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This instrument prepared by
and please return to:
Polsinelli Shalton Flanigan Suelthaus PC
180 N. Stetson, Suite 4525
Chicago, Illinois 60601
Attention: Jennifer L. Worstell, Esq.



Doc#: 0827645098 Fee: \$58.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 10/02/2008 03:37 PM Pg: 1 of 12

COMMONLY KNOWN AS: 1314 Ridge, Evanston, Illinois
P.I.N.: 11-18-325-009-0000

COMMONLY KNOWN AS: 1311 Asbury Avenue, Evanston, Illinois
P.I.N.: 11-18-325-012-0000

COMMONLY KNOWN AS: 1321 Asbury Avenue, Evanston, Illinois
P.I.N.: 11-18-325-016-0000

SEVENTH LOAN MODIFICATION AGREEMENT

This instrument is a Seventh Loan Modification Agreement ("Seventh Modification") among The PrivateBank and Trust Company, an Illinois banking corporation ("Lender"), Asbury Ridge, LLC, an Illinois limited liability company ("Borrower"), and Vladimir Novakovic and Manoocher M. Niazmand (collectively "Guarantors").

RECITALS:

A. Borrower is the fee simple owner of the real estate commonly known as 1314 Ridge, Evanston, Illinois, 1311 Asbury Avenue, Evanston, Illinois and 1321 Asbury Avenue,

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Evanston, Illinois (collectively the "Real Estate"). Guarantors are the sole managers and members of Borrower.

B. On August 23, 2004, Borrower, Guarantors and Lender entered into a Construction Loan Agreement ("Loan Agreement"), pursuant to which Borrower executed and delivered to Lender a Promissory Note Evidencing a Non-Revolver Line of Credit in the amount of \$6,600,000.00 ("Original Note"), which evidenced a loan in the amount of \$6,600,000.00 ("Original Loan"). The proceeds of the Original Loan are being used to convert a 15,000 square-foot building, a 8,000 square-foot coach house and vacant space comprising the Real Estate into seven (7) home sites for development ("Lots") and six (6) condominium units ("Units"). To secure the Original Note, Borrower and Guarantors executed and delivered to Lender the following documents (collectively "Security Documents"):

1. a Real Estate Mortgage, Assignment of Rents, Security Agreement and UCC Fixture Filing ("Mortgage") executed by Borrower and covering the Real Estate, which was recorded with the Cook County Recorder of Deeds on September 21, 2005 as Document No. 0526434050;
2. Guaranties of Note, Mortgage, Loan Agreement and Other Undertakings executed by Guarantors (the "Original Guaranties");
3. an Environmental, ADA and ERISA Indemnification Agreement executed by Borrower and Guarantors;
4. a UCC Financing Statement; and
5. other documents of a security, collateral and evidentiary nature.

C. On or about September 30, 2005, Borrower, Guarantors and Lender entered into a Loan Modification Agreement ("Modification") pursuant to which Lender agreed to extend the

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date for payment of the Original Loan from August 1, 2005 to August 1, 2006. The Modification was recorded with the Cook County Recorder of Deeds on March 13, 2006, as Document No. 0607232000.

D. On June 21, 2006, Borrower, Guarantors and Lender entered into a Second Loan Modification Agreement ("Second Modification") pursuant to which Lender agreed to increase the amount of the Original Loan from \$6,600,000.00 to \$7,075,000.00 ("Revised Loan"). Concurrently therewith, Borrower executed a Promissory Note Evidencing a Non-Revolving Line of Credit in the amount of \$7,075,000.00 ("Revised Note"), and Guarantors executed Guaranties of Revised Note, Mortgage, Loan Agreement and Second Modification ("Revised Guaranties"). The Second Modification was recorded with the Cook County Recorder of Deeds on June 29, 2006, as Document No. 0615074089.

E. As of August 1, 2006, Borrower, Guarantors and Lender entered into a Third Loan Modification Agreement ("Third Modification") pursuant to which Lender agreed to extend the date for payment of the Revised Loan from August 1, 2006 to August 1, 2007. The Third Modification was recorded with the Cook County Recorder of Deeds on December 26, 2006, as Document No. 0636031203.

F. On or about April 30, 2007, Borrower, Guarantors and Lender entered into a Fourth Loan Modification Agreement ("Fourth Modification") pursuant to which Lender agreed to increase the amount of the Revised Loan from \$7,075,000.00 to \$8,175,000.00 ("Second Revised Loan") which was evidenced by a Promissory Note Evidencing a Non-Revolving Line of Credit in the amount of \$8,175,000.00 ("Second Revised Note"). Concurrently therewith, Guarantors executed and delivered to Lender Guaranties of Second Revised Note, Mortgage, Loan Agreement, Fourth Modification and Other Undertakings ("Second Revised Guaranties").

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The Fourth Modification was recorded with the Cook County Recorder of Deeds on January 4, 2008 as Document No. 0800460008.

G. On or about December 31, 2007, Borrower, Guarantors and Lender entered into a Fifth Loan Modification Agreement ("Fifth Modification") pursuant to which Lender agreed to modify the interest rate applicable to the Second Revised Loan and to extend the date for payment of the Second Revised Note until February 1, 2008. The Fifth Modification was recorded with the Cook County Recorder of Deeds on June 2, 2008 as Document No. 0815418084.

H. On or about May 14, 2008, Borrower, Guarantors and Lender entered into a Sixth Loan Modification Agreement ("Sixth Modification"), pursuant to which Lender agreed to extend the date for payment of the Second Revised Loan from February 1, 2008 to August 1, 2008. The Sixth Modification was recorded with the Cook County Recorder of Deeds on May 28, 2008 as Document No. 0814945151.

I. The outstanding principal balance of the Second Revised Loan is currently \$1,458,338.31. Borrower has now requested Lender to: (1) extend the date for payment of the Second Revised Loan from August 1, 2008 until April 1, 2009; (2) reduce the interest rate applicable to the Second Revised Note from the prime rate of interest plus one (1.0%) percent to the prime rate of interest plus one-half (0.50%) percent; and (3) reduce the interest rate floor described in the Sixth Modification from five and one-half (5.50%) percent to five (5.0%) percent. Lender is agreeable to these requests subject to the covenants, conditions and restrictions contained herein.

NOW, THEREFORE, in consideration of good and valuable consideration, the parties agree as follows:

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1. The interest rate floor described in the Sixth Modification is hereby modified by amending subparagraph (a) of the Second Revised Note to state: "Notwithstanding the foregoing, in no event shall the interest rate applicable to this Note be less than five (5.0%) percent."

2. The interest rate applicable to the Second Revised Note is hereby modified to the prime rate plus one-half (0.50%) percent.

3. Subparagraph (b) of the Second Revised Note is hereby modified and amended to extend the maturity date thereof from August 1, 2008 to April 1, 2009.

4. The Security Documents are hereby modified and amended to secure the Second Revised Note as hereby modified, and all references to the Original Note, Revised Note or Second Revised Note in the Security Documents are modified and amended to refer to the Second Revised Note as hereby modified. All amounts presently outstanding on the Second Revised Note shall be deemed outstanding on the Second Revised Note as revised hereby. All interest charged on and all payments made on the Second Revised Note previously are unchanged.

5. Lender shall continue to disburse funds from the Interest Reserve (as defined in the Loan Agreement) for payments of interest due under the Second Revised Note. In the event that the Interest Reserve is depleted, Borrower and Guarantors agree to make all interest payments due under the Second Revised Note from their own funds.

6. This Seventh Modification shall be effective upon Lender's receipt of this Seventh Modification executed by the parties hereto and the following documents and items:

(a) a date down endorsement to Lender's loan title insurance policy which insures the Mortgage as modified by this Seventh Modification as a first lien on the Real Estate, subject only to such exceptions as Lender shall permit;

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- (b) updated certificates of insurance for the Real Estate as are required by the Mortgage;
- (c) a Borrowing Resolution of Borrower;
- (d) a printout from the Secretary of State of Illinois' website showing that Borrower is in good standing as an Illinois limited liability company;
- (e) certified copies of all outstanding real estate sale contracts for unsold Units and Lots; and
- (f) a loan settlement statement showing payment of Lender's fee in the amount of \$7,291.69 plus expenses as set forth in Section 10 hereof.

7. This Seventh Modification shall constitute an amendment of the Security Documents and wherever in said instruments or in any other instrument evidencing or securing the indebtedness evidenced by the Second Revised Note as hereby revised ("Loan Documents") reference is made to the Loan Documents aforesaid, such reference shall be deemed a reference to such Loan Documents as hereby modified. All other provisions of the Loan Documents remain unchanged. Nothing herein contained shall in any manner affect the lien or priority of the Mortgage, or the covenants, conditions and agreements therein contained or contained in the Second Revised Note as hereby revised.

8. In the event of conflict between any of the provisions of the Loan Documents and this instrument, the provisions of this instrument shall override and control.

9. Borrower and Guarantors hereby renew, remake and affirm the representations and warranties contained in the Loan Documents.

10. Borrower hereby agrees to pay Lender's fee and all of Lender's expenses arising out of and in connection with this Seventh Modification including, but not limited to, title

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insurance premiums, recording fees and attorneys' fees performed in the preparation of necessary documentation.

11. Guarantors hereby acknowledge that by executing this Seventh Modification, Lender has not waived, altered or modified Lender's rights under any of the Loan Documents to amend, extend, renew or modify or otherwise deal with the obligations of the parties hereto or any of the security given to Lender in connection therewith without the consent of Guarantors and without such action releasing, modifying, or affecting the obligations of Guarantors or affecting the security heretofore granted to Lender.

12. BORROWER AND GUARANTORS KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE IRREVOCABLY THE RIGHT THEY MAY HAVE TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THE SECOND REVISED NOTE AS HEREBY REVISED, THE MORTGAGE OR THIS SEVENTH MODIFICATION, OR ANY AGREEMENT EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith OR ANY COURSE OF CONDUCT OR COURSE OF DEALING IN WHICH LENDER, BORROWER AND GUARANTORS ARE ADVERSE PARTIES. THIS PROVISION IS A MATERIAL INDUCEMENT FOR LENDER IN GRANTING ANY FINANCIAL ACCOMMODATION TO BORROWER OR GUARANTORS, OR ANY OF THEM.

13. BORROWER AND GUARANTORS HEREBY IRREVOCABLY SUBMIT TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT SITTING IN CHICAGO, ILLINOIS OVER ANY ACTION OR PROCEEDING BASED HEREON AND BORROWER AND GUARANTORS HEREBY IRREVOCABLY AGREE THAT

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ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING SHALL BE HEARD AND DETERMINED IN SUCH STATE OR FEDERAL COURT. BORROWER AND GUARANTORS HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT THEY MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING. BORROWER AND GUARANTORS IRREVOCABLY CONSENT TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS TO BORROWER AND GUARANTORS AT THEIR ADDRESSES AS SPECIFIED IN THE RECORDS OF LENDER. BORROWER AND GUARANTORS AGREE THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER JURISDICTION BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.

BORROWER AND GUARANTORS AGREE NOT TO INSTITUTE ANY LEGAL ACTION OR PROCEEDING AGAINST LENDER OR THE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR PROPERTY THEREOF, IN ANY COURT OTHER THAN THE ONE HEREIN ABOVE SPECIFIED. NOTHING IN THIS SECTION SHALL AFFECT THE RIGHT OF LENDER TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR AFFECT THE RIGHT OF LENDER TO BRING ANY ACTION OR PROCEEDING AGAINST BORROWER OR GUARANTORS OR THEIR PROPERTY IN THE COURTS OF ANY OTHER JURISDICTIONS.

14. Borrower and Guarantors warrant to Lender that neither Borrower nor Guarantors nor any affiliate is identified in any list of known or suspected terrorists published by an United

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States government agency (collectively, as such lists may be amended or supplemented from time to time, referred to as the “Blocked Persons Lists”), including, without limitation, (a) the annex to Executive Order 13224 issued on September 23, 2001, and (b) the Specially Designated Nationals List published by the Office of Foreign Assets Control.

Borrower and Guarantors covenant to Lender that if they become aware that they or any affiliate is identified on any Blocked Persons List, Borrower and Guarantors shall immediately notify Lender in writing of such information. Borrower and Guarantors further agree that in the event they or any affiliate is at any time identified on any Blocked Persons List, such event shall be an Event of Default, and shall entitle Lender to exercise any and all remedies provided in any Loan Document or otherwise permitted by law. In addition, Lender may immediately contact the Office of Foreign Assets Control and any other government agency Lender deems appropriate in order to comply with its obligations under any law, regulation, order or decree regulating or relating to terrorism and international money laundering. Upon the occurrence of such Event of Default, Lender will forbear enforcement of its rights and remedies during such time as: (1) the person (“Person”) identified in a Blocked Persons List is contesting in good faith by appropriate legal proceedings such Person’s inclusion in a Blocked Persons List, and (2) Lender determines, in its sole and absolute discretion, that such forbearance will not adversely affect title to, the condition or value of, or any lien in favor of Lender and encumbering, any part of the Premises (as defined in the Mortgage) or otherwise adversely impact the ability of any Person to perform such Person’s obligations under or with respect to any Loan Documents.

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IN WITNESS WHEREOF, the undersigned have caused this Seventh Modification to be executed and delivered on September _____, 2008, to be effective as of August 1, 2008.

LENDER:

The PrivateBank and Trust Company, an Illinois banking corporation

By: [Signature]
Its _____

BORROWER:

Asbury Ridge, LLC, an Illinois limited liability company

By: [Signature]
Manoocher M. Niazmand, Manager

By: [Signature]
Vladimir Novakovic, Manager

GUARANTORS:

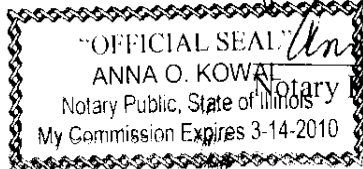
[Signature]
Manoocher M. Niazmand

[Signature]
Vladimir Novakovic

STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

The undersigned, a Notary Public in and for the State and County aforesaid, does hereby certify that JAMES WAGNER, Managing Director of The PrivateBank and Trust Company, 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 (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 Sept. 24, 2008.



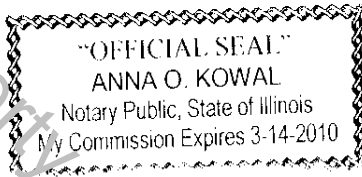
[Signature]
Notary Public

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STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

The undersigned, a Notary Public in and for the State and County aforesaid, does hereby certify that Vladimir Novakovic, individually and as a member and manager of Asbury Ridge, LLC, an Illinois liability company, 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 and as the free and voluntary act of said company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal Sept. 24, 2008.

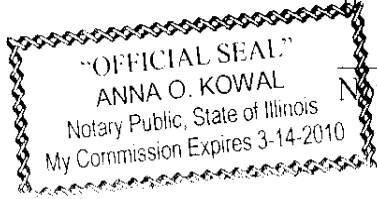


Anna O. Kowal
Notary Public

STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

The undersigned, a Notary Public in and for the State and County aforesaid, does hereby certify that Manoocher M. Niazmand, individually and as a member and manager of Asbury Ridge, LLC, an Illinois liability company, 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 and as the free and voluntary act of said company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal Sept. 24, 2008.



Anna O. Kowal
Notary Public

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EXHIBIT A

LEGAL DESCRIPTION:

LOTS 1, 2, 3, 4, 5, 6 AND 8 IN FINAL PLAT OF ASBURY RIDGE RESUBDIVISION OF PARTS OF THE SOUTHEAST ¼ OF THE SOUTHEAST ¼ OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 13 AND PART OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 16, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

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