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THIS DOCUMENT PREPARED BY:

Crowley & Lamb, P.C.
221 North LaSalle Street, Suite 1550
Chicago, Illinois 60601

Doc#: 1217804114 Fee: \$78.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 06/26/2012 11:53 AM Pg: 1 of 21

AFTER RECORDING RETURN TO:

Northbrook Bank & Trust Company
1100 Waukegan Rd.
Northbrook, IL 60062
Attn: Kevin J. Foley

This space reserved for Recorder's use only

MODIFICATION OF LOAN DOCUMENTS

THIS MODIFICATION OF LOAN DOCUMENTS (this "Agreement") is made and entered into on May 24, 2012 but made effective as of February 28, 2012, by and among **J.S.L. Masonry Restoration, Inc.** ("JSL"), an Illinois corporation, **Mary Barb, Inc.** ("Mary Barb"), an Illinois corporation, and **F.P. Franklin, Inc.**, an Illinois corporation ("FP"; collectively with JSL and Mary Barb, "Original Borrowers"), and **R & B ACOUSTICS AND SPECIALTY CEILINGS, INC.**, an Illinois corporation ("R&B" or "Additional Borrower"; collectively with Original Borrowers, the "Borrowers"), each with an address of 10201 Franklin Ave., Franklin Park 60131; **Mark S. LaRose and Mary B. LaRose**, each an Illinois resident (together, the "Individual Guarantors"); and JSL in its capacity as guarantor of the Mary Barb Loan and FP Loan ("Entity Guarantor"; collectively with the Individual Guarantors, "Guarantor"); the Trust (defined below) and **Northbrook Bank & Trust Company**, successor to First Chicago Bank & Trust and its successors and assigns ("Lender"), with an address as set forth above.

RECITALS:

A. Northbrook Bank & Trust Company became successor to First Chicago Bank & Trust pursuant to a Purchase and Assumption Agreement dated July 8, 2011 by and between the FDIC, as receiver of the assets and liabilities of First Chicago Bank & Trust pursuant to 12 U.S.C. 1821(d)(2)(A), as seller, and Northbrook Bank & Trust Company, as buyer.

B. Lender made a loan (the "JSL Loan") to JSL as evidenced by a Promissory Note dated June 11, 2009 in the original principal amount of \$1,000,000.00 executed by JSL in favor of Lender, as modified by those certain Change In Terms Agreements dated April 30, 2010, July 31, 2010, June 30, 2011 and October 31, 2011 (collectively, the "JSL Note"). The June 30, 2011 Change In Terms Agreement reduced the principal amount of the loan to \$900,000.00. The JSL Note replaced a note dated February 1, 2008 in the principal amount of \$900,000.00 (as modified by a series of Change In Terms Agreements, the "Prior JSL Note"). The JSL Note is subject to the terms of that certain Business Loan

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Agreement (the "JSL Loan Agreement") dated October 31, 2011 executed between JSL and Lender and is secured, among other things, by that certain Commercial Security Agreement ("JSL Security Agreement") dated October 31, 2011 executed by JSL in favor of Lender, that certain Commercial Guaranty dated October 31, 2011 executed by Mark LaRose in favor of Lender and that certain Commercial Guaranty dated October 31, 2011 executed by Mary LaRose in favor of Lender (together the "JSL Guaranties") and that certain Mortgage ("JSL Mortgage") and Assignment of Rents ("JSL Assignment of Rents") each dated June 11, 2009 executed by Mary LaRose and Mark LaRose in favor of Lender and recorded with the Cook County, IL Recorder on July 13, 2009 as documents no. 0919455108 and no. 0919455109, respectively, against the real property commonly known as 1915 N Neva, Chicago, IL which is legally described on Exhibit A attached hereto (the "Neva Property"), as modified by that certain Modification of Mortgage dated July 10, 2008 and that certain Modification of Mortgage dated October 31, 2011* executed by Trust (defined below), Mary and Mark LaRose and Mary Barb (the "2011 Mortgage Modification"). **The references to the Prior JSL Note in the June 30, 2011 and October 31, 2011 Change In Terms Agreements, the 2011 Mortgage Modification and JSL Security Agreement shall be deemed references to the JSL Note. The reference to "Mortgage" in the 2011 Mortgage Modification shall be deemed to include and refer to all of the following: the JSL Mortgage and JSL Assignment of Rents, the Mary Barb Mortgage (defined below) and Mary Barb Assignment of Rents (defined below) and the FP Mortgage (defined below) and FP Assignment of Rents (defined below).**

** and recorded as document no. 1217242013*

C. Lender made a loan (the "Mary Barb Loan") to Mary Barb as evidenced by a Promissory Note dated December 23, 2009 in the original principal amount of \$180,000.00 executed by Mary Barb in favor of Lender (the "Mary Barb Note"). The Mary Barb Note is subject to the terms of that certain Business Loan Agreement (the "Mary Barb Loan Agreement") dated October 31, 2011 executed between Mary Barb and Lender and is secured, among other things, by that certain Commercial Guaranty dated December 23, 2009 executed by JSL in favor of Lender, that certain Commercial Guaranty dated December 23, 2009 executed by Mark LaRose in favor of Lender and that certain Commercial Guaranty dated December 23, 2009 executed by Mary LaRose in favor of Lender (collectively the "Mary Barb Guaranties") and that certain Mortgage ("Mary Barb Mortgage") and Assignment of Rents ("Mary Barb Assignment of Rents") each dated December 23, 2009 executed by Mary Barb in favor of Lender and recorded with the Cook County, IL Recorder on January 8, 2010 as documents no. 1000804083 and no. 1000804084, respectively, against the property commonly known as 9245 Parklane Ave., Franklin Park, IL which is legally described on Exhibit B attached hereto (the "Parklane Property"), as modified by the 2011 Mortgage Modification.

D. Lender made a loan (the "FP Loan") to FP as evidenced by a Promissory Note dated July 10, 2008 in the original principal amount of \$314,500.00 executed by FP in favor of Lender (the "FP Note"). The FP Note is subject to the terms of that certain Business Loan Agreement (the "FP Loan Agreement") dated July 10, 2008 executed between FP and Lender and is secured, among other things, by that certain Commercial Guaranty dated July 10, 2008 executed by JSL in favor of Lender, that certain Commercial Guaranty dated July 10, 2008 executed by Mark LaRose in favor of Lender and that certain Commercial Guaranty dated July 10, 2008 executed by Mary LaRose in favor of Lender (collectively the "FP Guaranties") and that certain Mortgage ("FP Mortgage") and Assignment of Rents ("FP Assignment of Rents") each dated July 10, 2008 executed by The Chicago Trust Company as successor to First Chicago Bank & Trust, as trustee under Trust Agreement dated June 24, 2008 and known as Trust No. 1217-B (the "Trust"), of which FP is the sole beneficiary and Mark LaRose as president of FP has sole power of direction, in favor of Lender and recorded with the Cook County, IL Recorder on September 2, 2008 as documents no. 0824655021 and no. 0824655022, respectively, against the property commonly known as 10201 Franklin Ave., Franklin Park, IL which is legally described on Exhibit C attached hereto (the "Franklin Property"), as modified by the 2011 Mortgage Modification.

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E. The JSL Note, the Mary Barb Note, and the FP Note are collectively referred to herein as the "Notes"; the JSL Loan Agreement, the Mary Barb Loan Agreement and the FP Loan Agreement are together referred to herein as the "Loan Agreements"; the JSL Loan, Mary Barb Loan and the FP Loan are collectively referred to herein as the "Loans"; the JSL Mortgage, Mary Barb Mortgage, the FP Mortgage and 2011 Mortgage Modification are collectively referred to herein as the "Mortgages"; the JSL Guaranties, the Mary Barb Guaranties and the FP Guaranties are collectively referred to herein as the "Guaranties"; the JSL Assignment of Rents, the FP Assignment of Rents and the Mary Barb Assignment of Rents are collectively referred to herein as the "Assignments"; the Neva Property, the Parklane Property and the Franklin Property are collectively referred to herein as the "Property"; the JSL Note, the JSL Loan Agreement, JSL Mortgage, JSL Security Agreement, JSL Assignment of Rents and JSL Guaranties are referred to herein collectively as the "JSL Loan Documents". The Notes, the Loan Agreements, the Mortgages, the JSL Security Agreement, the Guaranties, the Assignments, the R&B Security Agreement (defined below), Mechanics Lien Security Agreement (defined below), the Collateral Assignments (defined below) and all documents and instruments related to each of the foregoing and all existing, current and future modifications, renewals and replacements thereof and therefore, are collectively referred to as the "Loan Documents". Capitalized terms not defined herein shall have the meaning given to such terms in the applicable Loan Document. The Loans are cross-collateralized and cross-defaulted.

F. The current outstanding principal balances of the Loans are as follows: (i) the JSL Loan- \$900,000.00, (ii) Mary Barb Loan - \$169,032.95 and (iii) the FP Loan- \$290,831.87.

G. The Borrower and Guarantor have requested that Lender extend the maturity date of the JSL Note to August 31, 2012, permit Additional Borrower to be a co-borrower on the JSL Loan and convert the JSL Loan from a line of credit to a term loan, and Lender is willing to so extend the maturity date of the JSL Note, permit Additional Borrower to be a co-borrower on the JSL Loan and convert the JSL Loan from a line of credit to a term loan, on the terms and conditions more fully set forth hereinafter and in the Amended Note (defined below).

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 and Borrower to modify the Loan Documents, as provided herein, (iii) Borrower's agreement to pay all of Lender's reasonable attorneys fees and costs in connection with this Agreement, (iv) the covenants and agreements contained herein, and (v) for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Assumption of JSL Loan / Extension of the Maturity Dates / Other Amendments to Loan Documents.** The Loan Documents are hereby amended as follows:

(a) **Joint and Several Assumption of JSL Loan.** (i) For good and valuable consideration and as a condition to the execution of this Agreement by Lender, Additional Borrower expressly assumes, on a joint and several basis with JSL, all of the rights, obligations and duties of JSL under the JSL Loan and the JSL Note and JSL Loan Agreement and agrees to jointly and severally with JSL perform all covenants, conditions, duties and obligations contained therein. Each reference to "Borrower" or "Maker" or words of similar import in the JSL Note and JSL Loan Agreement and in the other JSL Loan Documents shall now be a reference to JSL and Additional Borrower, jointly and severally.

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(ii) Additional Borrower hereby acknowledges and agrees that: (1) the Additional Borrower has had the opportunity to review and inspect the JSL Loan Documents and to ask any questions and to obtain any information available to the JSL relating to the JSL Loan Documents; and (2) Additional Borrower has had the opportunity to make its own independent investigation and appraise all of the facts and circumstances relevant to determine whether to assume jointly and severally with JSL the JSL Note and JSL Loan Agreement.

(iii) As of the date hereof, and immediately prior to and after giving effect to this Agreement and related documents, (a) the fair value of the Additional Borrower's assets is greater than the amount of its liabilities (including disputed, contingent and unliquidated liabilities) as such value is established and liabilities evaluated as required under the Section 548 of the U.S. Bankruptcy Code, (b) the present fair saleable value of the Additional Borrower's assets is not less than the amount that will be required to pay the probable liability on its debts as they become absolute and matured, (c) the Additional Borrower is able to realize upon its assets and pay its debts and other liabilities (including disputed, contingent and unliquidated liabilities) as they mature in the normal course of business, (d) the Additional Borrower does not intend to, and does not believe that it will, incur debts or liabilities beyond its ability to pay as such debts and liabilities mature, and (e) the Additional Borrower is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which its property would constitute unreasonably small capital.

(iv) JSL and Additional Borrower agree that the applicable JSL Loan Documents shall be joint and several obligations of such parties in consideration of the financial accommodation to be provided by Lender hereunder for the mutual benefit, directly and indirectly, of each of such Borrowers and in consideration of the undertakings of each of JSL and Additional Borrower to accept joint and several liability for the obligations of each of them thereunder. Each of JSL and Additional Borrower, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a co-debtor, joint and several liability with the other with respect to the payment and performance of all of the obligations arising under the JSL Loan Documents and all related documents, it being the intention of the parties hereto that all such obligations shall be the joint and several obligations of each of JSL and Additional Borrower without preferences or distinction among them. JSL and Additional Borrower, jointly and severally, irrevocably, absolutely and unconditionally guarantee(s) prompt payment of all obligations under JSL Loan and any document executed in connection therewith in full when due, whether by acceleration or otherwise, and waive(s) any right to require that any action be brought against the other or any guarantor of such obligations and any right to require that resort be had to any security for payment of the such obligations and waive(s) any other defenses available to a surety or guarantor under applicable law. Each of JSL and Additional Borrower shall be liable under the JSL Loan and related documents for the maximum amount of such liability that can be incurred without rendering this Agreement or any such related document, as they relate to such Borrower, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount.

(b) **Extension of the Maturity Date of the JSL Loan/ Conversion to Term Loan / Other Loans.**

(i) Lender and Borrowers agree that the Maturity Date for the JSL Loan shall hereby be amended to be August 31, 2012. All references in the JSL Loan Documents to "Maturity Date" or words of similar import shall now mean August 31, 2012. Borrowers agree that the JSL Loan, together with all obligations under the JSL Loan Documents, shall be due and payable on August 31, 2012, or such earlier date that the Loans and all related obligations shall be due and payable by acceleration or otherwise, subject to no extensions.

(ii) Upon the effectiveness of the Agreement and the Amended JSL Note (defined below), the JSL Loan shall be converted into a term loan and no further advances shall be required or

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made thereunder. The entire outstanding principal balance of the JSL Loan shall be deemed outstanding under the Amended JSL Note on the effective date thereof.

(iii) Lender and Borrowers agree that all obligations under the Mary Barb Loan and the FP Loan shall be due and payable at the current maturity date set forth in the applicable Loan Documents, or such earlier date that such Loans and all related obligations shall be due and payable by acceleration or otherwise, including under cross- default with the JSL Loan, subject to no extensions. Mary Barb and FP shall continue to be obligated to pay monthly payments required under the Mary Barb Note, and the FP Note, respectively.

(c) **Amendment of the Note.** The JSL Note shall be amended and restated by that certain Amended and Restated Promissory Note of even date herewith executed by JSL and R&B (the "Amended JSL Note") in the principal amount of \$900,000.00. As of the date hereof, the Amended JSL Note amends, restates and replaces the JSL Note and is not a repayment or novation of the JSL Note. All references in any and all JSL Loan Documents to the "Note" or words of similar import shall now mean the Amended JSL Note and any reference in the other Loan Documents to the JSL Note shall now mean the Amended JSL Note. Notwithstanding any other provision of the Loan Documents, the principal and interest payments and interest rate applicable to the JSL Loan shall be as set forth in the Amended JSL Note.

(d) **Borrowing Base JSL Loan.** (i) Each monthly Borrowing Base certificate required under the JSL Loan Agreement shall now report a calculation of Eligible Accounts for each of JSL and R&B and a combined Borrowing Base amount for both of such Borrowers. The definition of "Borrowing Base" in the JSL Loan Agreement is hereby deleted and the following is substituted therefor:

Borrowing Base. The words "Borrowing Base" mean, as determined by Lender from time to time, the lesser of (1) \$900,000.00 (which shall be reduced by each principal reduction of the Loan) or (2) 75% of the aggregate amount of eligible Accounts.

(ii) The section entitled "Line of Credit" on the first page of the JSL Loan Agreement is hereby deleted in its entirety. Borrowers agree that hereafter in the event the outstanding principal balance of the JSL Loan exceeds the combined Borrowing Base amount, the JSL and R&B shall, without notice or demand of any kind, immediately make such repayments of JSL Loan or take such other actions as are satisfactory to the Lender as shall be necessary to eliminate such excess; **provided** that Borrowers agree that any such repayment applied to principal of the JSL Loan and each other payment of principal on the JSL Loan shall be a permanent reduction of the principal amount of JSL Loan and cannot be reborrowed.

(iii) The definition of "Eligible Accounts" in the JSL Loan Agreement is hereby amended by adding in proper numerical order the following:

(13) Accounts owing by an Account Debtor which shall have failed to pay in full any invoice evidencing any Account within ninety (90) days after the date of such invoice, unless the total invoice amounts of such Account Debtor which have not been paid within

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ninety (90) days of the date of such invoice represent less than twenty-five percent (25%) of the total invoice amounts then outstanding of such Account Debtor.

(e) **Financial Covenants.** Borrowers agree that the Debt Service Coverage Ratio and Maximum Leverage Ratio financial covenants continued on page 4 of the JSL Loan Agreement shall both be calculated on a consolidated basis including JSL, FP, R&B and Mary Barb.

(f) **Indebtedness and Liens.** The negative covenant on page 5 of the JSL Loan Agreement entitled "**Indebtedness and Liens**" is hereby amended by adding the following at the end thereof:

, provided that Borrower may grant liens that constitute purchase money security interests on any property securing indebtedness not to exceed an aggregate limit of \$100,000.00 at any time incurred for the purpose of financing all or any part of the cost of acquiring such property so long as any and all such liens attach solely to the property so acquired and, in each case, all other requirements of Article 9 of the Illinois Uniform Commercial Code with respect to purchase money security interests are satisfied with respect thereto.

(g) **Litigation and Claims.** The following cases filed in the Circuit Court of Cook County, IL are excepted from the representation and warranty on page 3 of the JSL Loan Agreement regarding Litigation and Claims and the FJ Kerrigan Plumbing Co. mechanics lien case is hereby accepted as a Permitted Lien: (i) Rog Jan v. Designed Acq's et. al. case no. 2010- L 005200 and (ii) FJ Kerrigan Plumbing Co. v Cook County, et. al. case no. 2011- CH 21812.

(h) **Cross-Collateral and Cross-Default.** Each Borrower and the Trust agrees that the Property and all the personal property of each of the Borrowers pledged as collateral to the Lender under the Loan Documents, as well as any additional property, accounts, receivables, equipment or monies, pledged by any Borrower or any Guarantor to the Lender pursuant to the terms of this Agreement and related documents (all such personal property and the Property, collectively the "Collateral"), including the R&B Security Agreement, shall be collateral for all the Loans and such cross-collateralization is granted, in part, in consideration of the Lender's agreements hereunder. A default by one or more Borrowers under their respective Loan(s) shall be deemed an event of default under the terms of all the other Loans and shall afford the Lender the right to pursue one or more remedies against all of the Borrowers, the Trust, the Guarantor and the Collateral, as Lender deems reasonable and necessary.

(i) **Lawsuit Covenants and Representations.** (i) JSL, as plaintiff, has filed actions in the Circuit Court of Cook County, Illinois and Circuit Court of Lake County, Illinois (together "Court") entitled J.S.L. Masonry Restoration, Inc. , an Illinois corporation v. Landmark Construction, Inc, an Illinois corporation, et. al. ("Defendants"), Case No. 11 CH 3622 and J.S.L. Masonry Restoration, Inc. , an Illinois corporation v. Landmark Construction, Inc, an Illinois corporation, et. al., Case No. 11 CH 43179 (together, the "Lawsuit"). JSL represents and warrants to Lender that (i) it is the plaintiff in said Lawsuit and the Lawsuit is currently pending and has not been dismissed or settled, (ii) the Lawsuit are actions to foreclose mechanic's liens and for other relief and constitute personal property collateral which is subject to Article 9 of the Illinois Uniform Commercial Code (the "UCC"), (iii) JSL shall diligently prosecute the Lawsuit and shall promptly provide to Lender (a) copies of all notices, pleadings, orders and filings in connection with the Lawsuit and (b) a summary of all material developments, meetings, settlement conferences, etc. which occur in connection with the Lawsuit, (iv) JSL shall not dismiss the Lawsuit, settle the Lawsuit or release or otherwise compromise the related mechanic's liens claims without the prior written consent of the Lender, (v) upon any dismissal, settlement or other final adjudication of the Lawsuit, all amounts outstanding under the Loans shall be immediately due and

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payable, (vi) if any funds are derived from any settlement of the Lawsuit or an award or judgment is entered in favor of JSL in connection with the Lawsuit, Lender shall have an immediate perfected interest in said funds to the extent of the amounts outstanding under the Loans and prior to any funds from any settlement, award or judgment being paid to any person, party or entity, such funds as is necessary to repay in full all amounts due Lender in connection with the Loans shall be paid to Lender and (vii) no filing with the Court or any other authority is required to grant the Lender a security interest in the Lawsuit or perfect same, except the filing of a UCC-1 financing statement with the Illinois Secretary of State and there is no requirement of notice to the Court or any other third party of the filing of the financing statement, which filing need not specifically identify the Lawsuit. JSL further agrees that it shall not discharge the attorneys currently representing JSL in the Lawsuit as of the date of this Agreement without first providing Lender with prior written notice prior to the discharge of the attorneys and evidence that new attorneys, reasonably satisfactory to Lender, have been retained by JSL.

(ii) The Collateral Assignments (defined below) shall be executed in conjunction herewith and held by Lender as additional collateral for the Loans. The Collateral Assignments shall be recorded by Lender upon the occurrence of an Event of Default. Borrowers hereby agree to provide written notice to the Lender of any settlement offers for all or part of the Lawsuit and authorize the Lender or its counsel to request and receive status reports from Borrower's Lawsuit counsel while not abrogating the attorney-client or work product privilege for same.

(j) **Events of Default.** (i) The terms "default" and "Event of Default" under the Loan Documents shall include (1) any Borrower, Trust or any Guarantor failing to comply with or perform any term, obligation, covenant or condition contained in any Loan Document, including this Agreement, or in any other agreement between any Borrower and Lender, Trust and Lender or any Guarantor and Lender (2) if any warranty, representation or statement made or furnished to Lender by any Borrower or Guarantor under this Agreement is false or misleading in any respect either now or at the time made or furnished or becomes false or misleading at any time thereafter and (3) if JSL, without the prior written consent of Lender, dismisses the Lawsuit or if JSL settles the Lawsuit or obtains an award or judgment in its favor arising out of the Lawsuit and thereafter fails to immediately satisfy in full all amounts outstanding under the Loans. A default under any Loan Document, including this Agreement, shall, at the option of Lender, constitute a default under the other Loan Documents.

(ii) The clause entitled "Right to Cure" on page 6 of the JSL Loan Agreement is hereby deleted in its entirety.

2. **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 and that the Guarantor remains liable to Lender for all amounts due in connection with the Notes. 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.

3. **Continuing Validity.** Except as expressly modified above, the terms of the original Mortgage and the other Loan Documents shall remain unchanged and in full force and effect and are legally valid, binding, and enforceable in accordance with their respective terms. Consent by Lender to this Agreement does not waive Lender's rights to require strict performance of the Mortgage (as amended

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above) nor obligate Lender to make any future modifications. Nothing in this Agreement shall constitute a satisfaction of the promissory notes or other credit agreement secured by the Mortgage. It is the intention of Lender to retain as liable all parties to the Mortgage and all parties, makers and endorsers to the Notes, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Agreement. If any person who signed the original Mortgage does not sign this Agreement, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension or modification, but also to all such subsequent actions.

4. **Estoppel / Release.** Each Borrower, the Trust and each Guarantor represents and warrants that Lender has duly performed or otherwise met all its duties and obligations under the Loan Documents or otherwise owed to such Borrower, the Trust and/or such Guarantor, and that there are no claims, causes of action, suits, debts, liens, obligations, liabilities, demands, losses, defenses, offsets, costs or expenses (including attorneys' fees) of any kind, character or nature whatsoever, vested or contingent, at law, in equity or otherwise (collectively, "Claims"), which such Borrower, the Trust or such Guarantor has or claims to have against Lender, arising out of or connected with any act or omission of Lender existing or occurring on or prior to the date of this Agreement, including without limitation, any claims, liabilities or undischarged obligations of Lender with respect to the indebtedness evidenced by the Loan Documents. Each Borrower, the Trust and each Guarantor releases, waives and forever discharges and relieves Lender and all its parents, subsidiaries and affiliates and the officers, directors, agents, attorneys and employees of each (hereinafter "Releasees") from any and all Claims, which such Borrower, the Trust or such Guarantor ever had, now has, or which may result from the past or present state of things, against or related to Releasees. Each Borrower, the Trust and each Guarantor agrees to assume the risk of releasing any and all unknown, unanticipated or misunderstood Claims hereby.

5. **Representations and Warranties of Borrowers, Trust and Guarantor.** Borrowers, the Trust and Guarantor hereby represent, covenant and warrant to Lender as follows:

- (a) Except for the Existing Defaults, the representations and warranties in the Notes, 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 Loan Documents) under the Notes, the Mortgage or the other Loan Documents except the Existing Defaults and none of the Borrowers, the Trust or Guarantor 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 Notes, the Mortgage or the other Loan Documents except the Existing Defaults.
- (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, the Trust and Guarantor, as applicable, enforceable in accordance with their respective terms, subject to limitations imposed by general principles of equity.
- (d) As of the date hereof, none of Borrowers, the Trust or Guarantor have any claims, counterclaims, defenses, or set-offs with respect to the Loans or the Loan Documents, as modified herein and pursuant hereto.

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(e) The execution and delivery of this Agreement and all related documents and the performance of the Loan Documents, as modified herein, have been duly authorized by all requisite action by or on behalf of Borrowers, the Trust and Guarantor. This Agreement and all related documents have been duly executed and delivered on behalf of Borrowers, the Trust and Guarantor, as applicable, and are the legal, valid and binding obligations of Borrowers, Trust and Guarantor, as applicable, enforceable in accordance with their terms.

6. **Title Policy.** As a condition precedent to the effectiveness of the agreements of Lender contained herein, Lender shall, at Borrowers' sole cost and expense, cause the applicable tile company ("Title Company") to issue an endorsement to Lender's title insurance policy (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.

7. **Conditions Precedent.** As further conditions precedent to the effectiveness of the agreements of Lender contained herein:

a. Lender shall have received an original or counterpart of this Agreement duly executed by Borrowers and Guarantor and the Amended JSL Note duly executed by JSL and R&B.

b. Lender shall have received resolutions of each Borrower's shareholders and directors approving execution of this Agreement and related matters, in form and content satisfactory to Lender and its attorneys.

c. Lender shall have received a Security Agreement (the "R&B Security Agreement") duly executed by R&B in form and content satisfactory to Lender and its attorneys, and Lender shall have a perfected first priority security interest in the all personal property of R&B.

d. Lender shall have received a Continuing Security Agreement (the "Mechanics Lien Security Agreement") related to the Lawsuit and related collateral assignments of mechanic's liens ("Collateral Assignments") filed against Landmark Construction and Archdiocese of Chicago and the other Defendants, each duly executed by JSL, in form and content satisfactory to Lender and its attorneys, and Lender shall have a perfected first priority security interest in such Mechanics Liens and the Lawsuit.

e. Lender shall have received a letter of direction to the Trust duly executed by the beneficiaries of the Trust, in form and content satisfactory to Lender and its attorneys, and the Collateral Assignment Under Land Trust and Security Agreement Under Land Trust, duly executed by the beneficiaries of the Trust, in form and content satisfactory to Lender and its attorneys

f. **Borrowers shall make a payment to Lender of the March 31, 2012 and April 30, 2012 monthly payments past due under the Amended JSL Note.**

g. Lender shall have received a payoff letter and UCC-3 termination (or authorization to prepare and file same) from McCann Industries, in form and content satisfactory to Lender and its attorneys

h. Lender shall have received such other certificates, financial statements, schedules, resolutions and other documents which Lender shall require.

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8. 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 Borrowers, the Trust or Guarantor merely by virtue of the fact that the same has been prepared by counsel for Lender, it being recognized that Borrowers, the Trust, Guarantor and Lender have contributed substantially and materially to the preparation of this Agreement, and Borrowers, the Trust, Guarantor and Lender each acknowledge and waive any claim contesting the existence and the adequacy of the consideration given by the other in entering into this Agreement. Each of 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 Borrowers, the Trust or Guarantor nor shall privity of contract be presumed to have been established with any third party.

(d) Borrowers, the Trust, 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 Borrowers, the Trust, 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 and related documents, the terms of the Loan Documents are and remain unmodified and in full force and effect. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by, unenforceable or invalid under any jurisdiction, such provision shall as to such jurisdiction, be severable and be ineffective to the extent of such prohibition or invalidity, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

(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 any "Note", the "Mortgage", or the "Loan Documents" contained in any of the Loan Documents shall be deemed to refer to the applicable Note, the applicable Mortgage, and the other Loan Documents as amended hereby and related documents. 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.

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(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 Guarantor's and each Borrower's obligations under this Agreement.

[SIGNATURE PAGES ATTACHED]

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IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement dated as of the day and year first above written.

BORROWERS
and GUARANTOR:


J.S.L. Masonry Restoration, Inc, an Illinois corporation

By: 
Name: Mary LaRose
Title: President


R & B ACOUSTICS AND SPECIALTY CEILINGS, INC., an Illinois corporation

By: 
Name: Mark LaRose
Title: President

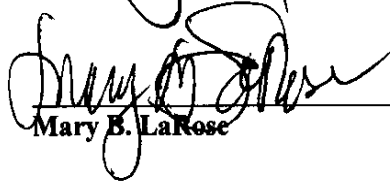
Mary Bart, Inc, an Illinois corporation

By: 
Name: Mary LaRose
Title: President

F.P. Franklin, Inc, an Illinois corporation

By: 
Name: Mark LaRose
Title: President:


Mark S. LaRose

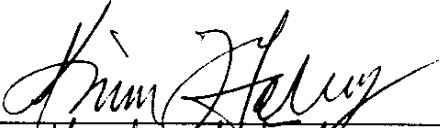

Mary B. LaRose

Property of Cook County Clerk's Office

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LENDER:

Northbrook Bank & Trust Company

By: 
 Name: Kevin J. Falby
 Title: Vice President

Agreed:

**The Chicago Trust Company as successor
 to First Chicago Bank & Trust, as trustee
 under Trust Agreement dated June 24, 2008
 and known as Trust No. 1217-B**

By: 
 Name: Linda J. Pitrowski
 Title: Assistant Vice President

SEE RIDER ATTACHED TO AND MADE A PART OF

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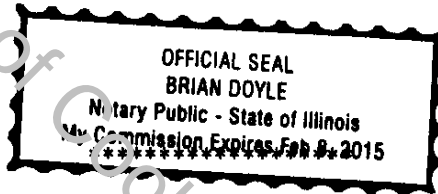
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Brian Doyle, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Kevin Foley, Vice president of **Northbrook Bank**, known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, 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 such bank, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24 day of May, 2012.

Brian Doyle
Notary Public

My Commission Expires:
2/8/15



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, LILLIAN A. DRAEGER, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Mark LaRose, individually and as president of **R & B Acoustics and Specialty Ceilings, Inc** 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 acknowledged that they signed and delivered the said instrument as his own free and voluntary act, and as the free and voluntary act of such company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24th day of may, 2012.

Lillian A. Draeger
Notary Public

My Commission Expires:
2/27/2013



UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

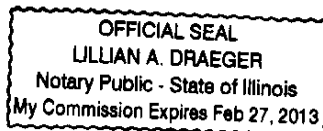
I, LILLIAN A. DRAEGER, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Mary LaRose, individually and as president of **J.S.L. Masonry Restoration, Inc.**, and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, and as the free and voluntary act of such company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24th day of MAY, 2012.

Lillian A. Draeger
Notary Public

My Commission Expires:

2/27/2013



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

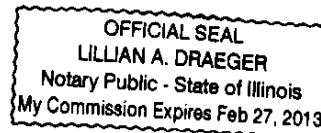
I, LILLIAN A. DRAEGER, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Mary LaRose, individually and as president of **Mary Barb, Inc.**, and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, and as the free and voluntary act of such company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24th day of MAY, 2012.

Lillian A. Draeger
Notary Public

My Commission Expires:

2/27/2013



STATE OF ILLINOIS)

UNOFFICIAL COPY

COUNTY OF COOK) SS.
)

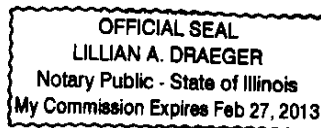
I, LILLIAN A. DRAEGER, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Mark LaRose, individually and as president of **F.P. Franklin, Inc.**, and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, and as the free and voluntary act of such company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24th day of MAY, 2012.

Lillian A. Draeger
Notary Public

My Commission Expires:

2/27/2013



Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS.
COUNTY OF Cook)

I, Undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Linda J. Pitrowski, as A.V.P. of The Chicago Trust Company as successor to First Chicago Bank & Trust, as trustee under Trust Agreement dated June 24, 2008 and known as Trust No. 1217-B 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 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 such trust, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 31 day of May , 2012.

Irene Borachuk
Notary Public

My Commission Expires:



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EXHIBIT A

LEGAL DESCRIPTION

LOT 66 IN BRITIGANS ARMITAGE AVENUE SUBDIVISION OF THE NORTHWEST 1/4 OF SECTION 31, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

Property Address: 1915 N. Neva, Chicago, Illinois 60707

PIN: 13-31-301-022-0000

Property of Cook County Clerk's Office

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EXHIBIT B

LEGAL DESCRIPTION

LOTS 47 AND 48 IN BLOCK 11 IN WEEKS SUBDIVISION OF ALL OF BLOCKS 14, 15, 17 AND PART OF BLOCKS 10, 11, 12 AND 13 LYING EAST OF THE WISCONSIN CENTRAL RAILROAD IN RIVER PARK SUBDIVISION IN SECTION 27, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property Address: 9245 Parklane Avenue, Franklin Park, Illinois 60131

PIN(s): 12-27-118-004-0000 & 12-27-118-005-0000

Property of Cook County Clerk's Office

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EXHIBIT C

LEGAL DESCRIPTION

LOTS 1 AND 2 IN BLOCK 55 IN THIRD ADDITION TO FRANKLIN PARK IN SECTION 21, TOWNSHIP 40 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property Address: 10201 Franklin Avenue, Franklin Park, Illinois 60131

PIN(s): 12-21-317-010 & 12-21-317-011

Property of Cook County Clerk's Office

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MORTGAGE EXONERATION RIDER

This Mortgage is executed by **THE CHICAGO TRUST COMPANY, N.A. Successor Trustee to First Chicago Bank and Trust** not personally, but as trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said **THE CHICAGO TRUST COMPANY, N.A. Successor Trustee to First Chicago Bank and Trust** hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said Note contained shall be construed as creating any liability on the said Trustee or on said **THE CHICAGO TRUST COMPANY, N.A. Successor Trustee to First Chicago Bank and Trust** personally to pay the said Note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, or on account of any warranty or indemnification made hereunder, or such liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as the Trustee and its successors and **THE CHICAGO TRUST COMPANY, N.A. Successor Trustee to First Chicago Bank and Trust** personally are concerned, the legal holder or holders of said Note and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby conveyed for the payment thereof, by the enforcement of the lien hereby created, in the manner herein and in said Note provided or by action to enforce the personal liability of the guarantor, if any.

THE CHICAGO TRUST COMPANY,
N.A. Successor Trustee to First Chicago
Bank and Trust as Trustee under Trust
Agreement dated 06/24/2008 and known
As Trust No 1217-B

By: 

Assistant Vice President

Office