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THIS DOCUMENT PREPARED BY

Bruce A. Salk
Cohen, Salk & Huvard, P.C.
630 Dundee Road, Suite 120
Northbrook, Illinois 60062



Doc#: 0827040114 Fee: \$56.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 09/26/2008 12:50 PM Pg: 1 of 11

AND AFTER RECORDING RETURN TO:

Harris N.A.
111 W. Monroe, 2nd Floor
Chicago, Illinois 60603
Attn: Michael Chip

This space reserved for Recorder's use only

SECOND MODIFICATION OF LOAN DOCUMENTS

THIS SECOND MODIFICATION OF LOAN DOCUMENTS (this "Agreement") is made as of the 19th day of September, 2008, by and among WEST 55TH, LLC, an Illinois limited liability company ("Borrower"), BRIANE BASIC ("Basic"), BRIAN KUZDAS ("Kuzdas") (Basic and Kuzdas hereinafter are referred to, individually, as "Guarantor," and, collectively, as the "Guarantors"), HARRIS N.A., a national banking association, its successors and assigns ("Lender").

RECITALS:

A. Lender has heretofore made a loan ("Loan") to Borrower in the original principal amount of Two Million Six Hundred Nine Thousand Four Hundred and 00/100 Dollars (\$2,609,400.00) pursuant to the terms and conditions of a Construction Loan Agreement dated as of December 11, 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 Promissory Note dated as of December 11, 2006, in the principal amount of the Loan made payable by Borrower to the order of Lender ("Note").

B. The Note is secured by, among other things, (i) that certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing dated as of December 11, 2006 from Borrower to Lender recorded with the Recorder of Deeds in Cook County, Illinois (the "Recorder's Office") on December 27, 2006, as Document No. 0636135026 ("Mortgage"), which Mortgage currently encumbers the real property and all improvements thereon legally described on Exhibit A hereto ("Property"), (ii) that certain Assignment of Rents and Leases dated as of December 11, 2006, from Borrower to Lender and recorded in the Recorder's Office on December 27, 2006, as Document No. 0636135027 (the "Assignment of Leases"); (iii) that certain Environmental Indemnity Agreement dated December 11, 2006 from Borrower and Guarantor to Lender (the "Indemnity Agreement"); and (iv) certain other loan documents (the Note, the Loan Agreement, 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").

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C. The Loan is further secured by a Guaranty of Payment dated as of December 11, 2006 from Guarantor to Lender (the "Guaranty").

D. The Note and the Loan Documents were previously modified pursuant to that certain Modification of Loan Documents dated as of February 25, 2008 made by and among Borrower, Guarantor and Lender, recorded with the Recorder's Office as Document No. 0809142051, whereby among other modifications, (i) the maturity date of the loan was extended to September 30, 2008 and (ii) the Borrower was given the right to re-borrow funds up to \$125,000.00.

E. Borrower desires to amend the Note and Loan Documents in order to (i) extend the maturity date of the Loan to December 22, 2008 and (ii) make certain other changes thereto, and Lender is willing to consent to such changes subject to the terms and provisions hereinafter provided.

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. **Maturity Date.** The Maturity Date of the Note is hereby extended to December 22, 2008. Any reference in the Note and the Loan Documents to the term "Maturity Date" shall hereafter mean December 22, 2008.

2. **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.

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(d) Except for the general real estate market conditions that have affected the financial condition and statements of all real estate investments, 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.

3. **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 an endorsement to Lender's title insurance policy No. 1410 SA 3972014 (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.

4. **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 provided in the Guaranty.

5. **Expenses**. As a condition precedent to the agreements contained herein, Borrower shall pay to Lender 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.

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

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

(d) 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 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 "Note", the "Mortgage" or the "Loan Documents" contained in any of the Loan Documents 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 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.

LENDER:


HARRIS N.A.

By: 
Name: Michael C. P.
Its: Vice President

BORROWER:

WEST 55TH, LLC, an Illinois limited liability company

By: OAC MANAGEMENT CO., an Illinois corporation, its manager

By: 
Brian E. Basic, President

GUARANTOR:


BRIAN E. BASIC


BRIAN KUZDAS

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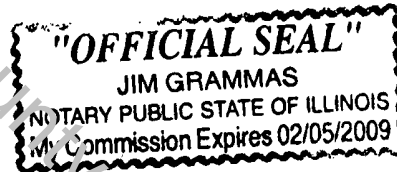
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that BRIAN E. BASIC, President of OAC MANAGEMENT CO., an Illinois corporation, the sole manager of WEST 55TH, LLC, an Illinois limited liability company, 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 signed, sealed and delivered the said instrument as such President of OAC MANAGEMENT CO., on behalf of said limited liability company, pursuant to authority, given by the members of said limited liability company, as his own and free and voluntary act and as the free and voluntary act of said corporation on behalf of said limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 19th day of September, 2008.

Jim Grammas
Notary Public

My Commission Expires: 2-5-09



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 BRIAN E. BASIC, personally appeared before me this day and subscribed his name to the foregoing instrument for the uses and purposes therein stated.

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

Jim Grammas
Notary Public

My Commission Expires: 2-5-09



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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 BRIAN KUZDAS, personally appeared before me this day and subscribed his name to the foregoing instrument for the uses and purposes therein stated.

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

Jim Grammas
Notary Public

My Commission Expires: 2-5-09



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 Michael Chip, of HARRIS N.A., personally known to me to be the same person whose name is subscribed to the foregoing instrument as such , appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, and as the free and voluntary act of said banking association, for the uses and purposes therein set forth.

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

Jim Grammas
Notary Public

My Commission Expires: 2-5-09



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EXHIBIT A

THE PROPERTY

PARCEL 1:

LOT 16 AND THE EAST 11 FEET 3 INCHES OF LOT 17 IN BLOCK 8 IN ARCHER HIGHLANDS ADDITION, BEING H. H. WESSEL AND COMPANY'S SUBDIVISION OF THE WEST HALF OF THE WEST HALF OF THE NORTH EAST QUARTER OF SECTION 10, ALSO THE EAST QUARTER (EXCEPT RAILROAD RIGHT OF WAYS) OF EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 10, ALL IN TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 17 (EXCEPT THE EAST 11 FEET 3 INCHES THEREOF) AND ALL OF LOT 18 AND THE EAST 15 FEET 10 INCHES OF LOT 19, IN BLOCK 8 IN ARCHER HIGHLANDS ADDITION, BEING H. H. WESSEL AND COMPANY'S SUBDIVISION OF THE WEST HALF OF THE WEST HALF OF THE NORTH EAST QUARTER OF SECTION 10, ALSO THE EAST QUARTER (EXCEPT RAILROAD RIGHT OF WAYS) OF EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 10, ALL IN TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOT 19 (EXCEPT THE EAST 15 FEET 10 INCHES THEREOF) AND ALL OF LOT 20 AND THE EAST 20 FEET 5 INCHES OF LOT 21, IN BLOCK 8 IN ARCHER HIGHLANDS ADDITION, BEING H. H. WESSEL AND COMPANY'S SUBDIVISION OF THE WEST HALF OF THE WEST HALF WEST OF THE NORTH EAST QUARTER OF SECTION 10, ALSO THE EAST QUARTER (EXCEPT RAILROAD RIGHT OF WAYS) OF EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 10, ALL IN TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

LOT 21 (EXCEPT THE EAST 20 FEET 5 INCHES THEREOF) AND ALL OF LOTS 22 AND 23 IN BLOCK 8 IN ARCHER HIGHLANDS ADDITION, BEING H. H. WESSEL AND COMPANY'S SUBDIVISION OF THE WEST HALF OF THE WEST HALF OF THE NORTH EAST QUARTER OF SECTION 10, ALSO THE EAST QUARTER (EXCEPT RAILROAD RIGHT OF WAYS) OF EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 10, ALL IN TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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Unit # **PIN Number**

4400W2	19-10-326-056-1002
4400W5	19-10-326-056-1005
4400W8	19-10-326-056-1008
4406W2	19-10-326-056-1010
4412W2	19-10-326-056-1018
4412W4	19-10-326-056-1020
4412W7	19-10-326-056-1023
4418W1	19-10-326-056-1025
4418W2	19-10-326-056-1026
4418W4	19-10-326-056-1028
4418W6	19-10-326-056-1030

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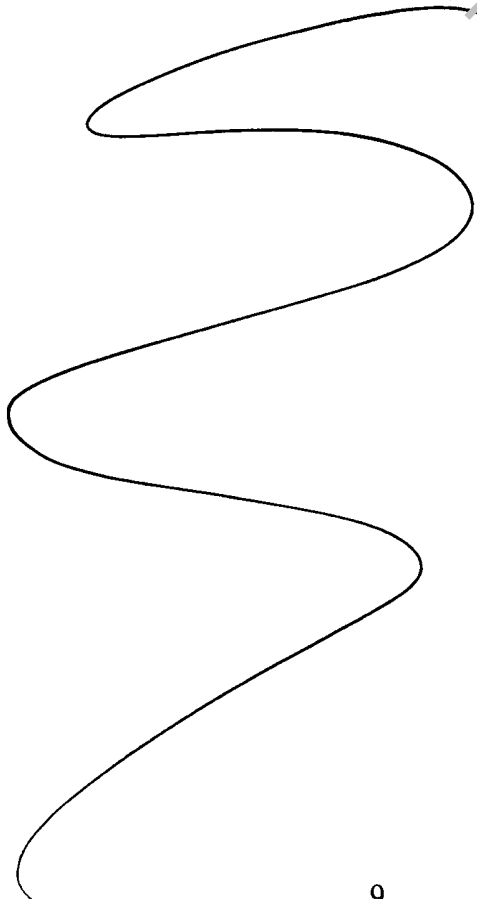
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EXHIBIT C

BUDGET

Interest Reserve/Real Estate Taxes	\$ 20,870
Hard Costs	<u>\$ 19,971</u>
Total	\$ 40,841

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EXHIBIT E

MINIMUM SALES PRICES

2 Bedroom Units: \$122,400

3 Bedroom Units: \$142,400

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