

# UNOFFICIAL COPY



Doc#: 0921118016 Fee: \$64.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 07/30/2009 11:35 AM Pg: 1 of 15

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.

COMMONLY KNOWN AS: 925-31 Forest, Evanston, Illinois  
P.I.N.: 11-19-223-003-0000

## THIRD LOAN MODIFICATION AGREEMENT

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

### RECITALS:

A. Borrower holds fee simple title to certain real estate commonly known as 925-31 Forest, Evanston, Illinois (the "Real Estate"), which is improved with a residential apartment building. The Real Estate is legally described on Exhibit A attached hereto.

B. On September 7, 2005, Borrower and Guarantors executed and delivered to Lender a Construction Loan Agreement ("Loan Agreement") pursuant to which Borrower executed and delivered to Lender a Promissory Note in the amount of \$4,450,000.00 ("Note"), which evidences a loan in the amount of \$4,450,000.00 ("Loan"). The proceeds of the Loan were

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to be used to submit the Real Estate to the Illinois Condominium Act, convert the apartment units on the Real Estate to condominiums, and sell the condominium units to third-party purchasers. To secure the 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 Mortgage was recorded with the Cook County Recorder of Deeds on September 9, 2005 as Document No. 0525203056;

2. a Guaranty of Note, Mortgage, Loan Agreement and Other Undertakings of Guarantors ("Guaranty");

3. an Environmental, ADA and ERISA Indemnification Agreement executed by Borrower and Guarantors;

4. a UCC Financing Statement and a UCC Authorization executed by Borrower; and

5. other documents of a security, collateral and evidentiary nature.

C. On December 18, 2007, Borrower and Guarantors entered into a Loan Modification Agreement ("Modification"), pursuant to which Lender extended the maturity date of the Loan to March 1, 2008. The Modification was recorded with the Cook County Recorder of Deeds on January 14, 2008 as Document No. 0861431093.

D. As of March 1, 2008, Borrower and Guarantors entered into a Second Loan Modification Agreement ("Second Modification"), pursuant to which Lender extended the maturity date of the Loan to September 1, 2008. The Second Modification was recorded with the Cook County Recorder of Deeds on August 12, 2008 as Document No. 0822503048.

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E. The outstanding balance of the Loan is \$3,178,889.00. Borrower has requested Lender to: (1) extend the maturity date of the Loan until September 1, 2009; (2) convert the Loan to an amortizing credit facility; and (3) fix the interest rate of the Note at six (6.0%) percent per annum. 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.

1. The Note is hereby replaced in its entirety by a Promissory Note in the amount of \$3,178,889.00 ("Revised Note"), a copy of which is attached hereto as **Exhibit B**. The Security Documents are hereby modified to secure the Revised Note, and all references to the Note in the Security Documents are hereby amended to refer to the Revised Note. All amounts presently outstanding on the Note are outstanding on the Revised Note. All interest charged on and all payments made on the Note previously are unchanged.

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

- (a) the Revised Note executed by Borrower;
- (b) a Real Estate Mortgage, Assignment of Rents, Security Agreement and UCC Financing Statement (the "Asbury Ridge Mortgage") executed by Asbury Ridge Mortgagor, an affiliate of Borrower and Guarantors, and covering certain real estate commonly located in Evanston, Illinois (collectively the "Asbury Ridge Property"), and which will further secure the indebtedness evidenced by the Revised Note. The Asbury Ridge Property is legally described on **Exhibit A** attached hereto;

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(c) a Guaranty of Revised Note, Mortgages, Third Modification and Other Undertakings executed by Guarantors (“Revised Guaranty”);

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

(e) a loan title insurance policy insuring the Asbury Ridge Mortgage;

(f) an updated and certified rent roll and operating statements for the Real Estate;

(g) updated certificates of insurance for the Real Estate and the Asbury Ridge Property as are required by the Mortgage and the Asbury Ridge Mortgage;

(h) a Borrowing Resolution of Borrower;

(i) Organizational documents of Asbury Ridge, LLC as follows:

i) Operating Agreement;

ii) Articles of Organization;

iii) Borrowing Resolution; and

iv) Printout from the Illinois Secretary of State’s website;

(j) a printout from the Secretary of State of Illinois’ website of the LLC File Detail Report showing that Borrower is in good standing; and

(k) a Loan Settlement Statement showing payment of Lender’s fee in the amount of \$15,894.45 plus expenses as set forth in Section 6 hereof.

3. This Third 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 Revised Note or the Note (“Loan Documents”) reference is

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made to the Loan Documents aforesaid, such reference shall be deemed a reference to such Loan Documents as hereby modified and amended. 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 Security Documents, or the covenants, conditions and agreements therein contained or contained in the Revised Note or the Note.

4. 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.

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

6. Borrower hereby agrees to pay Lender's fees and all of Lender's expenses arising out of and in connection with this Third Modification including, but not limited to, title insurance premiums, recording fees and attorneys' fees performed in the preparation of necessary documentation.

7. Guarantors hereby acknowledge and agree that the Revised Guaranty hereby replaces the Guaranty in its entirety. Guarantors hereby expressly acknowledge and confirm that by executing this Third 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.

**8. BORROWER, GUARANTORS AND ASBURY RIDGE MORTGAGOR KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE IRREVOCABLY THE RIGHT THEY MAY HAVE TO TRIAL BY JURY WITH RESPECT TO ANY**

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LEGAL PROCEEDING BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THE NOTE, THE MORTGAGE, THE ASBURY RIDGE MORTGAGE, THE SECURITY DOCUMENTS, THIS THIRD 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, GUARANTORS AND ASBURY RIDGE MORTGAGOR ARE ADVERSE PARTIES. THIS PROVISION IS A MATERIAL INDUCEMENT FOR LENDER IN GRANTING ANY FINANCIAL ACCOMMODATION TO BORROWER, GUARANTORS OR ASBURY RIDGE MORTGAGOR, OR ANY OF THEM.

9. BORROWER, GUARANTORS AND ASBURY RIDGE MORTGAGOR 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, GUARANTORS AND ASBURY RIDGE MORTGAGOR HEREBY IRREVOCABLY AGREE THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING SHALL BE HEARD AND DETERMINED IN SUCH STATE OR FEDERAL COURT. BORROWER, GUARANTORS AND ASBURY RIDGE MORTGAGOR 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, GUARANTORS AND ASBURY RIDGE MORTGAGOR IRREVOCABLY CONSENT TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES

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OF SUCH PROCESS TO BORROWER, GUARANTORS AND ASBURY RIDGE MORTGATOR AT THEIR ADDRESSES AS SPECIFIED IN THE RECORDS OF LENDER. BORROWER, GUARANTORS AND ASBURY RIDGE MORTGAGOR 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, GUARANTORS AND ASBURY RIDGE MORTGATOR 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 HEREINABOVE 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, GUARANTORS AND ASBURY RIDGE MORTGATOR OR THEIR PROPERTY IN THE COURTS OF ANY OTHER JURISDICTIONS.

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

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Borrower, Guarantors and Asbury Ridge Mortgator covenant to Lender that if they become aware that they or any affiliate is identified on any Blocked Persons List, Borrower, Guarantors and Asbury Ridge Mortgator shall immediately notify Lender in writing of such information. Borrower, Guarantors and Asbury Ridge Mortgator 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 and Asbury Ridge Mortgage) or otherwise adversely impact the ability of any Person to perform such Person's obligations under or with respect to any Loan Documents.

**THIS SPACE INTENTIONALLY BLANK**



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IN WITNESS WHEREOF, the undersigned have caused this Third Modification to be executed and delivered on 6.30.09, to be effective as of September 1, 2008.

**LENDER:**

The PrivateBank and Trust Company, an Illinois banking corporation

By: [Signature]  
Its [Signature]

**ASBURY RIDGE MORTGATOR:**

Asbury Ridge, LLC, an Illinois limited liability company

By: \_\_\_\_\_  
Manoocher M. Niazmand, Manager and Member

By: \_\_\_\_\_  
Vladimir Novakovic, Manager and Member

*Not required by lender per preparer*

**BORROWER:**

Forest Court Homes, LLC, an Illinois limited liability company

By: [Signature]  
Manoocher M. Niazmand, Manager and Member

By: [Signature]  
Vladimir Novakovic, Manager and Member

**GUARANTORS:**

[Signature]  
Manoocher M. Niazmand

[Signature]  
Vladimir Novakovic

*Cook County Clerk's Office*

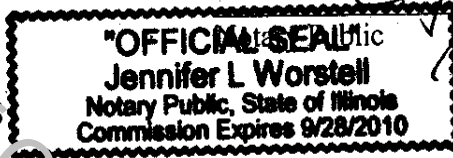
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STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

The undersigned, a Notary Public in and for the State and County aforesaid, does hereby certify that James Luckstead 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.

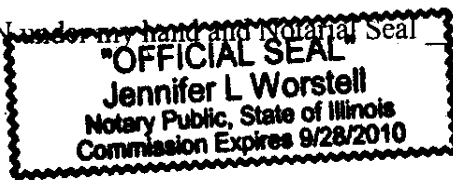
GIVEN under my hand and Notarial Seal 4/30/09.

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )



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

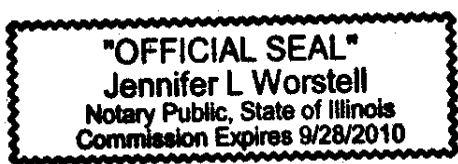
GIVEN under my hand and Notarial Seal 6/30/09.



STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

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

GIVEN under my hand and Notarial Seal 6/30, 2008.



Jennifer L Worstell  
Notary Public

**UNOFFICIAL COPY****EXHIBIT A****LEGAL DESCRIPTION****REAL ESTATE:**

LOTS 4 AND 5 IN BLOCK 2 IN THE RESUBDIVISION OF BLOCKS 4 AND 5 IN GIBBS, LADD AND GEORGE'S ADDITION TO EVANSTON, IN SECTION 19, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

COMMONLY KNOWN AS: 925-31 FOREST, EVANSTON, ILLINOIS  
P.I.N.: 11-19-223-003-0000

**ASBURY RIDGE PARCEL:****PARCEL NO. 1:**

LOTS 1 AND 2 IN FINAL PLAT OF ASBURY RIDGE RESUBDIVISION OF PARTS OF THE SOUTHEAST  $\frac{1}{4}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 13 AND PART OF THE SOUTHWEST  $\frac{1}{4}$  OF THE SOUTHWEST  $\frac{1}{4}$  OF SECTION 16, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

COMMONLY KNOWN AS: 1321 Asbury Avenue, Evanston, Illinois  
1323 Asbury Avenue, Evanston, Illinois  
P.I.N: 11-18-325-020-0000 and 11-18-325-021-0000

**PARCEL NO. 2:**

UNIT 3 TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS IN ASBURY RIDGE CONDOMINIUM AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NO. 0722115053, IN PARTS OF THE SOUTHEAST  $\frac{1}{4}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 13, TOWNSHIP 41 NORTH, RANGE 13 AND PART OF THE SOUTHWEST  $\frac{1}{4}$  OF THE SOUTHWEST  $\frac{1}{4}$  OF SECTION 16, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

COMMONLY KNOWN AS: 1314 Ridge, Unit 3, Evanston, Illinois  
P.I.N.: 11-18-325-028-1003

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## EXHIBIT B

### PROMISSORY NOTE (“Revised Note”)

\$3,178,889.00

September 1, 2008

**FOR VALUE RECEIVED** the undersigned, Forest Court Homes, LLC, an Illinois limited liability company (“Borrower”), promises to pay to the order of The PrivateBank and Trust Company, an Illinois banking corporation (said Bank and each successive owner and holder of this Note being hereinafter called “Holder”), the principal sum of Three Million One Hundred Seventy-Eight Thousand Eight Hundred Eighty-Nine and no/100 (\$3,178,889.00) Dollars, or so much thereof as may from time to time be outstanding hereunder, together with interest on the balance of principal from time to time remaining unpaid, in the amounts, at the rates and on the dates hereafter set forth.

(a) On October 1, 2008, and the first day of each succeeding month thereafter until all amounts due hereunder are paid, there shall be paid on account of this Note the amount of \$19,059.05, which amount will be applied first to interest at a rate equal to six (6.0%) percent per annum, and the balance, if any, to principal.

(b) On September 1, 2009, the principal balance together with all accrued interest and all other amounts due hereunder shall be paid.

Interest shall be calculated on the outstanding balance from time to time on the basis of a year having three hundred sixty (360) days and shall be paid for the actual days outstanding.

The balance due on account of this Note may be prepaid, without premium or penalty, in whole or in part and all accrued interest hereon shall be payable and shall be paid on the date of prepayment.

Payment upon this Note shall be made in lawful money of the United States at such place as the Holder of this Note may from time to time in writing appoint and in the absence of such appointment, shall be made at the offices of The PrivateBank and Trust Company, 70 West Madison, Second Floor, Chicago, Illinois 60602.

This Note is executed pursuant to a Third Loan Modification Agreement (“Third Modification”), and a Real Estate Mortgage, Assignment of Rents, Security Agreement and UCC Fixture Filing and UCC Financing Statement on certain real estate owned by an affiliate of Borrower, and replaces in its entirety that certain Promissory Note in the amount of \$4,450,000.00 dated September 7, 2005 (“Original Note”). The Original Note is secured by a Real Estate Mortgage, Assignment of Rents, Security Agreement and UCC Fixture Filing (“Mortgage”), which was recorded with the Cook County Recorder of Deeds on September 9, 2005 as Document No. 0525203056. The Mortgage is modified by a Loan Modification Agreement (“Modification”), dated December 18, 2007 and recorded with the Cook County Recorder of Deeds on January 14, 2008 as Document No. 0861431093, and a Second Loan Modification Agreement (“Second Modification”), dated March 1, 2008 and recorded with the Cook County Recorder of Deeds on August 12, 2008 as Document No. 0822503048. Amounts

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outstanding pursuant to the Original Note shall be outstanding under this Note. All interest rates applicable to and charged on the Original Note and all payments made on the Original Note are unchanged. Pursuant to the Third Modification, the Mortgage, Modification, Second Modification and other security documents ("Security Documents") are modified to secure this Note.

No failure on the part of Holder or any holder hereof to exercise any right or remedy hereunder, whether before or after the occurrence of an event of default, shall constitute a waiver thereof, and no waiver of any past default shall constitute a waiver of any future default or of any other default. No failure to accelerate, nor acceptance of a past-due installment, nor indulgence granted shall be construed to be a waiver of the right to insist upon prompt payment and to impose the late payment penalty and the default rate, retroactively or prospectively, or shall be deemed a waiver of any right of acceleration or any other right which Holder may have, whether by law or agreement or otherwise. None of the foregoing shall operate to release, change or effect the liability of Borrower, endorser or guarantor of this Note, and Borrower and each endorser and guarantor hereof hereby expressly waives the benefit of any statute or rule of law or equity which would produce a result contrary to or in conflict with the foregoing.

Without limiting the provisions of the succeeding paragraphs, in the event any payment of interest or principal is not paid within ten (10) days after the date the same is due, the undersigned promises to pay a late charge ("Late Charge") of five (5.0%) percent of the amount so overdue to defray the expense incident to handling any such delinquent payment or payments.

At the election of the Holder hereof, without notice, the principal sum remaining unpaid hereon, together with accrued interest, shall be and become at once due and payable in the case of default for five (5) days in the payment of principal or interest or fifteen (15) days in the payment of any other payment of monies required to be made hereunder when due in accordance with the terms hereof or upon the occurrence of any event of default ("Event of Default") under the Mortgage, Third Modification or Security Documents.

Under the provisions of the Mortgage, Third Modification and Security Documents, the unpaid balance hereunder may, at the option of Holder, be accelerated and become due and payable forthwith upon the happening of certain events as set forth therein. The Mortgage, Third Modification and Security Documents are, by this reference, incorporated herein in their entirety and notice is given of such possibility of acceleration.

The principal hereof, including each installment of principal, shall bear interest after the occurrence of an event of default, not cured within the applicable cure period, at the annual rate (herein called the "Default Rate") determined by adding four (4.0%) percentage points to the interest rate then required to be paid, as above provided, on the principal balance.

Borrower waives notice of default, presentment, notice of dishonor, protest and notice of protest.

If this Note is placed in the hands of an attorney for collection or is collected through any legal proceeding, the undersigned promises to pay all costs incurred by Bank in connection



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therewith including, but not limited to, court costs, litigation expenses and reasonable attorneys' fees.

Payments received on account of this Note shall be applied first to the payment of any amounts due pursuant to the next preceding paragraph, second to interest and Late Charges and the balance to principal.

Funds representing the proceeds of the indebtedness evidenced herein which are disbursed by Holder by mail, wire transfer or other delivery to Borrower, escrowees or otherwise for the benefit of Borrower shall, for all purposes, be deemed outstanding hereunder and received by Borrower as of the date of such mailing, wire transfer or other delivery, and interest shall accrue and be payable upon such funds from and after the date of such mailing, wire transfer or other delivery until repaid to Holder, notwithstanding the fact that such funds may not at any time have been remitted by escrowees to Borrower.

**BORROWER KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES IRREVOCABLY THE RIGHT IT MAY HAVE TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS NOTE, THE MORTGAGE, THE THIRD MODIFICATION OR ANY OF THE OTHER OBLIGATIONS, OR THE COLLATERAL SECURED BY THE SECURITY DOCUMENTS, OR ANY AGREEMENT, EXECUTED OR CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith OR ANY COURSE OF CONDUCT OR COURSE OF DEALING, IN WHICH HOLDER AND BORROWER ARE ADVERSE PARTIES. THIS PROVISION IS A MATERIAL INDUCEMENT FOR HOLDER IN GRANTING ANY FINANCIAL ACCOMMODATION TO BORROWER.**

**BORROWER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT SITTING IN CHICAGO, ILLINOIS OVER ANY ACTION OR PROCEEDING BASED HEREON AND BORROWER HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING SHALL BE HEARD AND DETERMINED IN SUCH STATE OR FEDERAL COURT. BORROWER HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING. BORROWER IRREVOCABLY CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS TO BORROWER AT ITS ADDRESS AS SPECIFIED IN THE RECORDS OF HOLDER. BORROWER AGREES 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 AGREES NOT TO INSTITUTE ANY LEGAL ACTION OR PROCEEDING AGAINST HOLDER 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 HOLDER TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR AFFECT THE RIGHT OF HOLDER TO BRING ANY ACTION OR PROCEEDING AGAINST BORROWER OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTIONS.**

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Borrower warrants to Holder that neither Borrower nor any affiliate is identified in any list of known or suspected terrorists published by an United 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 covenants to Holder that if it becomes aware that it or any affiliate is identified on any Blocked Persons List, Borrower shall immediately notify Holder in writing of such information. Borrower further agrees that in the event it or any affiliate is at any time identified on any Blocked Persons List, such event shall be an Event of Default, and shall entitle Holder to exercise any and all remedies provided in any Security Document or otherwise permitted by law. In addition, Holder may immediately contact the Office of Foreign Assets Control and any other government agency Holder 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, Holder 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) Holder 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 Holder 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 Security Documents.

Time is of the essence of this Note and each provision hereof.

Forest Court Homes, LLC, an Illinois limited liability company

By: \_\_\_\_\_  
Vladimir Novak, Member and Manager

By: \_\_\_\_\_  
Manoocher Nazari, Member and Manager