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THIS INSTRUMENT PREPARED BY
AND AFTER RECORDING MAIL TO:



Doc#: 0819233086 Fee: \$48.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 07/10/2008 10:25 AM Pg: 1 of 7

Peter L. Regas
Regas, Frezados & Dallas LLP
111 West Washington Street, Suite 1525
Chicago, Illinois 60602

SECOND ADDENDUM TO INTERCREDITOR AND SUBORDINATION AGREEMENT

2 of 2
THIS SECOND ADDENDUM (the "Second Addendum") TO INTERCREDITOR AND SUBORDINATION AGREEMENT, dated June 28, 2006, among HRP Winthrop, LLC ("HRP"), Shore Bank (HRP and Shore Bank together are referred to as the "Junior Mortgagee"), Venter and Associates, Inc., an Illinois corporation ("Mortgagor") and Mutual Bank, ("Senior Mortgagee"). The Intercreditor and Subordination Agreement (the "Agreement") and all of the defined terms in the Agreement are incorporated in this Addendum.

WITNESSETH:

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WHEREAS, Senior Mortgagee is the holder of a mortgage securing an indebtedness currently in the amount of \$12,750,000.00. The Senior Mortgage is an encumbrance against the real property located at **5411 N. Winthrop, Chicago, Illinois**, and legally described as follows:

THE NORTH 16 FEET OF LOT 13 AND ALL OF LOTS 14, 15 AND 16 IN BLOCK 5 IN JOHN LEWIS COCHRAN'S SUBDIVISION OF THE WEST ½ OF THE NORTHEAST ¼ OF SECTION 8, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 14-18-205-024

WHEREAS, the parties hereto entered into an Intercreditor and Subordination Agreement dated June 28, 2006 and recorded October 18, 2006 with the Cook County Recorder as document number 0629110033;

WHEREAS, Senior Bank made a loan increase to Mortgagor in the amount of \$2,300,000.00 (the "Second Loan Increase"), evidenced by a promissory note in the principal amount of \$15,050,000.00, dated March 27, 2007, executed by Mortgagor to Senior Mortgagee, modifying and replacing the promissory note dated June 28, 2006 in the original principal amount of \$12,750,000.00 as the Senior Note, and which loan increase was secured by a Second Mortgage Amendment for Loan Increase (the "Second Mortgage Amendment") executed by the Mortgagor in favor of Senior Mortgagee, increasing the Senior Mortgage from \$12,750,000.00 to \$15,050,000.00; and

WHEREAS, the Junior Mortgagee and Mortgagor execute an Addendum to Agreement, dated March 27, 2007 (the "First Addendum") as to the priority of the First Loan Documents, including the Second Loan Increase secured by the Second Mortgage Amendment, and to confirm certain other agreements of the parties.

Box 400-CTCC

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WHEREAS, Mortgagor has requested that Senior Bank make another loan increase to Mortgagor in the amount of \$550,000.00 (the "Third Loan Increase"), to be evidenced by a promissory note in the principal amount of \$15,600,000.00, executed by Mortgagor to Senior Mortgagee, modifying and replacing the promissory note dated March 27, 2007 in the principal amount of \$15,050,000.00 as the Senior Note, with the Third Loan Increase to be secured by a Third Mortgage Amendment for Loan Increase (the "Third Mortgage Amendment") executed by the Mortgagor in favor of Senior Mortgagee, increasing the Senior Mortgage from \$15,050,000.00 to \$15,600,000.00; and

WHEREAS, as a condition to Senior Mortgagee making the Third Loan Increase, Senior Mortgagee has required that the Junior Mortgagee and Mortgagor execute this Second Addendum to Agreement to confirm the priority of the First Loan Documents, including but not limited to the Third Loan Increase secured by, among other things, the Third Mortgage Amendment, and to confirm certain other agreements of the parties.

NOW THEREFORE, in consideration of Senior Mortgagee making the Third Loan Increase, Junior Mortgagee and Mortgagor do hereby covenant and agree to modify the Agreement with Senior Mortgagee as follows:

1. The HRP Loan Documents and Shore Bank Loan Documents (collectively hereinafter referred to as the "Junior Loan Documents") and any and all of the terms, modifications, amendments, renewals, additions, consolidations and extensions of the foregoing Junior Loan Documents shall be subject and subordinate to all liens and security interests created under the First Loan Documents for all sums now or hereafter due under the First Loan Documents, including, without limitation, the Third Loan Increase secured by, among other things, the Third Mortgage Amendment and the Guarantee, and all advances, payable (including, without limitation, fixed, additional and contingent interest and prepayment premiums of all kinds) or secured thereunder (including without limitation sums advanced to protect, perfect, preserve or defend such liens or security interests), without notice to the holders of the Junior Loan Documents and to any and all other modifications, amendments, renewals, additions, consolidations, extensions and replacements of any of the First Loan Documents.

2. Concurrently herewith HRP shall execute and deliver to Senior Mortgagee, as escrowee, partial releases for each of the proposed condominium units at the Property and hereby authorizes Senior Mortgagee to attach the legal description on behalf of HRP and in its stead for each such condominium units sold and deliver them for recording until the Senior Mortgagee is paid in full. HRP is not to receive any sale proceeds until Senior Mortgagee has been paid in full. Senior Mortgagee agrees that it shall not record any of the partial releases unless the same are being recorded incident to a sale of the particular condominium unit being released and Senior Mortgagee is also recording a partial release of the Senior Mortgage contemporaneously with HRP's release, it being the express intention of the parties that said releases are only to be recorded in the event of a sale of a condominium unit and in no other event. By executing said releases in advance of said condominium unit closings, it is not the intent or agreement of HRP, Senior Mortgagee and Mortgagor that HRP is otherwise releasing its existing Junior Mortgage lien against the Property. After Senior Mortgagee has been paid in full, Senior Mortgagee shall return to HRP any remaining executed partial releases. In paragraph 2 of the Agreement, "all (100%) of sales proceeds from each unit sold" shall mean all sales of proceeds, less closing costs, including commission, legal, title and recording fees and charges, customary proration and other customary closing costs, as Senior Mortgagee in its sole discretion may reasonably determine, but in no event shall any proceeds be paid to Ilie Venter or other entity controlled by

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Ilie Venter, including but not limited to Mortgagor.

3. HRP or one of its affiliates has a First Mortgage on a condominium, Unit 1E, located at 4517 N. Central Park, Chicago, Illinois (hereinafter referred to as the "Central Park Condo") which is also owned by Mortgagor. HRP agrees that simultaneously with the execution of this Second Addendum to Agreement, HRP will assign or cause to be assigned this first mortgage to Senior Mortgagee. The parties hereto agree that the entire proceeds from the sale of the Central Park Condo shall be paid to Senior Mortgagee to be contributed towards the construction costs at the Mortgaged Property (5411 N. Winthrop, Chicago, Illinois). Upon the sale of the initial condominium unit or units at the Mortgaged Property, notwithstanding the provisions in paragraph 2 above, HRP and Senior Mortgagee agree that the net proceeds shall be paid pro rata to the \$550,000.00 loan increase by Senior Mortgagee and the net proceeds received from the sale of the Central Park Condo. By way of example, if the net proceeds from the sale of the Central Park Condo equals \$150,000.00, and the first unit sold at the Mortgaged Property equals \$100,000.00, this amount shall be allocated as follows: \$78,571.43 to Senior Mortgagee and \$21,428.50 to HRP. After the Third Loan Increase of \$550,000.00 has been repaid to Senior Mortgagee and the amount of the net proceeds from the sale of the Central Park Condo has been paid to HRP from the sale of the initial unit or units of the Mortgaged Property, pro rata, as aforesaid, the proceeds from all other condominium units at the Mortgaged Property shall be paid in accordance with paragraph 2 above.

4. Except as modified by this Second Addendum, all of the terms of the Agreement shall remain in full force and effect.

5. This Second Addendum may be executed in multiple counterparts, each one of which shall be deemed an original but all of which, taken collectively, shall be deemed a single instrument; provided, that this Second Addendum shall not be enforceable against any party hereto unless all parties hereto have executed at least one (1) counterpart.

IN WITNESS WHEREOF, Senior Mortgagee, HRP, Shore Bank and Mortgagor have caused this Second Addendum to Agreement to be executed as of the 28th day of May, 2008.

JUNIOR MORTGAGEE:

HRP Winthrop, LLC
 By: [Signature]
 Its: Manager

MORTGAGOR:

Venter & Associates, Inc.
 By: _____
 Ilie Venter, President

Shore Bank

By: _____

SENIOR MORTGAGEE:

Mutual Bank

By: _____
 John R. Benik, Senior Vice President

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Ilie Venter, including but not limited to Mortgagor.

3. HRP or one of its affiliates has a First Mortgage on a condominium, Unit 1E, located at 4517 N. Central Park, Chicago, Illinois (hereinafter referred to as the "Central Park Condo") which is also owned by Mortgagor. HRP agrees that simultaneously with the execution of this Second Addendum to Agreement, HRP will assign or cause to be assigned this first mortgage to Senior Mortgagee. The parties hereto agree that the entire proceeds from the sale of the Central Park Condo shall be paid to Senior Mortgagee to be contributed towards the construction costs at the Mortgaged Property (5411 N. Winthrop, Chicago, Illinois). Upon the sale of the initial condominium unit or units at the Mortgaged Property, notwithstanding the provisions in paragraph 2 above, HRP and Senior Mortgagee agree that the net proceeds shall be paid, pro rata, in proportion to the \$550,000.00 loan increase by Senior Mortgagee and the net proceeds received from the sale of the Central Park Condo. After the Third Loan Increase of \$550,000.00 has been repaid to Senior Mortgagee and the amount of the net proceeds from the sale of the Central Park Condo has been paid to HRP, notwithstanding the provision in paragraph 2 above, from the sale of the initial unit or units of the Mortgaged Property, pro rata, as aforesaid, the proceeds from all other condominium units at the Mortgaged Property shall be paid in accordance with paragraph 2 above.

4. Except as modified by this Second Addendum, all of the terms of the Agreement shall remain in full force and effect.

5. This Second Addendum may be executed in multiple counterparts, each one of which shall be deemed an original but all of which, taken collectively, shall be deemed a single instrument; provided, that this Second Addendum shall not be enforceable against any party hereto unless all parties hereto have executed at least one (1) counterpart.

IN WITNESS WHEREOF, Senior Mortgagee, HRP, Shore Bank and Mortgagor have caused this Second Addendum to Agreement to be executed as of the 28th day of May, 2008.

JUNIOR MORTGAGEE:

HRP Winthrop, LLC

By: _____
Its: Manager

Shore Bank
By: Jim. Baigley

MORTGAGOR:

Venter & Associates, Inc.

By: Ilie Venter
Ilie Venter, President

SENIOR MORTGAGEE:

Mutual Bank

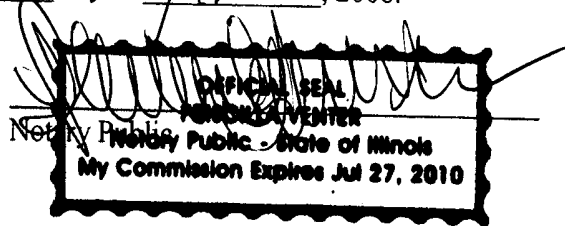
By: John R. Benik
John R. Benik, Senior Vice President

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STATE OF ILLINOIS)
) SS
COUNTY OF)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Ilie Venter is personally known to me as president of Venter & Associates, Inc., and 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/she signed, sealed and delivered the said instrument as such president of said Venter & Associates, Inc., pursuant to authority, given by the Ilie Venter, as his/her own and free and voluntary act and as the free and voluntary act of said Venter & Associates, Inc., for the uses and purposes therein set forth.

Given under my hand and notarial seal this 18 day of JUNE, 2008.



My Commission Expires: July 27, 2010

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 _____, the Manager of HRP Winthrop, LLC, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this ____ day of _____, 2008.

Notary Public

My Commission Expires: _____

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STATE OF ILLINOIS)
) SS
COUNTY OF)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Ilie Venter is personally known to me as president of Venter & Associates, Inc., and 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/she signed, sealed and delivered the said instrument as such president of said Venter & Associates, Inc., pursuant to authority, given by the Ilie Venter, as his/her own and free and voluntary act and as the free and voluntary act of said Venter & Associates, Inc., for the uses and purposes therein set forth.

Given under my hand and notarial seal this ____ day of _____, 2008.

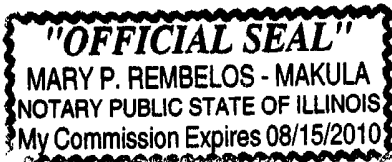
Notary Public

My Commission Expires: _____

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

the Manager / the HR Winthrop
I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that William Adams, the Manager of HRP Winthrop, LLC, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

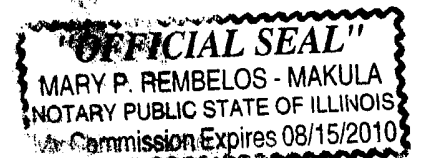
Given under my hand and notarial seal this 19 day of June, 2008.



Mary P. RembeLos

Notary Public

My Commission Expires: Aug 15, 2010

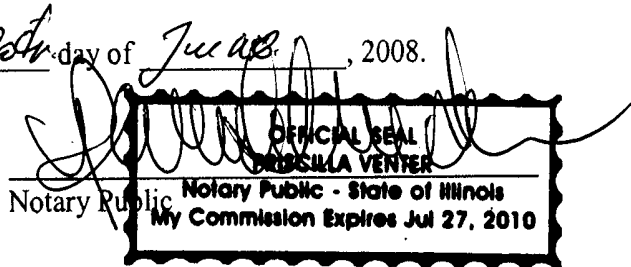


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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Mr. Kopyak, as S. Vice President of Shore Bank, is personally known to me to be the same person whose name is subscribed to the foregoing instrument, as such hostile, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said Shore Bank, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 20th day of July, 2008.

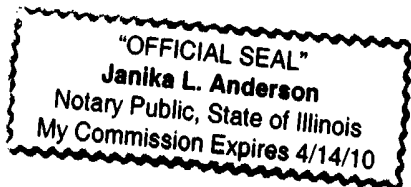


My Commission Expires: July 27, 2010

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 R. Benik is personally known to me as Senior Vice President of Mutual Bank, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said Mutual Bank, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 15th day of July, 2008.



Janika Anderson
Notary Public

My Commission Expires: 4/14/10