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THIS DOCUMENT PREPARED BY
AND AFTER RECORDING RETURN TO:

Holland & Knight LLP
131 S. Dearborn Street
30th Floor
Chicago, Illinois 60603
Attn: Francis L. Keldermans

Box 0600



Doc#: 0708644038 Fee: \$38.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 03/27/2007 11:48 AM Pg: 1 of 8

This space reserved for Recorder's use only

FIRST MODIFICATION OF LOAN DOCUMENTS

THIS FIRST MODIFICATION OF LOAN DOCUMENTS (this "Agreement") is made as of the 14th day of January, 2007, by and among 9658 S. Marquette LLC, an Illinois limited liability company ("Borrower"), Bernard Schmidt ("Guarantor") and Midwest Bank & Trust Company, its successors and assigns ("Lender").

RECITALS:

A. Lender has heretofore made a loan ("Loan") to Borrower in the original principal amount of Nine Hundred Forty-Five Thousand and no/100 Dollars (\$945,000.00) pursuant to the terms and conditions of a Loan Agreement dated as of July 14, 2006 between Borrower and Lender, (the "Loan Agreement", all terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement), and as evidenced by a Promissory Note dated July 14, 2006, in the principal amount of the Loan made payable by Borrower to the order of Lender ("Note").

B. The Note is secured by, among other things, (i) that certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing dated as of July 14, 2006 from Borrower to Lender recorded with the Recorder of Deeds in Cook County, Illinois (the "Recorder's Office") on August 21, 2006, as Document No. 0623333043 ("Mortgage"), which Mortgage encumbers the real property and all improvements thereon legally described on Exhibit A hereto ("Property"); (ii) that certain Environmental Indemnity Agreement dated as of July 14, 2006 from Borrower and Guarantor to Lender (the "Indemnity Agreement"); and (iv) certain other loan documents (the Note, the Mortgage, the Assignment of Leases, the Indemnity Agreement, the other documents 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 is further secured by a Guaranty dated July 14, 2006 from Guarantor and Fereidoon Mohammadi to Lender (the "Guaranty"). Fereidoon Mohammadi was released as

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a guarantor under the Guaranty pursuant to that Release of Guaranty of even date herewith from Lender to and in favor of Fereidoon Mohammadi.

D. Borrower desires to amend the Loan Documents in order to: (a) increase the amount of the Loan from \$945,000.00 to \$990,000.00; and (b) extend the Maturity Date from January 14, 2007 to July 14, 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) the covenants and agreements contained herein, and (iv) 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 Maturity Date of the Note is extended to July 14, 2007. Any reference in the Note, the Loan Agreement or any other Loan Document to the Maturity Date shall mean July 14, 2007.

2. **Principal and Interest.** The principal amount of the Loan is hereby increased to Nine Hundred Ninety Thousand and no/100 Dollars (\$990,000.00). Principal and interest shall be paid as set forth in the note.

3. **Representations and Warranties of Borrower.** Borrower hereby represents, covenants and warrants to Lender as follows:

(a) The representations and warranties in 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 Agreement) under the Note, the Mortgage or the other Loan Documents and Borrower does not know 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 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, Borrower has no claims, counterclaims, defenses, or set-offs with respect to the Loan or the Loan Documents as modified herein.

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(f) Borrower is validly existing under the laws of the State of its formation or organization and has the requisite power and authority to execute and deliver this Agreement and to perform the Loan Documents as modified herein. 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. This Agreement has been duly executed and delivered on behalf of Borrower.

4. **Title Policy.** As a condition precedent to the agreements contained herein, Borrower shall, at its sole cost and expense, cause Chicago Title Insurance Company to issue an endorsement to Lender's title insurance policy No. 1401UH9986080 (the "Title Policy"), as of the date this Agreement is recorded, reflecting the recording of this Agreement, increase in the Loan amount 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.

5. **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. 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 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.

Release of Fereidoon Mohammadi. Borrower and Guarantor acknowledge and agree that Fereidoon Mohammadi has been released from his guaranty pursuant to the terms and conditions contained in the Release of Guaranty of even date herewith from Lender in favor of Fereidoon Mohammadi.

6. **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. In addition, Borrower acknowledges and agrees that Lender has earned and is entitled to a non-refundable renewal fee in the amount of \$2,475.00 (plus an additional \$250.00 documentation fee) which is fully earned and due and payable as a condition precedent to Lender's entering into this Agreement.

7. **Miscellaneous.**

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

(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 acknowledges and waives any claim contesting the existence and the adequacy of the consideration given by the other in entering into this

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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 or Guarantor 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 "Loan Agreement", the "Note", the "Mortgage" or the "Loan Documents" contained in any of the Loan Documents shall be deemed to refer to the Loan Agreement, the 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 Borrower's obligations under this Agreement.

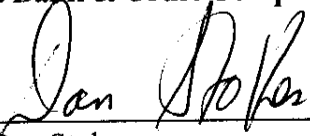
[signature page follows.]

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

LENDER:

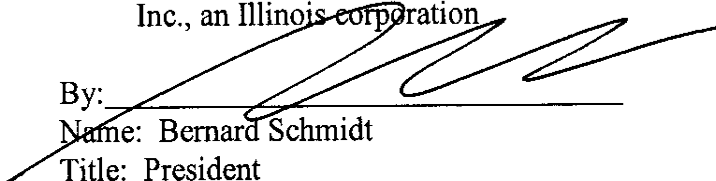
Midwest Bank & Trust Company

By: 
Name: Dan Stokes
Title: Vice President

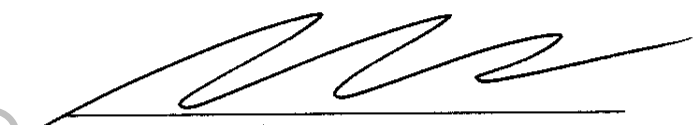
BORROWER:

9658 S. Marquette LLC, an Illinois limited liability company

By: Its Manager
Schmidt and Associates Construction, Inc., an Illinois corporation

By: 
Name: Bernard Schmidt
Title: President

GUARANTOR:


Bernard Schmidt

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STATE OF ILLINOIS)
) .ss
COUNTY OF COOK)

I Shaunese Brown, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Dan Stokes, Vice President of Midwest Bank & Trust Company, is 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 said instrument as his own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 16th day of ~~February~~ ^{March}, 2007.

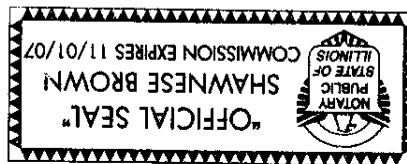


Shaunese Brown

Notary Public

My Commission Expires: Nov. 01, 2007

STATE OF ILLINOIS)
) .ss
COUNTY OF Cook)



I Shaunese Brown, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Bernard Schmidt, as President of Schmidt and Associates Construction, Inc., an Illinois corporation, being the Manager of 9658 S. Marquette LLC, an Illinois limited liability company, of Bernard Schmidt, is 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 said instrument as his own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 16th day of ~~February~~ ^{March}, 2007.

Shaunese Brown

Notary Public

My Commission Expires: Nov. 01, 2007



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STATE OF ILLINOIS)
) .ss
COUNTY OF Cook)

I Shawnese Brown, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Bernard Schmidt, is 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 said instrument as his own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 16th day of ~~February~~ March, 2007.

Shawnese Brown

Notary Public

My Commission Expires: Nov. 01, 2007



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EXHIBIT A

LEGAL DESCRIPTION OF PREMISES

A PARCEL OF LAND IN THE NORTHWEST FRACTIONAL QUARTER OF SECTION 7, TOWNSHIP 37 NORTH, RANGE 15, EAST OF THE THIRD PRINCIPAL MERIDIAN, NORTH OF THE INDIAN BOUNDARY LINE, DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE SOUTH LINE OF EAST 96TH STREET, AND THE EAST LINE OF THE RIGHT OF WAY OF THE C & WI RAILROAD CO.; THENCE EAST ALONG SAID SOUTH LINE OF EAST 96TH STREET, 168 FEET; THENCE SOUTHERLY ALONG A LINE PARALLEL TO SAID EAST LINE OF RIGHT OF WAY, 600 FEET; THENCE WESTERLY ALONG A LINE PARALLEL TO THE SOUTH LINE OF SAID EAST 96TH STREET, 168 FEET TO SAID EAST LINE OF RIGHT OF WAY; THENCE NORTHERLY 600 FEET ALONG SAID EAST RIGHT OF WAY LINE TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PIN NO.: 26-07-105-009-0000

ADDRESS: 9658 S. Marquette Avenue, Chicago, Illinois