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Cook County Recorder of Deeds
Date: 04/05/2006 01:07 PM Pg: 1 of 11

Jeffrey T. Saltz
Berger, Newmark & Fenchel P.C.
303 West Madison – 23rd Floor
Chicago, IL 60606

**SECOND AMENDMENT TO MORTGAGE
AND OTHER LOAN DOCUMENTS AND REAFFIRMATION
AND ACKNOWLEDGEMENT OF GUARANTORS**

This Second Amendment to Mortgage and other Loan Documents and Reaffirmation and Acknowledgement of Guarantors ("Second Modification Agreement") is entered into as of the 29 day of March, 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.I.N. 22-28-400-009-0000

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 was 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 "ABT").

WHEREAS, Borrower previously requested Mortgagee to increase the amount of the Loan from \$200,000.00 to \$400,000.00 and Mortgagee agreed to do so.

WHEREAS, in connection with increasing the amount of the Loan from \$200,000.00 to \$400,000.00 Borrower, Pokropinski, and Mortgagee agreed to modify the terms of the

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Loan Documents as set forth in that certain AMENDMENT TO MORTGAGE AND OTHER LOAN DOCUMENTS AND REAFFIRMATION AND ACKNOWLEDGEMENT OF GUARANTORS ("Modification Agreement") dated February 6, 2006 and recorded with the Cook County Recorder of Deeds on February 10, 2006 as Document No. 0604145117.

WHEREAS, in accordance with the terms of the Modification Agreement, the Mortgage Note was amended in its entirety and replaced with a Replacement Mortgage Note dated February 6, 2006.

WHEREAS, Borrower acknowledges that pursuant to the Modification Agreement Mortgagee loaned Borrower an additional \$200,000.00 and the amount of the Loan is now \$400,000.00.

WHEREAS, Borrower has requested Mortgagee to loan Borrower an additional \$200,000.00, thereby increasing the amount of the Loan from \$400,000.00 to \$600,000.00.

WHEREAS, as a condition to Mortgagee increasing the amount of the Loan from \$400,000.00 to \$600,000.00, Borrower, Pokropinski, and Mortgagee agree to modify the terms of the Loan Documents as set forth herein subject to the terms and conditions set forth below.

WHEREAS, the Note, the Mortgage, the Guaranty, the Security Agreement, the ABI, the Modification Agreement, this Second 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"

NOW, THEREFORE, for and in consideration of the covenants and agreements hereinafter set forth, and other good and valuable consideration, the parties agree as follows:

1. **"Second Replacement Mortgage Note"** The Replacement Mortgage Note referred to in paragraph 1 of the Modification is amended in its entirety and is replaced with a Second Replacement Mortgage Note dated March 29, 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 SIX HUNDRED THOUSAND and 00/100 (\$600,000.00) DOLLARS, which indebtedness is evidenced by a Second Replacement Mortgage Note dated March 29, 2006 in the principal amount of \$600,000.00 (hereinafter referred to as the "Note"), which Mortgagor has executed and delivered to Mortgagee, and which Note provides for payment of the

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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 Second Replacement Mortgage Note referred to in paragraph 1 above.

4. **Correction of Date** The reference to the date of the Replacement Mortgage Note in paragraph 2 of the Modification Agreement as being "of even date herewith" is amended to read February 6, 2006 so that the date of the Replacement Mortgage Note is accurately reflected as February 6, 2006.

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

6. **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 Second Modification Agreement.

7. **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 Second Modification Agreement shall be executed by Mortgagee, Mortgagor, Borrower, and Guarantors, and delivered to and accepted and executed by Mortgagee and recorded with the Cook County Recorder's Office;

8. **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 Second Modification Agreement, any action taken or actions not taken by Mortgagee in connection with the Loan, or any other documents related thereto.

9. **Loan Balance** Guarantors hereby acknowledges that as of March 29, 2006 immediately prior to the increase in the Loan to \$600,000.00 as provided herein, the principal balance of the Loan was \$400,000.00 with accrued interest owed from October

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14 2005 to the date hereof, no interest having been paid, but not including any late charges, expenses, or attorneys' fees, if any.

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

- (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) Borrower and 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) Borrower and Guarantors, to the extent applicable, 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, Borrower and 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, Borrower and 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 or among Mortgagor, Guarantors, Borrower, 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, Borrower, or Guarantors, (or to the knowledge of Borrower or 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, Borrower, 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, Borrower, or Guarantors to pay or perform their obligations under the Loan Documents.
- (viii) Borrower and Guarantors acknowledge that certain costs and expenses may be advanced by Lender and charged to Borrower or Guarantors, including,

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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) Borrower and 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.

11. **Certifications, Representations and Warranties** To induce Mortgagee to enter into this Second Modification Agreement, Borrower and 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 Second Modification Agreement.

12. **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.

13. **No Waiver** Notwithstanding anything contained in this Second 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, Borrower, 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, Borrower, 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.

14. **Not a Novation** Guarantors, Borrower, Mortgagor, and Mortgagee expressly state, declare and acknowledge that this Second 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.

15. **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, Borrower, and Guarantors under the Loan Documents.

16. **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 Second Modification Agreement or the Loan Documents.

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

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

19. **Governing Law** This Second Modification Agreement shall be governed by the laws of the State of Illinois, except for that body of law known as conflicts of law. All suits and proceedings relating to or in connection with this Second Modification Agreement or any of the other Loan Documents shall be brought only in the Circuit Court of Cook County, Illinois or the United States District Court for the Northern District of Illinois and the parties hereto consent and submit to the jurisdiction of such courts. The parties hereto consent that service of process may be made within or without such courts' jurisdiction by certified or registered mail, return receipt requested, or by personal service, or by any other method authorized by Illinois or federal law. The parties hereby irrevocably waive any objection that they may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Second Modification Agreement or any of the other Loan Documents brought in any federal or state court sitting in the State of Illinois, and hereby further irrevocably waive any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

20. **Recitals** The Recitals are hereby incorporated into and made a part of this Second Modification Agreement.

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

22. **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 SECOND 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.

23. **Miscellaneous** (a) This Second 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


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instrument; (b) None of the covenants, terms or conditions of this Second 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 Second 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 Second Modification Agreement are hereby incorporated into and made a part of this Second Modification Agreement, and shall constitute covenants and representations of Borrower and Guarantors and shall be binding upon and enforceable against Guarantors; (e) Any defined terms contained in this Second Modification Agreement not otherwise defined in this Second Modification Agreement shall have the meaning as set forth in the Loan Documents.

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

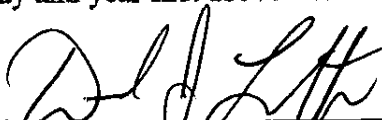
MORTGAGEE:

BELSON STEEL CENTER SCRAPER, INC., an Illinois corporation

By: 
MARC POZAN, President

MORTGAGOR:

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, 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. Trustee's Exoneration Rider attached hereto and made a part hereof.

By: 
Vice President (Trust Officer) (Vice-President)

BORROWER:

JABCO INDUSTRIAL SERVICES COMPANY, an Illinois corporation

By: 
GLENN POKROPINSKI, President

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GUARANTORS:

JABCO INDUSTRIAL SERVICES COMPANY, an Illinois Corporation

BY: *Glenn Pokropinski*
GLENN POKROPINSKI, President

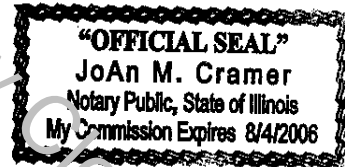
Glenn Pokropinski
GLENN POKROPINSKI, individually

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 29 day of March, 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. [Signature]*, 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 4th day of April, 2006.

Margaret O' Donnell



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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 29 day of March, 2006.

JoAn M. Cramer
Notary Public

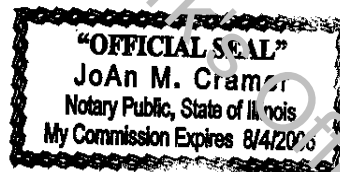


GUARANTOR ACKNOWLEDGMENT

I, the undersigned, a Notary Public in and for the County of Kankakee in the State of Illinois, DO HEREBY CERTIFY that, GLENN POKRPO NSKI, 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 COMAPNY, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 29 day of March, 2006.

JoAn M. Cramer
NOTARY PUBLIC



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EXCULPATORY CLAUSE FOR CHICAGO TITLE LAND TRUST COMPANY AS TRUSTEE UNDER TRUST AGREEMENT DATED AUGUST 24, 2004 AND KNOWN AS TRUST #133236 ATTACHED TO AND MADE A PART OF SECOND AMENDMENT TO MORTGAGE WITH BELSON STEEL CENTER SCRAP DATED MARCH 29, 2006

It is expressly understood and agreed by and between the parties hereto, anything to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against CHICAGO TITLE LAND TRUST COMPANY, on account of this instrument or on account of any warranty, indemnity, representation, covenant or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

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