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THIS DOCUMENT PREPARED BY AND  
AFTER RECORDING RETURN TO:

Doc#: 1336126006 Fee: \$48.00  
RHSP Fee: \$9.00 RPRF Fee: \$1.00  
Karen A. Yarbrough  
Cook County Recorder of Deeds  
Date: 12/27/2013 09:35 AM Pg: 1 of 6

Margaret M. Cahill  
810 Arlington Avenue  
LaGrange, Illinois 60525

*This space reserved for Recorder's use only*

## FIRST MODIFICATION OF LOAN DOCUMENTS

THIS FIRST MODIFICATION OF LOAN DOCUMENTS (this "Agreement") is made as of the 31<sup>st</sup> day of July, 2013, by and among Chicago Title and Trust Company as Successor Trustee to North Star Trust Company, not personally but solely as Trustee under Trust Agreement dated July 28, 2008 and known as Trust Number 08-11309, Anthony T. Klok and Eugene Kornota (collectively referred to herein as "Borrower"), and BRICKYARD BANK (referred to herein as "Lender").

### RECITALS

A. Lender has heretofore made a loan to Borrower in the maximum principal amount of Two Million and No/100 Dollars (\$2,000,000) ("Loan") pursuant to the terms of that certain Loan Agreement by and between Borrower and Lender dated July 31, 2008 ("Agreement"). The Loan is evidenced by that certain Promissory Note dated July 31, 2008, in the principal amount of the Loan made payable by Borrower to the order of Lender ("Note"). The Note is secured by, among other things: (i) that certain Mortgage ("Mortgage") dated July 31, 2008, and recorded with the Cook County Recorder of Deeds ("Recorder") on August 7, 2008 as Document No. 0822035140, given by the Borrower to Lender creating a first mortgage lien on certain real property legally described in Exhibit A attached hereto and commonly known as 16 W. Erie Street, Chicago, Illinois 60654 ("Premises"); (ii) that certain Assignment of Rents and Leases ("Assignment") dated July 31, 2008, and recorded with the Recorder on August 7, 2008 as Document No. 0822035141, from the Borrower to Lender, (iii) that certain Collateral Assignment of Beneficial Interest ("ABI") dated July 31, 2008 (iv) certain other loan documents evidencing or securing the Loan (the Mortgage, the Assignment, the ABI, and any other document now or hereafter given to evidence or secure payment of this Note or delivered to induce Lender to disburse the proceeds of the Loan, as such documents may hereafter be amended, restated or replaced from time to time, are hereinafter collectively referred to as the "Loan Documents"). Reference is hereby made to the Loan Documents (which are incorporated herein by reference as fully and with the same effect as if set forth herein at length) for a statement of the covenants and agreements contained therein, a statement of the rights, remedies, and security afforded thereby, and all matters therein contained.

B. At Borrower's request, Borrower desire to renew the Note and Lender has agreed to do so on the terms set forth herein.

### 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 to modify the Loan Documents, as provided herein, (iii) the covenants and agreements contained herein, and (iv) for other good

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and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Adoption of Recitals.** The parties acknowledge that the Recitals are true and correct and are incorporated into this Agreement as though fully set forth herein.

2. **Acknowledgments.**

(a) Borrower hereby acknowledges and confirms to Lender that as of July 31, 2013, the outstanding principal balance of the Loan is **\$1,796,866.78**.

(b) Borrower acknowledges and confirms to Lender that: (i) all sums due Lender under the Note as stated above, are due and payable without any defense or right of setoff or reduction by Borrower existing as of the date hereof; (ii) that the security interests granted under the Loan Documents and other related security documents are valid, binding and enforceable in accordance with their terms; and (iii) that Lender has fully performed all of its obligations which were required to be performed prior to the date hereof with respect to the Loan and under the Loan Documents.

3. **First Amended Promissory Note, Variable Interest Rate and Extend Maturity Date** Lender and Borrower hereby agree that the total principal amount of the Loan is hereinafter equal to One Million Seven Hundred and Ninety Six Thousand and Eight Hundred and Sixty Six and No/100 Dollars (\$1,796,866.78), which Loan amount shall hereinafter be evidenced by the First Amended Promissory Note in the principal amount of \$1,796,866.78. In addition, the interest to accrue on the principal amount of \$1,796,866.78 shall be at a variable interest rate of 2.0% over prime rate and a minimum rate of interest of 5.5% and the maturity date shall be extended to July 1, 2018. Concurrently herewith, Borrower shall execute and deliver to Lender the First Amended Note and the First Amended Note shall be substituted for the Original Note dated July 31, 2008 and all amendments thereafter for all purposes under the Loan Documents and the First Amended Note shall hereinafter be defined as part of the "Loan Documents".

4. **Real Estate Tax Escrow Payment** Borrower agrees to make a monthly real estate tax escrow payment of \$3,948.21 each month throughout the entire term of the First Amended Promissory Note.

5. **Representations and Warranties of Borrower.** Borrower hereby represents, covenants and warrants to Lender as follows:

(a) The representations and warranties in 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 Mortgage) under the Original Note July 31, 2008, the Mortgage or the other Loan Documents, and Borrower does not 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 First Amended Note, the Mortgage or the other Loan Documents.

(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 enforceable in accordance with their respective terms, subject to limitations imposed by general principles of equity.

(d) There has been no material adverse change in the financial condition of Borrower, Guarantors or any other party whose financial statement has been delivered to Lender in connection with the Loan from the date of the most recent financial statement received by Lender.

(e) As of the date hereof, Borrower has no claims, counterclaims, defenses, or set-offs with respect to the Loan or the Loan Documents as modified herein. Borrower hereby waives, discharges

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and forever releases Lender and its employees, officers, directors, attorneys, stockholders, successors and assigns (the "Released Parties") from and of any and all claims, causes of action, allegations or assertions that Borrower has, had, or may have had at any time up through and including the date of this Agreement against any or all of the Released Parties relating to the Loan Documents, or Lender's actions or omissions in connection with the Loan, regardless of when any of such claims, causes of action, allegations or assertions arose.

(f) Each party consisting of Borrower hereunder is validly existing under the laws of the State of its formation or organization and has the requisite power and authority to execute and deliver this Agreement and to perform the Loan Documents as modified herein. The execution and delivery of this Agreement and the performance of the Loan Documents as modified herein have been duly authorized by all requisite action by or on behalf of Borrower. This Agreement has been duly executed and delivered on behalf of Borrower.

6. **Title Policy.** As a condition precedent to the agreements contained herein, Borrower shall, at its sole cost and expense, cause **Chicago Title Insurance Company** to issue an endorsement to Lender's title insurance policy No. 140106842815 (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. **Expenses.** As a condition precedent to the agreements contained herein, Borrower shall pay all out-of-pocket costs and expenses incurred by Lender in connection with this Agreement, including, without limitation, title charges, recording fees, appraisal fees and attorneys' fees and expenses.

## 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 Borrower or Guarantors merely by virtue of the fact that the same has been prepared by counsel for Lender, it being recognized that Borrower, Guarantors and Lender have contributed substantially and materially to the preparation of this Agreement, and Borrower, Guarantors and Lender each acknowledges and waives 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 Borrower or Guarantors nor shall privity of contract be presumed to have been established with any third party.

(d) Borrower, Guarantors 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 Borrower, Guarantors

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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, the terms of the Loan Documents are and remain unmodified and in full force and effect.

(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 the "Note", the "Mortgage" or the "Loan Documents" contained in any of the Loan Documents shall be deemed to refer to the First Amended Note, the Mortgage and the other Loan Documents as amended hereby. The paragraph and section headings used herein are for convenience only and shall not limit the substantive provisions hereof. All words herein which are Guaranty does not know of any default thereunder. The Guaranty continues to be the valid and binding obligation of Guarantors, enforceable in accordance with its terms and neither Guarantor has no claims or defenses to the enforcement of the rights and remedies of Lender thereunder, except as provided in the Guaranty.

(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 each of Borrower's obligations under this Agreement.

(i) Any reference within the Loan Documents to the Uniform Commercial Code ("Code"), the Code shall be defined as the Code as amended from time to time.

(j) Borrower and Guarantors hereby authorize Lender to file unsigned financing statements and amendments with respect to the collateral as the Lender deems reasonable and necessary in its sole discretion.

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

**LENDER:**

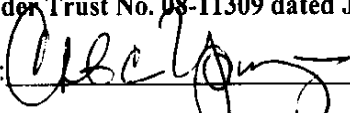
**BRICKYARD BANK**

By: 

Title: Senior Vice President

**BORROWER:**

Chicago Title and Trust Company as Successor Trustee to North Star Trust Company not personally but solely as Trustee Under Trust No. 08-11309 dated July 28, 2008

By: 

Its: **Trust officer Christine C. Young**

  
Anthony T. Klok

  
Eugene Komota

**This instrument is executed by the undersigned Land Trustee, not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument.**

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STATE OF ILLINOIS )

SS.

COUNTY OF COOK )

I, Mimi Sallis Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that **Anthony T. Klok**, personally known to me to be the same person whose name is subscribed to the within instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 6<sup>th</sup> day of November 2013.



Notary Public

My Commission expires: 10/06/2014

STATE OF ILLINOIS )

SS.

COUNTY OF COOK )

I, Mimi Sallis, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that **Eugene Kornota**, personally known to me to be the same person whose name is subscribed to the within instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 6<sup>th</sup> day of November, 2013.



Notary Public

My Commission expires: 10/06/2014

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## EXHIBIT A

### LEGAL DESCRIPTION

LOT 9 ( EXCEP THE WEST 6 INCHES THEREOF) IN HIGGINS AND STROTHERS' SUBDIVISON OF LOTS 3, 4,5,12,13,14 AND THE EAST ½ OF LOTS 6 AND 11 IN BLOCK 25 IN WOLCOTT'S ADDITION TO CICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 16 West Erie Street <sup>54</sup>  
Chicago, Illinois 606

Parcel Number: 17-09-220-017-0000

Property of Cook County Clerk's Office