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Doc#: 0732409038 Fee: \$42.00
Eugene "Gene" Moore RHSP Fee:\$10.00
Cook County Recorder of Deeds
Date: 11/20/2007 01:55 PM Pg: 1 of 10

FIRST MODIFICATION OF LOAN DOCUMENTS

THIS FIRST MODIFICATION OF LOAN DOCUMENTS (this "Agreement") is made as of the 13th day of November, 2006, by and among SSN GROUP LLC, an Illinois limited liability company (the "Mortgagor"), BLACKHAWK STEEL CORP., an Illinois corporation ("Guarantor"), and FIFTH THIRD BANK (CHICAGO), a Michigan banking corporation, its successors and assigns ("Lender").

RECITALS:

A. Lender has heretofore made a loan to Mortgagor in the original principal amount of Three Million Five Hundred Twenty Thousand and No/100 Dollars (\$3,520,000) (the "Mortgage Loan"), which Mortgage Loan is evidenced by that certain Promissory Note dated as of December 29, 2005 (as amended, restated, modified or supplemented and in effect from time to time, the "Mortgage Note") made by Mortgagor in favor of Lender in the original principal amount of the Mortgage Loan.

**This document prepared by and
after recording return to:**

Diana Y. Tsai, Esq.
Schwartz Cooper Chartered
180 North LaSalle Street
Suite 2700
Chicago, Illinois 60601

Permanent Index Numbers:

19-03-400-019
19-03-400-033
19-03-400-193
19-03-400-201

Address of Property:

4500 West 47th Street
Chicago, Illinois 60632

TAT 208297 10F 2 DEC

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B. Pursuant to that certain Loan and Security Agreement dated as of December 29, 2005 executed by and between Chicago American Manufacturing LLC, an Illinois limited liability company ("Borrower"), and Lender (as amended, restated, modified or supplemented and in effect from time to time, the "Loan Agreement"), Lender has also agreed to make (i) a term loan to Borrower in the original principal amount of One Million One Hundred Seven Thousand Five Hundred Eighty-Eight and No/100 Dollars (\$1,107,588) (the "Term Loan"), as evidenced by that certain Term Note dated as of December 29, 2005 (as amended, restated, modified or supplemented and in effect from time to time, the "Term Note") made by Borrower in favor of Lender in the original principal amount of the Term Loan, and (ii) a revolving loan to Borrower in the original principal amount of up to Seven Hundred Fifty Thousand and No/100 Dollars (\$750,000) (the "Revolving Loan", and together with the Term Loan, the "Commercial Loans", and the Commercial Loans together with the Mortgage Loan and the Equipment Term Loan (as defined below), collectively, the "Loans"), as evidenced by that certain Revolving Note dated as of December 29, 2005 (as amended, restated, modified or supplemented and in effect from time to time, the "Revolving Note", and together with the Term Note, the "Commercial Notes", and the Commercial Notes together with the Mortgage Note, collectively, the "Notes") made by Borrower in favor of Lender in the original principal amount of the Revolving Loan.

C. The Loans are secured by (i) that certain Mortgage, Security Agreement, Assignment of Rents and Leases and Fixture Filing dated as of December 29, 2005 made by Mortgagor in favor of Lender recorded with the Recorder of Deeds in Cook County, Illinois (the "Recorder's Office") on February 14, 2006, as Document No. 0604532097 (the "Mortgage"), which Mortgage encumbers the real property and all improvements thereon legally described on Exhibit A hereto (the "Property"), (ii) that certain Assignment of Rents and Leases dated as of December 29, 2005 made by Mortgagor in favor of Lender and recorded in the Recorder's Office on February 14, 2006, as Document No. 0604532098 and re-recorded in the Recorder's Office on March 1, 2006, as Document No. 0606044066 to reflect an accounting error at the Recorder's Office (the "Assignment of Rents"); (iii) that certain Environmental Indemnity Agreement dated as of December 29, 2005 made by Mortgagor, Borrower and Guarantor, jointly and severally, in favor of Lender (the "Indemnity Agreement"); and (iv) certain other loan documents, including without limitation, the Loan Agreement (the Loan Agreement, the Notes, the Mortgage, the Assignment of Rents, the Indemnity Agreement, the Guaranty (as defined below), and the other documents evidencing, securing and guarantying the Loans, in their original form and as amended, are sometimes collectively referred to herein as the "Loan Documents").

D. The Loans are further secured by that certain Continuing Unconditional Guaranty dated as of December 29, 2006 made by Guarantor in favor of Lender (as amended, restated, modified or supplemented and in effect from time to time, the "Guaranty").

E. Borrower and Lender are entering into that certain First Amendment to

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Loan and Security Agreement and Ancillary Agreements dated as of even date herewith, pursuant to which, among other things, (i) the maximum principal amount of the Revolving Loan is being increased from \$750,000 to \$1,500,000, as evidenced by that certain Amended and Restated Revolving Note dated as of even date herewith made by Borrower in favor of Lender in the principal amount of \$1,500,000 (as amended, restated, modified or supplemented and in effect from time to time, the "Amended and Restated Revolving Note") (ii) the maturity date of the Revolving Loan is being extended to November 5, 2007, as set forth in the Amended and Restated Revolving Note, and (iii) Lender is making a new equipment term loan (the "Equipment Term Loan") to Borrower in the original principal amount of \$500,000, which equipment Term Loan is evidenced by that certain Equipment Term Loan dated as of even date herewith made by Borrower in favor of Lender in the original principal amount of \$500,000 (as amended, restated, modified or supplemented and in effect from time to time, the "Equipment Term Note"), all as more fully described therein.

F. Mortgagor desires to amend the Loan Documents in order to have the Mortgage, the Assignment of Rents, the Environmental Indemnity and all other applicable Loan Documents additionally secure the Revolving Loan (as increased and extended), the Equipment Term Loan, the Amended and Restated Revolving Note and the Equipment Term Note.

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) of 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 Revolving Note is extended to November 5, 2007. Any reference in the Revolving Note, the Mortgage, the Assignment of Rents or any other Loan Document to the Revolving Loan Maturity Date shall mean November 5, 2007.
2. Loan Documents Secure Restructured/Additional Loans. The Mortgage, the Assignment of Rents, the Environmental Indemnity and all other applicable Loan Documents are hereby modified to provide that they additionally secure the Revolving Loan (as increased and extended), the Equipment Term Loan, the Amended and Restated Revolving Note and the Equipment Term Note. All references in the Mortgage, the Assignment of Rents, the Environmental Indemnity and all other applicable Loan Documents to "Loan", "Loans" and "Notes" shall include Revolving Loan (as increased), the Equipment Term Loan, the Amended and Restated Revolving Note and the Equipment Term Note, respectively.
3. Representations and Warranties of Mortgagor. Mortgagor hereby represents, covenants and warrants to Lender as follows:

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(a) The representations and warranties in the Mortgage, the Assignment of Rents, the Environmental Indemnity 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 Mortgage) under any of the Notes, the Mortgage, the Assignment of Rents or the other Loan Documents and Mortgagor 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 Notes, the Mortgage, the Assignment of Rents 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 Mortgagor 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 Mortgagor, 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, Mortgagor has no claims, counterclaims, defenses, or set-offs with respect to the Loans or the Loan Documents as modified herein.

(f) Mortgagor 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 Mortgagor. This Agreement has been duly executed and delivered on behalf of Mortgagor.

4. Title Policy. As a condition precedent to the agreements contained herein, Mortgagor shall, at its sole cost and expense, cause First American Title Insurance Company to issue an endorsement to Lender's Title Insurance Policy No. NCS-208797-CHI1 (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.

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

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provided in the Guaranty.

6. Expenses. As a condition precedent to the agreements contained herein, Mortgagor or 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.

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 Mortgagor, Borrower or Guarantor merely by virtue of the fact that the same has been prepared by counsel for Lender, it being recognized that Mortgagor, Borrower, Guarantor and Lender have contributed substantially and materially to the preparation of this Agreement, and Mortgagor, 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 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 Mortgagor, Borrower or Guarantor nor shall privity of contract be presumed to have been established with any third party.

(d) Mortgagor, 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 Mortgagor, 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 "Notes", the "Mortgage", the "Assignment of

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Rents” or the “Loan Documents” contained in any of the Loan Documents shall be deemed to refer to the Notes, the Mortgage, the Assignment of Rents 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 Mortgagor’s obligations under this Agreement.

8. Customer Identification - USA Patriot Act Notice; OFAC and Bank Secrecy Act. Lender hereby notifies Mortgagor that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56, signed into law October 26, 2001) (the “Act”), and Lender’s policies and practices, Lender is required to obtain, verify and record certain information and documentation that identifies Mortgagor, which information includes the name and address of Mortgagor and such other information that will allow Lender to identify Mortgagor in accordance with the Act. In addition, Mortgagor shall (a) ensure that no person who owns a controlling interest in or otherwise controls Mortgagor or any subsidiary of Mortgagor is or shall be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by the Office of Foreign Assets Control (“OFAC”), the Department of the Treasury or included in any Executive Orders, (b) not use or permit the use of the proceeds of the Loan to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto, and (c) comply, and cause any of its subsidiaries to comply, with all applicable Bank Secrecy Act (“BSA”) laws and regulations, as amended.

[Remainder of page intentionally left blank; 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:

FIFTH THIRD BANK (CHICAGO), a Michigan banking corporation

By: Michael E. May
Name: Michael E. May
Title: Vice President
Title: _

MORTGAGOR:

SSN GROUP LLC, an Illinois limited liability company

By: Jeffrey S. Skinner
Name: Jeffrey S. Skinner
Its: Vice President
Title: _

GUARANTOR:

BLACKHAWK STEEL CORP., an Illinois corporation

By: MARLA A. HELLMAN
Name: MARLA A. HELLMAN
Its: PRESIDENT

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STATE OF ILLINOIS)
) .ss
COUNTY OF COOK)

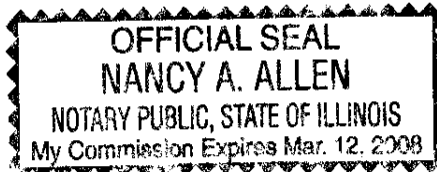
I NANCY A ALLEN, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Michael May, the Vice President of Fifth Third Bank (Chicago), a Michigan banking corporation, is personally known to me to be the same person whose name is subscribed to the foregoing instrument, 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 13 day of November, 2006.

Nancy A Allen
Notary Public

My Commission Expires: 03/12/2008

STATE OF ILLINOIS)
) .ss
COUNTY OF COOK)

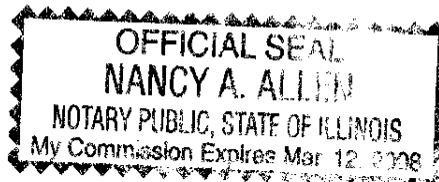


I NANCY A ALLEN, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Jeff Skinner, the Vice President of SSN GROUP LLC, an Illinois limited liability company, is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared 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 13 day of November, 2006.

Nancy A Allen
Notary Public

My Commission Expires: 03/12/2008



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STATE OF ILLINOIS)
) .ss
COUNTY OF COOK)

I NANCY A ALLEN, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Mark Hermann, the President of BLACKHAWK STEEL CORP., an Illinois corporation, 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 13 day of November, 2006.

Nancy A Allen

Notary Public

My Commission Expires: 03/12/2008

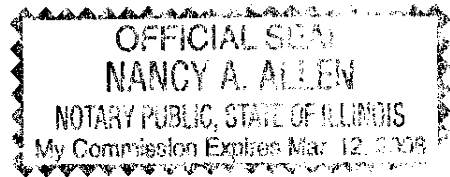


EXHIBIT A

THE PROPERTY

Property of Cook County Clerk's Office

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Legal Description:

PARCEL 1:

THAT PART OF LOT 'B' IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND THAT PART OF THE NORTHWEST 1/4, LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT RECORDED IN BOOK 67 OF PLATS, PAGE 44 ON APRIL 29, 1897 AS DOCUMENT 2530529, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF WEST 47TH STREET (SAID NORTH LINE BEING 33 FEET NORTH FROM AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 3), WITH THE WEST LINE OF SOUTH KOLIN AVENUE, (A PRIVATE STREET), SAID WEST LINE BEING 236.93 FEET EAST FROM AND PARALLEL WITH THE NORTH AND SOUTH CENTERLINE OF SAID SECTION 3; THENCE NORTH ALONG WEST LINE OF KOLIN AVENUE TO ITS INTERSECTION WITH A LINE 358.55 FEET NORTH FROM AND PARALLEL WITH SAID SOUTH LINE OF SECTION 3; THENCE WEST ALONG LAST DESCRIBED PARALLEL LINE TO A POINT OF CURVE, WHICH IS 550.41 FEET WEST OF SAID NORTH AND SOUTH CENTERLINE OF SECTION 3; THENCE NORTHWESTERLY ALONG A CURVED LINE CONVEX TO THE SOUTHWEST HAVING A RADIUS OF 312.93 FEET AND BEING TANGENT TO LAST DESCRIBED LINE AT SAID POINT OF CURVE, AN ARC DISTANCE OF 104.61 FEET TO A POINT OF COMPOUND CURVE; THENCE CONTINUING NORTHWESTERLY ALONG A CURVED LINE CONVEX TO THE SOUTHWEST HAVING A RADIUS OF 883.18 FEET AND HAVING COMMON TANGENT LINE WITH THE LAST DESCRIBED CURVED LINE AT SAID POINT OF COMPOUND CURVE, AN ARC DISTANCE OF 77.03 FEET TO A POINT OF COMPOUND CURVE; THENCE CONTINUING NORTHWESTERLY ALONG A CURVED LINE CONVEX TO THE SOUTHWEST AND A RADIUS OF 311.22 FEET AND HAVING A COMMON TANGENT WITH THE LAST DESCRIBED CURVED LINE AT SAID POINT OF COMPOUND CURVE, AN ARC DISTANCE OF 286.65 FEET, MORE OR LESS, TO ITS INTERSECTION WITH THE WESTERLY BOUNDARY LINE AT THIS POINT TO THE PARCEL OF LAND CONVEYED BY THE CHICAGO RIVER AND INDIANA RAILROAD COMPANY TO THE FIRST NATIONAL BANK OF CHICAGO BY DEED DATED MARCH 6, 1951 AND RECORDED MARCH 8, 1951 IN BOOK 46556 AT PAGE 458 AS DOCUMENT 15026337, SAID POINT INTERSECTION, BEING 2046.42 FEET SOUTH OF THE EAST AND WEST CENTERLINE SAID SECTION 3; THENCE SOUTH ALONG SAID WESTERLY BOUNDARY LINE OF THE CHICAGO RIVER AND INDIANA RAILROAD AS CONVEYED TO ITS INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND 529.71 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 3 AND SAID POINT OF INTERSECTION, BEING 898.62 FEET WEST OF THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3; THENCE WEST ALONG LAST DESCRIBED PARALLEL LINE, A DISTANCE OF 80 FEET, MORE OR LESS, TO ITS INTERSECTION WITH A LINE 978.82 FEET WEST OF AND PARALLEL TO SAID NORTH AND SOUTH CENTERLINE OF SECTION 3; THENCE SOUTH ALONG LAST DESCRIBED PARALLEL LINE TO ITS INTERSECTION WITH SAID NORTH LINE OF WEST 47TH STREET; THENCE EAST ALONG SAID NORTH LINE OF WEST 47TH STREET, A DISTANCE OF 1215.75 FEET, MORE OR LESS, TO THE POINT OF BEGINNING, EXCEPTING THEREOF THAT PART OF SAID LOT 'B', DESCRIBED AS FOLLOWS:

BEGINNING AT INTERSECTION OF THE NORTH LINE OF WEST 47TH STREET (SAID NORTH LINE BEING 33 FEET NORTH FROM AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 3), WITH THE WEST LINE OF SOUTH KOLIN AVENUE, (A PRIVATE STREET), SAID WEST LINE BEING 236.93 FEET EAST FROM AND PARALLEL WITH THE NORTH AND SOUTH CENTERLINE OF SAID SECTION 3; AND RUNNING THENCE WEST ALONG SAID NORTH LINE OF WEST 47TH STREET, A DISTANCE OF 332.31 FEET TO AN INTERSECTION WITH A LINE 95.38 FEET WEST FROM AND PARALLEL WITH SAID NORTH AND SOUTH CENTERLINE OF SECTION 3; THENCE NORTH ALONG SAID LAST DESCRIBED PARALLEL LINE, A DISTANCE OF 305.55 FEET TO AN INTERSECTION WITH A LINE 338.55 FEET NORTH FROM AND PARALLEL WITH SAID SOUTH LINE OF SECTION 3; THENCE EAST ALONG SAID LAST DESCRIBED PARALLEL LINE, A DISTANCE OF 332.31 FEET TO AN INTERSECTION WITH SAID WEST LINE OF SOUTH KOLIN AVENUE; AND THENCE SOUTH ALONG SAID WEST LINE OF SOUTH KOLIN AVENUE, A DISTANCE OF 305.55 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS FOR THE BENEFIT OF PARCEL 1 AS CREATED BY GRANT AND DECLARATION OF EASEMENT BY AND BETWEEN READY METAL MANUFACTURING COMPANY AND CHICAGO PACKAGING COMPANY RECORDED NOVEMBER 3, 1988 AS DOCUMENT 88507887.