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AND AFTER RECORDING RETURN
TO:



Doc#: 0807933007 Fee: \$54.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 03/19/2008 08:21 AM Pg: 1 of 10

Bell, Boyd & Lloyd LLP
70 West Madison
Suite 3100
Chicago, Illinois 60602
Attn: Michael J. Roth, Esq.

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MODIFICATION OF LOAN DOCUMENTS

THIS MODIFICATION OF LOAN DOCUMENTS (this "Agreement") is made as of the 20th day of December, 2007, by and among STREAMWOOD-GULF, LLC, an Illinois limited liability company ("Borrower"), THOMAS MORABITO and EVAN OLIFF (individually and collectively, "Guarantor"), RIDGE-WENTWORTH, L.L.C., an Illinois limited liability company ("Ridge"), and LASALLE BANK NATIONAL ASSOCIATION, a national banking association, its successors and assigns ("Lender").

RECITALS:

A. Lender has heretofore made a construction loan ("Loan") to Borrower in the principal amount of Five Million Three Hundred Sixty-Nine Thousand Four Hundred Dollars (\$5,369,400) pursuant to the terms and conditions of a Construction Loan Agreement dated as of December 20, 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 Note dated December 20, 2006, in the principal amount of the Loan made payable by Borrower to the order of Lender (the "Note").

B. The Note is secured by, among other things, (i) that certain Mortgage, Security Agreement and Fixture Filing dated December 20, 2006 from Borrower to Lender recorded with the Cook County Recorder of Deeds (the "Recorder's Office") on December 22, 2006, as Document No. 0636341119 (the "Mortgage"), which Mortgage encumbers the real property and all improvements thereon legally described on Exhibit A hereto (the "Land"), (ii) that certain Assignment of Rents and Leases dated December 20, 2006 from Borrower to Lender and recorded in the Recorder's Office with the Mortgage as Document No. 0636341120 (the "Assignment of Leases"); (iii) that certain Environmental Indemnity Agreement dated December 20, 2006 from Borrower and Guarantor to Lender (the "Indemnity Agreement"); and (iv) certain other loan documents (the Loan Agreement, 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 Payment Guaranty and a Completion Guaranty, both dated December 20, 2006 from Guarantor to Lender (collectively, the "Guaranties").

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D. The Loan is further secured by that certain Assignment of Distributions (Security Agreement) dated as of December 20, 2006 from Guarantor and Ridge in favor of Lender (the "Assignment of Distributions"), pursuant to which Guarantor and Ridge assigned to Lender certain rights to distributions in various Companies (as defined in the Assignment of Distributions).

E. Borrower, Lender and Guarantor desire to further extend the Maturity Date and to make certain other amendments to the Loan Agreement, the Mortgage, the Note, the Assignment of Leases and certain of the other Loan Documents, on the terms and conditions set forth in this Amendment.

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. **Extension of Maturity Date.** The Maturity Date, as defined in the Note, is extended to March 20, 2008.

2. **Amendment to Loan Agreement.** The Loan Agreement is hereby amended as follows:

(a) In Section 1.1, the definitions of "Loan Maturity Date" and "Loan Opening Date" are deleted, and the following is substituted in their place:

"Loan Maturity Date. March 20, 2008, subject to acceleration as provided in the Loan Documents

"Loan Opening Date. December 20, 2008."

(b) By adding the following new section 2.2(c):

"Borrower shall deposit in the account pledged to Lender (the "Interest Reserve Pledge Account") under the provisions of the Interest Reserve Pledge Agreement (the "Interest Reserve Pledge Agreement") the sum equal to three months of monthly payments of interest due on the principal balance of the Loan as a reserve for the payment of monthly payments of interest due on the principal balance of the Loan outstanding from time to time (the "Interest Reserve Pledged Funds"). Provided no Event of Default has occurred and is continuing, Borrower shall be entitled to withdraw Interest Reserve Pledged Funds from the Interest Reserve Pledged Account solely as set forth in the Interest Reserve Pledge Agreement, and for no other purpose."

(c) By deleting the phrase "sixty (60)" from Section 4.12 and inserting the phrase "*twenty (20)*" in its place.

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3. **Amendment to Note.** The Note is hereby amended as follows:
- (a) In paragraph 2(a), the phrase “the date which is exactly twelve (12) months after the Loan Opening Date” is deleted, and the phrase “*March 20, 2008*” is substituted in its place.
4. **Amendment to Mortgage.** The Mortgage is hereby amended as follows:
- (a) In Paragraph B of the Recitals the phrase “the date which is exactly twelve (12) months after the Loan Opening Date” is deleted, and the phrase “*March 20, 2008*” is substituted in its place.
5. **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 Mortgage) 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.
- (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.
6. **Equity Requirements.** Borrower acknowledges that the Loan is out of balance in amount approximately equal to \$700,000. Without limiting Lender’s rights under the Loan Agreement, as a condition precedent to Lender’s entering into this Agreement Borrower shall contribute no less than \$300,000 in additional equity towards the Land so as to bring the Loan closer to being “in balance.” Such additional equity shall be made in the form of a deposit with the Title Insurer of readily available funds to be disbursed through the construction escrow to the General Contractor.

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7. **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 a date down endorsement to Lender's title insurance policy 1401 008352952 (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 on the Land, 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.

8. **Reaffirmation of Guaranties.** Guarantor ratifies and affirms the Guaranties and agrees that the Guaranties are in full force and effect following the execution and delivery of this Agreement. The representations and warranties of Guarantor in the Guaranties are, as of the date hereof, true and correct and Guarantor does not know of any default thereunder. The Guaranties continue 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 Guaranties.

9. **Reaffirmation of Assignment of Distributions.** Guarantor and Ridge ratify and affirm the Assignment of Distributions and agree that the Assignment of Distributions is in full force and effect following the execution and delivery of this Agreement. The representations and warranties of Guarantor and Ridge in the Assignment of Distributions are, as of the date hereof, true and correct and neither Guarantor nor Ridge knows of any default thereunder. The Assignment of Distributions continues to be the valid and binding obligation of Guarantor and Ridge, enforceable in accordance with its terms and neither Guarantor nor Ridge has any claims or defenses to the enforcement of the rights and remedies of Lender thereunder, except as provided in the Assignment of Distributions.

10. **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.

11. **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, Guarantor or Ridge merely by virtue of the fact that the same has been prepared by counsel for Lender, it being recognized that Borrower, Guarantor, Ridge and Lender have contributed substantially and materially to the preparation of this Agreement, and Borrower, Guarantor, Ridge 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

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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, Guarantor or Ridge nor shall privity of contract be presumed to have been established with any third party.

(d) Borrower, Guarantor, Ridge 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, the Assignment of Distributions and this Agreement, which collectively represent a complete integration of all prior and contemporaneous agreements and understandings of Borrower, Guarantor, Ridge 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 and the the Assignment of Distributions 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 or the Assignment of Distributions shall be deemed to refer to 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, Guarantor's and Ridge'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.

BORROWER:

STREAMWOOD-GULF, LLC, an Illinois limited liability company

By: [Signature]
One of its Managers

LENDER:

LASALLE BANK NATIONAL ASSOCIATION, a national banking association

By: [Signature]
Name: G Hart
Title: VP

GUARANTORS:

[Signature]
Thomas Morabito, individually

[Signature]
Evan Oliff, individually

RIDGE:

RIDGE-WENTWORTH, L.L.C., an Illinois limited liability company

By: [Signature]
One of its Managers

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STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

I MARIA T. ESPARZA, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Gletchen Hari, VP of LaSalle Bank National Association, 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 10th day of March, 2008.

Maria T. Esparza
Notary Public

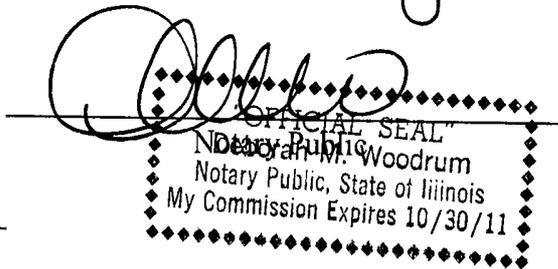
My Commission Expires: **"OFFICIAL SEAL"**
MARIA T. ESPARZA
NOTARY PUBLIC STATE OF ILLINOIS
My Commission Expires 06/26/2011

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STATE OF ILLINOIS)
) ss.
COUNTY OF Cook)

I Debra Woodrum a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Thomas Muehlis, Margen of Streamwood-Gulf, LLC, 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 25 day of Febuy, 2008.

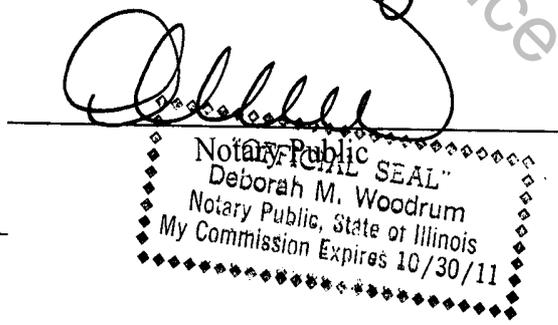


My Commission Expires: _____

STATE OF ILLINOIS)
) ss.
COUNTY OF Cook)

I Debra Woodrum a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Thomas Muehlis, Margen of RIDGE-WENTWORTH, L.L.C., 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 25 day of Febuy, 2008.



My Commission Expires: _____

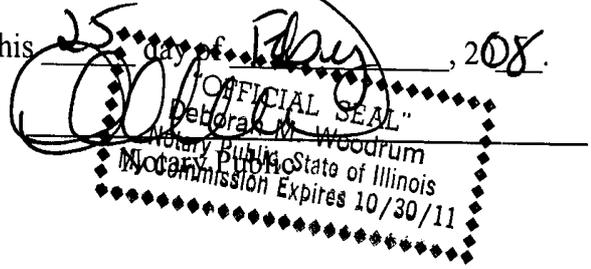
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STATE OF ILLINOIS)
) ss.
COUNTY OF Waukegan)

I Debra Woodrum, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Thomas Morabito and Evan Oliff are personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered said instrument as their own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 25 day of February, 2008.

My Commission Expires:



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EXHIBIT A

LAND

PARCEL 1:

LOTS 1 AND 2 IN THE FINAL PLAT OF WILLOW POND MARKETPLACE SUBDIVISION PART OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 41 NORTH RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY ILLINOIS.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF PARCEL 1, AS SET FORTH IN THE DECLARATION OF EASEMENTS AND COVENANTS RECORDED OCTOBER 3, 1989 AS DOCUMENT 89467463, FOR THE PURPOSE OF CONSTRUCTING A CURB CUT AND FOR INGRESS AND EGRESS TO AND FROM THE PRIVATE ROAD KNOWN AS GULF KEYS ROAD, IN, OVER UNDER ACROSS, ALONG, THROUGH AND UPON A PORTION OF GULF KEYS ROAD INDICATED BY THE CROSS-HATCHINGS ON THE PLAN ATTACHED AS "EXHIBIT C" AND "EXHIBIT D" TO SAID DOCUMENT, AND SHOWN ON THE SURVEY PREPARED BY COMPASS LAND SURVEYING AND MAPPING DATED JANUARY 21, 2004 PROJECT NO. 8811-03 AND LAST REVISED FEBRUARY 23, 2004 AND ALSO SHOWN ON THE SITE PLAN PREPARED BY COMPASS CONSULTING GROUP, LTD. DATED JULY 18, 2003 PROJECT NO. 03-035.

Address: 1070 South Sutton Road, Streamwood, Illinois

PIN: 06-28-201-182-0000
06-28-201-183-0000
06-28-205-030-0000