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THIS DOCUMENT PREPARED BY:

Crowley & Lamb., P.C.
350 North LaSalle Street Suite 900
Chicago, Illinois 60610

AFTER RECORDING RETURN TO:

The PrivateBank and Trust Company
10 North Dearborn Street
Chicago, Illinois 60602
Attn: Daniel Siadak, Managing Director



Doc#: 0636309020 Fee: \$36.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 12/29/2006 11:11 AM Pg: 1 of 7

This space reserved for Recorder's use only

SECOND MODIFICATION OF LOAN DOCUMENTS

THIS SECOND MODIFICATION OF LOAN DOCUMENTS (this "Agreement") is made effective as of the 1st day of November, 2006, by and among **193 SOUTH EVERGREEN STREET, LLC, an Illinois limited liability company**, with an address at 3416 North Ashland Avenue, Chicago, Illinois 60657 ("Borrower"), **GARY DESTEFANO and DESTEFANO DEVELOPMENT INCORPORATED, an Illinois corporation**, having an address at 3416 North Ashland Avenue, Chicago, Illinois 60657 (collectively "Guarantor") and **THE PRIVATEBANK AND TRUST COMPANY**, its successors and assigns, having an address at 10 North Dearborn, Chicago, Illinois 60602 ("Lender").

RECITALS:

A. Lender has heretofore made a construction loan ("Loan") to Borrower in the principal amount of ONE MILLION ONE HUNDRED EIGHTY FIVE THOUSAND AND NO/100THS DOLLARS (\$1,185,000.00), as evidenced by a Promissory Note dated January 21, 2005, in the principal amount of the Loan made payable by Borrower to the order of Lender ("Note") and a certain Construction Loan and Security Agreement ("Loan Agreement") dated January 21, 2005 from Borrower in favor of the Lender.

B. The Note is secured by, among other things, (i) that certain Mortgage dated January 21, 2005, from Borrower to Lender recorded with the Recorder of Deeds in Cook County, Illinois (the "Recorder's Office") on January 25, 2005, as Document No. 0502519012 (the "Mortgage"), which Mortgage encumbers the real property and all, improvements thereon legally described on Exhibit A hereto ("Property"), and (ii) that certain Assignment of Rents and Leases dated January 21, 2005, from Borrower to Lender and recorded with the Recorder's Office on January 25, 2005, as Document No. 0502519013 (the "Assignment of Leases"),

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(iii) the personal Guaranty ("Guaranty") of Gary DeStefano and DeStefano Development Incorporated, an Illinois Corporation, guaranteeing payment and performance of all obligations of Borrower under the Note and Loan Documents (as hereinafter defined) and (iv) certain other loan documents (the Note, the Mortgage, the Loan Agreement, the Guaranty, the Assignment of Leases and any other document evidencing, securing and guarantying the Loan, in their original form and as amended, are sometimes collectively referred to herein as the "Loan Documents").

C. The Loan Documents were amended by First Modification of Loan Documents dated February 1, 2006 pursuant to which the Maturity Date on the Note was extended from February 1, 2006 to November 1, 2006.

D. Borrower now desires to amend the Loan Documents in order to extend the Loan Maturity Date from November 1, 2006 to July 1, 2007, and Lender is willing to extend the Loan Maturity Date from November 1, 2006 to July 1, 2007, on the terms and conditions more fully set forth hereinafter, subject to Borrowers further agreement that \$30,000.00 of the Loan shall be placed into an interest reserve account with Lender to provide funds to the Borrowers to pay interest due on the Loan through the new maturity date of July 1, 2007.

AGREEMENTS:

NOW, THEREFORE, in consideration of (i) the facts set forth hereinabove (which are hereby incorporated into and made a part of this Agreement), (ii) the agreements by Lender to modify the Loan Documents, as provided herein, (iii) Borrowers agreement to pay Lender an irrevocable loan extension fees (the "Loan Fee") in the amount of \$500.00 plus all of Lender's reasonable attorneys fees and costs in connection with this Modification, (iv) the covenants and agreements contained herein, and (v) for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Maturity Date.** The Loan Maturity Date and/or the Completion Date, as described in the Loan Agreement, the Note (as amended and modified from time to time), the Mortgage or in any of the other Loan Documents, shall be amended from November 1, 2006 to July 1, 2007.
2. **Amendment of Note.** The Note (as previously amended and restated) shall be further amended and restated by that certain Second Amended and Restated Promissory Note of even date herewith executed jointly and severally by Borrower in the form attached hereto as Exhibit B (the "Amended Note"). As of the date hereof, the Amended Note shall be substituted for and replace in its entirety the existing Note (as previously amended and restated) as evidence of the amounts due and owing to Lender and the existing Note (as previously amended and restated) shall be canceled by Lender.
3. **Amendment to Loan Agreement-Interest Reserve.** Borrower agrees that Section 7.1 (b) of the Loan Agreement shall be amended to provide that Lender shall have the right to increase the amount of the reserve to pay interest on the Loan by the sum of \$30,000.00, which funds shall be paid from the proceeds of the Loan.
4. **Reaffirmation of Guaranty.** Guarantor ratifies and affirms the Guaranty and agrees that the Guaranty is in full force and effect following the execution and delivery of this Agreement and the Amended and Restated Note. The representations and warranties of Guarantor in the Guaranty are, as of the date hereof, true and correct and Guarantor does not know of any default thereunder. The Guaranty continues

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to be the valid and binding obligation of Guarantor, enforceable in accordance with its terms and Guarantor has no claims or defenses to the enforcement of the rights and remedies of Lender thereunder, except as provided in the Guaranty.

5. **Representations and Warranties of Borrower and Guarantor** Borrower and Guarantor hereby represent, covenant and warrant to Lender as follows:

(a) The representations and warranties in the Note, 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 (as defined in the Loan Documents) under the Note, the Mortgage or the other Loan Documents and neither Borrower nor Guarantor knows 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 Note, 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 Agreement, they continue to be the legal, valid and binding obligations of Borrower and Guarantor 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, 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, neither Borrower nor Guarantor has any claims, counterclaims, defenses, or set-offs with respect to the Loan or the Loan Documents as modified herein.

(f) The execution and delivery of this 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 and Guarantor. This Agreement has been duly executed and delivered on behalf of Borrower and Guarantor.

6. **Title Policy.** As a condition precedent to the agreements contained herein, Borrower shall, at its sole cost and expense, cause First American Title insurance Greater Illinois Title Company to issue an endorsement to Lender's title insurance policy No. 1030425 (the "Title Policy"), as of the date this Agreement is recorded, reflecting the recording of this Agreement and insuring the 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.

7. **Expenses.** As a condition precedent to the agreements contained herein, Borrower shall pay all out-of-pocket costs and expenses incurred by Lender in connection with this Agreement, including, without limitation, title charges, recording fees, appraisal fees and attorneys' fees and expenses.

8. **Miscellaneous.**

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

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(b) This Agreement shall not be construed more strictly against Lender than against Borrower or Guarantor merely by virtue of the fact that the same has been prepared by counsel for Lender, it being recognized that Borrower, Guarantor and Lender have contributed substantially and materially to the preparation of this Agreement, and Borrower, Guarantor 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 Agreement. Each of the parties to this Agreement represents that it has been advised by its respective counsel of the legal and practical effect of this Agreement, and recognizes that it is executing and delivering this 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 Agreement, that they intend to be legally bound by it and that they expressly warrant and represent that they are duly authorized and empowered to execute it.

(c) Notwithstanding the execution of this Agreement by Lender, the same shall not be deemed to constitute Lender a venturer or partner of or in any way associated with Borrower nor shall privity of contract be presumed to have been established with any third party.

(d) Borrower, Guarantor 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 Agreement, which collectively represent a complete integration of all prior and contemporaneous agreements and understandings of Borrower, Guarantor and Lender, and that all such prior understandings, agreements and representations are hereby modified as set forth in this Agreement. Except as expressly modified hereby, the terms of the Loan Documents are and remain unmodified and in full force and effect.

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

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

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

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

LENDER:

THE PRIVATEBANK AND TRUST
COMPANY

By: Allison Thandell
Its: MANAGING DIRECTOR

BORROWER:

193 SOUTH EVERGREEN STREET, LLC,
an Illinois limited liability company

By: DeStefano Development, Incorporated., an
Illinois corporation, its Manager

By: [Signature]
Gary DeStefano, its President

GUARANTOR:

[Signature]
GARY DESTEFANO

DESTEFANO DEVELOPMENT
INCORPORATED, an Illinois corporation

By: [Signature]
Gary DeStefano, its President

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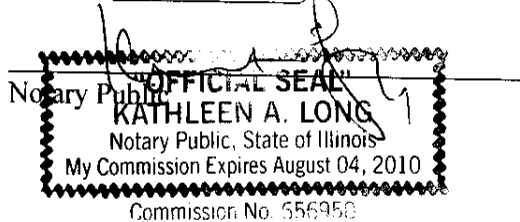
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, _____, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that _____, Managing Director of THE PRIVATEBANK AND TRUST COMPANY, known to me to be the same person whose name is subscribed to the foregoing instrument as such Managing Director, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary acts, and as the free and voluntary act of THE PRIVATEBANK AND TRUST COMPANY, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 28 day of December, 2006.

My Commission Expires:

8/4/2010



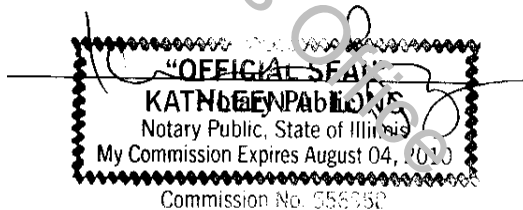
STATE OF ILLINOIS)
) SS.
COUNTY OF _____)

I, _____, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Gary DeStefano, individually and as President of DeStefano Development, Incorporated, an Illinois corporation, the manager of 193 SOUTH EVERGREEN STREET, LLC, an Illinois limited liability company, known to me to be the same person whose name is subscribed to the foregoing instrument as such manager, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary acts, and as the free and voluntary act of DeStefano Development, Inc., an Illinois corporation, as the manager for 193 SOUTH EVERGREEN STREET, LLC, an Illinois limited liability company for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 28 day of December, 2006.

My Commission Expires:

8/4/2010



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EXHIBIT A

LEGAL DESCRIPTION

THE WEST ½ (EXCEPT THE EAST 3.08 FEET) OF THAT PART OF THE WEST ½ OF THE NORTHWEST ¼ OF SECTION 32, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT IN THE CENTER OF ROAD, 418 FEET SOUTH OF THE NORTHEAST CORNER OF THE WEST ½ OF THE NORTHWEST ¼ OF SAID SECTION 32, THENCE 4.80 CHAINS, THENCE SOUTH 77 FEET, THENCE EAST 4.80 CHAINS, THENCE NORTH 77 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

P.I.N. NO. 03-32-103-007-0000

COMMONLY KNOWN AS: 193 SOUTH EVERGREEN STREET, ARLINGTON HEIGHTS, ILLINOIS 60005

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