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Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 02/03/2012 10:37 AM Pg: 1 of 10

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This document prepared by

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Mercy Portfolio Services  
120 South LaSalle Street, Ste 1853  
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and after recording return to:

Sweta Shah, Esq.  
City of Chicago Department of Law  
City Hall, Room 600  
121 North LaSalle Street  
Chicago, Illinois 60602

1553 South Sawyer Avenue

## AMENDMENT OF MORTGAGE AND LOAN DOCUMENTS

This Amendment of Mortgage and Loan Documents (the "Amendment"), is made and entered into as of February 2, 2012 by Mercy Portfolio Services, a Colorado non-profit corporation ("MPS"), MPS Community I, LLC, an Illinois limited liability company ("MPS LLC") and the City of Chicago, an Illinois municipal corporation acting by and through its Department of Housing and Economic Development (the "City").

## WITNESSETH

**WHEREAS**, the City has or will receive certain funds in the approximate amount of \$55,238,017 and of \$98,008,384 (collectively, the "Program Funds") from the United States Department of Housing and Urban Development ("HUD") pursuant to the provisions of the Housing and Economic Recovery Act of 2008, Public Law 110-289 – July 30, 2008, Title III – Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes, Section 2301 et seq., as the same may be hereafter amended,

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restated or supplemented from time to time and the American Recovery and Reinvestment Act of 2009, H.R. 1, as the same may be further amended and supplemented from time to time (collectively, the "Act"); and any regulations promulgated by HUD to implement the Act, including, but not limited to the Notice of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes Developers under the Housing and Economic Recovery Act, 2008 issued by HUD and found at the Federal Register/Vol. 73, No. 194/Monday, October 6, 2008/Notices, as the same may be hereafter amended, restated or supplemented from time to time; the Notice of Fund Availability for the Neighborhood Stabilization Program 2 ("NOFA") under the Recovery Act (Docket No. FR-5321-N-01, May 4, 2009), the Notices of Fund Availability for Fiscal year 2009 NSP2 Program under the Recovery Act, Correction (Docket No. FR-5321-C-02, June 11, 2009; Docket No. FR-5321-C-03, November 9, 2009; Docket No. FR 5321-C-04, and Docket No. FR-5321-N-04); and the HUD regulations at 24 CFR Part 570 (as modified by the NOFA as now in effect and as may be amended from time to time)(collectively, the "Regulations"); and

**WHEREAS**, the City submitted to HUD, and HUD has approved, the City's Substantial Amendment application to HUD and an NSP2 application to HUD governing the City's use of the Program Funds in a neighborhood stabilization program (the "Program") in accordance with the Act and the Regulations to address the critical impact of increasing numbers of foreclosed properties within the City of Chicago. Pursuant to such approval, the City and HUD have entered into that certain Grant Agreement dated effective as of March 27, 2009 and that certain Funding Approval and Grant Agreement signed on February 11, 2010 (collectively, the "HUD Grant Agreement"). The Act, the Regulations, and the HUD Grant Agreement are collectively referred to herein as the "NSP Legal Requirements"); and

**WHEREAS**, the NSP Legal Requirements require the City to use the Program Funds for certain eligible activities, including, without limitation: (a) establishing financing mechanisms for the purchase and redevelopment of abandoned or foreclosed homes and residential properties; (b) acquisition and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent, or redevelop such homes and properties; (c) establishing and operating land banks for homes and residential properties that have been abandoned or foreclosed; (d) demolition of blighted structures; and (e) redevelopment of demolished or vacant properties (collectively, the "Eligible Activities"); and

**WHEREAS**, the City and MPS have entered into that certain Agreement Between The City of Chicago and Mercy Portfolio Services For Neighborhood Stabilization Program dated June 30, 2009 and that certain Agreement Between The City of Chicago and Mercy Portfolio Services For Neighborhood Stabilization Program 2 dated as of July 1, 2010 (collectively, the "Subgrant Agreement"), pursuant to which the City has agreed to make Program Funds available to MPS for Eligible Activities subject to the terms and conditions of the Subgrant Agreement; and

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**WHEREAS**, MPS agreed to provide Program Funds in the form of a loan in the principal amount of \$635,773 (the "Loan") to MPS LLC in connection with the acquisition, and rehabilitation of certain property as legally described on Exhibit A hereto and hereby made a part hereof (the "Property"); and

**WHEREAS**, MPS LLC acquired the Property and subsequently determined that its condition was beyond rehabilitation; and

**WHEREAS**, MPS advanced additional Program Funds to MPS LLC for the demolition of the Property; and

**WHEREAS**, the City, MPS and MPS LLC entered into that certain Redevelopment Agreement in connection with the redevelopment of the Property dated as of November 19, 2009 (the "Redevelopment Agreement"); and

**WHEREAS**, the City, MPS and MPS LLC entered into that certain Regulatory Agreement dated as of November, 2009 in connection with the operation of the Property; and

**WHEREAS**, MPS LLC executed a certain promissory note (the "Note") in favor of MPS in the original principal amount of \$635,773 dated as of November 19, 2009; and

**WHEREAS**, the Note is secured by the following documents:

- A. A Mortgage, Security Agreement and Financing Statement dated as of November 23, 2009 (the "Mortgage") made by MPS LLC in favor of MPS in connection with the Property;
- B. An Assignment of Rents and Leases dated as of November 23, 2009 made by the MPS LLC in favor of MPS in connection with the Property (the "Assignment of Rents"); and

**WHEREAS**, MPS assigned the Note, along with the documents securing the Loan evidenced by the Note, to the City pursuant to that certain Assignment of Mortgage and Documents dated as of November 23, 2009 (the "Assignment of Mortgage and Documents"); and

**WHEREAS**, the Mortgage, the Redevelopment Agreement, the Regulatory Agreement, the Assignment of Rents and the Assignment of Mortgage and Documents were recorded in the Office of the Recorder of Deeds of Cook County, Illinois on December 8, 2009; and

**WHEREAS**, the Note, the Redevelopment Agreement, the Regulatory Agreement, the Mortgage, the Assignment of Rents, and the Assignment of Mortgage and Documents shall be hereinafter referred to as the "Loan Documents;"

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**NOW THEREFORE**, the parties hereto wish to amend the Loan Documents to reflect the additional Program Funds advanced to MPS LLC by MPS in connection with the Property and therefore hereby agree as follows:

1. The above recitals are hereby incorporated as if fully set forth herein.
2. Any and all references to the original principal amount of the Loan and/or the Note stated in any of the Loan Documents as "\$635,773" are hereby deleted in their entirety and replaced with "\$180,783."
3. Exhibit A to the Redevelopment Agreement is hereby deleted in its entirety and new Exhibit A, attached hereto and made a part hereof, is substituted in its place.
4. The reference to the "maximum amount of indebtedness" in the last paragraph of Section 36 of the Mortgage as "\$503,796" is hereby deleted and replaced with "\$361,566."
5. All references to "NSP Funds" as "\$635,773" in Exhibit B to the Regulatory Agreement are hereby deleted and replaced with "\$180,783."
6. The parties hereto acknowledge and agree that this Amendment does not constitute a novation of the existing indebtedness under the Loan, but is intended to be an amendment and modification of the Loan Documents. Except as amended hereby, the provisions of the Loan Documents remain in full force and effect and are hereby ratified and confirmed. The Mortgage shall continue to secure repayment of all amounts due under the Note as modified by this Amendment without loss of priority.
7. This Amendment shall be governed as to performance and interpretation in accordance with the internal laws of the State of Illinois without regard to its conflict of laws principles.
8. If any provision of this Amendment, or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstance, is held invalid, the remainder of this Amendment shall be construed as if such invalid part were never included herein and this Amendment shall be and

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remain valid and enforceable to the fullest extent permitted by law.

9. All capitalized terms used but not otherwise defined herein shall have the same meanings as set forth in the Redevelopment Agreement.
10. This Amendment may be executed in counterparts, which, when taken together, shall constitute one original document.

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**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment to Mortgage and Loan Documents as of the day and year first above written.

**CITY OF CHICAGO**, an Illinois municipal corporation, acting by and through its Department of Housing and Economic Development

By:  \_\_\_\_\_

Name: Andrew J. Mooney  
Title: Commissioner


**MERCY PORTFOLIO SERVICES**, a Colorado non-profit corporation

By:  \_\_\_\_\_

Name: William W. Towns  
Title: Vice President

**MPS Community I, LLC**, an Illinois limited liability company

By: Mercy Portfolio Services, a Colorado non-profit corporation and its sole member

By:  \_\_\_\_\_

Name: William W. Towns  
Title: Vice President

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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 Andrew J. Mooney, personally known to me to be the Commissioner of the Department of Housing and Economic Development of the City of Chicago, Illinois (the "City") 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 as such Commissioner, he signed and delivered the said instrument pursuant to authority as his free and voluntary act, and as the free and voluntary act and deed of the City, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 1<sup>st</sup> day of FEBRUARY, 2012.

Patricia Sulewski  
Notary Public

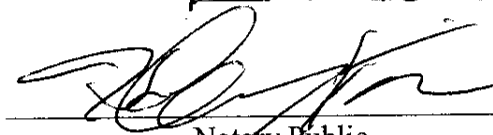


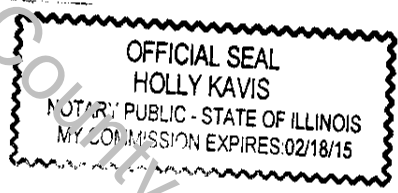
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STATE OF ILLINOIS        )  
  ) SS.  
COUNTY OF COOK )

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that William W. Towns, personally known to me to be the Vice President of Mercy Portfolio Services, a Colorado non-profit corporation ("MPS"), and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me, acknowledged that as such Vice President, he signed and delivered the said instrument pursuant to authority given by MPS, and as his free and voluntary act and deed and as the free and voluntary act and deed of MPS for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 1<sup>st</sup> day of February, 2012.

  
\_\_\_\_\_  
Notary Public  
(SEAL)



Property of Cook County Clerk's Office

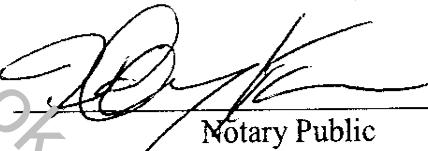


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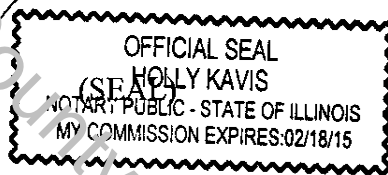
STATE OF ILLINOIS        )  
  ) SS.  
COUNTY OF COOK )

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that William W. Towns, personally known to me to be the Vice President of Mercy Portfolio Services, a Colorado non-profit corporation, which is the sole member of MPS Community I, LLC, an Illinois limited liability company ("MPS LLC"), and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me, acknowledged that as such Vice President, he signed and delivered the said instrument pursuant to authority given by MPS LLC, and as his free and voluntary act and deed and as the free and voluntary act and deed of MPS LLC for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 3<sup>rd</sup> day of February, 2012.



Notary Public



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## EXHIBIT A

1. **Legal Description:**

LOT 27 IN BLOCK 8 IN CIRCUIT COURT PARTITION OF THE EAST ½ OF THE NORTHEAST ¼ AND THAT PART OF THE THE EAST ½ OF THE SOUTHEAST ¼ WHICH LIES NORTH OF OGDEN AVENUE OF SECTION 23, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, COOK COUNTY, ILLINOIS

2. **Common Address:**

1553 South Sawyer Avenue, Chicago, Illinois,

3. **Permanent Index Number:**

16-23-229-020-0000

4. **Existing Improvements on the Land:** Vacant Land

5. **NSP Acquisition Price:** \$92,000

6. **NSP Acquisition Loan Amount** (including holding costs) \$124,144

7. **Demolition Costs:** \$56,639

8. **NSP Loan Amount:** \$180,783

9. **NSP Total Development Cost:** \$180,783