

WHEN RECORDED, RETURN TO:

Cassin & Cassin LLP
711 Third Avenue, 20th Floor
New York, New York 10017
Attn: Recording Department

FHLMC# 940975807

County: Cook

**FIRST AMENDMENT TO CROSS-COLLATERALIZATION AGREEMENT
AND AMENDMENT TO SECURITY INSTRUMENT**

THIS FIRST AMENDMENT TO CROSS-COLLATERALIZATION AGREEMENT AND AMENDMENT TO SECURITY INSTRUMENT (this "Amendment") is made as of the 1st day of August, 2013 by **FEDERAL HOME LOAN MORTGAGE CORPORATION**, a corporation organized and existing under the laws of the United States of America ("**Lender**"), and **AMERICAN HERITAGE INVESTMENT II LLC**, an Illinois limited liability company ("**Borrower**").

RECITALS

A. Lender is the current holder of the promissory note evidencing a loan made by Wells Fargo Bank, N.A., a national banking association ("**Original Lender**"), to Borrower in the original principal amount of **\$3,300,000.00** (the "**Loan**"). The Loan is secured by a Multifamily Mortgage, Assignment of Rents and Security Agreement dated as of March 10, 2008, and recorded in the Official Records of Cook County, Illinois (the "**Land Records**") on March 12, 2008 as Document No. 0807211039 (the "**Instrument**"), as amended by a Cross-Collateralization Agreement and Amendment to Security Instrument dated as of March 10, 2008, and recorded in the Land Records on March 12, 2008 as Document No. 0807211040 (the "**Original Cross Collateralization Agreement**") upon real property identified in Exhibit A hereto and other property included within the definition of "Mortgaged Property" in the Instrument and constituting or related to a residential multifamily apartment project known as 4304 North Sheridan Road Apartments, located at 4304-12 North Sheridan Road, Chicago,

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Illinois. Original Lender sold, assigned and transferred all of its right, title and interest in and to the Instrument and Original Cross Collateralization Agreement and the related loan documents to Lender.

B. Borrower has requested that pursuant to Section 14 of the Original Cross Collateralization Agreement, Lender consent to the release of the following Mortgaged Properties: (i) 816 West Waveland Avenue Apartments, located at 816-820 West Waveland Avenue, Chicago, Illinois, (ii) 947 West Cornelia Avenue Apartments, 947-55 West Cornelia Avenue, Chicago, Illinois, and (iii) 4631 North Paulina Street Apartments, 4631 North Paulina Street, Chicago, Illinois (collectively, the "**Released Properties**").

C. Borrower acknowledges that a condition of Lender's permitting the release of the Released Properties, Borrower and Lender shall enter into this Amendment to satisfy such condition.

D. NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender hereby agree as follows:

1. Amendment of Original Cross-Collateralization Agreement.

- a) Section 14(b)(iii)(B) of the Original Cross-Collateralization Agreement is hereby amended by deleting the following language in its entirety and replacing with the following:

“(B) A release price (the "**Release Price**") equal to fifteen percent (15%) of the outstanding principal balance of the Indebtedness immediately prior to the payment required in clause (A). The Release Price will be applied by Lender as a prepayment of one or more of the Related Loans (each, a "**Prepaid Loan**"), in such amount and allocation as the Lender may determine in its discretion.”

- b) Table 1, attached to and made a part of the Original Cross-Collateralization Agreement is hereby deleted in its entirety and replaced with Table 1, attached hereto and made a part hereof.

2. Miscellaneous.

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- a) This Amendment will be binding upon and will inure to the benefit of the parties to this Amendment and their respective heirs, successors and permitted assigns.
- b) Except as expressly modified by this Amendment, the Original Cross-Collateralization Agreement, the Instrument and all other Loan Documents will be unchanged and remain in full force and effect, and are hereby expressly approved, ratified and confirmed. No provision of this Amendment that is held to be inoperative, unenforceable or invalid will affect the remaining provisions, and to this end all provisions of this Amendment are declared to be severable.
- c) Time is of the essence of this Amendment.
- d) The Original Cross-Collateralization Agreement, as amended by this Amendment, may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.
- e) This Amendment will be construed in accordance with the laws of the jurisdiction in which the Property is located.
- f) This Amendment may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same document.

3. Ratification of Guaranty.

By signing the Acknowledgment and Consent to this Agreement where indicated below, the undersigned Guarantor:

- a) ratifies the guaranty under which it guaranteed payments of certain amounts under the Loan Documents (the "**Guaranty**"); and
- b) acknowledges and consents to the terms of this Amendment and agrees that, except as set forth herein, the execution and delivery of this Amendment shall in no way alter, diminish or otherwise modify the terms of Guarantor's obligations under the Guaranty.

4. Executed Originals.

An executed original of this Amendment will be recorded in the Land Records as a modification to the Original Cross-Collateralization Agreement and the Instrument.

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ATTACHED EXHIBIT AND TABLE. The following Exhibit and Table are attached to and made a part of this Amendment:

- | | | |
|-------------------------------------|-----------|---|
| <input checked="" type="checkbox"/> | Exhibit A | Legal Description of the Land |
| <input checked="" type="checkbox"/> | Table 1 | Related Loans, Related Borrowers and Related Properties |

Property of Cook County Clerk's Office

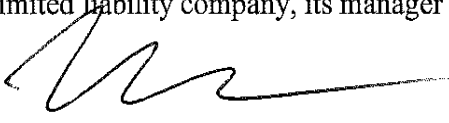
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[SIGNATURE PAGE TO AMENDMENT TO CROSS-COLLATERALIZATION AGREEMENT]

BORROWER:

AMERICAN HERITAGE INVESTMENT II LLC, an Illinois limited liability company

By: **AMERICAN HERITAGE INVESTMENT LLC**, a Delaware limited liability company, its manager

By: 

Name: William O'Kane
Title: Manager/Member

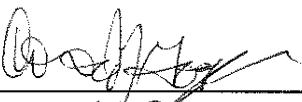
[SIGNATURE PAGE FOLLOWS]

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[SIGNATURE PAGE TO AMENDMENT TO CROSS-COLLATERALIZATION AGREEMENT]

LENDER:

FEDERAL HOME LOAN MORTGAGE CORPORATION, a corporation organized under the laws of the United States of America

By: 
Name: **David J. Gozman**
Title: **Manager**
Multifamily Asset Management

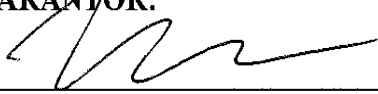
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[SIGNATURE PAGE TO AMENDMENT TO CROSS-COLLATERALIZATION AGREEMENT]

ACKNOWLEDGED AND CONSENTED TO:

GUARANTOR:



WILLIAM O'KANE, an individual

Date: August 1, 2013

GUARANTOR:



KAREN O'KANE, an individual

Date: August 1, 2013

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STATE OF ILLINOIS)
 : ss.
COUNTY OF)

This instrument was acknowledged before me on August 1, 2013 by **WILLIAM O'KANE** as **MANAGER/MEMBER** of **AMERICAN HERITAGE INVESTMENT LLC**, a Delaware limited liability company as **MANAGER** of **AMERICAN HERITAGE INVESTMENT II LLC**, an Illinois limited liability company.

(Seal)



NOTARY PUBLIC



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STATE OF VIRGINIA)
 : ss.:
COUNTY OF FAIRFAX)

On this, the 1st day of August, 2013, before me, a Notary Public the undersigned officer, personally appeared David J. Croorman, who acknowledged himself to be the Manager, MF Asset Mgt. of **FEDERAL HOME LOAN MORTGAGE CORPORATION**, a corporation organized under the laws of the United States of America and that he as such Manager, MF Asset Mgt., being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing his name as act and deed of said corporation.

In Witness Whereof, I hereunto set my hand and official seal.

Vivian Savoy Dixon (Seal)
Notary Public



Vivian Savoy Dixon
NOTARY PUBLIC
Commonwealth of Virginia
Reg. #7139079
My Commission Expires
September 30, 2016

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STATE OF ILLINOIS)
: ss.:
COUNTY OF COOK)

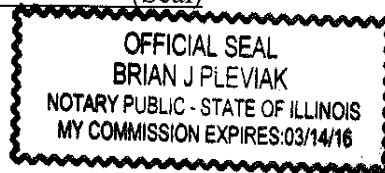
On this, the 1st day of AUGUST, 2013, before me, a Notary Public the undersigned officer, personally appeared **WILLIAM O'KANE**.

In Witness Whereof, I hereunto set my hand and official seal.



(Seal)

Notary Public



STATE OF ILLINOIS)
: ss.:
COUNTY OF COOK)

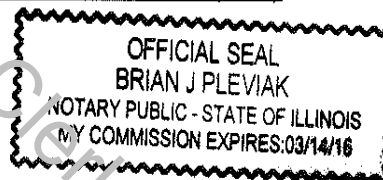
On this, the 1st day of AUGUST, 2013, before me, a Notary Public the undersigned officer, personally appeared **KAREN O'KANE**.

In Witness Whereof, I hereunto set my hand and official seal.



(Seal)

Notary Public



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EXHIBIT A

Legal Description

The South 45 feet of Lot 11 and all of Lot 12 and the North 32 feet of Lot 13 (except the East 7 feet of all of said Lots taken for widening of Sheffield Avenue, now Sheridan Road) in Block 2 in Buena Park, a subdivision of the West half of the Southeast quarter of Section 17, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Tax Parcel Number(s): 14-17-403-033-0000

Property Address: 4304-12 North Sheridan Road, Chicago, Illinois

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TABLE I

Related Loan Amount:	Related Borrower:	Related Property Name:	Related Property Location:	County:
\$6,585,000.00	American Heritage Investment II LLC	326-34 West Dickens Avenue Apartments	326-34 West Dickens Avenue Chicago, Illinois	Cook
\$2,915,000.00	American Heritage Investment II LLC	520 West Melrose Apartments	520 West Melrose Street Chicago, Illinois	Cook
\$14,430,000.00	American Heritage Investment II LLC	639 West Grace Street Apartments	639-55 West Grace Street Chicago, Illinois	Cook
\$6,375,000.00	American Heritage Investment II LLC	800 Hinman Avenue Apartments	800 Hinman Avenue Evanston, Illinois	Cook
\$12,700,000.00	Sunnyside Properties LLC	840 West Sunnyside Avenue	840 West Sunnyside Avenue Chicago, Illinois	Cook
\$2,240,000.00	American Heritage Investment II LLC	4200 North Ashland Avenue Apartments	1600-1604 West Berteau and 4200-4206 North Ashland Avenue Chicago, Illinois	Cook

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Related Loan Amount:	Related Borrower:	Related Property Name:	Related Property Location:	County:
\$1,640,000.00	American Heritage Investment II LLC	2600 West Montrose Avenue Apartments	2600 West Montrose Avenue and 4400-4414 North Rockwell Street Chicago, Illinois	Cook
\$3,300,000.00	American Heritage Investment II LLC	4304 North Sheridan Road Apartments	4304-12 North Sheridan Road Chicago, Illinois	Cook
\$3,170,000.00	American Heritage Investment II LLC	4435 North Greenview Avenue Apartments	4435-43 North Greenview Avenue Chicago, Illinois	Cook
\$2,330,000.00	American Heritage Investment II LLC	4600 North Lincoln Avenue Apartments	4600-12 North Lincoln Avenue Chicago, Illinois	Cook
\$4,860,000.00	American Heritage Investment II LLC	4750 North Clarendon Avenue Apartments	4750 North Clarendon Avenue Chicago, Illinois	Cook
\$2,365,000.00	American Heritage Investment II LLC	4874 North Ashland Apartments	4874-80 North Ashland Avenue Chicago, Illinois	Cook

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Related Loan Amount:	Related Borrower:	Related Property Name:	Related Property Location:	County:
\$3,495,000.00	American Heritage Investment II LLC	6124 North Winthrop Avenue Apartments	6124 North Winthrop Avenue Chicago, Illinois	Cook
\$27,650,000.00	401 Fullerton LLC	401 West Fullerton Apartments	401-411 West Fullerton Parkway Chicago, Illinois	Cook
\$24,375,000.00	833 West Buena LLC	833 West Buena Avenue Apartments	833 West Buena Avenue Chicago, Illinois	Cook
\$53,655,000.00	Barrington Lakes Apartments, LLC	Barrington Lakes	2200 Hassell Road Hoffman Estates, Illinois	Cook
\$33,000,000.00	2933 Sheridan LLC	2933 North Sheridan Road Apartments	2933 North Sheridan Road Chicago, Illinois	Cook

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TABLE I/PAGE 3