



1021733056

Loan No. 002-8001410

Doc#: 1021733056 Fee: \$46.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 08/05/2010 09:40 AM Pg: 1 of 6

For Recorder's Use Only

THIRD MODIFICATION TO MORTGAGE AND NOTE

This Third Modification to Mortgage and Note (the "Third Modification") is made as of this 1st day of May, 2010 between The Franklin, LLC, a Limited Liability Company organized and existing under the laws of the State of Illinois (hereinafter referred to as the "Mortgagor" or the "Maker") and A.J. Smith Federal Savings Bank (hereinafter referred to as the "Mortgagee" or "Lender").

WITNESSETH:

WHEREAS, Mortgagor and Mortgagee have entered into a Mortgage (the "Mortgage") dated July 5, 2005 said Mortgage having been recorded in the Office of the Recorder of Deeds of Cook County, Illinois on July 6, 2005 as Document No. 0518727017 regarding certain real estate described in Exhibit "A" attached hereto (the "Real Estate"), securing the payment of one Mortgage Note dated July 5, 2005 (the "Note") in the principal sum of \$2,960,000; and

WHEREAS, on March 20, 2008 the Mortgagor and the Guarantors, Marian Avram and Marcela Avram executed a Change in Terms Agreement (the "First Change Agreement") wherein, among other things the payments on the loan were addressed; and

WHEREAS, on August 22, 2008 the Mortgagor and the Guarantors, Marian Avram and Marcela Avram executed a Change in Terms Agreement (the "Second Change Agreement") wherein, among other things the maturity date of the loan was extended to May 1, 2009; and

WHEREAS, Mortgagor and Mortgagee entered into a First Modification to Mortgage and Note (the "First Modification") for the purpose of further modification of the terms of the original agreement between the Mortgagor and Mortgagee, as modified by the First Change Agreement and the Second Change Agreement; and

WHEREAS, Mortgagor and Mortgagee entered into a Second Modification to Mortgage and Note (the "Second Modification") for the purpose of further modification of the terms of the original agreement between the Mortgagor and Mortgagee, as modified by the First Change Agreement, the Second Change Agreement and the First Modification; and

WHEREAS, Mortgagor and Mortgagee desire to enter into a Third Modification to Mortgage and Note (hereinafter the "Third Modification") for the purpose of further modification

Box 400-CTCC

Handwritten signatures and initials: SRS SCX INT

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of the terms of the original agreement between the Mortgagor and Mortgagee, as modified by the First Change Agreement, the Second Change Agreement, the First Modification and the Second Modification.

NOW THEREFORE, Mortgagor and Mortgagee with the consent of the undersigned Guarantors, hereby agree that the Mortgage and Note are amended, modified, or supplemented as follows:

1. Principal Balance. Section 1 of the Note is amended to read as follows:

1. PROMISE TO PAY. For value received, the undersigned, The Franklin, LLC (the "Maker"), hereby promises to pay to the order of A.J. Smith Federal Savings Bank, a United States banking corporation (the "Lender") at its office at 14757 South Cicero Avenue, Midlothian, Illinois 60445 or at such other place as the holder hereof may from time to time designate in writing, the principal sum of One Million Eight Hundred Thousand and 00/100 (\$1,800,000) Dollars, or so much thereof as shall from time to time be disbursed to or for the benefit of the Maker together with interest thereon, to be paid in lawful money of the United States of America.

2. Payment of Principal and Interest. Sections 2A, 2B, 2C and 2F of the Note are amended and a Section 2(I) is added to read as follows:

2(A) Interest Rate. Interest in arrears shall accrue on the outstanding principal balance from the date hereof at a rate of Four (4%) Percent per annum.

2(B) Monthly Payments of Principal and Interest; Final Principal Payment. Principal and Interest payments shall be due the Lender commencing June 1, 2010 and on the same day of every month thereafter in the sum of Eight Thousand Five Hundred Ninety Three and 58/100 (\$8,593.48) Dollars. Such payment is based upon a thirty (30) year amortization schedule.

2(C) Maturity Date. All unpaid principal and accrued interest thereon and other costs, if not sooner due or paid, shall be due and payable on May 1, 2015 (the "Maturity Date").

2(I) Additional Fee to the Lender. As a partial consideration to the Lender reducing the principal balance of the loan pursuant to this Third Modification, the Mortgagor agrees that in the event that the Real Estate is sold for a cash consideration greater than \$1,800,000, then in that event 50% of the net proceeds over and above \$1,800,000 shall be paid to the Lender. In making such calculation usual and customary closing costs shall be allowed.

3. Reaffirmation. Mortgagor hereby ratifies and confirms its liabilities and obligations under the Mortgage, Note, Assignment of Rents, Business Loan Agreement, First Change Agreement, Second Change Agreement, the First Modification and all other loan documents (hereinafter sometimes referred to as "Loan Documents") and the liens and security interest created thereby, and acknowledge that it has no defenses, claims or set offs to the enforcement by Mortgagee of the obligations and liabilities of Mortgagor under the said documents as modified by this document.

Mortgagor further represents to Mortgagee that no default or event, or condition which could become a default with the giving of notice or passage of time, or both, with the exception of an existing payment delinquency exists under the Mortgage, Note or other Loan Documents as amended by this First Modification

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Mortgagor further represents to Mortgagee that there is not any condition, event or circumstances existing, or any litigation, arbitration, governmental or administrative proceedings, actions, examinations, claims, or demands pending or threatened affecting Mortgagor, or the Real Estate or any lien recorded against the Real Estate since the recording of the Mortgage as detailed herein. The parties further agree that the principal balance of the loan is \$2,897,960.50 as of the date hereof.

4. Binding on Successors. This Third Modification shall be binding on Mortgagor and its respective legal representatives, successors and permitted assigns, and shall inure to the benefit of Mortgagee, its successors and assigns.

5. Original Agreement Binding. Except as provided herein, the Mortgage, Note and all other Loan Documents, as amended by the First Change Agreement, the Second Change Agreement, the First Modification, the Second Modification and this Third Modification shall remain in full force and effect in accordance with their respective terms.

6. Conditions Precedent. This Third Modification shall be effective upon the occurrence of all of the following:

- a. Payment of Lender costs (attorney's fees, title and recording).
- b. Verification by Lender that there have been no liens recorded against the Real Estate other than the Mortgage or other permitted liens.
- c. Verification that all of the real estate taxes due on the Real Estate have been paid current.

7. Definitions. Unless otherwise defined all capitalized terms shall have the same meaning as set forth in the Mortgage and Mortgage Note, as amended.

8. This Third Modification shall constitute an amendment of the Loan Documents and wherever in said instruments or in any other instrument evidencing or securing the indebtedness evidenced by the Note reference is 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 as revised by this Third Modification, or the covenants, conditions and agreements therein contained or contained in the Note.

9. 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.

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

11. Borrower hereby agrees to pay all of Lender's expenses arising out of and in connection with this Modification including, but not limited to, attorneys' fees, title insurance premiums and recording fees.

12. Guarantors hereby expressly acknowledge and confirm that by executing this Third Modification the Guarantors (i) consent to the terms of this Third Modification; (ii) confirm that the 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; and (iii) the execution of this Third Modification Agreement does not release, modify, or affect the obligations of the Guarantors to the Lender or affect the security heretofore granted to the Lender.

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IN WITNESS WHEREOF, the parties have executed this Third Modification to Mortgage and Note as of the day and year first above written.


MORTGAGEE:

A.J. Smith Federal Savings Bank

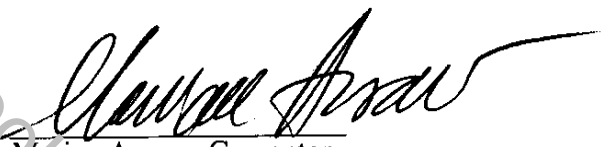
By: 
Its: _____

MORTGAGOR:

The Franklin, LLC

By: 
Marcela Avram
Its: Manager


Marcela Avram, Guarantor


Marian Avram, Guarantor

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STATE OF ILLINOIS)
)
COUNTY OF COOK)

Mortgagor Notary

I, MIRELA CIUBOTARIU, a Notary Public, in and for said County, in the state aforesaid, do hereby certify, that Marian Avram and Marcela Avram who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act for the intent and purposes therein set forth.

Given under my hand and notarial seal this 24th day of JUNE, 2010

Mirela Ciubotariu

Notary public



STATE OF ILLINOIS)
)
COUNTY OF COOK)

Mortgagee Notary

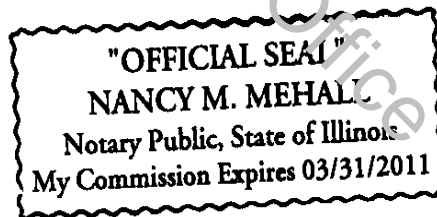
I, NANCY M. MEHALC, a Notary Public, in and for said County, in the state aforesaid, do hereby certify, that THOMAS R. BUTKUS, CEO President of A.J. Smith Federal Savings Bank, and DONNA J. MANUELO, Corp., Secretary of said A.J. Smith Federal Savings Bank, who are personally known to me to be the same persons whose names are subscribed to the foregoing instruments as such President, and Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said A.J. Smith Federal Savings Bank as aforesaid, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 28th day of June, 2010

Nancy M. Mehalc
Notary public

This instrument prepared by:

Lawrence Gold, Esq.
Gomberg, Sharfman, Gold & Ostler, P.C.
208 S. LaSalle, Suite 1410
Chicago, IL 60604



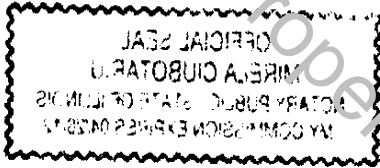
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EXHIBIT A LEGAL DESCRIPTION

Lots 14, 15, 16 and 17 in the subdivision by William H. Phinney of Block 10 In Harding's Subdivision of the West ½ of the Northeast 1/4 of Section 11, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

Commonly known as: 3432-40 West Franklin, Chicago, Illinois 60624-1315

PIN: 16-11-218-028-0000



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