

# UNOFFICIAL COPY



**PREPARED BY:**  
J. Russell Lenich  
Somercor 504, Inc.  
Two East 8<sup>th</sup> Street  
Chicago, IL 60605

**Doc#:** 0625022098 **Fee:** \$30.50  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 09/07/2006 03:53 PM Pg: 1 of 4

**WHEN RECORDED, RETURN TO:**  
J. Russell Lenich  
Somercor 504, Inc.  
Two East 8<sup>th</sup> Street  
Chicago, IL 60605

**SPACE ABOVE THIS LINE FOR RECORDERS USE ONLY**

**PAYOFF AND ESTOPPEL CERTIFICATE  
OF National City Bank TO THE CDC AND SBA**

**SECTION 504 DEBENTURE PROJECT**

United States Small Business Administration  
500 West Madison, Suite 1250  
Chicago, IL 60661-2511  
Attention: Chief, Portfolio Management Division

Somercor 504, Inc.  
Two E. 8<sup>th</sup> Street  
Chicago, Illinois 60605  
Attention: J. Russell Lenich

SBA LOAN NUMBER: 91052140-02  
CDC: SOMERCCR 504, INC.  
BORROWER: 2747 W. Taylor, LLC  
SBC: The Icon Group Inc.

Ladies and Gentlemen:

We understand that Somercor 504, Inc. ("Lender") intends to make a loan to 2747 W. Taylor, LLC (the "Borrower") pursuant to the Section 504 debenture program of the United States Small Business Administration ("SBA"). The Borrower is an eligible passive company of The Icon Group Inc. ("SBC"), a small business concern, under the SBA's rules and regulations. We understand and agree that Somercor and the SBA will be acting in reliance upon the representations and promises contained in this letter.

To the best of our knowledge, the Borrower is not in default under any of the terms of the loans we made to the Borrower and all principal and interest payments are current. As of today's date, the total outstanding principal balance of the 504 portion of the loan owed to us by the Borrower is \$1,352,000.00. The loan proceeds were used by the Borrower, to fund, in part, the purchase of the land, building and construction located at 2747 W. Taylor St. in Chicago, Illinois (the "Property"). The legal description of the Property is attached hereto as Exhibit A and is made a part of this Certificate. In connection with our loan, we recorded a lien on the Property as evidenced by a mortgage(s) dated

11/15/05.

We agree that our note(s) and loan documents pertaining to this transaction will not:

- 1) allow future advances except advances made for reasonable costs of collection, maintenance, and protection of our lien;
- 2) be cross-collateralized with other financing provide by us;
- 3) have an early call feature;
- 4) be payable on demand unless our note is in default;
- 5) have a term less than, or require a balloon payment prior to, ten years.

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We further agree that:

- 1) our loan has been fully advanced;
- 2) our note and loan documents comply with the conditions in the previous paragraph above, or, in the alternative, we will waive our rights to enforce any provisions in the note and loan documents that do not comply with these SBA requirements;
- 3) we will subordinate any prepayment penalties, late fees, and increased default interest to the CDC/SBA lien. Any advances made for reasonable costs of collection, maintenance, and protection of our lien need not be subordinated;
- 4) we will waive as to the CDC/SBA lien any provisions in its lien instruments prohibiting further encumbrances; and
- 5) We will provide written notice to CDC and SBA of default within 30 days of any delinquency upon which we intend to take action, and 60 days notice prior to foreclosure. We also agree to give the SBA an opportunity to purchase our lien position upon any foreclosure.

The total we advanced as interim financing is \$2,389,500.00. Upon payment of the net debenture proceeds, the principal balance of our permanent first loan will be \$1,327,500.00. We have delivered true and complete copies of the interim and permanent financing documents to SomerCor. As of 10/11, 2006 (the expected date of the debenture sale for this 504 Project), the accrued interest on the interim financing portion will be \$1,0457.92.

We understand that unless we are otherwise advised in writing notices should be sent to:

Small Business Administration  
500 W. Madison, Suite 1250  
Chicago, IL 60661-2511  
Attn: Chief, Portfolio Management Division

SomerCor 504, Inc.  
Two East 8<sup>th</sup> Street  
Chicago, IL 60605  
Attn: J. Russell Lenich

We further agree that upon receipt of full payment of the above stated principal and interest on the interim financing, we shall reduce Borrower's debt with regard to the outstanding principal balance of the 504 Project (the "504 Debt") to us in the full amount of the payment, allocate the remaining debt to long-term financing as previously represented, and send to the SBA (Attn: Legal Division), with a copy to SomerCor, a confirmation letter containing the following:

1. Certification of receipt of funds from the Central Fiscal Agent.
2. Certification that the 504 Debt to us has been reduced by the full amount received and the balance of the debt has been allocated to long-term financing.
3. Certification of the outstanding principal and interest remaining on the 504 Debt after the reduction and allocation.
4. Reaffirmation of the promises contained in this letter.
5. A copy of the canceled interim note and a release or assignment to the SBA of our mortgage relating to the interim financing, if applicable.

We understand that if the Borrower makes further payments on the 504 Debt before the expected pay-off date, there will be an overpayment of the interim financing portion of the loan. Nothing contained herein shall be construed to be a waiver of any existing rights to such payments, however, we understand that it is expected that any necessary adjustments will be made between Borrower and us.

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We acknowledge and consent to the Borrower's grant to CDC (and, by way of assignment, to the SBA) of a mortgage on the Property.

National City Bank

Date: 9/6/2006

By: [Signature]

Title: ASSISTANT VP

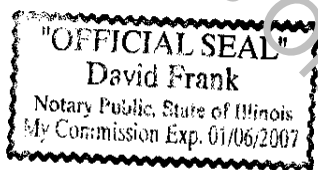
The undersigned, a Notary Public in and for said County and the State aforesaid, does hereby certify that Kurt Downham, the Assistant VP of National City Bank, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his free and voluntary act as such officer, and as the free and voluntary act of the aforesaid company, for the use and purpose herein set forth.

GIVEN under my hand and notarial seal this 6<sup>th</sup> day of September, 2006.

(NOTARIAL SEAL)

Notary Public: [Signature]

My commission expires: 9/6/07



**UNOFFICIAL COPY****EXHIBIT "A"  
LEGAL DESCRIPTION**

MORTGAGOR: 2747 W. Taylor, LLC

MORTGAGEE: SoterCor 504, Inc.

**DESCRIPTION OF PREMISES:**

Situated in the City of Chicago, Cook County, State of Illinois, described as:

**PARCEL 1:**

LOTS 14, 15 AND 16 IN SUBDIVISION OF LOT 26 IN GAYLORD & SMITH'S SUBDIVISION OF THE NORTHWEST 1/4 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 13 TOWNSHIP 39 NORTH RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 2:**

THAT PART OF THE NORTH AND SOUTH ALLEY LYING BETWEEN THE WEST LINE OF LOTS 14, 15 AND 16 IN GAYLORD AND SMITH'S SUBDIVISION OF THE NORTHWEST QUARTER OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THE EAST LINE OF LOTS 14, 15 AND 16 IN GAYLORD AND SMITH'S SUBDIVISION OF LOT 26 OF GAYLORD AND SMITH SUBDIVISION OF THE NORTHWEST QUARTER OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND PER ORDINANCE OF VACATION RECORDED SEPTEMBER 12, 1925 AS DOCUMENT 9032239.

**PARCEL 3:**

LOTS 14, 15 AND 16 IN GAYLORD & SMITH'S SUBDIVISION OF THE NORTHWEST 1/4 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 13 TOWNSHIP 39 RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 4:**

LOTS 14, 15 AND 16 AND THE WEST 1/2 OF THE ALLEY (NOW VACATED) LYING EAST OF AND ADJOINING SAID LOTS IN CHERRY'S SUBDIVISION OF THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT RECORDED JULY 27, 1883 AS DOCUMENT 484638,

AND THE EAST 1/2 OF THE ALLEY (NOW VACATED) LYING WEST OF AND ADJOINING LOTS 14, 15 AND 16 IN CUMMING'S SUBDIVISION OF THE EAST 1/2 OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALSO OF LOTS 26 AND 27 IN THE SUBDIVISION OF THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 13 AFORESAID, EXCEPT THE RAILROAD, ALL IN COOK COUNTY, ILLINOIS.

**PARCEL 5:**

VACATED SOUTH FAIRFIELD AVENUE LYING BETWEEN THE WEST LINE OF LOTS 14, 15 AND 16 IN CHERRY'S SUBDIVISION OF THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THE EAST LINE OF LOTS 14, 15 AND 16 IN GAYLORD AND SMITH'S SUBDIVISION OF THE NORTHWEST 1/4 OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 13, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS.

Commonly known as: 2747 West Taylor Street, Chicago, IL 60612

Real Property tax identification number: 16-13-421-001-0000, 16-13-421-017-0000, 16-13-421-018-0000 and 16-13-422-001-0000