

# UNOFFICIAL COPY

This instrument prepared by  
(and return after recording to):

Keith L. Moore, Esq.  
806 Greenwood Street  
Evanston, IL 60201



Doc#: 0611534074 Fee: \$46.50  
Eugene "Gene" Moore RHSP Fee:\$10.00  
Cook County Recorder of Deeds  
Date: 04/25/2006 12:26 PM Pg: 1 of 12

## THIRD LOAN MODIFICATION AGREEMENT, AMENDMENT TO NOTE, MORTGAGE AND OTHER LOAN DOCUMENTS AND ACKNOWLEDGMENT OF GUARANTORS

Loan Number: 3019370

This **THIRD LOAN MODIFICATION AGREEMENT, AMENDMENT TO NOTE, MORTGAGE, AND OTHER LOAN DOCUMENTS** (this "Modification Agreement") is entered into effective as of the 28<sup>th</sup> day of March, 2006, by **CHAMPIONS FOR CHANGE** an Illinois not-for-profit corporation ("Borrower") and **CATHEDRAL OF JOY**, an Illinois not-for-profit corporation, and **SAMUEL HINKLE**, jointly and severally (each a "Guarantor"), with a mailing address of P.O. Box 427, Flossmoor, Illinois 60422 and **FIRST BANK AND TRUST COMPANY OF ILLINOIS**, an Illinois banking corporation ("Lender"), with a mailing address of 300 East Northwest Highway, Palatine, Illinois 60067.

### WITNESSETH

**WHEREAS**, Borrower executed and delivered to Lender that certain Promissory Note dated June 3, 2005, in the original principal amount of **One Million Five Hundred Thousand Dollars (\$1,500,000.00)** (the "Original Note").

**WHEREAS**, the loan evidenced by the Original Note was made to Borrower pursuant to a certain Loan Agreement dated June 3, 2005 (the "Loan Agreement").

**WHEREAS**, payment of the Original Note is secured by, among other things, the following instruments:

- (1) Construction Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing by Borrower dated June 3, 2005, recorded June 17, 2005, in the real estate records of Cook County, Illinois, as Document Number 0516840020 (the "Mortgage"); and
- (2) Environmental Indemnity Agreement (the "Environmental Indemnity") from Borrower and Guarantor dated June 3, 2005; and

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- (3) Payment, Performance, Carry and Completion Guaranty dated June 3, 2005 (the "Guaranty"); and
- (4) Assignment of Plans and Specifications, Permits, Contracts and Development Rights, with Consents of Architect and Contractor dated June 3, 2005 (the "Assignment of Plans and Specifications"); and

WHEREAS, Borrower and Lender have entered into that certain First Loan Modification Agreement, Amendment to Note, Mortgage and other Loan Documents dated December \_\_, 2005, and recorded on December \_\_, 2005 in the real estate records of Cook County, Illinois, as Document Number \_\_\_\_\_ ("First Modification Agreement").

WHEREAS, pursuant to the First Modification Agreement, Borrower has executed and delivered to Lender that certain Amended and Restated Promissory Note dated as of December \_\_, 2005, in the original principal amount of ONE MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$1,700,000.00) (the "Amended Note") (the Amended Note is sometimes referred to herein as the "Note").

WHEREAS, Borrower and Lender have entered into that certain Second Loan Modification Agreement, Amendment to Note, Mortgage and other Loan Documents dated January 26, 2006, and recorded on \_\_\_\_\_, 2006 in the real estate records of Cook County, Illinois as Document Number \_\_\_\_\_ ("Second Modification Agreement").

WHEREAS, pursuant to the Second Modification Agreement, Borrower cross-collateralized and cross-defaulted this Loan with the Loan executed by Suburban Heights Sports Center, LLC, an Illinois limited liability company (the "Sports Center Loan," as defined in the Second Modification Agreement).

The Amended Note, the Mortgage, the Loan Agreement, the Guaranty, the Environmental Indemnity, the Assignment of Plans and Specifications, the First Loan Modification Agreement and the Second Loan Modification Agreement and this and all prior and future modification agreement(s), and any and all other agreements and documents related to the Loan shall hereinafter be collectively referred to as the "Loan Documents".

**WHEREAS**, Borrower now desires to modify the Loan Documents to, among other things, increase the Loan Amount to **Two Million Dollars (\$2,000,000.00)** as hereinafter provided.

**WHEREAS**, Lender is willing to do so upon the terms and conditions hereinafter set forth.

**NOW, THEREFORE**, for and in consideration of the covenants 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 Lender by Borrower, the parties hereto agree as follows:

1. **Increase in Loan Amount.** The Loan Amount described in the Amended Note and the Loan Agreement as previously modified by the First Modification Agreement, is hereby

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increased by **THREE HUNDRED THOUSAND AND NO/100 DOLLARS (\$300,000.00)** from **ONE MILLION SEVEN HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,700,000.00)** to **TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00)**.

2. **Interest Rate.** Section 2.3 of the Loan Agreement is hereby modified by deleting the first sentence thereof and substituting in its place the following: "The "Interest Rate" on the Loan will float during the term of the Loan and shall be the greater of: (a) **NINE PERCENT AND ONE-HALF PERCENT (9.5%)** per annum, or (b) the Prime Rate (as hereinafter defined) plus **TWO PERCENT (2.0%)** per annum."

3. **Reserve.** Section 3 of the Amended Note is hereby modified by deleting the reserve amount "**Three Hundred Thousand Dollars (\$300,000.00)**" and substituting the reserve amount of "**Two Hundred Thousand Dollars (\$200,000.00)**" in its place.

4. **Loan to Value Percentage.** Section 1.1 (II) of the Loan Agreement is hereby modified by deleting the term "**Thirty-Eight Percent (38%)**" (as modified by the First Modification Agreement) and substituting in its place the term "**Forty-Four Percent (44%)** for the Primary Loan and **Sixty Percent (60%)** for the Cross-Collateralized Loan"

5. **Loan Balance.** Borrower hereby acknowledges that as of the date hereof, the current principal balance of the Loan is **\$1,694,113.00**, not including interest and late charges.

6. **Covenants and Warranties of Borrower:** Borrower hereby represents to, covenants with Lender, and acknowledges that:

- (a) At the date hereof, the Loan Documents as amended hereby are in full force and effect, and Borrower is 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 Borrower contained in the Loan Documents;
- (b) At the date hereof, Borrower has 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;
- (c) There are no actions, suits or proceedings (including, without limitation, proceedings before any court, arbitrator or governmental authority or agency) pending or threatened against Borrower (or to the knowledge of Borrower any basis for any such action, suit or proceeding), which if adversely determined, might individually, or in the aggregate, materially adversely:
  - i) impair the ability of Borrower to pay or perform its obligations under the Loan Documents; or
  - ii) affect the assets pledged as collateral under the Loan Documents;

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- (d) There is no presently known fact which affects, or may affect in the future (so far as the undersigned can foresee), materially and adversely the condition (financial or other) of Borrower to pay or perform its obligations under the Loan Documents;
- (e) There are no other liens, encumbrances or other mortgages on the Property and improvements thereon, except in favor of Lender;
- (f) Neither the Loan Documents nor any other document or written materials delivered or made, and any other communication made, to Lender or any employee or agent of Lender contains any untrue statement of a material fact or fails to state a material fact necessary in order to make any statement contained therein not misleading in light of the circumstances in which such statement was made.
- (g) Borrower acknowledges that Lender charges fees for services it provides in connection with administering its loans, including, without limitation, release fees, construction draw fees, inspection fees, and insurance verification fees. These may differ substantially from fees charged by other institutions. Borrower hereby acknowledges receipt of the current fee schedule for such services, a copy of which is attached as Exhibit B to the Loan Agreement. Borrower agrees to pay the fees pursuant to the schedule, and authorizes payment directly by increasing the principal balance of the Note, at the discretion of Lender.
- (h) Borrower acknowledges that certain costs and expenses may be advanced by Lender and charged to Borrower, including, without limitation, appraisal fees, overnight delivery fees, messenger fees, credit reports, inspection fees and flood certification fees, such fees may include not only Lender's actual out-of-pocket costs, but additionally a reasonable mark-up. Borrower acknowledges and agrees that the mark-up will be an amount determined by Lender, but which shall be reasonable and/or customary in the banking industry, and will represent compensation for Lender's oversight, review and analysis as well as profit for Lender. Borrower agrees to pay these charges for the services, and authorizes payment directly by increasing the principal balance of the Note, at the discretion of Lender.
- (i) Collateral Inspection. Borrower acknowledges that Lender may, in its sole discretion and from time to time, have the collateral inspected and evaluated, either by independent contractors or in-house employees, and that the costs incurred by Lender for such inspections shall be paid by Borrower. In the event that lender uses in-house resources for such inspection/valuation, Borrower acknowledges that the fee owed to Lender shall be \$1,500 in addition to expenses incurred by Lender in connection with the collateral

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inspection. Borrower hereby authorizes Lender, at Lender's discretion, to increase the principal balance of the Note to pay this fee and any other costs, expenses or fees payable to Lender.

- (j) Borrower, and each of them, agrees to provide Lender with its currently dated, certified financial statement on each anniversary date of the Note, as well as upon the request of Lender, all in form and detail satisfactory to Lender. Borrower acknowledges that its, or any of its, failure to timely deliver such statement shall constitute an event of default pursuant to the terms of the Note and other Loan Documents, which shall cause, without limitation, interest to accrue at the applicable default rate from the date of such failure.
- (k) Borrower represents and warrants 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.

7. **Title Policy Endorsements; Borrower and Guarantor Documents.** Within thirty (30) days after the date of this Third Modification Agreement, and in any case as a condition to any further disbursement under the Loan Agreement:

(a) Borrower, at its sole cost and expense, shall obtain and deliver to Lender an endorsement to its loan policy of title insurance ("Policy"), extending the effective date of the Policy through the recording of this Third Modification Agreement, insuring this Third Modification Agreement in Schedule A of the Policy, and insuring the priority of the Mortgage as modified by this Third Modification Agreement, with up-to-date mechanics lien coverage based on up-to-date sworn statements, affidavits and lien waivers; and

(b) Good standing certificates for Borrower and Guarantor and any necessary and appropriate consents or resolutions authorizing the execution and performance of this Third Modification Agreement.

8. **No Waiver.** Notwithstanding anything contained in this Third Modification Agreement to the contrary or any prior act of Lender or any procedure established by Lender with regard to the Loan, Borrower acknowledges and agrees that Lender has not heretofore waived any of its rights or remedies under the Loan Documents nor has Lender waived any of the duties or obligations of Borrower thereunder. No waiver by Lender 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 Lender unless waived in writing.

9. **Miscellaneous.**

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- (a) 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 Borrower under the Loan Documents.
- (b) This Third 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.
- (c) None of the covenants, terms or conditions of this Third 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.
- (d) This Third 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.
- (e) The recitals to this Third Modification Agreement are hereby incorporated into and made a part of this Third Modification Agreement, and shall constitute covenants and representations of Borrower and shall be binding upon and enforceable against Borrower.
- (f) Any defined terms contained in this Third Modification Agreement not otherwise defined in this Third Modification Agreement shall have the meaning as set forth in the Loan Documents.
- (g) Borrower acknowledges that Lender has made no agreement with Borrower to extend the maturity of the Loan beyond the Maturity Date set forth in the Second Modification Agreement and that Lender has made no representation to Borrower that a further extension will be agreed to in the future.

10. **Reaffirmation of Guaranty.** Each Guarantor hereby reaffirms each and every obligation of each Guarantor as such obligations are set forth in the Guaranty. By executing this Third Modification Agreement, each Guarantor acknowledges and accepts all modifications to the Loan as such modifications are set forth in this Third Modification Agreement and agrees that such modifications in no way limit or modify each Guarantor's obligations under the Guaranty.

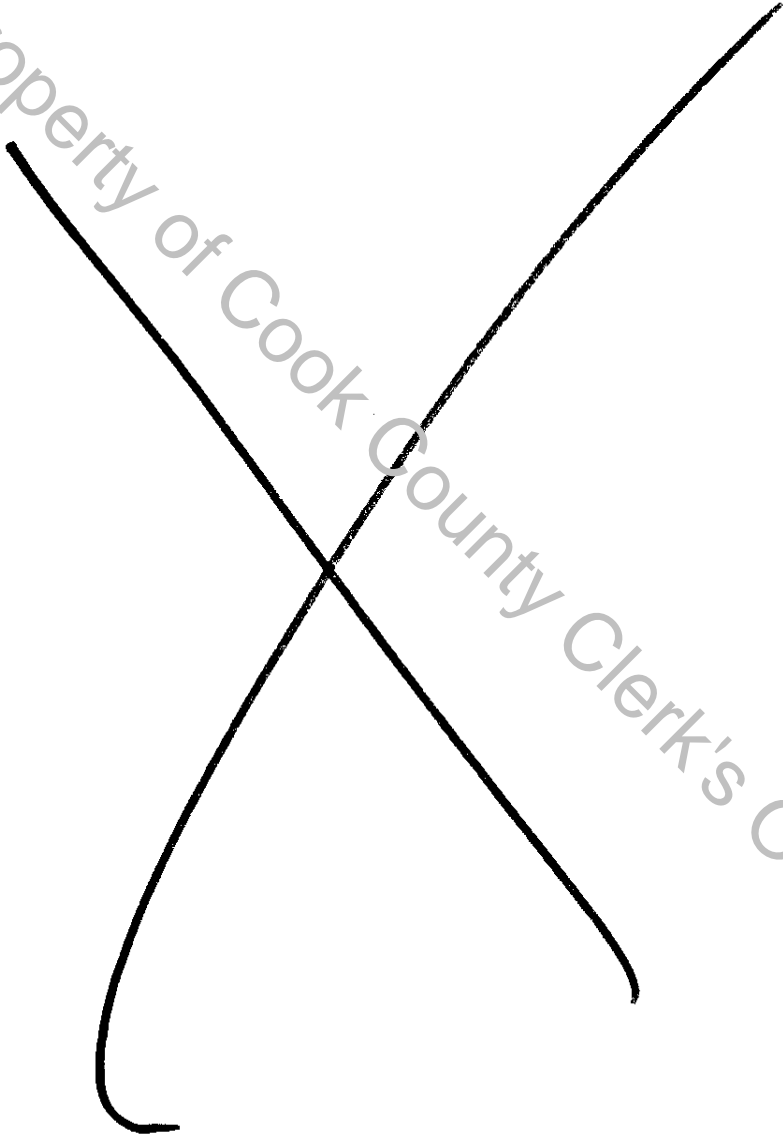
11. **CREDIT REPORTING.** YOU ARE HEREBY NOTIFIED THAT LENDER MAY REPORT INFORMATION ABOUT YOUR LOAN ACCOUNT TO CREDIT BUREAUS. FURTHERMORE, LATE PAYMENTS, MISSED PAYMENTS, OR OTHER DEFAULTS ON YOUR LOAN ACCOUNT MAY BE REFLECTED IN YOUR CREDIT

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**REPORT. BY YOUR SIGNATURE BELOW, YOU ACKNOWLEDGE RECEIPT OF THIS NOTICE.**

[Signature Pages Follow]

Property of Cook County Clerk's Office

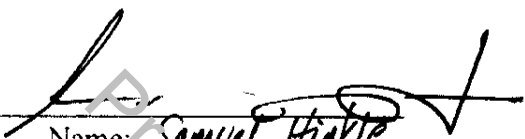


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IN WITNESS WHEREOF, the undersigned executed or caused this Third Modification Agreement to be executed as of the day and year first above written.

**BORROWER:**

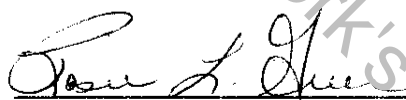
**CHAMPIONS FOR CHANGE**  
 an Illinois not-for-profit corporation

By:   
 Name: Samuel Hinkle  
 Title: President

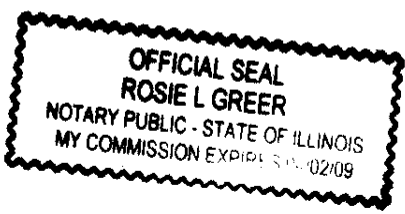
STATE OF ILLINOIS )  
                                       ) SS.  
 COUNTY OF COOK     )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Samuel Hinkle, the President of BORROWER 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 severally acknowledged that he signed and delivered the said instruments as his free and voluntary act, and on behalf of the free and voluntary act of Borrower for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 22<sup>nd</sup> day of MARCH, 2006.

  
 Notary Public

My Commission expires: 4-2-09






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IN WITNESS WHEREOF, the undersigned executed or caused this Third Modification Agreement to be executed as of the day and year first above written.

**GUARANTOR:**


**CATHEDRAL OF JOY,**  
an Illinois not-for-profit corporation

By:   
Samuel Hinkle  
President

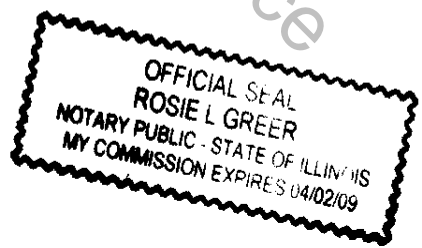
STATE OF ILLINOIS     )  
  ) SS:  
COUNTY OF COOK     )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Samuel Hinkle, President of Cathedral of Joy, 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 severally acknowledged that he signed and delivered the said instruments as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 22<sup>nd</sup> day of MARCH, 2006.

  
Notary Public

My Commission expires: 4-2-09



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**IN WITNESS WHEREOF**, the undersigned executed or caused this Third Modification Agreement to be executed as of the day and year first above written.

**GUARANTOR:**

**SAMUEL HINKLE**




STATE OF ILLINOIS )

) SS:

COUNTY OF COOK )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Samuel Hinkle, 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 severally acknowledged that he signed and delivered the said instruments as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 22<sup>nd</sup> day of MARCH, 2006.

  
Notary Public

My Commission expires:

4-2-09



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IN WITNESS WHEREOF, the undersigned executed or caused this Third Modification Agreement to be executed as of the day and year first above written.

**LENDER:**

**FIRST BANK AND TRUST COMPANY  
OF ILLINOIS**, an Illinois Banking corporation

By: [Signature]  
Name: C. Richard Schuler  
Its: President + CEO

STATE OF ILLINOIS )  
  ) SS:  
COUNTY OF COOK )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that C. Richard Schuler, personally known to me to be the same person whose name is subscribed to the foregoing instrument and the President + CEO of LENDER 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 28<sup>th</sup> day of March, 2006.

[Signature: Anthony Allen Green, Sr.]  
Notary Public

My Commission expires: 11-20-2007



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## EXHIBIT A

### LEGAL DESCRIPTION

#### PARCEL 1:

LOT 7 IN GOVERNOR'S COMMERCIAL PARK FIRST ADDITION, BEING A RESUBDIVISION OF PARTS OF LOTS 2 AND 3 IN GOVERNOR'S COMMERCIAL PARK SUBDIVISION OF THAT PART OF THE NORTHEAST 1/4 OF SECTION 14, TOWNSHIP 35 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTHWEST OF THE NORTHWESTERLY RIGHT OF WAY LINE OF GOVERNORS HIGHWAY (U. S. ROUTE 54) AS HERETOFORE DEDICATED BY DOCUMENT 12435622 RECORDED FEBRUARY 14, 1940, (EXCEPTING THEREFROM THE NORTH 50.00 FEET THEREOF TAKEN FOR VOLLMER ROAD AS DOCUMENT 11549019 RECORDED JANUARY 18, 1935), IN COOK COUNTY, ILLINOIS.

#### PARCEL 2:

LOT 8 IN GOVERNOR'S COMMERCIAL PARK FIRST ADDITION, BEING A RESUBDIVISION OF PARTS OF LOTS 2 AND 3 IN GOVERNOR'S COMMERCIAL PARK SUBDIVISION OF THAT PART OF THE NORTHEAST 1/4 OF SECTION 14, TOWNSHIP 35 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTHWEST OF THE NORTHWESTERLY RIGHT OF WAY LINE OF GOVERNORS HIGHWAY (U. S. ROUTE 54) AS HERETOFORE DEDICATED BY DOCUMENT 12435622 RECORDED FEBRUARY 14, 1940, (EXCEPTING THEREFROM THE NORTH 50.00 FEET THEREOF TAKEN FOR VOLLMER ROAD AS DOCUMENT 11549019 RECORDED JANUARY 18, 1935), IN COOK COUNTY, ILLINOIS.

#### PARCEL 3:

NOW DEDICATED PER DOCUMENT 25975992

EASEMENT FOR THE BENEFIT OF PARCELS 1 AND 2, FOR INGRESS AND EGRESS OVER LOT 9, OF SAID GOVERNOR'S COMMERCIAL PARK FIRST ADDITION, AS DISCLOSED BY GOVERNOR'S COMMERCIAL PARK FIRST ADDITION PLAT OF SUBDIVISION RECORDED MAY 4, 1976 AS DOCUMENT 23472744 AND AS CREATED BY GRANT OF EASEMENT FROM FIRST NATIONAL BANK OF BLUE ISLAND, AS TRUSTEE UNDER TRUST AGREEMENT DATED MARCH 15, 1976 AND KNOWN AS TRUST NUMBER 76025 TO AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, AS TRUSTEE UNDER TRUST AGREEMENT DATED APRIL 25, 1976 AND KNOWN AS TRUST NUMBER 38686, RECORDED JUNE 24, 1976 AS DOCUMENT 23532748, IN COOK COUNTY, ILLINOIS.

Address: 20080 Governors Drive, Olympia Fields, Illinois

PIN#: 31-14-200-011-0000; 31-14-200-012-0000