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non-agency

THIS INSTRUMENT PREPARED BY:
Christyl Marsh
Cohen, Salk & Hoffinan, P.C.
630 Dundee Road, Suite 120
Northbrook, Illinois 60062

Doc#: 2211707317 Fee: \$98.00
Karen A. Yarbrough
Cook County Clerk
Date: 04/27/2022 02:49 PM Pg: 1 of 10

AND AFTER RECORDING MAIL TO:
Steve Frank
GreenState Credit Union
1111 W. 22nd Street, Suite 800
Oak Brook, Illinois 60523

40035607-002

SECOND MODIFICATION AGREEMENT

THIS SECOND MODIFICATION AGREEMENT (hereinafter referred to as this "Modification Agreement") made as of April __, 2022, by and among **Pulaski Hospitality LLC**, an Illinois limited liability company ("**Borrower**"), **Frank D. Sottrel** ("**Frank**"), **AHG Hospitality Inc.**, an Illinois corporation ("**AHG**"), **Prestige Club Escapes Inc.**, an Illinois corporation ("**Prestige**") (Frank, AHG and Prestige are each a "**Guarantor**," and are collectively the "**Guarantors**") (Borrower and Guarantors are hereinafter each sometimes individually referred to as an "**Obligor**," and are collectively referred to as the "**Obligors**"), and **GreenState Credit Union**, formerly known as Oxford Bank & Trust ("**Lender**").

WITNESSETH:

WHEREAS, Lender previously extended to Borrower a term loan in the principal amount of Five Million Five Hundred Eighty Five Thousand and 00/100 Dollars (\$5,585,000.00) (as modified from time to time, the "**Loan**"), and to evidence the Loan, Borrower executed and delivered to Lender that certain promissory note dated February 9, 2018 in the original principal sum of Five Million Five Hundred Eighty Five Thousand and 00/100 Dollars (\$5,585,000.00) (as modified, restated or replaced from time to time, the "**Note**"), which Note is secured, in part, by the following documents (the following documents and any and all other instruments executed by any Obligor, as modified, restated or replaced from time to time, are hereinafter collectively referred to as the "**Loan Documents**"):

- (i) mortgage, security agreement, assignment of leases and rents and fixture filing dated February 9, 2018, made by Borrower in favor of Lender, recorded in the Office of the Recorder of Deeds of Cook County, Illinois (the "**Recorder's Office**"), as Document No. 1804749012 (the "**Mortgage**") on property commonly known as 5335 S. Pulaski Road, Chicago, Illinois and legally described on **Exhibit A** attached hereto and made a part hereof (the "**Premises**");
- (ii) assignment of leases and rents dated February 9, 2018 made by Borrower in favor of Lender, recorded in the Recorder's Office as Document No. 1804749013 (the "**Assignment of Rents**");

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- (iii) guaranty of payment dated February 9, 2018 made by Guarantors in favor of Lender (the "Guaranty");
- (iv) environmental indemnity agreement dated February 9, 2018 made by Obligors in favor of Lender;
- (v) construction loan agreement dated February 9, 2018 between Borrower and Lender;
- (vi) security agreement dated February 9, 2018 between Borrower and Lender;
- (vii) UCC1 financing statement authorized by Borrower, as debtor, in favor of Lender, as secured party, and filed in the Office of the Illinois Secretary of State as filing number 23116367;
- (viii) security agreement dated February 9, 2018 between AHG and Lender;
- (ix) UCC1 financing statement authorized by AHG, as debtor, in favor of Lender, as secured party, and filed in the Office of the Illinois Secretary of State as filing number 23116403;
- (x) security agreement dated February 9, 2018 between Prestige and Lender; and
- (xi) UCC1 financing statement authorized by Prestige, as debtor, in favor of Lender, as secured party, and filed in the Office of the Illinois Secretary of State as filing number 23116359.

WHEREAS, the Loan was previously modified to (i) decrease the interest rate charged on the Note, and (ii) adjust the maturity date of the Note to be May 7, 2028, and in connection therewith, (a) the Note was amended, restated and replaced with that certain amended and restated promissory note dated May 7, 2021 in the original principal amount of \$5, 407,119.37), made by Borrower, payable to the order of Lender, on May 7, 2028 (the "Amended Note"), (b) the Loan Documents were modified by that certain modification agreement dated May 7, 2021 made by and among Obligors and Lender, and recorded in the Recorder's Office as Document No. 2113812207.

WHEREAS, Obligors are desirous of (i) increasing the principal amount of the Loan by \$100,000.00, and (ii) making certain other changes thereto, and Lender is willing to consent to such changes subject to the terms and provisions hereinafter provided.

NOW THEREFORE, in consideration of the mutual promises of the parties hereto, and upon the express conditions that the lien of the Mortgage held by Lender is a valid, first and subsisting lien on the Premises (as defined in the Mortgage) and that the execution of this Modification Agreement will not impair the lien of said Mortgage and that there is no existing second mortgage or other liens subsequent to the lien of the Mortgage held by Lender (other than those in favor of Lender) that will not be paid in full and released concurrently herewith (for breach of which conditions, or either of them, this Modification Agreement shall not take effect and shall be void), **IT IS AGREED AS FOLLOWS:**

1. The parties represent and agree that the foregoing recitals are true and correct.

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2. Obligors acknowledge and agree that (a) GreenState Credit Union ("GreenState") acquired Oxford Bank & Trust ("Oxford"), on December 31, 2021, and (b) as a result of such acquisition, GreenState became the successor in interest to all rights and obligations of Oxford, as Lender, for all purposes hereof. All references in the Loan Documents to the Lender shall hereafter mean GreenState Credit Union. All notices to the Lender shall hereafter be addressed to GreenState at 1111 W. 22nd Street, Suite 800, Oak Brook, IL 60523.

3. As of the date hereof, the total outstanding principal balance of the Note is \$5,219,326.50. Concurrent with the execution and delivery of this Modification Agreement, Borrower shall execute and deliver to Lender an amended and restated promissory note of even date herewith in the principal amount of Five Million Three Hundred Nineteen Thousand Three Hundred Twenty-Six and 50/100 Dollars (\$5,319,326.50), payable to the order of Lender on May 7, 2028 (the "Second Amended Note").

4. Each reference in the Loan Documents to the term "Note" shall hereafter be deemed to be a reference to the Second Amended Note. Each reference in the Loan Documents to the term "Loan" shall hereafter be deemed to be a reference to the Loan, as evidenced by the Second Amended Note.

5. Notwithstanding anything to the contrary set forth in the Loan Documents, Obligors acknowledge and agree to deliver to Lender financial statements for each Obligor annually, within one year after the delivery of the prior years' statements.

6. The Loan Documents are hereby amended to secure the obligations and liabilities evidenced by the Second Amended Note and this Modification Agreement.

7. Except for the modifications stated herein, the Second Amended Note and Loan Documents are not otherwise changed, modified or amended. Except as expressly provided herein, the Second Amended Note and other Loan Documents and each other instrument or agreement delivered by any Obligor to or for the benefit of Lender in connection with the Loan evidenced by the Second Amended Note shall remain in full force and effect in accordance with their respective terms and the execution and delivery of this Modification Agreement shall not operate to waive any rights or remedies that Lender may have with respect to the Second Amended Note and other Loan Documents, to forgive or waive any violation, default or breach under the Second Amended Note or any other Loan Document, or to obligate Lender in any manner to make any further extensions of credit other than as expressly set forth herein.

8. Contemporaneously with the execution of this Modification Agreement by Lender, Obligors shall pay to Lender all of Lender's attorneys' fees incurred in connection with the negotiation and documentation of the agreements contained in this Modification Agreement, all recording fees and charges, title insurance charges and premiums, appraisal fees, and all other expenses, charges, costs and fees necessitated by or otherwise relating to this Modification Agreement (the "Additional Fees"). If any of the Additional Fees are not paid at the time this Modification Agreement is executed by Lender, such Additional Fees shall be paid by Obligors within five (5) days after written demand therefor by Lender, and if not timely paid, they shall bear interest from the date so incurred until paid at an annual rate equal to the Default Rate (as defined in the Second Amended Note).

9. The Premises described in the Mortgage shall remain in all events subject to the lien, charge or encumbrance of the Mortgage, and nothing herein contained, and nothing done pursuant

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hereto, shall affect or be construed to affect the lien, charge or encumbrance of the Mortgage, or the priority thereof over any other liens, charges, or encumbrances or conveyances, or, except as expressly provided herein, to release or affect the liability of any party or parties whomsoever may now or hereafter be liable under or on account of the Second Amended Note, the Mortgage and/or the Assignment of Rents, nor shall anything herein contained or done in pursuance thereof affect or be construed to affect any other security or instrument, if any, held by Lender as security for or evidence of the aforesaid indebtedness.

10. This Modification Agreement shall extend to and be binding upon each of the Obligors and their respective heirs, legatees, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

11. Each Obligor hereby ratifies and confirms his or its respective obligations and liabilities under the Second Amended Note, the Guaranty and other Loan Documents, as hereby amended, and the liens and security interest created thereby, and acknowledge that he or it have no defenses, claims or set-offs against the enforcement by Lender of their respective obligations and liabilities under the Second Amended Note, the Guaranty and other Loan Documents, as so amended.

Without limiting the generality of the foregoing paragraph, each Guarantor hereby further represents and warrants to the Lender with the intent that the Lender rely thereon, as follows with regard to the Guaranty, as hereby modified: (a) the Guaranty is in full force and effect and is binding and enforceable against the Guarantor in accordance with its terms; (b) the Guarantor irrevocably consents and agrees to the Borrower's execution and delivery of the Second Amended Note and this Modification Agreement; (c) the liability of the Guarantor to the Lender under the Guaranty shall in no way be affected, modified, altered, or discharged in any fashion by the Borrower's execution, delivery or performance of the Second Amended Note and this Modification Agreement; (d) the Guarantor hereby restates and reaffirms to Lender all terms and provisions of the Guaranty as if set forth in full herein; and (e) the Guarantor does not possess any claims, defenses, offsets, or counterclaims against the enforcement of the Guaranty as of the date hereof, and any and all such claims, defenses, offsets and counterclaims, whether known or unknown are forever waived and released, and the Guarantor is unconditionally liable under the Guaranty, for the payment and performance of all present and future indebtedness and all other obligations described therein.

12. This Modification Agreement shall, in all respects, be governed by and construed in accordance with the laws of the State of Illinois (exclusive of choice of law principles), including all matters of construction, validity and performance.

13. This Modification Agreement constitutes the entire agreement between the parties with respect to the aforesaid modification and shall not be amended or modified in any way except by a document in writing executed by all of the parties thereto.

14. This Modification Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall be one agreement.

15. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR HEREBY AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS MODIFICATION AGREEMENT SHALL BE TRIED AND DETERMINED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF COOK, STATE OF ILLINOIS, OR, AT THE SOLE OPTION OF LENDER IN ANY OTHER COURT IN WHICH

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LENDER SHALL INITIATE LEGAL OR EQUITABLE PROCEEDINGS AND WHICH HAS SUBJECT MATTER JURISDICTION OVER THE MATTER IN CONTROVERSY. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR HEREBY EXPRESSLY WAIVES ANY RIGHT IT MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS PARAGRAPH.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR AND LENDER HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY ACTION, CAUSE OF ACTION, CLAIM, DEMAND, OR PROCEEDING ARISING UNDER OR WITH RESPECT TO THIS MODIFICATION AGREEMENT, OR IN ANY WAY CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE DEALINGS OF OBLIGORS AND LENDER WITH RESPECT TO THIS MODIFICATION AGREEMENT, OR THE TRANSACTION RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR AND LENDER HEREBY AGREE THAT ANY SUCH ACTION, CAUSE OF ACTION, CLAIM, DEMAND OR PROCEEDING SHALL BE DECIDED BY A COURT TRIAL WITHOUT A JURY AND THAT ANY OBLIGOR OR LENDER MAY FILE A COPY OF THIS EXECUTED MODIFICATION AGREEMENT WITH ANY COURT OR OTHER TRIBUNAL AS WRITTEN EVIDENCE OF THE CONSENT OF EACH OBLIGOR AND LENDER TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

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IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed as of the date first above written.

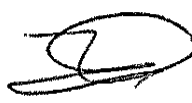
BORROWER:

Pulaski Hospitality LLC, an Illinois limited liability company

By: 


Frank Sottrel, Member

GUARANTORS:



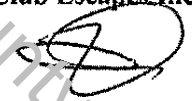
Frank D. Sottrel, individually

AHG Hospitality Inc., an Illinois corporation

By: 

Frank D. Sottrel, President

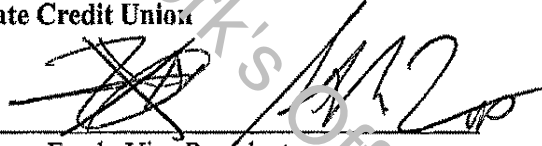
President Club Escapes Inc., an Illinois corporation

By: 

Frank Sottrel, President

LENDER:

GreenState Credit Union

By: 

Steve Frank, Vice President

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STATE OF ILLINOIS)
COUNTY OF Aurora) SS

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that **Frank Sottrel**, the Member of **Pulaski Hospitality LLC**, an Illinois limited liability company, and 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 that he signed, sealed and delivered the said instrument as such Member of said limited liability company, pursuant to authority given by the members of said limited liability company, as his own and 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 15th day of April, 2022.

Diana Palicka

Notary Public

My Commission Expires: _____



STATE OF ILLINOIS)
COUNTY OF Aurora) SS

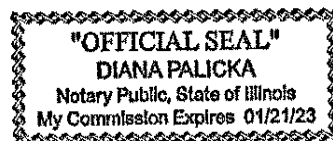
I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that **Frank D. Sottrel** appeared before me this day and subscribed his name to the foregoing instrument for the uses and purposes therein stated.

Given under my hand and notarial seal this 15th day of April, 2022.

Diana Palicka

Notary Public

My Commission Expires: _____



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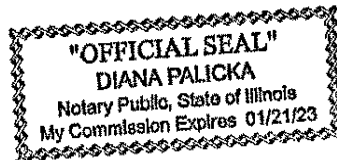
STATE OF ILLINOIS)
)
COUNTY OF AuPage) SS

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that **Frank D. Sottrel**, the President of **AHG Hospitality Inc.**, an Illinois corporation, who is known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he signed, sealed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 15th day of April, 2022.

Diana Palicka
Notary Public

My Commission Expires: _____



STATE OF ILLINOIS)
)
COUNTY OF AuPage) SS

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that **Frank Sottrel**, the President of **Prestige Club Escapes Inc.**, an Illinois corporation, who is known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he signed, sealed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 15th day of April, 2022.

Diana Palicka
Notary Public

My Commission Expires: _____



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STATE OF ILLINOIS)
)
COUNTY OF DUPAGE) SS

I, the undersigned, a Notary Public in and for said County in the State aforesaid, do hereby certify that Steven Frank, Vice President of Commercial Real Estate for **GreenState Credit Union**, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Vice President 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 bank.

Given under my hand and notarial seal this 15th day of April, 2022.



Diana Palicka
Notary Public

My Commission Expires: _____

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EXHIBIT A

Legal Description of the Premises

PIN: 19-11-318-065-0000

Address: 5335 S. Pulaski Road, Chicago, Illinois 60632

LOTS 29, 31, 32, 33, 34, 35, 36, 37 AND 38 (EXCEPT THAT PART LYING WEST OF A LINE 50 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF SECTION 11 HEREINAFTER DESCRIBED) IN BLOCK 2 IN SIMON ETTLINGER'S SUBDIVISION OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ALSO LOTS 39, 40, 41, 42, 43 AND 44 IN BLOCK 2 IN SIMON ETTLINGER'S SUBDIVISION OF THE WEST HALF OF THE SOUTH WEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPT THAT PART THEREOF TAKEN FOR THE WIDENING PULASKI ROAD, IN COOK COUNTY, ILLINOIS.