/4; THENCE DUE NORTH 180 FEET ON A LINE 50 FEET WEST OF AND PARALLEL TO LAST SAID EAST LINE; THENCE NORTH 89 DEGREES 50 MINUTES 33 SECONDS WEST 660 FEET ON A LINE PARALLEL TO THE SOUTH LINE OF SAID NORTH 1/2 OF THE SOUTH EAST 1/4; THENCE DUE NORTH 267 FEET; THENCE NORTH 89 DEGREES 50 MINUTES 33 SECONDS WEST 285 FEET; THENCE SOUTH 55 DEGREES 39 MINUTES 27 SECONDS WEST 97 FEET; THENCE

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NORTH 89 DEGREES 50 MINUTES 33 SECONDS WEST 200 FEET; THENCE DUE SOUTH 65 FEET; THENCE NORTH 89 DEGREES 50 MINUTES 33 SECONDS WEST 112 FEET; THENCE SOUTH 60 DEGREES 01 MINUTES 27 SECONDS WEST 280.98 FEET; THENCE NORTH 89 DEGREES 50 MINUTES 33 SECONDS WEST 265 FEET THENCE SOUTH 0 DEGREES 09 MINUTES 27 SECONDS WEST 170 FEET; THENCE SOUTH 89 DEGREES 50 MINUTES 33 SECONDS EAST 196 FEET; THENCE SOUTH 0 DEGREES 09 MINUTES 27 SECONDS WEST 16 FEET; THENCE SOUTH 89 DEGREES 50 MINUTES 33 SECONDS EAST 1650.00 FEET TO THE PLACE OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

P.L.N 32-28-400-009-0000

WHEREAS, to evidence the Loan, Mortgagor executed and delivered to Mortgagee that certain Mortgage Note dated October 14, 2005 in the principal amount of \$200,000.00 ("Mortgage Note") with a Due Date of October 14, 2006 (and due to a typographical error the first clause of the aforesaid Mortgage Note reflects it is due and payable on October 14, 2005 when it is actually due and payable on October 14, 2006); and

WHEREAS, payment of the Mortgage Note (as hereafter amended the "Note") was and is secured by, among other things, the following instruments:

- (1) MORTGAGE AND ASSIGNMENT OF LEASES AND RENTS, dated October 14, 2005 and recorded on October 14, 2005 in the Cook County Recorder's office as Document No. 0528734142 (as hereafter amended, the "Mortgage");
- (2) GUARANTY dated October 14, 2005 (as hereafter amended, the "Guaranty");
- (3) SECURITY AGREEMENT (ASSIGNMENT OF BENEFICIAL INTEREST AS COLLATERAL) dated October 14, 2005 from GLENN POKROPINSKI and JABCO INDUSTRIAL SERVICES COMPANY (as hereafter amended the "Security Agreement"); and
- (4) COLLATERAL ASSIGNMENT OF BENEFICIAL INTEREST IN LAND TRUST dated October 14, 2005 from JABCO INDUSTRIAL SERVICES COMPANY in favor of Mortgagee (as hereafter amended the "ABI").

The Note, the Mortgage, the Guaranty, the Security Agreement, the ABI, this Modification Agreement, and any and all other agreements and documents related to the Loan, all as hereafter amended, shall hereinafter be collectively referred to as the "Loan Documents"

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WHEREAS, Borrower has requested Mortgagee to increase the amount of the Loan from \$200,000.00 to \$400,000.00 and Mortgagee has agreed to increase the amount of the Loan to \$400,000.00

WHEREAS, Borrower and Pokropinski wish, and Mortgagee is willing, to modify the terms of the Loan Documents, including increasing the amount of the Loan from \$200,000.00 to \$400,000.00, as set forth herein subject to the terms and conditions set forth below.

NOW, THEREFORE, for and in consideration of the covenant and agreements hereinafter set forth, and also in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration in hand paid to Mortgagee by Borrower, the parties agree as follows:

1. **“Replacement Mortgage Note”** The Mortgage Note is amended in its entirety and is replaced with a Replacement Mortgage Note dated February 6, 2006 (the “Note”).

2. **Amendments to Mortgage** The second clause on the first page of the Mortgage is amended in its entirety as follows:

WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of FOUR HUNDRED THOUSAND and 00/100 (\$400,000.00) DOLLARS, which indebtedness is evidenced by a Replacement Mortgage Note of even date herewith in the principal amount of \$400,000.00 (hereinafter referred to as the “Note”), which Mortgagor has executed and delivered to Mortgagee, and which Note provides for payment of the indebtedness as set forth therein, plus accrued interest, due and payable, if not paid earlier, on October 14, 2006;

3. **Amendment to Security Agreement and Guaranty** All references in the Security Agreement and the Guaranty to “Note” shall refer to and mean the Replacement Mortgage Note referred to in paragraph 1 above.

4. **Correction of Name** Wherever the name Belson Steel Center Scrap, Inc. is incorrectly spelled in any of the Loan Documents as Belston Steel Center Scrap, Inc. or in any other manner, the Loan Document(s) is amended to read Belson Steel Center Scrap, Inc.

5. **Correction of Guaranty** The reference to “I.S. Steel, Inc.” on page 2 of the Guaranty is deleted and is replaced with “Belson Steel Center Scrap, Inc.”

6. **Consent of Guarantors** Guarantors expressly agree to the terms, provisions and conditions of this Modification Agreement, and acknowledge and ratify all other terms of the Guaranty.

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7. **Agreements Continue** The Loan Documents shall continue to secure the Note and all the terms, provisions, stipulations, powers, and covenants in the Loan Documents shall stand and remain unchanged and in full force and effect and be binding upon all parties thereto, except as changed or modified in express terms by this Modification Agreement.

8. **Condition Precedent** As a condition precedent to Mortgagee's agreement herein to the modifications and amendments set forth herein, Mortgagor, at its sole cost and expense, must fulfill the following conditions, in addition to those conditions set forth elsewhere herein:

- (a) Mortgagor shall have executed and delivered the Note;
- (b) This Modification Agreement shall be executed by Mortgagor, Borrower, and Guarantors, and delivered to and accepted and executed by Mortgagee and recorded with the Cook County Recorder's Office;
- (c) Chicago Title Insurance Company shall have delivered to Mortgagee an endorsement, dated no earlier than the recording date of this Modification Agreement, to its Policy No. 008285947 ("Policy"), dated October 14, 2005, which endorsement shall: (i) insure the validity and first priority of each of the recorded Loan Documents as securing the Note, as the same are amended by this Modification Agreement; (ii) disclose no Schedule B-1 exceptions, other than those set forth in the Policy or as approved by Mortgagee's counsel; (iii) increase the policy amount to \$400,000.00; and (iv) insure that Mortgagor is owner in fee simple of title to the Premises;

9. **Release** Guarantors hereby remise, release, acquit, and forever discharge Mortgagee of and from any and all manner of action and actions, cause and causes of action, suits, losses, collection costs, expenses (including without limitation attorneys' fees and expenses), covenants, controversies, promises, and damages, whatsoever in law or in equity, which Guarantors, or either of them, have ever had or now have to their knowledge, or which any personal representative, successor, assignee or beneficiary thereof ever had or now has to its knowledge arising under or in connection with this Modification Agreement, any action taken or actions not taken by Mortgagee in connection with the Loan, or any other documents related thereto.

10. **Loan Balance.** Guarantors hereby acknowledges that as of February 6, 2006, the current principal balance of the Loan is \$200,000.00 with accrued interest owed from October 14 2005 to the date hereof, no interest having been paid, but not including any late charges, expenses, attorneys' fees or default rate interest, if any.

11. **Covenants and Warranties** Guarantors hereby represent to, covenant with Mortgagee and acknowledge that:

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- (i) At the date hereof, the Loan Documents as amended hereby are in full force and effect as originally executed and delivered by the parties, except as expressly modified and amended herein;
- (ii) Guarantors are not in default in the payment of any sums, charges or obligations under the Loan Documents or in the payment or performance of any covenants, agreements or conditions of Mortgagor or Guarantors, as applicable, contained in the Loan Documents;
- (iii) Guarantors hereby confirm and reaffirm all of their obligations under the Guaranty and the other Loan Documents, as modified and amended herein, and confirm and reaffirm that the Loan Documents secure the Note;
- (iv) As of the date hereof, Guarantors have no right or claim of set-off, discount, deduction, defense or counterclaim, which could be asserted in any action brought to enforce the Loan Documents;
- (v) As of the date hereof, Guarantors have no actual or potential actions, claims, suit or defenses arising from any letters of intent, correspondence or other communications (oral or written) between Mortgagor, Guarantors or Mortgagee;
- (vi) There are no actions, suits or proceedings (including, without limitation, proceedings before any court, arbitrator or governmental authority or agency) pending or threatened against Mortgagor or Guarantors, (or to the knowledge of Guarantors, any basis for any such action, suit or proceeding), which if adversely determined, might individually, or in the aggregate, adversely:
1. impair the ability of Mortgagor or Guarantors to pay or perform their obligations under the Loan Documents; or
 2. affect the assets pledged as collateral under the Loan Documents.
- (vii) There is no presently known fact that affects, or may affect in the future (so far as the undersigned can foresee), materially and adversely the condition (financial or other) of Mortgagor or Guarantors to pay or perform their obligations under the Loan Documents.
- (viii) Guarantors acknowledge that certain costs and expenses may be advanced by Lender and charged to Guarantors, including, without limitation, overnight delivery fees, messenger fees, title and land trust charges, attorneys fees, and recording fees. At Mortgagee's written or oral request to Guarantors, or either of them, Guarantors agree to pay these fees and charges.
- (ix) Guarantors represent and warrant that the liens of the Loan Documents shall secure the Note as hereby amended to the same extent as if the amendments made herein were set forth and described in the Note and Loan Documents.

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12. **Event of Default** In addition to the other Events of Default set forth in the Section 15 of the Mortgage, the following shall constitute an Event of Default (as described in Section 15 of the Mortgage): Mortgagee shall have determined in good faith (which determination shall be conclusive) that: (i) a material adverse change has occurred in the business, operations or financial condition of JABCO; (ii) the prospect of payment or performance of any obligation or agreement of the Guarantors hereunder or under the Note or the Guaranty is materially impaired; or (iii) a material adverse change has occurred in the condition, value or operation of the Premises, or any portion thereof.

13. **Certifications, Representations and Warranties** To induce Mortgagee to enter into this Modification Agreement, Guarantors hereby certify, represent and warrant to Mortgagee that all certifications, representations and warranties, and covenants contained in the Note and other Loan Documents are hereby remade and made to speak as of the date of this Modification Agreement.

14. **Reaffirmation of Guaranty** Guarantors hereby reaffirm each and every obligation for payment and performance as set forth in the Guaranty. Guarantors acknowledge that they remain unconditionally and absolutely liable for the due and punctual payment of the outstanding principal balance of the Note plus interest thereon and any other monies due or which may come due thereon, as set forth in the Guaranty.

15. **No Waiver** Notwithstanding anything contained in this Modification Agreement to the contrary or any prior act of Mortgagee or any procedure established by Mortgagee with regard to the Note or Mortgage, Mortgagor and Guarantors acknowledge and agree that Mortgagee has not heretofore waived any of its rights or remedies under the Loan Documents nor has Mortgagee waived any of the duties or obligations of Mortgagor or Guarantors thereunder. No waiver by Mortgagee of any covenant or condition under the Loan Documents shall be deemed a subsequent waiver of the same or any other covenant or condition. No covenant, term or condition of the Loan Documents shall be deemed waived by Mortgagee unless waived in writing.

16. **Not a Novation** Guarantors, Borrower, and Mortgagee expressly state, declare and acknowledge that this Modification Agreement is intended to modify Guarantors' continuing obligations under the Note and the Loan Documents in the manner set forth herein and is not intended to act as a novation.

17. **Time** Time is of the essence with respect to the payment, performance and observance of each and every covenant, agreement, condition, representation, warranty and obligation of Mortgagor and Guarantors under the Loan Documents.

18. **Additional Documents** Mortgagor, Guarantors, and Borrower agree to execute and deliver to Mortgagee such other and further documents requested by Mortgagee or its counsel to achieve the obligations of this Modification Agreement or the Loan Documents.

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19. **Successors** This Modification Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors, assigns and legal representations.

20. **Severability** If any court of competent jurisdiction shall hold any provision of this Modification Agreement invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision hereof.

21. **Governing Law** This Modification Agreement shall be governed by the laws of the State of Illinois.

22. **Recitals** The foregoing recitals are hereby incorporated into and made a part of this Modification Agreement.

23. **Capitalized Terms** Capitalized terms not assigned a particular meaning in this Modification Agreement shall retain the meaning given under the Note or the Loan Documents.

24. **JURY WAIVER** ALL OF THE PARTIES HERETO EACH WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS MODIFICATION AGREEMENT OR ANY OTHER OF THE LOAN DOCUMENTS OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH OR ANY LOAN DOCUMENT, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. THE GUARANTORS AGREE THAT THEY WILL NOT ASSERT ANY CLAIM AGAINST MORTGAGEE OR ANY OTHER PERSON INDEMNIFIED OR RELEASED UNDER THIS MODIFICATION AGREEMENT ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.

25. **Miscellaneous** (a) This Modification Agreement may be executed by facsimile and/or in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute and be taken as one and the same instrument. (b) None of the covenants, terms or conditions of this Modification Agreement shall in any manner be altered, waived, modified, changed or abandoned, except by written instrument, duly signed and delivered by all the parties hereto. (c) This Modification Agreement contains the entire agreement between the parties hereto as to the subject matter hereof and there are no other terms, obligations, covenants, representations, warranties, statements or conditions, oral or otherwise, of any kind. (d) The recitals to this Modification Agreement are hereby incorporated into and made a part of this Modification Agreement, and shall constitute covenants and representations of Guarantors and shall be binding upon and enforceable against Guarantors. (e) Any defined terms contained in this Modification Agreement not otherwise defined in this Modification Agreement shall have the meaning as set forth in the Loan Documents. (f) The parties hereto acknowledge and agree that in order to avoid spelling out the complete

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name of a party each time it appears in a Loan Document, the parties may have been identified by a generic designation such as, by way of example and not in limitation, "Borrower", "Lender", "Mortgagor", or some other designation. A party also may have been identified by a particular generic designation in one Loan Document and that same party identified by a different designation in another document such as, by way of example and not in limitation, BELSON STEEL CENTER SCRAP, INC. is designated the Mortgagee in the Mortgage and this Modification Agreement, but is designated Lender in the Mortgage Note dated October 14, 2005 and Replacement Mortgage Note, and Secured Party in the Security Agreement. The identification of the same party by the use of different generic designations in the various Loan Documents was the choice of the drafters of the documents and it does not indicate a different entity is being referred to. So, by way of example, "Mortgagee" as used in the Mortgage and this Mortgage Modification, "Lender" as used in the Mortgage Note dated October 14, 2005 and the Replacement Mortgage Note, and Secured Party, as used in the Security Agreement, all refer to and mean BELSON STEEL CENTER SCRAP, INC.

IN WITNESS WHEREOF, the undersigned executed or caused this Amendment to Mortgage and other Loan Documents and Reaffirmation and Acknowledgement of Guarantors ("Modification Agreement") to be executed as of the day and year first above written.


MORTGAGEE:

BELSON STEEL CENTER SCRAP, INC, an Illinois corporation

By: 
 MARC POZAN, President

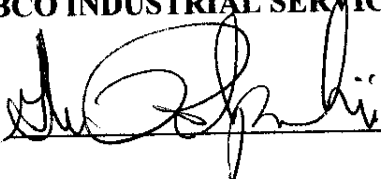
MORTGAGOR:

Chicago Title Land Trust Company, Successor Trustee to USalle Bank National Association, as Trustee under that certain Trust Agreement dated August 24, 2004 and known as Trust Number 133236, not personally but as Successor Trustee as aforesaid, has caused these presents to be signed by its Vice President or Assistant Trust Officer, the day and year first above written.

By: 
 David J. Lancioffi (Trust Officer) (Vice-President)

BORROWER:

JABCO INDUSTRIAL SERVICES COMPANY, an Illinois corporation

By: 

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GLENN POKROPINSKI, President

GUARANTORS:

JABCO INDUSTRIAL SERVICES COMPANY, an Illinois Corporation

BY: *Glenn Pokropinski*
GLENN POKROPINSKI, President

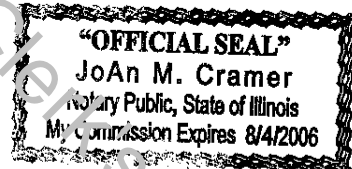
Glenn Pokropinski
GLENN POKROPINSKI, individually

MORTGAGEE ACKNOWLEDGMENT

I, the undersigned, a Notary Public in and for the County of Kankakee, in the State of Illinois, DO HEREBY CERTIFY that Marc Pozan, personally known to me to be the same person whose name is subscribed to the foregoing instrument and the President of BELSON STEEL CENTER SCRAP, INC., appeared before me this day in person and he acknowledged that he signed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 6 day of February, 2006.

JoAn M. Cramer
Notary Public

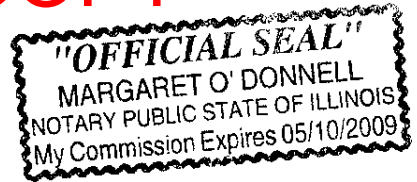


MORTGAGOR ACKNOWLEDGMENT

I, the undersigned, a Notary Public in and for the County of Cook, in the State of Illinois, DO HEREBY CERTIFY that David J. Hancock, personally known to me to be the same person whose name is subscribed to the foregoing instrument as (Trust Officer) (Vice President) of Chicago Title Land Trust Company, Successor Trustee to LaSalle Bank National Association, as Trustee under that certain Trust Agreement dated August 24, 2004 and known as Trust Number 133236, appeared before me this day in person and severally acknowledged that he signed and delivered the said instrument as his free and voluntary act and as the free and voluntary act of Chicago Title Land Trust Company, as Successor Trustee aforesaid, not personally but as Successor Trustee for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 9th day of February, 2006.

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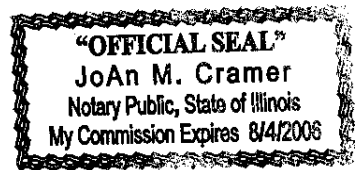


Margaret O'Donnell
Notary Public

BORROWER ACKNOWLEDGMENT

I, the undersigned, a Notary Public in and for the County of Kankakee in the State of Illinois DO HEREBY CERTIFY that GLENN POKROPINSKI, personally known to me to be the same person whose name is subscribed to the foregoing instrument and the President of JABCO INDUSTRIAL SERVICE COMPANY, appeared before me this day in person and severally acknowledged that he signed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 6 day of February, 2006.



JoAn M. Cramer
Notary Public

GUARANTORS ACKNOWLEDGMENT

I, the undersigned, a Notary Public in and for the County of Kankakee in the State of Illinois, DO HEREBY CERTIFY that, GLENN POKRPNOSKI, an individual, on his own behalf and as President of JABCO INDUSTRIAL SERVICES COMPANY, 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 instruments as his free and voluntary act on his own behalf and on behalf of JABCO INDUSTRIAL SERVICES COMPANY, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 6 day of February, 2006.



JoAn M. Cramer
NOTARY PUBLIC