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Doc#: 0812833010 Fee: \$52.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 05/07/2008 08:34 AM Pg: 1 of 9

3000200-1536

LOAN MODIFICATION AGREEMENT

This LOAN MODIFICATION AGREEMENT ("Agreement") is made as of March 13 2008 by and between 2067 West Jarvis, LLC, an Illinois limited liability company ("Borrower"); Gheorge Pop and Mihai Fedorca (hereinafter referred to as "Guarantors"); and First DuPage Bank, an Illinois banking corporation (hereinafter referred to as "Bank").

RECITALS

WHEREAS, pursuant to that certain Construction Loan Agreement dated January 8, 2007 by and between the Borrower and the Bank (the "Construction Loan Agreement"), the Bank has agreed to lend certain funds to the Borrower under a construction loan (the "Loan") in an outstanding principal amount not to exceed One Million Five Hundred Three Thousand Two Hundred Eighty Nine Dollars (\$1,503,289.00) to enable the Borrower to construct certain improvements upon the real estate legally described on Exhibit "1" attached hereto and made a part hereof (the "Premises"). To evidence its loan indebtedness to the Bank, the Borrower has executed and delivered to the Bank a Promissory Note dated January 8, 2007, as modified by that certain Change in Terms Agreement document dated January 8, 2008 payable to the Bank in the outstanding principal amount not to exceed One Million Five Hundred Three Thousand Two Hundred Eighty Nine Dollars (\$1,503,289.00) (the "Note");

WHEREAS, the Loan is evidenced or secured in part by the following documents (which, together with the Construction Loan Agreement and all other documents or instruments evidencing or securing the loan indebtedness evidenced by the Note, all as may be modified, amended or renewed, are sometimes hereinafter collectively referred to as the "Loan Documents"):

1. Mortgage dated January 8, 2007 made by Borrower and recorded with the Cook County Recorder of Deeds on January 22, 2007 as Document No. 0702239138, relating to and encumbering the Premises (the "Mortgage");
2. Assignment of Rents dated January 8, 2007, made by Borrower and recorded with the Cook County Recorder of Deeds on January 22, 2007 as Document No. 0702239139, relating to and encumbering the Premises (the "Assignment of

BOX 334 CTI

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LLC

2067 West Jarvis

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Rents”).

WHEREAS, the Guarantors have unconditionally guaranteed the repayment of the Loan and the performance and observance of all of the terms, covenants, and conditions of the Loan Documents pursuant to those certain Commercial Guarantees dated January 8, 2007 executed and delivered by each of the Guarantors to the Bank (collectively referred to as the “Guarantees”); and

WHEREAS, Mihai Fedorca (“Fedorca”) also owns and controls 4944-46 North Christiana, LLC, an Illinois limited liability company (“Christiana”). Christiana is indebted to the Bank in the original principal amount of \$1,380,000.00 as evidenced by that certain Promissory Note dated November 20, 2006 and delivered from Christiana to the Bank (the “Christiana Loan”). Fedorca and Gheorge Pop (“Pop”) also own and control 6458 North Claremont Avenue, LLC, an Illinois limited liability company (“Claremont”). Claremont is indebted to the Bank in the original principal amount not to exceed Two Million Four Thousand One Hundred Ninety Four Dollars (\$2,004,194.00) as evidenced by that certain Promissory Note dated July 31, 2006, as modified by that certain Change in Terms Agreement dated December 1, 2006 as further modified by that certain Change in Terms Agreement dated January 10, 2007, and as further modified by that certain Change in Terms Agreement dated April 17, 2007 and delivered from Christiana to the Bank (the “Claremont Loan”).

WHEREAS, Christiana and Claremont (collectively, the “Other Debtors”) are indebted to Bank in the in the aggregate principal amount not to exceed \$3,384,194.00 (the “Additional Loans”).

WHEREAS, Borrower desires to decrease the Loan amount, modify repayment provisions and other covenants of the Loan, and extend the Maturity Date of the Loan and provide that the Loan be cross-defaulted and cross-collateralized with the Additional Loans, pursuant to the terms, covenants and conditions set forth herein; and

WHEREAS, to induce the Bank to modify the amount and repayment provisions of the Loan, Borrower and Guarantors have offered to enter into this Agreement. The Bank has accepted such offer.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties hereto, Borrower and Guarantors hereby agree with the Bank as follows:

1. The foregoing recitals are true and correct and are hereby incorporated herein by reference as if fully set forth in this Paragraph 1 of the Agreement.
2. The Mortgage is hereby modified such that the indebtedness secured by the Mortgage shall additionally include the full and prompt payment of the Additional Loans and

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each indebtedness evidenced by each of the Additional Notes, any and all other indebtedness or obligations evidenced by any documents or instruments evidencing or securing any of the Additional Loans (the "Additional Loan Documents"), and the full and prompt performance of all the terms, covenants and conditions of this Agreement. Any reference in said Mortgage to "Note" or "Notes" shall mean and include each of the Note and Additional Notes, collectively and individually.

3. Each of the Note, Mortgage and Loan Documents are hereby modified to provide that any "Default" or "Event of Default" under any of the Additional Loan Documents shall constitute a "Default" under the terms of each of the Note, Mortgage and Loan Documents, in addition to the other "Defaults" described in such documents.

4. The Note is hereby modified as follows:

- A. Effective as of the date hereof and continuing thereafter, the outstanding principal amount of the Loan is modified and decreased to a principal amount not to exceed One Million Four Hundred Sixty Eight Thousand Four Hundred Thirty Two Dollars (\$1,468,432.00). Borrower shall pay to the Bank interest at the applicable Interest Rate specified in the Note as modified herein on the outstanding principal balance of the Note.
- B. The Maturity Date under the Note is hereby extended to April 8, 2009 such that on April 8, 2008 and continuing on the eighth (8th) day of each month thereafter, Borrower shall pay to the Bank payments of accrued interest on the outstanding principal balance of the at the Interest Rate specified in the Note, provided that the final payment of the entire outstanding principal balance of the Note and accrued interest thereon shall be due and payable from Borrower to the Bank on April 8, 2009.

5. The Construction Loan Agreement is hereby modified to provide that:

- A. The Loan Amount described in such Construction Loan Agreement shall be in a principal amount not to exceed One Million Four Hundred Sixty Eight Thousand Four Hundred Thirty Two Dollars (\$1,468,432.00) which Loan Amount shall be disbursed pursuant to the Construction Loan Agreement as modified hereunder. Notwithstanding anything contained in the Note, the Construction Loan Agreement, the Mortgage, any of the other Loan Documents, or the Guarantees to the contrary, the Bank shall not be obligated to disburse any amount of the Loan (as defined in the Construction Loan Agreement) or Loan Amount pursuant to the Construction Loan Agreement that would cause the outstanding principal balance of the Loan to exceed One Million Four Hundred Sixty Eight Thousand Four Hundred Thirty Two Dollars (\$1,468,432.00);

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- B. The following Paragraph 12 is hereby added to the “Special Conditions to Initial Advance” section of the Construction Loan Agreement:

“12. Borrowers will utilize the proceeds of the Loan as follows:

<u>SOURCES</u>		<u>USES</u>	
Loan amount	<u>\$1,468,432.00</u>	Acquisition	\$973,226.00
		Hard costs of construction	286,500.00
		Soft costs	15,000.00
		Interest reserve	143,706.00
		Contingency	<u>50,000.00</u>
Total	\$1,468,432.00	Total	\$1,468,432.00

all in accordance with the terms and provisions of a construction budget in form and content satisfactory to the Bank, provided that the Bank shall only be obligated to make construction disbursements for those items listed on such budget which are approved by the Bank and are designated to be reimbursed by the Loan.”

- C. The amount of the interest reserve referenced in Paragraph 4 of the “Special Conditions to Initial Advance” section of the Construction Loan Agreement is hereby modified to be \$143,706.00.
- D. Paragraph 5 of the “Special Conditions to Initial Advance” section of the Construction Loan Agreement is hereby deleted and the following Paragraph 5 is inserted in lieu thereof:

“5. This Paragraph is intentionally omitted.”

6. Each of the Loan Documents is hereby modified such that any reference in any of the Loan Documents to the principal amount of the Loan is hereby amended to be One Million Four Hundred Sixty Eight Thousand Four Hundred Thirty Two Dollars (\$1,468,432.00). Any reference in any of the Loan Documents to “Promissory Note” or “Note” shall mean the Note as modified and extended herein and to “Construction Loan Agreement” or “Loan Agreement” shall mean the Construction Loan Agreement as modified herein.

7. Guarantors hereby acknowledge and agree that each Guaranty signed by him shall include, without limitation, an unconditional, irrevocable and absolute guaranty, as principal obligor and not as surety, of the full and prompt payment when due, whether by acceleration or otherwise, and at all times thereafter, of all obligations of Borrower under each of the Note, as modified herein, and the full and prompt performance and observance of all of the warranties, covenants and agreements provided by the Loan Documents, all as modified herein, and all other documents (as such documents are or may be modified) evidencing or securing any indebtedness evidenced by the Note, as modified herein, to be performed and observed by the parties who executed said documents. Guarantors reaffirm their obligations stated in each Guaranty, consent

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to the matters affected by this Agreement and agree that their liability as guarantors shall be increased and shall not be diminished by this Agreement.

8. Borrower shall pay a loan renewal fee in the amount of \$1,000.00 and all out-of-pocket costs and expenses incurred by Bank in connection with this Agreement, including, without limitation, title charges, recording fees, and attorneys' fees and expenses.

9. Each of Borrower and Guarantors acknowledges and agrees with the Bank that the Note as modified herein is a valid obligation of Borrower and enforceable in accordance with the terms and provisions thereof; that the security interests granted under any of the Mortgage or other Loan Documents by Borrower to secure the Loan and all such security interests heretofore extended by Borrower to the Bank to secure the Loan are valid and enforceable against the Borrower and enforceable liens and security interests against the collateral described therein. Each of Borrower and Guarantors hereby represents, covenants and warrants to the Bank that as of the date hereof, Borrower and Guarantors have no claims, counterclaims, defenses, or set-offs with respect to the Loan or any of the terms, covenants or conditions of the Note or the Loan Documents, as modified and extended herein, any such claims, counterclaims, defenses, or set-offs being hereby fully waived.

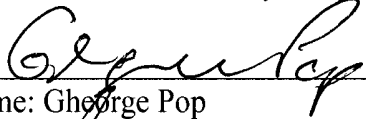
9. In all respects, other than those expressly amended, modified or supplemented hereby, Borrower and Guarantors do hereby ratify and confirm the provisions, terms and conditions of the Note, the Construction Loan Agreement, each of the Loan Documents and each Guaranty.

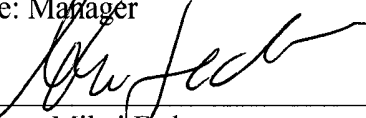
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IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed the day and year above written.

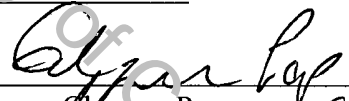
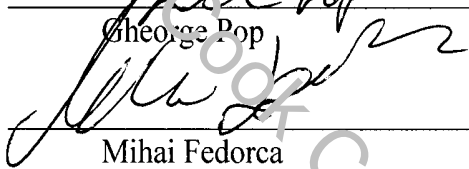
BORROWER:

2067 West Jarvis, LLC,
an Illinois limited liability company,

By: 
Name: George Pop
Title: Manager

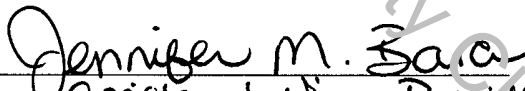
By: 
Name: Mihai Fedorca
Title: Manager

GUARANTORS:


George Pop

Mihai Fedorca

BANK:

First DuPage Bank, an Illinois banking corporation,

By: 
Title: Assistant Vice President

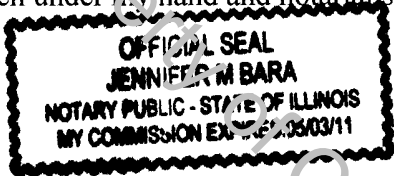
This instrument prepared by and mail to:
Lindsay A. Herrington
Ruff, Weidenaar & Reidy, Ltd.
222 N. LaSalle Street, Suite 700
Chicago, IL 60601

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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 Gheorge Pop and Mihai Fedorca as Managers of 2067 West Jarvis, LLC, an Illinois limited liability company, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Managers of 2067 West Jarvis,, LLC, an Illinois limited liability company, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts and as the free and voluntary act of said 2067 West Jarvis,, LLC, an Illinois limited liability company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 13 day of March, 2008.



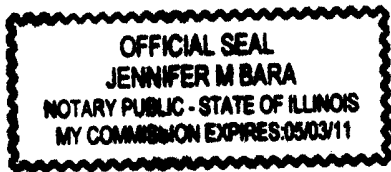
Jennifer M. Bara

Notary Public

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 Gheorge Pop, 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 13 day of March, 2008.



Jennifer M. Bara

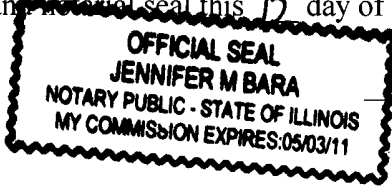
Notary Public

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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 Mihai Fedorca, 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 13 day of March, 2008.



Jennifer M. Bara
Notary Public

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 BARA Jennifer of First DuPage Bank, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Assistant Vice President of First DuPage Bank, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said First DuPage Bank, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 13 day of March, 2008.



Lorraine M. Pintozzi
Notary Public

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EXHIBIT "1"
TO LOAN MODIFICATION AGREEMENT

LOT 47 (EXCEPT THE EAST 26 FEET THEREOF) IN MARSHALL'S SUBDIVISION OF LOT 4 IN COUNTY CLERK'S DIVISION OF PART OF THE SOUTHWEST FRACTIONAL 1/4 OF FRACTIONAL SECTION 30, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, NORTH OF THE INDIAN BOUNDARY LINE, IN COOK COUNTY, ILLINOIS.

P.I.N.: 11-30-317-007-0000

Address: 2065-67 W. Jarvis Avenue, Chicago, IL 60659

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