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THIS DOCUMENT PREPARED BY:

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

AFTER RECORDING RETURN TO:

Diamond Bank, FSB
100 West North Avenue
Chicago, Illinois 60610
Attn: Vice President



Doc#: 0711622026 Fee: \$36.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 04/26/2007 11:59 AM Pg: 1 of 7

This space reserved for Recorder's use only

LOAN NO. 1720133656

FIRST MODIFICATION OF LOAN DOCUMENTS

THIS FIRST MODIFICATION OF LOAN DOCUMENTS (this "Agreement") is made effective as of the 19th day of April, 2007, by and among **JANICE FELLOWS** ("Borrower") having an address at 2608 N. Magnolia, Chicago, Illinois 60614 (collectively "Guarantor") and **DIAMOND BANK, FSB**, its successors and assigns, having an address at 100 West North Avenue, Chicago, Illinois 60610 ("Lender").

RECITALS:

A. Lender has heretofore made a loan ("Loan") to Borrower in the principal amount of Three Hundred Ninety Thousand and No/100ths Dollars (\$390,000.00), as evidenced by a Note dated August 9, 2002 (the "Note"), in the principal amount of \$390,000.00 from Borrower in favor of Lender.

B. The Note is secured by, among other things, a certain Mortgage dated August 9, 2002, from Borrower to Lender recorded with the Recorder of Deeds in Cook County, Illinois (the "Recorder's Office") on August 20, 2002 as Document No. 0020910137 (the "Mortgage"), which Mortgage encumbers the real property and all, improvements thereon legally described on Exhibit A hereto ("Property"). The Note, the Mortgage 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. Borrower now desires to amend the Loan Documents in order to induce Lender to (i) advance to Borrower an additional amount of \$160,000.00 (the "Additional Advance") and increase the principal balance of the Loan to a new principal sum of \$508,000.00, (ii) to amend the interest rate of the Note from 7.5% per annum to 7.25% per annum, and (iii) to extend the maturity date of the Note from September 1,

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2007 until May 1, 2012, and Lender is willing to (i) advance to Borrower an additional amount of \$160,000.00 (the "Additional Advance") and increase the principal balance of the Loan to a new principal sum of \$508,000.00, (ii) to amend the interest rate of the Note from 7.5% per annum to 7.25% per annum, and (iii) to extend the maturity date of the Note from September 1, 2007 until May 1, 2012, on the terms and conditions more fully set forth hereinafter.

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 to be performed by Borrower 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. **Additional Advance.** Lender agrees to advance to Borrower (the "Additional Advance") the sum of One Hundred Sixty Thousand and No 100ths Dollars (\$160,000.00), so that as of the date of this Modification, the principal balance of the Note shall be FIVE HUNDRED EIGHT THOUSAND AND 00/100THS DOLLARS U.S. (\$508,000.00), subject to the terms and conditions of the Promissory Note, described hereinafter. Borrower agrees that a portion of the Additional Advance shall be disbursed by Lender to payoff a loan from Lender to Borrower in the principal amount of \$95,000.00 secured by a junior mortgage recorded against the Property.

2. **Amendment of Note.** The Note shall be amended and restated by that certain Promissory Note of even date herewith executed jointly and severally by Borrower (the "Amended Note"). As of the date hereof, the Amended Note shall be substituted for and replace in its entirety the existing Note, as evidence of the amounts due and owing to Lender and the manner of repayment of same, and the existing Note shall be canceled by Lender.

3. **Modification of the Mortgage and other Loan Documents.** That based on the Lender's agreement to increase the amount which may be borrowed by Borrower under the terms of the Note, Borrower agrees that the Mortgage and the other Loan Documents are hereby amended to increase the amount secured by the Mortgage on the Property from Three Hundred Ninety Thousand and No/100ths Dollars (\$390,000.00) to FIVE HUNDRED EIGHT THOUSAND AND 00/100THS DOLLARS U.S. (\$508,000.00). From the date of this Agreement, all references in the Mortgage to a Loan Amount is hereby amended to read FIVE HUNDRED EIGHT THOUSAND AND 00/100THS DOLLARS U.S. (\$508,000.00).

4. **Reaffirmation of Obligations under Loan Documents.** The Borrower ratifies and affirms that all of their obligations under the Loan Documents, as amended by this Agreement and the Amended Note are in full force and effect following the execution and delivery of this Agreement and the Borrower remains liable to Lender for all amounts due in connection with the Note (including the amounts evidenced by the Additional Advance). The representations and warranties of Borrower in the Loan Documents are, as of the date hereof, true and correct and neither Borrower knows of any default thereunder. The Loan Documents continue to be the valid and binding obligation of Borrower, enforceable in accordance with their terms and Borrower has no claims or defenses to the enforcement of the rights and remedies of Lender thereunder, except as provided in the Loan Documents.

5. **Continuing Validity.** Except as expressly modified above, the terms of the original Mortgage shall remain unchanged and in full force and effect and are legally valid, binding, and enforceable in accordance with their respective terms. Consent by Lender to this Agreement does not waive Lender's rights to require strict performance of the Mortgage as amended above nor obligate Lender to make any

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future modifications. Nothing in this Agreement shall constitute a satisfaction of the promissory note or other credit agreement secured by the Mortgage (the "Amended Note"). It is the intention of Lender to retain as liable all parties to the Mortgage and all parties, makers and endorser to the Amended Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Agreement. If any person who signed the original Mortgage does not sign this Agreement, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension or modification, but also to all such subsequent actions.

6. **Loan Maturity Date.** The Maturity Date of the Loan, described in the Amended Note or any of the other Loan Documents, shall be May 1, 2012.

7. **Borrower Representations and Stipulations.** Borrower acknowledges, represents and warrants as follows:

- (a) The Amended Note and all other Loan Documents constitute valid and legally binding obligations of Borrower and are enforceable to their full extent against Borrower and the collateral granted therein in accordance with the terms thereof without defense, affirmative defense or counterclaim of any kind.
- (b) Borrower does hereby waive and release any and all claims and defenses, whether legal or equitable, or by way of offset, recoupment or counterclaim that the Borrower hereto has, or may have against Lender, relating in any way to Note, the Loan Agreement, the Mortgage, or any other documents securing or relating to the Loan, by reason of any matter, cause or thing whatsoever occurring, including breach of good faith and fair dealing by Lender.
- (c) The party or parties who execute this Agreement on behalf of the Borrower have the authority to do so and that the same is the legally binding act of the Borrower and each of them.
- (d) There exists no defenses, whether at law or equity to the repayment of the Amended Note, or any of Borrower's obligations under any of the other Loan Documents.

7. **Borrowers' Releases.** Borrower and each of them, in consideration of the execution of this Agreement, and the performance of all terms contained herein to be performed by Lender, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, do hereby remise, release and forever discharge, and by these presents, do for their successors, assigns, heirs, administrators, executors, personal representatives, agents, grantees, and successors in interest, remise, release and forever discharge Lender and its respective successors, assigns, heirs, administrators, officers, personal representatives, attorneys, agents and successors in interest, from all actions, suits, causes of action, damages, expenses, liabilities, claims, accounts and demands, whatsoever, whether or not well-founded in fact or in law which they have, have had, or at any time may have, could have, or might have but for the execution of this Agreement, asserted against Lender, for or by reason of or in respect of any matter, cause or thing whatsoever, whether known or unknown, developed or undeveloped, past, present or future or whether permanent, continuing or otherwise, arising out of or connected with the Loan, the Amended Note, the Loan Documents or this Agreement.

8. **Waiver.** Nothing in this Agreement shall be construed as a waiver of or acquiescence to any other Events of Default (as defined in the Loan Documents), which shall continue in existence subject only

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to Lender's agreement, as set forth herein, not to enforce its remedies for a limited period of time. Except as expressly provided herein, the execution and delivery of this Agreement shall not: (a) constitute an extension, modification, or waiver of any other aspect of the Amended Note or the Loan Documents; (b) extend the terms of the Note or the Loan Documents or the due date of any of the Note; (c) give rise to any obligation on the part of Lender to extend, modify or waive any term or condition of the Loan Documents; or (d) give rise to any defenses or counterclaims to Lender's right to compel payment of the Loan or to otherwise enforce its rights and remedies under the Amended Note, and any other Loan Documents. Except as expressly limited herein, Lender hereby expressly reserves all of its rights and remedies under the Note, as amended and the Loan Documents and under applicable law with respect to such defaults.

9. **Expenses.** As a condition precedent to the agreements contained herein, Borrower shall pay a Loan Fee of \$425.00 and all out-of-pocket recording 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.

10. **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 merely by virtue of the fact that the same has been prepared by counsel for Lender, it being recognized that Borrower and Lender have contributed substantially and materially to the preparation of this Agreement, and Borrower 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) Borrower 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 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 modified and in full force and effect.

(d) This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors, assigns, and personal representatives, except to the extent of any contrary provision in this Agreement. Each party intends that this Agreement, in all respects, shall be deemed and construed to have been prepared mutually by all parties, and it is expressly agreed that any uncertainty and ambiguity existing herein shall not be construed more strictly against one party or the other against the other party. If any part or any provision of this Agreement shall be determined to be invalid under any applicable law or the regulation, the remaining part of this Agreement, that can be separated from the invalid, unenforceable provisions, shall be in full force and effect.

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(e) Borrower shall mean all of the undersigned and as used herein, Borrower shall be deemed, whenever appropriate in the context, to include the singular and plural. If this Agreement is executed by more than one party as Borrower, the liability of such parties shall be joint and several.

(f) Each party to this Agreement agrees to perform any further acts and execute any documents that may be reasonably necessary to effect the purposes of this Agreement.

(g) Time is of the essence of Borrower's obligations under this Agreement.

11. **Binding Effect.** This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors, assigns, and personal representatives, except to the extent of any contrary provision in this Agreement. Each party intends that this Agreement, in all respects, shall be deemed and construed to have been prepared mutually by all parties, and it is expressly agreed that any uncertainty and ambiguity existing herein shall not be construed more strictly against one party or the other against the other party. If any part or any provision of this Agreement shall be determined to be invalid under any applicable law or the regulation, the remaining part of this Agreement, that can be separated from the invalid, unenforceable provisions, shall be in full force and effect.

12. **No Novation** This Agreement shall not be deemed or construed to be a satisfaction, reinstatement, novation, or release of the Loan or of any of the other Loan Documents, or, except as expressly provided herein, nor shall it be deemed a waiver by Lender of any of the rights of Lender under the Note (or the Amended Note) or any of the other Loan Documents, or at law or in equity, and shall not be construed as a repayment or novation of the Prior Note

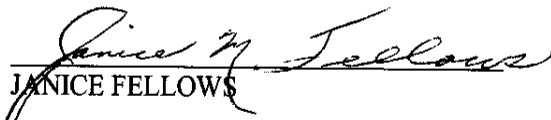
13. **Counterparts.** This Agreement may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so executed and delivered (whether by facsimile transmission or otherwise) shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

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

BORROWER:

LENDER:

DIAMOND BANK, FSB


JANICE FELLOWS

By: 
Its: Senior Vice President

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EXHIBIT A

LEGAL DESCRIPTION

LOT 21 (EXCEPT THE NORTH 5 FEET) AND LOT 22 (EXCEPT THE SOUTH 55 FEET) IN THE EAST HALF OF BLOCK 2 IN BLOCK 44 IN SHEFFIELD'S ADDITION TO CHICAGO IN SECTION 29, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 14-29-19-309-042-0000

COMMONLY KNOWN AS: 2608 N. MAGNOLIA AVENUE, CHICAGO, ILLINOIS 60614

Property of Cook County Clerk's Office