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THIRD AMENDMENT TO MORTGAGE 2 5 2 4 / C

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THIRD AMENDMENT TO MORTGAGE ("Third Amendment") made as of the 11th day of January, 1987, by LASALLE NATIONAL BANK, not personally but as trustee under Trust Agreement dated August 13, 1982 and known as Trust No. 105174 ("Mortgagor").

WHEREAS, Mortgagor executed and delivered to SKOKIE FEDERAL SAVINGS AND LOAN ASSOCIATION ("Mortgagee") a Construction and Permanent Mortgage which Mortgage (i) was recorded with the Recorder of Deeds of Cook County on February 14, 1983 as Document No. 26454434 and filed with the Cook County Registrar of Titles on February 14, 1983 as Document No. LR 3293772, and refiled with the Cook County Registrar of Titles on November 4, 1983 as Document No. LR 3339505 and on April 12, 1985 as document LR 3429809, and (ii) was amended by an Amendment to Mortgage made January 28, 1983 as of December 30, 1982 which was recorded with the Recorder of Deeds of Cook County on February 14, 1983 as document 26505538 and filed with the Cook County Registrar of Titles on February 14, 1983 as Document No. LR 3293773 and refiled with the Cook County Registrar of Titles on November 4, 1983 as Document No. LR 3339506, and (iii) was further amended by Amendment to Construction and Permanent Note and Construction and Permanent Mortgage dated January 15, 1985 and recorded June 3, 1985 with the Recorder of Deeds of Cook County as document 85044182 and filed with the Registrar's Office as document LR 3439231 (said Mortgage, as amended, being referred to herein as the "Amended Mortgage").

WHEREAS, the Amended Mortgage was executed and delivered to secure repayment of a principal obligation of \$10,681,953.00 which was evidenced by that certain Construction and Permanent Loan Note made by Mortgagor in favor of Mortgagee and dated as of December 30, 1982, which Note was amended by an Amendment to Construction and Permanent Loan Note and Construction and Permanent Loan Mortgage dated as of January 15, 1985 which Amendment among other things, increased the principal obligation under said Amended Note to \$11,481,853.00 (said Note, as amended, being referred to herein as the "Construction Note").

WHEREAS, Mortgagor and Mortgagee have concurrently herewith further amended the Construction Note (which note, as amended, is in this Third Amendment to Mortgage called the "Amended Note"), and in furtherance thereof, said parties desire to modify and amend the Amended Mortgage as hereinafter set forth;

NOW, THEREFORE, for and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed that:

TAX ID NOS: 5 1/2 % NCL 1/4 JT

17-06-223-039	17-06-232-030
-040	-031
17-06-232-002 ^{BND}	17-06-235-003 ^{BND}
-011	-113
-026	-114
-027	

COMMON ADDRESS:
1274 NO MILWAUKEE AVE
CHICAGO IL

70-90 3009

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1. The first recital in the Amended Mortgage which identifies the Construction Note is deleted in its entirety and the following first recital substituted:

WHEREAS, the Mortgagor has concurrently with this Third Amendment to Mortgage executed and delivered to the Mortgagee, the Mortgagor's Amended and Restated Note (herein called the "Note") dated of even date with this Third Amendment to Mortgage in the principal sum of \$15,930,000.00 bearing interest at the rate specified therein due in installments and in any event as set forth therein, payable to the order of the Mortgagee and otherwise in the form of Amended Note attached hereto as Exhibit A and made a part hereof.

2. The form of the Construction Note attached to the Amended Mortgage as Exhibit "A" is deleted in its entirety and the form of the Amended Note attached hereto as Exhibit A is substituted.

3. All references in the Amended Mortgage or herein to: (i) "This Mortgage" shall constitute a reference to the Amended Mortgage, as further amended by this instrument; (ii) the "Note" shall constitute a reference to the Amended Note; and (iii) the "Indebtedness Hereby Secured" shall constitute a reference to the indebtedness evidenced by the Amended Note; and (iv) the "Assignment" shall constitute a reference to the Assignment of Rents dated December 30, 1982, as amended by First Amendment to Assignment of Rents dated concurrently with this Third Amendment to Mortgage securing the Indebtedness Hereby Secured.

4. The last sentence of Section 12 of the Amended Mortgage is deleted in its entirety.

5. Section 17 of the Amended Mortgage is hereby amended by deleting from the first grammatical paragraph the phrase "prior to the commencement of principal amortization under the Note," and by the addition of the following sentence at the end of Section 17:

"The requisite consent of Mortgagee under this Section 17 shall not be unreasonably withheld or denied."

6. The first sentence of Section 28 of the Amended Mortgage is deleted in its entirety and the following sentence substituted:

"The Mortgagor has executed and delivered to and with the Mortgagee an Amended and Restated Construction Loan Agreement dated as of the date of

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this Third Amendment to Mortgage (the 'Construction Loan Agreement') in furtherance of the construction of certain improvements upon the Premises and disbursement of certain amounts constituting a portion of the Indebtedness Hereby Secured."

7. Section 36(b) of the Amended Mortgage is deleted in its entirety and the following Section 36(b) substituted:

(b) If to the Mortgagor:

c/o Joseph J. Freed and Scott Sternfield
Joseph J. Freed and Associates, Inc.
304 East Rand Road
Arlington Heights, Illinois 60004

with a copy to:
Rudnick & Wolfe
30 North LaSalle Street
25th floor
Chicago, Illinois 60602
Attn: Richard S. Homer

8. Subitem (b) of Paragraph 37 of the Amended Mortgage is hereby deleted in its entirety and there is substituted the following:

b. Construction contracts for construction of improvements upon the premises.

9. The last sentence of Section 39 of the Amended Mortgage is deleted in its entirety.

10. Section 40 of the Amended Mortgage is deleted in its entirety.

11. Statutory reference in Sections 24 and 27 of the Amended Mortgage are hereby amended as follows: (i) Chapter 74, Section 4(c) to Chapter 17, Section 6404, and (ii) Chapter 77, Section 18(a) and 18(b) to Chapter 12, Section 12-124 and 12-125.

12. Pursuant to the recordation of a plat of subdivision for portions of the Premises, the Premises may be variously described as stated in Exhibit "B" to the Amended Mortgage or as stated in Exhibit "B" to this Third Amendment to Mortgage.

13. Section 41 of the Amended Mortgage is hereby amended by deleting the phrase "(Section 37(b))" and substituting therefor the phrase "Section 37(a)".

14. The Recitals preceding this Third Amendment to Mortgage are incorporated herein by reference.

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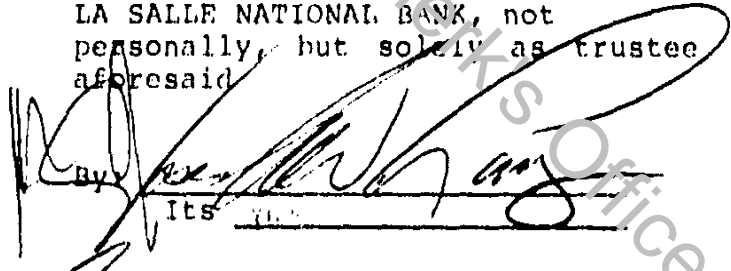
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15. The Amended Mortgage shall remain in full force and effect and every term, condition and covenant therein contained is hereby ratified, approved and confirmed except to the extent expressly modified by this Third Amendment to Amended Mortgage.

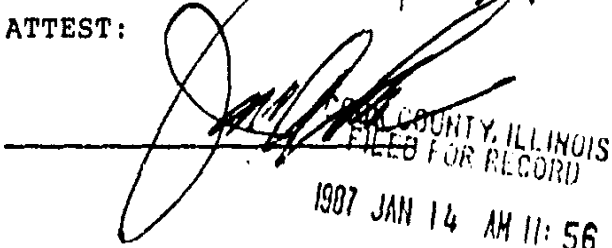
16. This Third Amendment is executed by LaSalle National Bank, not personally, but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as Trustee, and under the express direction of the beneficiaries of the aforesaid Trust. It is expressly understood and agreed that nothing herein shall be construed as creating any liability whatsoever against said Trustee or said beneficiaries personally, and in particular, without limiting the generality of the foregoing, there shall be no personal liability to pay any indebtedness accruing hereunder or to perform any covenant, either express or implied, herein contained, or to keep, preserve, or sequester any property of said Trust, and that all personal liability of said Trustee or said beneficiaries hereto, if any, is hereby expressly waived by the Amended Mortgagee under the Amended Mortgage and by every person now or hereafter claiming any right to security hereunder; and that so far as the said Trustee is concerned, the owner of any indebtedness or liability accruing hereunder, shall look solely to the assets of said Trust and the proceeds thereof for the payment thereof.

IN WITNESS WHEREOF, the undersigned has executed this Third Amendment as of the date and year first above written.

LA SALLE NATIONAL BANK, not personally, but solely as trustee aforesaid

By  Its _____

ATTEST:



CLERK OF COUNTY, ILLINOIS
FILED FOR RECORD

1987 JAN 14 AM 11:56

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JOINDER

SKOKIE FEDERAL SAVINGS AND LOAN ASSOCIATION, Mortgagee herein, hereby joins in the execution and delivery of this Third Amendment to Mortgage for the purposes of evidencing its approval and acceptance thereof.

SKOKIE FEDERAL SAVINGS AND LOAN ASSOCIATION

By: Valerie Guek
Vice President

ATTEST:

Tina Kwadia
Assistant Secretary

Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, [Signature], a Notary Public in and for the County and State aforesaid, do hereby certify that [Signature] Vice President of LASALLE NATIONAL BANK ("Bank"), a national banking association and JAMES M. [Signature], an Assistant Secretary of said Bank, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice President and Assistant Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of said Bank, for the uses and purposes therein set forth; and the said Assistant Secretary did also then and there acknowledge that he, as custodian for the corporate seal of said Bank, did affix the said instrument as his own free and voluntary act, and as the free and voluntary act of said Bank, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 13 day of JAN, 1984.

[Signature: Vicki Smolen]
Notary Public

My Commission Expires:

5-22-88

COOK County Clerk's Office

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AMENDED AND RESTATED NOTE

This Amended and Restated Note made this 11th day of January, 1987, from LaSalle National Bank, not personally, but as trustee under trust agreement dated August 13, 1982 and known as Trust No. 105174 ("Borrower"), to the order of Skokie Federal Savings and Loan Association ("Lender") amends and restates in its entirety that certain promissory note of Borrower to Lender dated December 30, 1982, in the original principal sum of \$10,681,693.00, as amended January 15, 1985, this instrument evidencing such additional indebtedness and modified terms as are herein set forth and superseding such prior evidences of indebtedness in their entirety.

I. DEFINITIONS

As used in this Amended Note, certain words, terms and phrases shall have the meanings and definitions hereinafter set forth.

1. Beneficiary--The person or entity who or which owns the entire beneficial interest in Borrower.

2. Loan--The loan evidenced by this Amended and Restated Note in the principal amount of \$15,930,000.00, or such other amount as shall have been disbursed hereon.

3. Amended Construction Loan Agreement--The Agreement entitled Amended and Restated Construction Loan Agreement, bearing even date herewith, by and between Borrower and Lender.

4. Partnership--WestTown Limited Partnership, an Illinois Limited Partnership, the Beneficiary of Borrower.

5. Premises--The real estate encumbered as security for the Loan, including but not limited to all improvements now or hereafter existing thereon.

6. Project--The improvements which have been and will be constructed, refurbished or situated upon the Premises, together with the underlying land.

7. Prior Interest Rate--Ten and one half (10½) per cent per annum for loan balances up to \$10,600,000.00; and ten and three fourths (10-3/4) percent for loan balances in excess of said sum.

8. Interim Interest Rate--Nine percent and thirty-two hundredths of one percent (9.32%) per annum.

9. Final Interest Rate--The interest rate which is equal to 150 basis points (one and one half percent) in excess of the cost of funds as measured by the monthly

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weighted average cost of funds index for the Eleventh (11th) District (the "Index") published by the Federal Home Loan Bank of San Francisco, provided, however that the Final Interest Rate shall in no event be lower than nine (9%) percent per annum nor higher than eleven (11%) percent per annum. If the publication of the Index is terminated, then any successor index shall be substituted; and if there is no successor index, then any comparable index measuring the cost of funds from time to time to a group of financial institutions which is selected by the Lender, in its sole discretion, shall be substituted for the Index. The Final Interest Rate commencing with the first day of the eleventh (11th) Loan Year shall be 150 basis points in excess of the published Index for the month of November of the tenth (10th) Loan Year, and the Final Interest Rate shall change on the first day of each succeeding Loan Year to reflect the change in the Index for the month of November in the preceding Loan Year, subject at all times to the maximum and minimum rates specified above.

10. Business Day--A day on which the Lender is open for business.

11. Disbursement Date--The date on which Lender shall make initial disbursement of the funds after the execution and delivery of this Amended Note.

12. Loan Balance--The outstanding balance of the Loan as reflected in the books of Lender.

13. Loan Year--The twelve month period from January 1, 1987 to December 31, 1987 and each succeeding twelve month period thereafter.

14. Maturity Date--December 31, 2016 (or on the first Business Day thereafter, if said date is not a Business Day), or such earlier date on which the Loan Balance becomes due and payable by reason of the acceleration of the maturity of this Amended Note.

15. Default Interest Rate--Interest at the rate of 2% in excess of the reference rate of interest from time to time published during each respective period of default by the Continental Illinois National Bank and Trust Company of Chicago ("CINB"), but in no event less than 12.5% per annum.

II. OBLIGATION

For value received, Borrower agrees to pay to the order of Lender the sum of \$15,930,000.00, or such lesser sum as shall be disbursed hereon, plus interest thereon as follows:

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1. Accrual of Interest--Interest shall accrue on the Loan Balance outstanding from time to time, and shall be computed daily on the basis of a 365 day year, as follows: (a) At the Prior Interest Rate at all times prior to the Disbursement Date; and (b) At the Interim Interest Rate from and including the Disbursement Date to and including the last day of the tenth (10th) Loan Year; and (c) At the Final Interest Rate, adjusted annually as hereinabove provided, from and including the first day of the eleventh (11th) Loan Year to and including the Maturity Date.

2. Payment of Interest--Commencing with the first Business Day of the first month after the Disbursement Date, and on the first Business Day of each month thereafter for the first five (5) Loan Years, Borrower shall pay to Lender monthly in arrears, interest which shall have accrued at the rates specified above on the unpaid principal balance of the Loan.

3. Amortization--Commencing with the first Business Day of the sixth (6th) Loan Year, and continuing on the first Business Day of each month thereafter through the end of the tenth (10th) Loan Year, Maker shall pay Lender monthly in arrears, an amount equal to the interest accruing upon the outstanding principal balance of the Loan payable hereunder at the Interim Interest Rate, plus a principal payment equal to the amount required to amortize the outstanding principal balance of the Loan (plus interest thereon as aforesaid) in equal monthly installments over a thirty (30) year amortization period.

4. Amortization and Interest Adjustments--Commencing with the first Business Day of the eleventh (11th) Loan Year and continuing on the first Business Day of each month thereafter until the Maturity Date, Maker shall pay to Lender monthly in arrears, an amount equal to the interest accruing upon the outstanding principal balance payable hereunder, at the Final Interest Rate, plus an installment of principal which Lender shall annually adjust, so that the monthly payments due hereunder shall be the amount required to amortize the principal amount then outstanding, together with interest at the Final Interest Rate after adjustment as provided hereunder, in equal monthly installments over the remaining term of such thirty (30) year amortization period which shall have begun on January 1, 1992. From and after each such adjustment, Maker shall pay Lender, on the first Business Day of each month, a monthly installment of principal and interest based on the then current schedule of amortization in accordance with the foregoing.

5. Payment of Principal Balance--The outstanding principal balance of the Loan, together with all accrued but unpaid interest thereon, shall be due and payable on

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the Maturity Date, it being understood that the aggregate indebtedness evidenced hereby on the Maturity Date (as that term is herein defined) shall be due in a single BALLOON PAYMENT on such date.

III. MISCELLANEOUS

1. The Loan may be prepaid in whole or in part at any time without premium or penalty, upon not less than 30 days prior written notice to Lender. No partial prepayment shall serve to reduce the amount of any scheduled installment of principal and interest but, to the extent allocated against the principal balance, shall be applied in inverse order to the last installments due hereunder.

2. All regular monthly payments on account of the indebtedness evidenced by this Amended Note shall first be applied to the payment of delinquency or "late" charges and attendant costs, fees, charges and advances, if any; next to accrued and unpaid interest; next to the reduction of principal.

3. Payments of principal and interest upon this Amended Note shall be made at such place as the Lender may, from time to time, designate in writing, by registered or certified mail notices to Borrower (with a copy to Joseph J. Freed and Associates, Inc., 304 East Rand Road, Arlington Heights, Illinois 60004, or such other address as Borrower may designate), and in the absence of such designation at the office of Skokie Federal Savings and Loan Association, 4747 West Dempster Street, Skokie, Illinois 60076.

4. This Amended Note is the Amended Note referred to in and secured by multiple security interests and agreements (collectively the "Skokie Security Documents"), including but not limited to the following:

- a. An amended mortgage to Lender, as amended heretofore and as further amended by the Third Amendment to Mortgage bearing even date herewith (herein called the "Amended Mortgage") upon the Borrower's interest in the Premises;
- b. An assignment of rents and leases as amended by First Amendment to Assignment of Rents and Leases bearing even date herewith (herein called "Amended Assignment of Rents and Leases"), assigning to Lender all of the leases, rents, issues and profits of and from the Premises;
- c. Uniform Commercial Code financing statements;

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- d. Collateral Assignment of beneficial interest, as amended.

5. Reference is hereby made to the Skokie Security Documents and the Amended Construction Loan Agreement for a description of the Premises, a description of the rents and leases assigned as security, a statement of the rights, remedies and security afforded thereby and all other matters therein contained. Each and every obligation and covenant of the maker thereunder is incorporated herein by reference as fully and with the same force and effect as if specifically set forth herein at length. A default by the Borrower under one or more of the Skokie Security Documents or any other instrument referred to in this paragraph, and the passage of any applicable period of grace shall constitute an immediate default hereunder without additional notice or period of grace.

6. At the election of Lender, all obligations of the Borrower evidenced by this Amended Note shall be and become at once due and payable at the place herein provided for payment in the case of (i) default of ten (10) days in the payment of any sum required to be paid hereunder, or (ii) with respect to any other "Event of Default" as provided in the Skokie Security Documents.

7. In the event any installment of principal and/or interest due hereunder and/or any escrow fund payment for taxes under said Amended Mortgage, if any, shall become overdue for a period in excess of ten (10) days, Borrower shall pay to Lender a "late charge" of four cents (4 cents) for each dollar so overdue in order to defray part of the cost of collection.

8. Borrower expressly agrees that time is of the essence hereof, and should any default be made hereunder Borrower shall pay interest on the entire unpaid balance of the Loan at the Default Interest Rate from the date of such default until such default is cured, i.e., such interest payment shall be an amount equal to the excess of interest charged at the Default Interest Rate from time to time hereunder over the interest rate otherwise applicable, and shall be due and payable on each day for which a payment of principal or interest is overdue hereunder.

9. The remedies of the Lender as provided in this Amended Note, the Skokie Security Documents, and Amended Construction Loan Agreement shall be cumulative and concurrent, and may be pursued singly, successively, or together at the sole discretion of Lender.

10. Borrower, for itself and any indorsers or sureties hereof, jointly and severally, waive presentment for payment, demand, notice of nonpayment, notice of dis-

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honor, protest of any dishonor, notice of protest, and protest of this Amended Note, and all other notices in connection with the delivery, acceptance, performance, default, or enforcement of the payment of this Amended Note, and agree that the liability of each of them shall be unconditional without regard to the liability of any other party and shall not be in any manner affected by an indulgence, extension of time, renewal, waiver, or modification granted or consented to by Lender; and Borrower and all indorsers and sureties hereof consent to any and all extensions of time, renewals, waiver, or modifications that may be granted by Lender with respect to the payment or other provisions of this Amended Note, and to the release of the collateral, or any part thereof, with or without substitution, and agree that additional makers, indorsers, guarantors or sureties may become parties hereto without notice to them or affecting their liability hereunder.

11. Lender shall not by any act of omission or commission be deemed to waive any of its rights or remedies hereunder unless such waiver be in writing and signed by Lender, and then only to the extent specifically set forth therein; a waiver of one event shall not be construed as continuing or as a bar to or waiver of such right or remedy on a subsequent event.

12. This Amended Note and the Skokie Security Documents shall be construed in accordance with and governed by the Laws of the State of Illinois. Accordingly, the Loan evidenced hereby is exempt from any limitations upon interest pursuant to the provisions of paragraph 6404 of the Illinois Banking and Finance Act being Chapter 17 of Illinois Revised Statutes, 1985.

13. It is the intent hereof that at all times the rate of interest on the indebtedness evidenced hereby shall not exceed the maximum rate permitted by applicable law and accordingly, if the rate of interest specified herein, or any other payments herein or otherwise required to be made by Borrower or received by the Lender in connection with the indebtedness evidenced hereby and deemed to be interest, shall exceed the maximum rate of interest permitted by applicable law, then such payments, to the extent they exceed such maximum rate, shall be deemed to have been made and received inadvertently, and shall for all purposes be deemed to be a payment of and on account of the principal balance of the indebtedness evidenced hereby and shall be applied accordingly, or returned to Borrower.

14. This Amended Note is executed by Borrower, not personally but solely as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee. No personal liability shall be asserted or be enforceable against Borrower or any

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beneficiary because or in respect of this Amended Note or the making, issue or transfer thereof, all such liability, if any, being expressly waived by each taker and holder hereof, and each original and successive holder of this Amended Note accepts the same upon the express condition that in case of default in the payment of this Amended Note or of any installment hereof, the remedies of the holder hereof shall be by foreclosure of any mortgage given to secure the indebtedness evidenced by this Amended Note, in accordance with the terms and provisions in said Amended Mortgage set forth, or by action against any other other security given to secure the payment hereof, and in no event shall any action under this instrument be taken against LaSalle National Bank or the beneficiaries of Borrower personally. All personal liability of LaSalle National Bank or the beneficiaries of Borrower (other than any Guarantor) is hereby expressly waived by each original and successive holder of this Amended Note, and that so far as Lender is concerned, it or any successor holder of this Amended Note shall look solely to the assets of said Trust and the proceeds thereof for payment of this Amended Note.

IN WITNESS WHEREOF, this instrument has been executed and delivered by borrower, acting through its duly authorized officers, all as of the day and year first above written.

LASALLE NATIONAL BANK, not personally but as Trustee under a Trust Agreement dated August 13, 1982 and known as Trust No. 105174

By: _____
Vice President

ATTEST:

By: _____
Assistant Secretary

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EXHIBIT B

LEGAL DESCRIPTION

Lots 1 through 9, inclusive in West Town subdivision being a resubdivision of lots and vacated streets and alleys in and adjoining blocks 1, 2 and 3 in Bauwans and Hoffman's subdivision and of lots in Hoffman's resubdivision of lots 1 to 4 in block 2 in said Bauwans and Hoffman's subdivision in the east 1/2 of the north east 1/4 of Section 6, Township 39 north, Range 14 east of the Third Principal Meridian; and

Vacated Maurene Court and vacated alley as vacated by an ordinance of the City of Council recorded January 8, 1957 as document 15796912 in Cook County, Illinois.

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EXHIBIT B

LEGAL DESCRIPTION CONTINUED

Lots 74 and 75 in Moorman's addition to Chicago, a subdivision of the east 1/2 of the north east 1/4 of Section 6, Township 39 north, Range 14 east of the third principal meridian, in Cook County, Illinois; and

Lots 11 to 34 in J. E. Thompson's addition to Chicago in the east 1/2 of the north east 1/4 of Section 6, Township 39 north, Range 14 east the Third Principal Meridian, in Cook County, Illinois.

Property of Cook County Clerk's Office

Mail to :

Rosenthal & Schonfeld
attn: Marc Cohen
55 E. Monroe St.
Suite 4620
Chgo 60603

HV

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