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**THIS DOCUMENT PREPARED BY AND
AFTER RECORDING RETURN TO:**

Courtney E. Mayster
MUCH *SHELIST*
191 North Wacker Drive, Suite 1800
Chicago, Illinois 60606.1615

PROPERTY ADDRESS:

21 NORTH HERBERT ROAD
RIVERSIDE, ILLINOIS 60546

PERMANENT TAX INDEX NUMBERS:

15-36-208-038-0000
15-36-208-039-0000



Doc#: 1402946238 Fee: \$54.00
RHSP Fee:\$9.00 RPRF Fee: \$1.00
Karen A.Yarbrough
Cook County Recorder of Deeds
Date: 01/29/2014 02:46 PM Pg: 1 of 9

This space reserved for Recorder's use only

SECOND MODIFICATION OF MORTGAGE AND LOAN DOCUMENTS

THIS SECOND MODIFICATION OF MORTGAGE AND LOAN DOCUMENTS (this "**Modification**") is dated as of the 22 day of January, 2014 by and among **RIVERSIDE DEVELOPMENT 21, LLC**, an Illinois limited liability company (the "**Borrower**"), **ALEX ZDANOV** and **IGOR BLUMIN** (each, a "**Guarantor**", and collectively, the "**Guarantors**") (the "**Guarantor**") and **AMERICAN CHARTERED BANK**, its successors and assigns (the "**Lender**").

RECITALS:

A. Lender has made a loan (the "**Loan**") to Borrower in the original principal amount of **One Million Two Hundred Seventy Thousand and 00/100 Dollars** (\$1,270,000.00). The Loan is evidenced by a certain Promissory Note dated January 22, 2013 made by Borrower and payable to Lender in the original principal amount of the Loan, as amended by that certain Note Modification Agreement dated as of May 22, 2013 whereby the principal balance of the Loan was increased to **ONE MILLION THREE HUNDRED TWENTY THOUSAND AND 00/100 DOLLARS** (\$1,320,000.00) (collectively, the "**Note**").

B. The Note is secured by, among other things, (i) that certain Construction Mortgage, Security Agreement, Assignment of Rents and Leases and Fixture Filing dated as of January 22, 2013 from Borrower to Lender and recorded with the Cook County, Illinois Recorder (the "**Recorder's Office**") on February 1, 2013 as Document No. 1303212055 (the

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"**Mortgage**"), which Mortgage encumbers the real property and all improvements thereon legally described on Exhibit A hereto (the "**Property**"); (ii) that certain Assignment of Rents Leases dated as of January 22, 2013 from the Borrower to the Lender and recorded in the Recorder's Office on February 1, 2013 as Document No. 1303212056 (the "**Assignment of Rents**"); (iii) that certain Construction Loan Agreement dated as of January 22, 2013 (the "**Loan Agreement**"); (iv) that certain Modification of Mortgage and Loan Documents dated as of May __, 2013 by and among Borrower, Guarantors and Lender and recorded in the Recorder's Office on June 4, 2013 as Document No. 1315546296 (the "**First Modification**"); and (v) certain other loan documents (the Note, the Mortgage, the Assignment of Rents, the Loan Agreement, the First Modification, the Guaranty (as hereinafter defined) and the other documents evidencing, securing and guarantying the Loan, in their original form and as amended, are sometimes collectively referred to in this Agreement as the "**Loan Documents**"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Loan Documents.

C. The Note is further secured that certain Guaranty of Payment and Completion dated as of January 22, 2013 executed and delivered by Guarantors (the "**Guaranty**").

D. Guarantors are members of the Borrower, and it is in the best interest of the Guarantors to execute this Modification.

E. Borrower and Guarantors have requested that Lender extend and amend the Loan in accordance with the terms and set forth below.

AGREEMENTS:

NOW, THEREFORE, in consideration of: (i) the facts set forth hereinabove (which are hereby incorporated into and made a part of this Modification); (ii) the agreements by Lender to modify the Loan Documents, as provided herein; (iii) agreement to pay Lender's reasonable expenses, including all of Lender's reasonable attorneys fees and costs in connection with this Modification; (iv) the covenants and agreements contained herein; (v) the Guarantors' reaffirmation of their guaranty with respect to the Loan as extended and amended herein; and (vi) for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Maturity Date.** Borrower and Lender hereby agree to extend the Maturity Date of the Note to **July 22, 2014**. All references in the Loan Documents to the "**Maturity Date**" shall mean **July 22, 2014**.

2. **Amendment of Note.** The Note shall be amended to extend the Maturity Date of the Loan as set forth in that certain Second Note Modification Agreement of even date herewith executed by Borrower and Lender (the "**Note Modification Agreement**").

3. **Reaffirmation and Amendment of Guaranty.** The Guaranty executed by Guarantors, shall be deemed to be amended as follows:

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- a. To reflect the increase of the principal amount of the Loan and the other amendments to the Loan Documents.
 - b. All other provisions of the Guaranty remain in full force and effect. Guarantors agree to execute this Modification for purposes of ratifying the modifications to the Loan set forth herein and to confirm that the Guaranty is in full force and effect.
4. **Representations and Warranties of Borrower and Guarantors.** Borrower and each Guarantor hereby represent, covenant and warrant to Lender as follows:
- a. The representations and warranties in the 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 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 Loan Documents.
 - c. The Loan Documents are in full force and effect and, following the execution and delivery of this Modification, they continue to be the legal, valid and binding obligations of Borrower and Guarantor 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, Guarantor 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, neither Borrower nor Guarantor has any claims, counterclaims, defenses, or set-offs with respect to the Loan or the Loan Documents as modified herein.
 - f. 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 and Guarantor. This Modification has been duly executed and delivered on behalf of Borrower and Guarantor.
5. **Release by Borrower and Guarantors.** Borrower and Guarantors hereby releases and forever discharges Lender and its past and present officers, directors, employees, agents, attorneys, predecessors-in-interest, parents, subsidiaries, affiliates and assigns of and from any and all actions, claims, and causes of action, suits, debts, liabilities, dues, accounts, demands, obligations, costs, expenses, losses, damage and indemnities of every kind or nature whatsoever, whether known or unknown, suspected or unsuspected, contingent or fixed, in law or in equity, which Borrower or any Guarantor has, may have had, own or hold, or at any time heretofore had, may have had, owned or held, whether based on contract, tort, statute, or other

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legal or equitable theory of recovery, relating to, or arising out of the Loan, the Note, the Loan Documents, this Modification or the Property.

6. **Waiver of Defenses.** Borrower and Guarantors acknowledge that neither Borrower nor any Guarantor has any defenses, offsets, or counterclaims under the Loan, the Note or the Loan Documents. To the extent that any such defenses, offsets, or counterclaims exist as of the date hereof, they are hereby waived and released in consideration of Borrower's and each Guarantor's agreement to amend the Loan.

7. **Title Policy.** Borrower shall, at its sole cost and expense, cause Chicago Title Insurance Company to issue a date down endorsement to loan policy no. 1409 008845682 (the "**Title Policy**"), as of the date this Modification is recorded, reflecting the recording of this Modification, 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.

8. **Expenses.** As a condition precedent to the agreements contained herein, Borrower shall pay all reasonable out-of-pocket third-party costs and expenses incurred by Lender in connection with this Modification, including, without limitation, title charges, recording fees, appraisal fees and reasonable attorneys' fees and expenses.

9. **Miscellaneous.**

- a. This Modification shall be governed by and construed in accordance with the laws of the State of Illinois.
- b. This Modification 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 Modification, and Borrower 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 Modification. Each of the parties to this Modification represents that it has been advised by its respective counsel of the legal and practical effect of this Modification, and recognizes that it is executing and delivering this Modification, 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 Modification, 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 Modification by Lender, the same shall not be deemed to constitute Lender a venturer or partner of or in any way associated with Borrower or any Guarantor nor shall privity of contract be presumed to have been established with any third party.

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- 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 Modification, which collectively represent a complete integration of all prior and contemporaneous agreements and understandings of Borrower, Guarantors 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 Modification 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 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 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.
- g. This Modification maybe executed in one or more counterparts, all of which, when taken together, shall constitute one original Modification.
- h. Time is of the essence of each of Borrower's and Guarantors' obligations under this Modification.

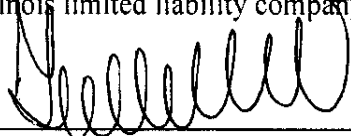
[REMAINDER OF PAGE BLANK-SIGNATURE PAGE FOLLOWS]

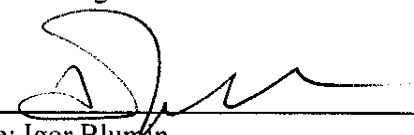
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IN WITNESS WHEREOF, the parties hereto have executed this Second Modification of Mortgage and Loan Documents dated as of the day and year first above written.


BORROWER:

RIVERSIDE DEVELOPMENT 21, LLC,
an Illinois limited liability company

By: 
Name: Alex Zdanov
Its: Manager

By: 
Name: Igor Blumin
Its: Manager


GUARANTORS:


ALEX ZDANOV


IGOR BLUMIN

LENDER:

AMERICAN CHARTERED BANK

By: 
Name: Gerald Huford
Its: Senior Vice President

Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The undersigned, a Notary Public in and for the said County, in the State aforesaid, **DOES HEREBY CERTIFY** that Igor Blumin, individually and as a Manager of **RIVERSIDE DEVELOPMENT 21, LLC**, an Illinois limited liability company, an Illinois limited liability company, who are personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Manager, 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 said limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 21st day of January, 2014.



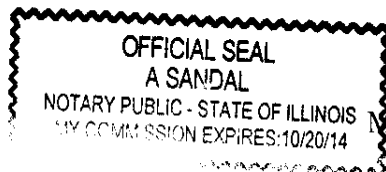
A Sandal
Notary Public

My Commission Expires:
10/20/2014

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The undersigned, a Notary Public in and for the said County, in the State aforesaid, **DOES HEREBY CERTIFY** that Alex Zdanov, individually and as a Manager of **RIVERSIDE DEVELOPMENT 21, LLC**, an Illinois limited liability company, an Illinois limited liability company, who are personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Manager, 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 said limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 21st day of January, 2014.



A Sandal
Notary Public

My Commission Expires:
10/20/2014

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EXHIBIT A LEGAL DESCRIPTION

LOTS 741 THROUGH 743, BOTH INCLUSIVE, IN BLOCK 7 IN 3RD DIVISION OF RIVERSIDE IN SECTION 36, TOWNSHIP 39 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PROPERTY ADDRESS:

21 NORTH HERBERT ROAD
RIVERSIDE, ILLINOIS 60546

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