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Doc#: 0733935077 Fee: \$42.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 12/05/2007 09:31 AM Pg: 1 of 10

THIS INSTRUMENT PREPARED BY:
AND AFTER RECORDING MAIL TO:
Ravenswood Bank
2300 West Lawrence Avenue
Chicago, Illinois 60625
Attn: Maribel Velasquez

MODIFICATION AGREEMENT

83-30473 J/CTI

THIS MODIFICATION AGREEMENT (hereinafter referred to as this "Modification Agreement") made as of this 1st day of November, 2007, by and between 900 REBA, LLC, an Illinois limited liability company ("Borrower"), John Majic and Kriza Ostojic (collectively referred to as the "Guarantors") (Borrower and Guarantors are hereinafter collectively referred to as the "Obligors") and RAVENSWOOD BANK ("Lender").

WITNESSETH:

WHEREAS, Borrower has executed and delivered to Lender that certain mortgage note dated February 24, 2006 in the original principal sum of Three Million Thirty Two Thousand and 00/100 Dollars (\$3,332,000.00) (the "Original Note"), as amended by that certain first amendment to mortgage note and construction loan agreement dated September 1, 2007 (the "First Amendment") (the Original Note and the First Amendment may be hereinafter referred to as the "Note"), which Note is secured by the following documents (the following documents and any and all other instruments executed by any Obligor, as modified, restated or replaced from time to time, are hereinafter collectively referred to as the "Loan Documents"):

- (i) mortgage and security agreement dated February 24, 2006, recorded in the Office of the Recorder of Deeds of Cook County, Illinois (the "Recorder's Office"), as Document No. 0608933096 (the "Mortgage") on property commonly known as 900-906 Reba Place, Evanston, Illinois and legally described on Exhibit "A" attached hereto and made a part hereof (the "Premises");
- (ii) assignment of rents and of lessor's interest in leases dated February 24, 2006 encumbering the Premises made by Borrower in favor of Lender, recorded in the Recorder's Office as Document No. 0608933097 (the "Assignment of Rents");
- (iii) guaranty dated February 24, 2006 made by Guarantors in favor of Lender (the "Guaranty");

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- (v) construction loan agreement dated February 24, 2006 between Borrower and Lender (the "Loan Agreement");
- (vi) environmental indemnity agreement dated February 24, 2006 made by Borrower in favor of Lender (the "Environmental Agreement");
- (vii) security agreement and assignment of contractual agreements affecting real estate dated February 24, 2006 made by Borrower in favor of Lender (the "Security Agreement"); and
- (viii) assignment of sales agreements dated February 24, 2006 made by Borrower in favor of Lender (the "Sales Agreement").

WHEREAS, all defined terms used herein and not otherwise defined shall have the meaning ascribed to such term in the Loan Documents.

WHEREAS, Obligors are desirous of, *inter alia* (i) increasing the principal amount of the loan from \$3,332,000.00 to \$3,632,000.00, (ii) extending the maturity date of the Note from November 1, 2007 to November 5, 2008, (iii) extending the completion date of the Project from October 1, 2007 to September 5, 2008, and (iv) making certain other changes thereto, and Lender is willing to consent to such changes subject to the terms and provisions hereinafter provided.

NOW THEREFORE, in consideration of the mutual promises of the parties hereto, and upon the express conditions that the lien of the Mortgage held by Lender is a valid, first and subsisting lien on the Premises (as defined in the Mortgage) and that the execution of this Modification Agreement will not impair the lien of said Mortgage and that there are no existing junior mortgages or other liens subsequent to the lien of the Mortgage held by Lender that will not be paid in full and released concurrently herewith (for breach of which conditions, or either of them, this Modification Agreement shall not take effect and shall be void), **IT IS AGREED AS FOLLOWS:**

1. The parties represent and agree that the foregoing recitals are true and correct.
2. As of November 1, 2007, the total outstanding principal balance of the Note is \$2,856,202.76. Concurrent with the execution of this Modification Agreement, the Borrower shall execute and deliver to Lender an Amended and Restated Mortgage Note dated November 1, 2007, in the principal amount of Three Million Six Hundred Thirty Two Thousand and 00/100 Dollars (\$3,632,000.00), payable to the order of Lender (the "Amended Note") (the Original Note, the First Amendment and the Amended Note may be collectively hereinafter referred to as the "Note"). Each reference in the Loan Documents to the term "Note" shall hereafter be deemed to be a reference to the Amended Note. Each reference in the Loan Documents to the term "Loan" shall hereafter mean that certain \$3,632,000.00 construction loan made by Lender to Borrower and evidenced by the Amended Note. Notwithstanding anything to the contrary contained in the Note or the Loan Documents, Lender shall have no obligation to disburse any of the additional Loan proceeds except to replenish the interest reserve in the amount of \$300,000.00.

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3. The Mortgage is hereby modified as follows:

(i) The first "Whereas" paragraph on page 1 is hereby amended and restating in its entirety to read as follows:

"**WHEREAS**, the Mortgagor has, concurrently herewith, executed and delivered to the Mortgagee, the Mortgagor's an Amended and Restated Mortgage Note dated as of November 1, 2007, payable to the order of Mortgagee, in the principal sum of Three Million Six Hundred Thirty Two Thousand and 00/100 Dollars (\$3,632,000.00) (herein called the "Note") bearing interest at the variable rate specified therein, due in the manner as provided therein and in any event on the 5th day of November, 2008, the terms and provisions of which Note are incorporated herein and made a part hereof by this reference with the same effect as if set forth at length; and"

(ii) Paragraph 43(C) is hereby amended by deleting the completion date "July 1, 2007" as it appears therein and replacing it with "September 5, 2008".

4. The Assignment of Rents is hereby modified by amending and restating in its entirety the first "Whereas" paragraph on page 1 to read as follows:

"**WHEREAS**, Assignor has executed an amended and restated mortgage note (hereinafter referred to as "Note") dated as of November 1, 2007, payable to the order of RAVENSWOOD BANK (hereinafter referred to as "Assignee") in the principal amount of Three Million Six Hundred Thirty Two Thousand and 00/100 Dollars (\$3,632,000.00); and".

5. The Guaranty is hereby modified by amending and restating in their entirety the first two "Whereas" paragraphs on page 1 of the Guaranty to read as follows:

"**WHEREAS**, pursuant to the terms of that certain Construction Loan Agreement dated of even date herewith (as modified, restated or replaced from time to time, the "Loan Agreement") between 900 REBA, LLC, an Illinois limited liability company ("Borrower") and Lender, Lender has agreed to make a construction loan to Borrower in the maximum principal amount of \$3,632,000.00 (the "Loan"), and

WHEREAS, the Loan is evidenced by a certain amended and restated mortgage note dated as of November 1, 2007 in the maximum principal amount of \$3,632,000.00 (the "Note"); and".

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6. The Loan Agreement is hereby modified as follows:
- a. Paragraph 3 is hereby amended and restated as follows: (i) the dollar amount in line one (1) and line two (2) is hereby deleted and replaced with “Three Million Six Hundred Thirty Two Thousand and 00/100 Dollars (\$3,632,000.00)”; and (ii) the amount “\$347,000.00” in subsection (iii) is hereby deleted and replaced with “\$647,000.00”.
 - b. Paragraph 4.1(h) is hereby amended as follows: (i) the dollar amount of “\$10,590.00” in subparagraph 4.1(h) is hereby deleted and replaced with “\$12,840.00”; and (ii) the amount “\$475,000.00” as it appears in subparagraph 4.1(i) is hereby deleted and replaced with “\$955,000.00.”
 - c. Paragraph 5.1 is hereby amended and restated in its entirety to read as follows: “An amended and restated mortgage note (the “Note”) executed by Borrower dated as of November 1, 2007, payable to the order of Lender, in the principal amount of \$3,632,000.00.”
 - d. Paragraph 6.1(b) is hereby amended by deleting the dollar amount “\$3,332,000.00” as it appears in line four (4) and replacing it with “\$3,632,000.00”.
 - e. Paragraph 8.1 is hereby amended and restated as follows: (i) the commencement date of “October 1, 2007”, as amended is hereby deleted and replaced with “December 5, 2007”; and (ii) the maturity date of “November 1, 2007” as amended is hereby deleted and replaced with “November 5, 2008”.
 - f. Paragraphs 9.1 and 12(d) are hereby amended by deleting the date of “October 1, 2007”, as amended and replacing it with “September 5, 2008”.
7. The Environmental Agreement is hereby modified as follows: The dollar amount “\$3,332,000.00” as it appears in line two (2) of paragraph one (1) is hereby deleted and replaced with “\$3,632,000.00”.
8. The Security Agreement is hereby modified as follows: The principal sum in lines three (3) and four (4) of recital A is hereby deleted and replaced with “Three Million Six Hundred Thirty Two Thousand and 00/100 Dollars (\$3,632,000.00)”.
9. The Sales Agreement is hereby modified as follows: The dollar amount referenced in recital A is hereby deleted and replaced with “Three Million Six Hundred Thirty Two Thousand and 00/100 Dollars (\$3,362,000.00)”.
10. The Loan Documents are hereby amended to secure the obligations and liabilities evidenced by the Amended Note.
11. Except for the modifications stated herein, the Note and Loan Documents are not otherwise changed, modified or amended. Except as expressly provided herein, the Note and other Loan Documents and each other instrument or agreement delivered by any Obligor to or for the

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benefit of Lender in connection with the loan evidenced by the Note shall remain in full force and effect in accordance with their respective terms and the execution and delivery of this Modification Agreement shall not operate to waive any rights or remedies that Lender may have with respect to the Note and other Loan Documents, to forgive or waive any violation, default or breach under the Note or any other Loan Document, or to obligate Lender in any manner to make any further extensions of credit other than as expressly set forth herein.

12. Contemporaneously with the execution of this Modification Agreement by Lender, Obligors shall pay to Lender a non-refundable modification fee in the amount of \$2,250.00, plus all of Lender's attorneys' fees incurred in connection with the negotiation and documentation of the agreements contained in this Modification Agreement, all recording fees and charges, title insurance charges and premiums, appraisal fees, and all other expenses, charges, costs and fees necessitated by or otherwise relating to this Modification Agreement (the "Additional Fees"). If any of the Additional Fees are not paid at the time this Modification Agreement is executed by Lender, such Additional Fees shall be paid by Obligors within five (5) days after written demand therefor by Lender, and if not timely paid, they shall bear interest from the date so incurred until paid at an annual rate equal to the Default Rate (as defined in the Amended Note).

13. The Premises described in the Mortgage shall remain in all events subject to the lien, charge or encumbrance of the Mortgage, and nothing herein contained, and nothing done pursuant hereto, shall affect or be construed to affect the lien, charge or encumbrance of the Mortgage, or the priority thereof over any other liens, charges, or encumbrances or conveyances, or, except as expressly provided herein, to release or affect the liability of any party or parties whomsoever may now or hereafter be liable under or on account of the Note, the Mortgage and/or the Assignment of Rents, nor shall anything herein contained or done in pursuance thereof affect or be construed to affect any other security or instrument, if any, held by Lender as security for or evidence of the aforesaid indebtedness.

14. This Modification Agreement shall extend to and be binding upon each of the Obligors and their heirs, legatees, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

15. Each Obligor hereby ratifies and confirms his or its respective obligations and liabilities under the Note, the Guaranty and other Loan Documents, as hereby amended, and the liens and security interest created thereby, and acknowledge that he or it have no defenses, claims or set-offs against the enforcement by Lender of their respective obligations and liabilities under the Note, the Guaranty and other Loan Documents, as so amended.

16. This Modification Agreement shall, in all respects, be governed by and construed in accordance with the laws of the State of Illinois (exclusive of choice of law principals), including all matters of construction, validity and performance.

17. This Modification Agreement constitutes the entire agreement between the parties with respect to the aforesaid modification and shall not be amended or modified in any way except by a document in writing executed by all of the parties thereto.

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18. This Modification Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall be one agreement.

19. Lender's consent to this Modification Agreement shall be subject to Lender (or Lender's nominee) having received the following in a form and substance acceptable to Lender on or before November 30, 2007 (the "Modification Termination Date"):

(a) An endorsement to Chicago Title Insurance Company Loan Policy No. 1409 008330473 (the "Title Policy") which (i) amends the description of the Mortgage insured under the Title Policy to include this Modification Agreement, (ii) amends the description of the Assignment of Rents to include this Modification Agreement, (iii) extends the effective date of the Title Policy to the date of the recording of this Modification Agreement, (iv) includes no additional exceptions to title other than those that have been approved in writing by Lender, (v) increases the amount of insurance to \$3,632,000.00, and (vi) states that all real estate taxes and assessments applicable to the Premises which are due and payable as of the date of such endorsement have been paid in full; and

(b) Such other documents as Lender may reasonably require.

The Obligor's failure to deliver the aforementioned documents and items to Lender on or before the Modification Termination Date shall, at the option of Lender, result in this Modification Agreement (including all agreements and waivers of Lender contained herein) being null and void.

20. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR HEREBY AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS MODIFICATION AGREEMENT SHALL BE TRIED AND DETERMINED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF COOK, STATE OF ILLINOIS, OR, AT THE SOLE OPTION OF LENDER IN ANY OTHER COURT IN WHICH LENDER SHALL INITIATE LEGAL OR EQUITABLE PROCEEDINGS AND WHICH HAS SUBJECT MATTER JURISDICTION OVER THE MATTER IN CONTROVERSY. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR HEREBY EXPRESSLY WAIVES ANY RIGHT IT MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS PARAGRAPH.


TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR AND LENDER HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY ACTION, CAUSE OF ACTION, CLAIM, DEMAND, OR PROCEEDING ARISING UNDER OR WITH RESPECT TO THIS MODIFICATION AGREEMENT, OR IN ANY WAY CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE DEALINGS OF OBLIGORS AND LENDER WITH RESPECT TO THIS MODIFICATION AGREEMENT, OR THE TRANSACTION RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR AND LENDER HEREBY AGREE THAT ANY SUCH ACTION, CAUSE OF ACTION, CLAIM, DEMAND OR PROCEEDING SHALL BE DECIDED BY A COURT TRIAL WITHOUT A JURY AND THAT ANY OBLIGOR OR LENDER MAY FILE A COPY OF THIS EXECUTED MODIFICATION AGREEMENT WITH ANY COURT OR

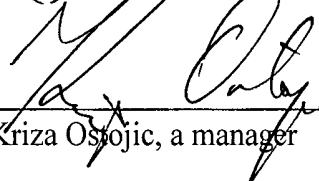
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OTHER TRIBUNAL AS WRITTEN EVIDENCE OF THE CONSENT OF EACH OBLIGOR AND LENDER TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

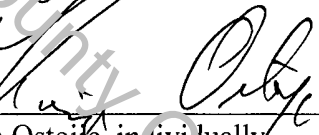
IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed as of the date first above written.

900 REBA, LLC, an Illinois limited liability company

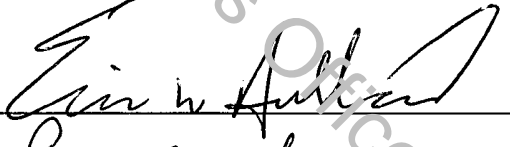
By: 
John Majic, a manager

By: 
Kriza Ostojic, a manager


John Majic, individually


Kriza Ostojic, individually

RAVENSWOOD BANK

By: 
Its: President

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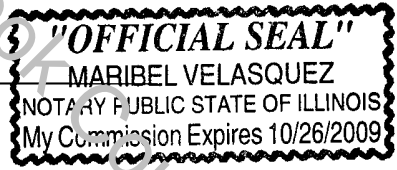
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that John Majic and Kriza Ostojic, are personally known to me as the managers of 900 REBA, LLC, an Illinois limited liability company, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me in person and acknowledged that they signed, sealed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 16 day of November, 2007.

Maribel Velasquez
Notary Public

My Commission Expires: _____



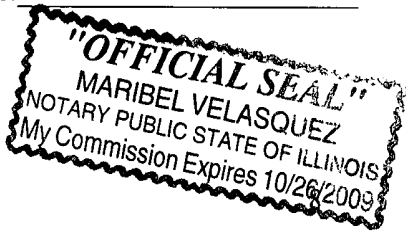
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that John Majic, 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 the 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 16 day of November, 2007.

Maribel Velasquez
Notary Public

My commission expires: _____



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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Kriza Ostojic, 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 she signed and delivered the said instrument as her own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial seal, this 16th day of November, 2007.

Maribel Velasquez
"OFFICIAL SEAL"
MARIBEL VELASQUEZ
NOTARY PUBLIC STATE OF ILLINOIS
My Commission Expires 10/26/2009

My commission expires: _____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County in the State aforesaid, do hereby certify that Eric W. Hubbard of RAVENSWOOD BANK, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such President, appeared before me this day in person and acknowledged that s/he signed and delivered the said instrument as his/her own free and voluntary act, and as the free and voluntary act of said bank, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 16th day of November, 2007.

Maribel Velasquez
Notary Public

My Commission Expires: _____

"OFFICIAL SEAL"
MARIBEL VELASQUEZ
NOTARY PUBLIC STATE OF ILLINOIS
My Commission Expires 10/26/2009

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EXHIBIT "A"

PIN: 11-19-318-009-0000.

ADDRESS: 900-906 Reba Place, Evanston, Illinois

LOTS 1 AND 2 IN BLOCK 6 IN GREEN AND HUBBARD'S SUBDIVISION OF THE NORTH 12.46 ACRES OF LOT 9 IN ASSESSOR'S DIVISION OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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