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THIS DOCUMENT PREPARED
BY AND AFTER RECORDING
RETURN TO:

Law Offices of Kulas & Kulas, PC
2329 W. Chicago Ave.
Chicago, IL 60622



Doc# 1635519033 Fee \$52.00

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KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 12/20/2016 10:21 AM PG: 1 OF 8

The space above reserved for recorder's use.

FIRST MODIFICATION TO LOAN DOCUMENTS

THIS FIRST MODIFICATION TO LOAN DOCUMENTS (this "Agreement") is made and entered into effective as of December 12, 2016, by and among WBED INVESTORS, LLC, an Illinois limited liability company ("Borrower"), WIESLAW BEDNARZ an individual ("Guarantor"), and PEN INVESTMENTS, INC., an Illinois corporation (the "Lender").

WITNESSETH:

A. Lender made a loan to Borrower on August 25, 2016 in the original maximum principal amount of \$100,000.00 (the "Loan") for the rehabilitation and repair of multi-family residential property commonly known as 6949 S. Justin, Chicago, Illinois.

B. Lender and Borrower heretofore have been parties to the following agreements, documents and instruments evidencing and securing the Loan, each dated August 25, 2016, unless otherwise indicated (collectively, with the Guaranties (defined below), are the "Loan Documents"):

1. Note in the original principal amount of \$100,000 given by Borrower in favor of Lender (the "Note");
2. Mortgage executed by Borrower to and for the benefit of Lender covering the property identified on Exhibit A hereto and recorded in the Office of the Cook County Recorder on August 29, 2016, as Document No. 1624262006 (the "Mortgage");

C. Guarantor has previously executed and delivered to Lender certain Guaranty of Payment and Performance dated August 25, 2016 (the "Guaranty");

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E. At the present time Borrower, Guarantor and Lender are agreeable to modify the Loan Documents to, among other things, (i) amend and restate the Note to include (a) fixed interest rate at 8.50%, (b) increase the principal balance of the Note to \$150,000.00; and (ii) modify the Loan Documents to reflect all amendments, modifications, extensions, renewals, restatements, substitutions or replacements thereof through the date hereof pursuant to the terms and conditions hereinafter set forth.

F. As of December 12, 2016, there is an outstanding principal balance of \$100,000.00 and accrued interest in the amount of \$2,538.36 due and owing under the Note for a total outstanding balance of \$102,538.36.

G. Borrower has agreed to provide additional collateral to Lender in the form of a mortgage against that certain property commonly known as 7217 S. Emerald, Chicago, IL ("Additional Collateral") in which Borrower is the sole owner and title holder.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Borrower, Guarantor and Lender hereby agree as follows:

1. AGREEMENTS

1.1 RECITALS. The foregoing Recitals are hereby made a part of this Agreement.

1.2 DEFINITIONS. Capitalized words and phrases used herein without definition shall have the respective meanings ascribed to such words and phrases in the Loan Agreement.

2. AMENDMENTS TO THE NOTE.

2.1 Amended principal balance. The principal balance of the Note shall be amended to be \$150,000.00. Accrued interest due and owing on the Note is \$2,538.36 which amount shall be added to the principal balance of the Note with the new restated principal balance being \$152,538.36.

3. ADDITIONAL COLLATERAL.

3.1 Borrower has executed a mortgage against that certain property commonly known as 7217 S. Emerald, Chicago, IL which mortgage shall be held by Lender as additional security to guaranty the full payment of the outstanding principal balance and all accrued interest due under the Note.

4. AMENDMENTS TO THE MORTGAGE.

4.1 Amended Definitions. The following definitions contained in Section 1.1 of the Mortgage are hereby amended and restated as follows:

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“Loan Rate” means the rate of interest as set forth in the Note.

“Principal Sum” shall mean the original principal amount of the Note.

5. REAFFIRMATION OF GUARANTY. Guarantor hereby expressly: (a) consents to the execution by Borrower and Lender of this Agreement; (b) acknowledges that the “Indebtedness” (as defined in the Guaranty) collectively include all of the obligations and liabilities owing from time to time by Borrower to Lender, including, but not limited to, the obligations and liabilities of Borrower to Lender under and pursuant to the Loan Agreement, as amended from time to time; (c) acknowledges that Guarantor does not have any set-off, defense or counterclaim to the payment or performance of any of the obligations of Borrower under the Loan Agreement or Guarantor under its Guaranty; (d) reaffirms, assumes and binds itself in all respects to all of the obligations, liabilities, duties, covenants, terms and conditions that are contained in the Guaranty; (e) agrees that all such obligations and liabilities under the Guaranty shall continue in full force and that the execution and delivery of this Agreement to, and its acceptance by, Lender shall not in any manner whatsoever (i) impair or effect the liability of Guarantor to Lender under the Guaranty, (ii) prejudice, waive, or be construed to impair, affect, prejudice or waive the rights and abilities of Lender at law, in equity or by statute, against Guarantor pursuant to the Guaranty, and/or (iii) release or discharge, nor be construed to release or discharge, any of the obligations and liabilities owing to Lender by Guarantor under the Guaranty; and (f) represents and warrants that each of the representations and warranties made by Guarantor in any of the documents executed in connection with the Loan remain true and correct as of the date hereof.

6. AMENDMENT TO LOAN DOCUMENTS.

6.1 All references in the Loan Documents to the Note shall mean the Note, as amended by that certain Amended and Restated Note in the original principal amount of One Hundred Fifty Two Thousand Five Hundred Thirty Eight and 36/100 Dollars (\$152,538.36) given by Borrower in favor of Lender.

7. REPRESENTATIONS, WARRANTIES AND COVENANTS.

7.1 Organization. Borrower is a limited liability company duly organized, existing and in good standing under the laws of the State of Illinois, with full and adequate limited liability company power to carry on and conduct its business as presently conducted. Borrower is duly licensed or qualified in all foreign jurisdictions wherein the nature of its activities require such qualification or licensing. The Articles of Organization, Operating Agreement, borrowing resolutions and incumbency certificate of Borrower have not been changed or amended since the most recent date that certified copies thereof were delivered to Lender. Borrower's state issued organizational identification number is 01598694. The exact legal name of Borrower is as set forth in the preamble of this Agreement and Borrower currently does not conduct, nor has it during the last five (5) years

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conducted, business under any other name or trade name. Borrower will not change its name, its organizational identification number, if it has one, its type of organization, its jurisdiction of organization or other legal structure.

7.2 Authorization. Borrower and Guarantor are duly authorized to execute and deliver this Agreement and are and will continue to be duly authorized to borrow monies and guaranty obligations, as applicable, under the Loan Agreement, as amended hereby, and to perform their respective obligations under the Loan Agreement, as amended hereby.

7.3 No Conflicts. The execution and delivery of this Agreement and the performance by Borrower and Guarantor of their respective obligations under the Loan Agreement, as amended hereby, do not and will not conflict with any provision of law or of the Articles of Organization or Operating Agreement Borrower or of any agreement binding upon Borrower or Guarantor.

7.4 Validity and Binding Effect. The Loan Agreement, as amended hereby, is a legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

7.5 Compliance with Loan Agreement. The representation and warranties set forth in the Loan Agreement, as amended hereby, are true and correct with the same effect as if such representations and warranties had been made on the date hereof, with the exception that all references to the financial statements shall mean the financial statements most recently delivered to Lender and except for such changes as are specifically permitted under the Loan Agreement. In addition, Borrower has complied with and is in compliance with all of the covenants set forth in the Loan Agreement, as amended hereby.

7.6 Release and Waiver. Borrower and Guarantor each do hereby release Lender and its officers, directors, employees, agents, attorneys, personal representatives, successors, predecessors and assigns from all manner of actions, cause and causes of action, suits, debts, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands, whatsoever, in law or in equity, and particularly, without limiting the generality of the foregoing, in connection with the Loan Documents and any agreements, documents and instruments relating to the Loan Documents and the administration of the Loan Documents, all indebtedness, obligations and liabilities of Borrower and/or Guarantor to Lender and any agreements, documents and instruments relating to the Loan Documents (collectively, the "Claims"), which Borrower and/or Guarantor now have against Lender or ever had, or which might be asserted by their heirs, executors, administrators, representatives, agents, successors, or assigns based on any Claims which exist on or at any time prior to the date of this Agreement. Borrower and Guarantor expressly acknowledge and agree that they have been advised by counsel in connection with this Agreement and that they each understand that this Paragraph constitutes a general release of Lender and that they each intend to be fully and legally bound by the same. Borrower and Guarantor further expressly acknowledge and agree

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that this general release shall have full force and effect notwithstanding the occurrence of a Default pursuant to this Agreement.

7.7 Omnibus Amendment. Each of the Loan Documents shall be deemed amended to give effect to the provisions of this Agreement without need for referencing each of the Loan Documents by name. Without limiting the generality of the foregoing, Borrower, Guarantor and Lender acknowledge that the term "Loan Documents" shall mean all of the Loan Documents as modified by this Agreement (and any notes, amendments and agreements delivered in connection herewith). Additionally, as used in the other Loan Documents, the term "Documents" and/or "Other Agreements" shall now be deemed to include this Agreement and any other documents, instruments or agreements executed in connection herewith.

8. CONDITIONS PRECEDENT. This Agreement shall become effective as of the date above first written after receipt by Lender of the following:

8.1 Agreement. This Agreement executed by Borrower, Guarantor and Lender.

8.2 Resolutions. A certified copy of resolutions of the Manager of Borrower authorizing the execution, delivery and performance of this Agreement and the related Loan Documents.

8.3 Note. The Amended and Restated Note duly executed by Borrower in favor of Lender.

8.4 Other Documents. Such other documents, certificates, resolutions and/or opinions of counsel, and pay such fees as Lender may request or have listed on the Closing Index of even date herewith.

9. GENERAL.

9.1 Governing Law; Severability. This Agreement shall be construed in accordance with and governed by the laws of Illinois. Wherever possible each provision of the Loan Agreement and this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of the Loan Agreement and this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of the Loan Agreement and this Agreement.

9.2 Successors and Assigns. This Agreement shall be binding upon Borrower, Guarantor and Lender and their respective successors, assigns, heirs and personal representatives, and shall inure to the benefit of Borrower, Guarantor and Lender and the successors and assigns of Lender.

9.3 Continuing Force and Effect of Loan Documents and Guaranties. Except as specifically modified or amended by the terms of this Agreement, all other terms and provisions of the Loan Agreement and the other Loan Documents are incorporated by reference herein, and in all respects, shall continue in full force and effect. Borrower, by

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execution of this Agreement, hereby reaffirms, assumes and binds itself to all of the obligations, duties, rights, covenants, terms and conditions that are contained in the Loan Agreement and the other Loan Documents to which it is a party. Guarantor, by execution of this Agreement, hereby reaffirms, assumes and binds itself to all of the obligations, duties, rights, covenants, terms and conditions that are contained in the Guaranty.

9.4 References to Loan Agreement. Each reference in the Loan Agreement to "this Agreement", "hereunder", "hereof", or words of like import, and each reference to the Loan Agreement in any and all instruments or documents delivered in connection therewith, shall be deemed to refer to the Loan Agreement, as amended hereby.

9.5 Expenses. Borrower shall pay all costs and expenses in connection with the preparation of this Agreement and other related loan documents, including, without limitation, reasonable attorneys' fees and time charges of attorneys who may be employees of Lender or any affiliate or parent of Lender. Borrower shall pay any and all stamp and other taxes, UCC search fees, filing fees and other costs and expenses in connection with the execution and delivery of this Agreement and the other instruments and documents to be delivered hereunder, and agrees to save Lender harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such costs and expenses.

9.6 Counterparts. This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same agreement.

9.7 Jury Waiver. BORROWER, GUARANTOR AND LENDER IRREVOCABLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING: (a) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS AMENDMENT OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith; OR (b) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS AMENDMENT OR ANY SUCH AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

BORROWER:

WBED INVESTORS, LLC,
an Illinois limited liability company

By: *Wieslaw Bednarz*
Name: Wieslaw Bendarz
Its: Manager

GUARANTOR:

Wieslaw Bednarz
Wieslaw Bednarz

LENDER:

PEN INVESTMENTS, INC.
an Illinois corporation

By: *Paul G. Kulas*
Name: PAUL G-KULAS
Title: PEES.

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EXHIBIT A LEGAL DESCRIPTION

LOT 24 IN BLOCK 3 IN MARSTON AND AUGUR'S SUBDIVISION OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 20, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PINS: 20-20-317-022-0000

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