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Prepared by and after
recording, return to:
DLA Piper LLP (US)
444 West Lake Street
Suite 900
Chicago, Illinois 60606-0089
Attn: Alison Mitchell



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KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 03/13/2018 02:04 PM PG: 1 OF 14

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MODIFICATION OF LOAN AGREEMENT, NOTE, MORTGAGE AND OTHER LOAN DOCUMENTS

THIS MODIFICATION OF LOAN AGREEMENT, NOTE, MORTGAGE AND OTHER LOAN DOCUMENTS (this "Agreement") is made as of the 8th day of March, 2018 but effective March 10, 2018 (the "Effective Date"), by and among **11 SOUTH LASALLE HOTEL PARTNERS, LLC**, a Delaware limited liability company ("Borrower"), **MICHAEL W. RESCHKE** and **THE PRIME GROUP, INC.**, an Illinois corporation (collectively, "Guarantors"), and **MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY**, a Massachusetts corporation ("Lender").

RECITALS

A. Lender made a loan to Borrower (the "Loan") in the original stated principal amount of Sixty-Eight Million and no/100 Dollars (\$68,000,000.00) pursuant to the terms and conditions of a Construction Loan Agreement dated as of December 30, 2013 (as amended from time to time, the "Loan Agreement"). The Loan is evidenced by (i) that certain Promissory Note A dated December 30, 2013 executed by Borrower made payable to Lender in the original amount of \$60,000,000.00 (as amended and restated from time to time, "Note A") and (ii) that certain Promissory Note B dated December 30, 2013 executed by Borrower made payable to Lender in the original amount of \$8,000,000.00 (as amended and restated from time to time, "Note B"); Note A and Note B are collectively referred to herein as the "Note").

B. The Loan is secured by (i) a Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing (as amended from time to time, the "Mortgage") dated as of December 30, 2013, executed by Borrower for the benefit of Lender and recorded on December 31, 2013, with the Cook County, Illinois Recorder of Deeds as Document No. 1336519201, which Mortgage encumbers the real property legally described on attached Exhibit A; (ii) a Recourse Guaranty Agreement dated as of December 30, 2013, executed by Guarantors in favor of Lender (the "Recourse Guaranty"); (iii) an Environmental

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Indemnification Agreement dated December 30, 2013 executed by Borrower and Guarantor in favor of Lender ("**Environmental Indemnity**"); and (iv) certain other loan documents (the Note, Mortgage, Recourse Guaranty, Environmental Indemnity, Loan Agreement and the other documents evidencing securing and guarantying the Loan, in their original form and as amended from time to time, are sometimes collectively referred to herein as the "**Loan Documents**").

C. Borrower has requested that Lender amend the Loan Documents and Lender has agreed to certain amendments to the Loan Documents subject to the terms and conditions herein provided.

NOW, THEREFORE, in consideration of the Recitals set forth above, the agreements by Lender to modify the Loan Documents, as provided herein, the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower, Guarantors and Lender hereby agree as follows:

1. **Affirmation of Recitals.** The recitals set forth above are true and correct and are incorporated herein by this reference.

2. **Definitions.** Capitalized terms used but not defined in this Agreement shall have the meanings ascribed to such terms in the Loan Agreement.

3. **Outstanding Principal Balance.** On even date herewith, the outstanding principal balance of the Loan is \$67,945,336.17 (*i.e.*, the outstanding principal balance of Note A is \$59,945,336.17 and Note B is \$8,000,000.00).

4. **Terms of Payment.** On the Effective Date, Section 2.4(c) of the Loan Agreement is hereby deleted and the following is inserted in its place:

"(c) Successive monthly installments of interest (in arrears) only under Note A, in the amount of Three Hundred Twenty-Two Thousand Seven Hundred Five and 73/100 Dollars (\$322,705.73), shall be made on the tenth (10th) day of March, 2018 and on the tenth (10th) day of each calendar month thereafter up to and including the tenth (10th) day of the month immediately prior to the Maturity Date;"

5. **Cash Management.** During any Cash Trap Period (as defined below), Borrower shall deposit with Lender, on the twentieth (20th) day of each month, all Net Cash Flow for the immediately preceding calendar month, which Net Cash Flow shall be held and applied by Lender, as additional collateral for the Loan, in accordance with Section 13.34 of the Loan Agreement. Notwithstanding the aforesaid, any funds held by Lender under this Section, shall, as long as there is no Event of Default, be disbursed by Lender to pay debt service as provided in Section 2.4(c) and Section 2.4(d) of the Loan Agreement but only to the extent the Net Cash Flow (prior to deducting debt service) is insufficient to make such payment and Borrower has delivered to Lender written evidence of said insufficiency. As long as there is no Event of Default, upon expiration of a Cash Trap Period and receipt by Lender of a written notice from Borrower evidencing that the Cash Trap Period has expired,

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all amounts held by Lender pursuant to this Section shall be paid to Borrower. For purposes of this Section, "**Net Cash Flow**" shall be calculated after deducting the debt service paid by Borrower to Lender for the applicable month. As used herein, "**Cash Trap Period**" means (as determined by Lender in its reasonable discretion) each period during the Loan Term, commencing on the date that the Debt Service Coverage Ratio for the twelve (12) month period prior to the date the calculation is made is less than 1.20x and continuing until the Debt Service Coverage Ratio for the twelve (12) month period prior to the date the calculation is made is equal to or greater than 1.20x. For purposes of this Section 5, the Debt Service Coverage Ratio shall be calculated on a monthly basis based on financial information supplied by Borrower to Lender.

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

(a) The representations and warranties in the Loan Agreement, the Mortgage and the other Loan Documents are true and correct in all material respects as of the date hereof except to the extent the subject matter of such representation or warranty relates to a particular date specified therein, in which case such representation shall be true and correct as of such specified date.

(b) To Borrower's actual knowledge, as of the date hereof, (i) there is currently no Event of Default under the Note, the Loan Agreement, the Mortgage or the other Loan Documents and (ii) there is no event or circumstance which with the giving of notice or the passage of time, or both, would constitute an Event of Default under the Note, the Loan Agreement, 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, the Loan Documents continue to be the legal, valid and binding obligations of Borrower enforceable in accordance with their respective terms, subject to limitations imposed by bankruptcy, insolvency, other debtor relief laws and general principles of equity.

(d) There has been no material adverse change in the financial condition of Borrower 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.

(f) Borrower validly exists 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 by Borrower and the performance by Borrower 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.

7. **Title Policy.** As a condition precedent to the agreements contained herein, Borrower shall, at Borrower's sole cost and expense, cause the title company that issued the

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title insurance policy insuring the Mortgage (the "**Title Policy**") to issue an endorsement to the Title Policy as of the date this Agreement is recorded (a) reflecting the recording of this Agreement; and (b) insuring the first priority of the lien of the Mortgage as amended hereby, subject only to the exceptions set forth in the Title Policy as of the date of the issuance of the Title Policy, taxes not yet due and payable, and any other encumbrance expressly agreed to by Lender.

8. **Reaffirmation of Guarantors Documents.** Guarantors hereby ratify and affirm the Recourse Guaranty and the Environmental Indemnity (collectively, the "**Guarantors Documents**") and agrees that each of the Guarantors Documents modified as provided hereinabove is in full force and effect following the execution and delivery of this Agreement. To Guarantor's actual knowledge, the representations and warranties of Guarantors as contained in the Guarantors Documents are, as of the date hereof, true and correct and Guarantors do not have actual knowledge of any default thereunder. Each of the Guarantors Documents continues to be the valid and binding obligations of Guarantors, enforceable in accordance with their respective terms modified as provided hereinabove, subject to limitations imposed by bankruptcy, insolvency, other debtor relief laws and principles of equity, and Guarantors have no claim or defense to the enforcement of the rights and remedies of Lender thereunder, except as specifically provided otherwise in the Guarantors Documents. The execution and delivery of this Agreement by Guarantors and the performance by Guarantors of their respective obligations under the Loan Documents as modified herein have been duly authorized by all requisite action by or on behalf of Guarantors. This Agreement has been duly executed and delivered on behalf of Guarantors.

9. **Loan Fees and Expenses.** As a condition precedent to Lender's agreement to enter into this Agreement (1) Borrower has paid a servicing fee to Lender in the amount of \$50,000 (and Lender acknowledges receipt of such amount) and (2) Borrower hereby agrees to pay, promptly upon request therefor, all reasonable out-of-pocket costs and expenses incurred by Lender in connection with this Agreement, including, without limitation, title charges, recording fees, appraisal fees and reasonable attorney's fees and expenses.

10. **Release of Claims.** Borrower, Guarantors and any other obligors, on behalf of themselves and their respective successors and assigns (collectively and individually, "**Borrower Parties**"), hereby fully, finally and completely RELEASE AND FOREVER DISCHARGE Lender and its successors, assigns, affiliates, subsidiaries, parents, officers, shareholders, directors, employees, servicers, attorneys, agents and properties, past, present and future, and their respective heirs, successors and assigns (collectively and individually, "**Lender Parties**"), of and from any and all claims, controversies, disputes, liabilities, obligations, demands, damages, debts, liens, actions and causes of action of any and every nature whatsoever, known or unknown, whether at law, by statute or in equity, in contract or in tort, under state or federal jurisdiction, and whether or not the economic effects of such alleged matters arise or are discovered in the future, which Borrower Parties have as of the date of this Agreement or may claim to have against Lender Parties arising out of or with respect to any and all transactions relating to the Loan or the Loan Documents occurring on or before the date of this Agreement, including any loss, cost or damage of any kind or character arising out of or in any way connected with or in any way resulting from the acts, actions or omissions of Lender Parties occurring on or before the date of this Agreement. The foregoing

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release is intended to be, and is, a full, complete and general release in favor of Lender Parties with respect to all claims, demands, actions, causes of action and other matters described therein, including specifically, without limitation, any claims, demands or causes of action based upon allegations of breach of fiduciary duty, breach of any alleged duty of fair dealing in good faith, economic coercion, usury, or any other theory, cause of action, occurrence, matter or thing which might result in liability upon Lender Parties arising or occurring on or before the date of this Agreement. Borrower Parties understand and agree that the foregoing general release is in consideration for the agreements of Lender contained herein and that they will receive no further consideration for such release.

11. Miscellaneous.

(a) An Event of Default hereunder shall be an "Event of Default" under Section 10.1(d) of the Loan Agreement entitling Lender to all of the remedies afforded Lender under Article 11 of the Loan Agreement.

(b) This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois without regard to its conflict of law principles.

(c) 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 to the preparation of this Agreement, and Borrower, Guarantors and Lender each acknowledge and waive any claim contesting the existence and 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 Borrower, Lender and Guarantors 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.

(d) The execution of this Agreement by Lender 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.

(e) Borrower, Guarantors and Lender acknowledge that there are no other understandings, agreements or representations, either oral or written, express or implied, with respect to the Loan 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 and Lender with respect to the Loan; 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

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full force and effect. This Agreement and the other Loan Documents may be amended only by an instrument in writing executed by the party(ies) against whom such amendment is sought to be enforced.

(f) This Agreement shall bind and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

(g) Any references to the Note, the Mortgage, the Loan Agreement or the Loan Documents, contained in any of the Loan Documents shall be deemed to refer to the Note, the Mortgage, the Loan Agreement and the other Loan Documents as amended hereby. This Agreement shall be deemed a "Loan Document" and accordingly, the definition of the term "Loan Documents" appearing in the Loan Documents is hereby amended to include, in addition to the documents already covered thereby, this Agreement. The paragraph and section heading 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.

(h) This Agreement may be executed in one or more counterparts, all of which, when taken together, shall constitute one original Agreement. Facsimile and .pdf signatures shall be valid as if manually signed.

(i) Time is of the essence of each of Borrower's obligations under this Agreement.

(j) All of the Mortgaged Property shall remain in all respects subject to the lien, charge and encumbrance of the Mortgage and the other Loan Documents, and, nothing herein contained and nothing done pursuant hereto shall affect the lien, charge or encumbrance of the Mortgage or the priority thereof with respect to other liens, charges, encumbrances or conveyances, or release or affect the liability of any party or parties whomsoever who may now or hereafter be liable under or on account of the Loan Documents.

(k) If one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

(l) Lender hereby confirms to Borrower that, as of the date hereof, to Lender's actual knowledge, (i) there is currently no Event of Default under the Note, the Loan Agreement, the Mortgage or the other Loan Documents and (ii) there is no event or circumstance which with the giving of notice or the passage of time, or both, would constitute an Event of Default under the Note, the Loan Agreement, the Mortgage or the other Loan Documents.

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(m) Lender hereby agrees and confirms to Borrower that, notwithstanding anything to the contrary in Section 9.3 of the Loan Agreement or otherwise in the Loan Documents, Borrower may release the Retail Portion from the Lien of the Mortgage and the other Loan Documents in connection with a refinancing of the Retail Portion, rather than an arm's length sale of the Retail Portion to a Person that is not an Affiliate of Borrower for cash (a "**Retail Sale**"), and shall treat such refinancing as though it were a Retail Sale, subject to satisfying all of the terms and conditions of Section 9.3 of the Loan Agreement required to be satisfied in connection with the release of the Retail Portion.

[signature page to follow]

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[Signature Page to Modification of Loan Agreement, Note, Mortgage and Other Loan Documents]

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

BORROWER:

11 SOUTH LASALLE HOTEL PARTNERS, LLC, a Delaware limited liability company

By: 11 South LaSalle Hotel Member, LLC, a Delaware limited liability company, its member

By: PLMP Holdings, LLC, a Delaware limited liability company, its administrative member

By: Prime LaSalle/Madison Partners, LLC, an Illinois limited liability company, its member

By: Michael W. Reschke
Name: Michael W. Reschke
Its: Manager

GUARANTORS:

Michael W. Reschke
MICHAEL W. RESCHKE, an individual

THE PRIME GROUP, INC., an Illinois corporation

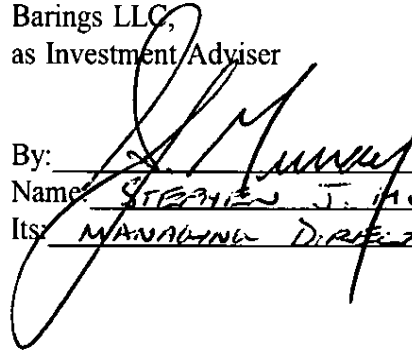
By: Michael W. Reschke
Name: Michael W. Reschke
Its: CEO

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LENDER:

**MASSACHUSETTS MUTUAL LIFE
INSURANCE COMPANY**, a Massachusetts
corporation

By: Barings LLC,
as Investment Adviser

By: 
 Name: STEPHEN J. MORAHAN
 Its: MANAGING DIRECTOR

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BORROWER'S ACKNOWLEDGMENT

STATE OF ILLINOIS)
)
COUNTY OF COOK)

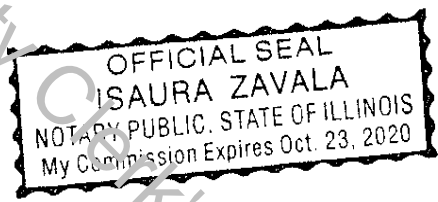
I, ISAURA ZAVALA, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Michael W. Reschke, as Manager of Prime LaSalle/Madison Partners, LLC, an Illinois limited liability company, a member of PLMP Holdings, LLC, a Delaware limited liability company, the administrative member of 11 South LaSalle Hotel Member, LLC, a Delaware limited liability company, a member of 11 South LaSalle Hotel Partners, LLC, a Delaware limited liability company, 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 to me that he, being thereunto duly authorized, signed and delivered said instrument as the free and voluntary act of said limited liability company and as his own free and voluntary act, for the uses and purposes set forth therein.

GIVEN under my hand and notarial seal this 8th day of March, 2018.

Isaura Zavala
Notary Public

My Commission expires:

10-23-2020



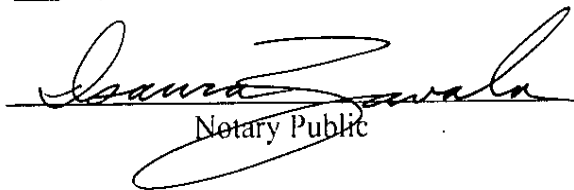
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GUARANTOR'S ACKNOWLEDGMENT

STATE OF Illinois)
)
COUNTY OF Cook)

I, ISAURA ZAVALA, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Michael W. Reschke, an individual, 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 severally acknowledged to me that he, being thereunto duly authorized, signed and delivered said instrument as his own free and voluntary act, for the uses and purposes set forth therein.

GIVEN under my hand and notarial seal this 8th day of March, 2018.


Notary Public

My Commission expires:

10-23-2020



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GUARANTOR'S ACKNOWLEDGMENT

STATE OF ILLinois)

COUNTY OF Cook)

I, Isaura Zavala, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Michael W. Reschke, as Chairman and CEO of The Prime Group, Inc., an Illinois corporation, 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 to me that he/she, being thereunto duly authorized, signed and delivered said instrument as the free and voluntary act of said corporation and as his/her own free and voluntary act, for the uses and purposes set forth therein.

GIVEN under my hand and notarial seal this 8th day of March, 2018.

Isaura Zavala
Notary Public

My Commission expires:

10-23-2020



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LENDER'S ACKNOWLEDGMENT

STATE OF Illinois)
)
COUNTY OF Cook)

I, Stephanie Lapinski a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Stephen J. Murray, as Managing Director of Barings LLC, as Investment Adviser of Massachusetts Mutual Life Insurance Company, a Massachusetts corporation, 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 to me that he/she, being thereunto duly authorized, signed and delivered said instrument as the free and voluntary act of said corporation and as his/her own free and voluntary act, for the uses and purposes set forth therein.

GIVEN under my hand and notarial seal this 8 day of March, 2018.

Stephanie Lapinski
Notary Public

My Commission expires:

7/1/19



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EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1:

THE NORTH 90 FEET OF LOT 1 AND THAT PART OF THE NORTH 90 FEET OF LOT 2 IN SUBDIVISION (BY CHICAGO HYDRAULIC COMPANY) OF LOTS 1 AND 2 IN BLOCK 118 OF SCHOOL SECTION ADDITION TO CHICAGO, COOK COUNTY, ILLINOIS, IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN WHICH LIES EAST OF A LINE EXTENDING SOUTH FROM A POINT ON THE NORTH LINE OF SAID LOT 2 WHICH IS 15.24 FEET WEST FROM THE NORTHEAST CORNER THEREOF TO A POINT ON THE SOUTH LINE OF SAID LOT 2 WHICH IS 14.90 FEET WEST FROM THE SOUTHEAST CORNER THEREOF.

PARCEL 2:

ALSO LOT 3 AND THAT PART OF LOT 2 IN SUBDIVISION (BY CHICAGO HYDRAULIC COMPANY) OF LOTS 1 AND 2 IN BLOCK 118 IN SCHOOL SECTION ADDITION TO CHICAGO, COOK COUNTY, ILLINOIS, IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN WHICH LIES WEST OF A LINE EXTENDING SOUTH FROM A POINT ON THE NORTH LINE OF SAID LOT 2 WHICH IS 15.24 FEET WEST FROM THE NORTHEAST CORNER THEREOF TO A POINT ON THE SOUTH LINE OF SAID LOT 2 WHICH IS 14.90 FEET WEST FROM THE SOUTHEAST CORNER THEREOF, EXCEPTING FROM THE AFOREMENTIONED PART OF LOT 2 THAT PORTION OF SAID PART LYING SOUTH OF THE NORTH 90 FEET OF LOT 2 AND FALLING WITHIN THE EAST 15 FEET OF LOT 2.

PARCEL 3:

TOGETHER WITH LOT 1 (EXCEPT THE SOUTH 2 FEET THEREOF) IN MAJOR'S SUBDIVISION OF SUB-LOTS 4, 5, 6 AND 8 AND THE WEST 15 FEET OF LOT 9 (EXCEPTING THEREFROM THAT PART OF SAID LOTS 6 AND 8 TAKEN FOR LA SALLE STREET) IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 118 IN SCHOOL SECTION ADDITION TO CHICAGO, COOK COUNTY, ILLINOIS, IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS.

Common Address: 11 South LaSalle Street, Chicago, IL 60603

Pin Nos.: 17-16-204-001-0000 and 17-16-204-003-0000