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RHSP Fee: \$9.00 RPRF Fee: \$1.00  
Karen A. Yarbrough  
Cook County Recorder of Deeds  
Date: 07/01/2013 03:24 PM Pg: 1 of 10

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THIS INSTRUMENT PREPARED BY  
AND WHEN RECORDED RETURN TO:

Randall Johnson, Esq.  
City of Chicago Department of Law  
121 North LaSalle Street, Room 600  
Chicago, Illinois 60602

## FIRST AMENDMENT TO CITY LOAN DOCUMENTS

This First Amendment to City Loan Agreement (this "**Amendment**") is made in Chicago, Illinois on June 21, 2013 (the "**Closing Date**"), by and among the City of Chicago, an Illinois municipal corporation (the "**City**"), by and through its Department of Housing and Economic Development ("**HED**") and Diversey Neighborhood Development Corporation, an Illinois not-for-profit corporation (the "**Borrower**").

## RECITALS

A. The City Council of the City authorized a loan to the Borrower for the acquisition and rehabilitation of a building located at 712 West Diversey Parkway, in Chicago, Illinois, as more fully described in Exhibit A (together, the "**Property**") in the principal amount of \$1,073,955 (the "**City Loan**").

B. The City made the City Loan to the Borrower on or about December 23, 1996. The City Loan is evidenced by that certain Housing Loan Agreement (the "**City Loan Agreement**"), dated as of December 23, 1996, secured by, among other things, that certain Junior Mortgage, Security Agreement and Financing Statement, dated as of

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December 23, 1996, executed by the Borrower in favor of the City (the "**City Mortgage**"), and recorded in the Office of the Cook County Recorder of Deeds as Document No. 96965719 and further evidenced by that certain Note dated as of December 23, 1996, made by the Borrower in favor of the City in the original principal amount of the Loan (the "**City Note**"). The City Loan Agreement, the City Mortgage, the City Note, and any other documents executed in connection with the Loan are collectively referred to herein as the "**Financing Documents.**"

C. The City Mortgage is subordinate to that certain Mortgage (the "**Original Senior Mortgage**"), dated as of December 23, 1996, securing an indebtedness in the amount of \$340,000, made by the Borrower in favor of LaSalle Bank, N.A., an Illinois banking corporation and evidenced by that certain Mortgage Note made payable by the Borrower to the order of Original Senior Mortgagee dated as of December 23, 1996 (the "**Original Senior Loan**").

D. The Original Senior Loan has been replaced by a loan in the original amount of \$800,000 (the "**Current Senior Loan**") made by The Equitable Life Assurance Society of the United States (the "**Original Senior Mortgagee**") secured by that certain Mortgage, Security Agreement and Fixture Filing (the "**Current Senior Mortgage**"), dated as of March 10, 1998 currently in favor of U.S. Bank National Association, a national banking association (the "**Current Senior Mortgagee**" or "**US Bank**") and evidenced by that certain Mortgage Note (the "**Current Senior Note**") made payable by the Borrower to the order of Original Senior Mortgagee and dated as of March 10, 1998. As of the Closing Date, the Borrower procured an extension on the Current Senior Loan Maturity Date to April 1, 2013 (the "**New Senior Maturity Date**") pursuant to the terms and conditions set forth in that certain Loan Modification Agreement of even date herewith by and between Borrower and Current Senior Mortgagee (the "**Senior Amendment**"). As of the Closing Date, the Current Senior Loan has a remaining unpaid principal amount of \$204,759.59 (the "**Current Senior Balance**"). Upon execution of this Amendment and the Senior Amendment, Borrower will make certain payments set forth in the Senior Amendment will reduce the balance of the Current Senior Loan to approximately \$186,684.00.

E. Current Senior Mortgagee has agreed to extend the term of the Current Senior Loan to the New Senior Maturity Date. The Borrower desires to restructure the Current Senior Loan (the "**New Senior Loan**") and has requested that HED approve a proposed restructuring of the City Loan to accommodate the request to restructure the City Loan.

H. The City Council, pursuant to an ordinance enacted on June 5, 2013, has approved a restructuring of the City Loan in a manner which (1) will not alter the principal amount of the City Loan, (2) may alter the interest rate on the principal balance of the City Loan, (3) will extend the maturity date of the City Loan, (4) will subordinate the lien of the Mortgage to the lien of the New Senior Mortgage (collectively, the "**Restructuring**").

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**NOW THEREFORE**, in consideration of the mutual covenants and agreements hereinafter contained, the Recitals which are made a contractual part of this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## AGREEMENTS

**Section 1.** The City and the Borrower agree that the City Loan Documents are hereby modified as follows:

**1.1.** This Amendment shall be included in the definition of the term “**Loan Documents**” as set forth in the City Loan Agreement.

**1.2.** Commencing on the date hereof, the repayment terms of the City Loan Agreement and the Note shall be and are hereby amended to require that the Borrower repay the City Loan as follows:

“The entire remaining principal balance, together with interest thereon, and any other sums due under any of the Loan Documents, shall be due and payable in full on the earliest (the “**Maturity Date**”) of: (i) the date on which all outstanding principal of and accrued and unpaid interest on the New Senior Loan shall be due and payable in full; (ii) the date of the sale or refinancing of the Premises; (iii) June 23, 2016; (iv) the date on which all outstanding principal of and accrued and unpaid interest on the Junior Loan shall be due and payable or (v) the date as of which the principal of and interest on the Loan may become due and payable because of acceleration or prepayment as provided in any of the Loan Documents.”

**Section 2.** Except as specifically modified by this Amendment, the Borrower hereby represents, warrants and confirms to the City that:

**2.1.** All the City Loan Documents and the obligations of the Borrower thereunder remain in full force and effect, are hereby ratified and confirmed, and may be enforced against the Borrower in accordance with their terms by the City against the Borrower and the Property;

**2.2.** All representations, warranties, certifications, statements, affidavits and other items heretofore made or furnished to the City by or on behalf of the Borrower, in connection with the City Loan Documents were true, accurate and complete as of the date made or furnished to the City, and continue to be true, accurate and complete as if furnished or made by or with respect to the Borrower as of the date hereof;

**2.3.** The Borrower acknowledge and warrant to the City that they claim no

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defense, right of offset or counterclaim against enforcement of the City Loan Documents (as modified by this Amendment) and have no other claim against the City;

**2.4.** Any Event of Default under any of the City Loan Documents will be or has been cured to the satisfaction of the City as of the date hereof; and

**2.5.** The execution, delivery and performance of this Amendment and the consummation of the transactions hereby contemplated will not conflict with any law, statute or regulation to which the Borrower, or the Property is subject.

**Section 3.** The Parties hereto acknowledge and agree that this Amendment does not constitute a novation of the existing indebtedness under the City Loan, but is intended to be an amendment and modification of the City Loan Documents. Except as amended hereby, the provisions of the City 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. The City Mortgage, the City Loan Documents and any and all renewals, modifications, extensions or advances thereunder or secured thereby (including interest thereon), unconditionally do and will remain at all times a lien, claim or charge on the Property.

**Section 4.** The Borrower: (i) is represented by independent legal counsel of their respective choice in the transactions contemplated by this Amendment; (ii) is fully aware and clearly understands all the terms contained in this Amendment; (iii) has voluntarily, with full knowledge and without coercion or duress of any kind, entered into this Amendment; (iv) is not relying on any representation, either written or oral, express or implied, made by the City other than as set forth in this Amendment; (v) on its own initiative has made proposals to the City, the terms of which are reflected by this Amendment; and (vi) has received actual and adequate consideration to enter into this Amendment.

**Section 5.** In the event of a conflict or inconsistency between the provisions of the Mortgage, the Note or any of the other City Loan Documents and the provisions of this Amendment, the provisions of this Amendment shall govern and control.

**Section 6.** This Amendment shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns; provided, however, that the Borrower may not assign this Amendment or its rights and obligations under the Financing Documents without the prior written consent of the City.

**Section 7.** This Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute a single agreement.

**Section 8.** This Amendment shall be governed by and construed in

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accordance with the internal laws of the State of Illinois without regard to its conflict of laws principles.

**Section 9.** If any provision of this Amendment is determined by a court having jurisdiction to be illegal, invalid or unenforceable under any present or future law, the remainder of this Amendment will not be affected thereby. It is the intention of the Parties that if any provision is so held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible that is legal, valid and enforceable.

**Section 10.** Neither this Amendment nor any of the provisions hereof can be changed, waived, discharged or terminated, except by an instrument in writing signed by all Parties to this Amendment.

**Section 11.** No waiver of any action or default will be implied from the failure or delay by the City to take any action in respect of such action or default. No express waiver of any condition precedent or default will affect any other default or extend any period of time for performance other than as specified in such express waiver. One or more waivers of any default in the performance of any provision of this Amendment or of the City Loan Documents will not be deemed a waiver of any subsequent default in the performance of the same provision or any other provision. The consent to or approval of any act or request by any party will not be deemed to waive or render unnecessary the consent to or approval of any subsequent similar act or request.

**Section 12.** The Borrower expressly agrees that no member, official, employee or agent of the City shall be individually or personally liable to the Borrower, or any of their successors or assigns, in the event of any default or breach by the City under this Amendment.


**Section 13.** This Amendment shall be recorded against the Property in the Office of the Cook County Recorder of Deeds at the expense of the Borrower.

*[The remainder of this page is intentionally left blank  
and the signature page follows.]*

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**IN WITNESS WHEREOF**, the undersigned have executed this First Amendment to Loan Documents as of the date first written above.

**CITY OF CHICAGO**, acting by and through its  
Department of Housing and Economic Development

By:  \_\_\_\_\_  
Andrew J. Modney  
Commissioner

**DIVERSEY NEIGHBORHOOD DEVELOPMENT CORPORATION**,  
an Illinois not-for-profit corporation

By: \_\_\_\_\_  
Michael Goldberg  
Secretary

Property of Cook County Clerk's Office

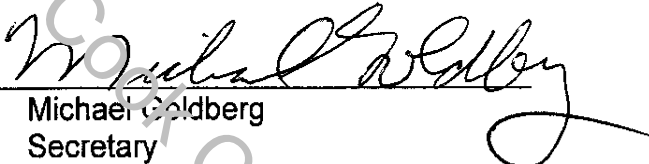
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**IN WITNESS WHEREOF**, the undersigned have executed this First Amendment to Loan Documents as of the date first written above.

**CITY OF CHICAGO**, acting by and through its  
Department of Housing and Economic Development

By: \_\_\_\_\_  
Andrew J. Mooney  
Commissioner

**DIVERSEY NEIGHBORHOOD DEVELOPMENT CORPORATION**,  
an Illinois not-for-profit corporation

By:   
Michael Goldberg  
Secretary

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 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 said City, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this June 21<sup>st</sup>, 2013.

*Patricia Sulewski*  
 \_\_\_\_\_  
 Notary Public

(SEAL)






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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 Michael Goldberg, personally known to me to be the Secretary of Diversey Neighborhood Development Corporation, an Illinois not-for-profit corporation (the "**Borrower**") 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 Secretary, 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 said Borrower, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this June 21, 2013.

(SEAL)

  
Notary Public



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## EXHIBIT A

### Legal Description

THE EAST ONE FOOT OF LOT 20 AND ALL OF LOTS 21,22 AND 23 IN WARNERS SUBDIVISION OF LOTS 17 AND 18 IN BICKERDIKE AND STEELE'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PROPERTY INDEX NUMBER: 14-28-115-042-0000  
COMMONLY KNOWN AS 712 W. DIVERSEY, CHICAGO, ILLINOIS 60614

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