

UNOFFICIAL COPY

MIS (MORTGAGE)

BOX 15

[Handwritten signature]

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WHEREAS, Mortgage and Senior Mortgage have entered into an amendment to Mortgage Note, Mortgage and Loan Instruments, dated as of an effective date of August 1, 1990, a copy of which is attached hereto as Exhibit "B" (the "Loan Amendment"), and pursuant to which, among other things, the Senior Mortgage Note will be amended and modified to extend the Maturity Date (as therein defined), after applicable rates of interest and modify

WHEREAS, all existing liens or future rights to liens of Subordinated Lienholder, or anybody claiming by, through or under the Subordinated Lienholder which liens or rights arise from the Management Agreement and any obligations, expenses and indebtedness arising thereunder or related thereto, have been subordinated by Subordinated Lienholder to the Senior Mortgage Note and Senior Mortgage pursuant to an agreement between the parties designated Subordination of Management Liens dated as of July 29, 1987;

WHEREAS, the Subordinated Lienholder may have certain lien rights under the Illinois Mechanics Lien Act (as amended from time to time), relating to a Management Agreement with CH Partners (the "Management Agreement") concerning the operation and management of office space located on the property, with respect to unpaid fees, expenses and other costs incurred in connection with the management of the said office space;

WHEREAS, to secure the Senior Mortgage Note, Mortgage, Rents and Security Agreement in favor of Senior Mortgage dated July 29, 1987, encumbering certain real property and improvements legally described on Exhibit "A" attached hereto and made a part hereof (the "Property");

WHEREAS, Senior Mortgage is the holder of a Mortgage Note dated July 29, 1987 in the principal amount of \$21,500,000 (the "Senior Mortgage Note"), entered into by Lake Shore National Bank, a national banking association, not personally but as Trustee under Trust Agreement dated November 30, 1984 and known as Trust No. 4567 (the "Trust") at the direction of Chicago Huron Partners ("CH Partners"), sole beneficiary and sole holder of the power of direction and to the Trust ("Mortgage"); and

This Notice and Consent, dated as of March 27, 1991, is made and delivered by The Caraher Corporation ("Subordinated Mortgage").

NOTICE AND CONSENT OF SUBORDINATED LIENHOLDER TO AMENDMENT TO MORTGAGE NOTE, MORTGAGE AND LOAN INSTRUMENTS

DEPT-01 RECORDING 14447 15PM 4806 05/02/91 13:15:00
9926 + D * -91-206094
COOK COUNTY RECORDER

\$36.00

91-220286 # B * -91-220286

Senior Insurance Company ("Senior Insurance Company") to Aetna Life Insurance Company ("Senior Mortgage").

91-220286

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RECORDER OF DEEDS

98202216

98202216

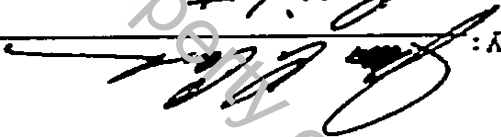
THIS DOCUMENT TO BE RE-RECORDED AS ONE DOCUMENT ALONG WITH #91206095 BECAUSE THEY WERE RECORDED AS TWO SEPARATE DOCUMENTS.

T10R21947

91206094

Adrian C. Smith
ROSS & HARDIES
150 North Michigan Avenue
Suite 2500
Chicago, Illinois 60601
312/558-1000

Prepared by and after recording
return to:

ATTEST: _____
THE CARAMEL CORPORATION
By: 
Its: _____
President

IN WITNESS WHEREOF, Subordinated Lienholder has executed and delivered this Notice and Consent as of the day and year first above written.

3. No Defaults. Subordinated Lienholder hereby affirms to Senior Mortgagee that, as of the date hereof, there are no defaults or, to the best of its knowledge and belief, events which might lead to defaults under the terms of the agreement designated Subordination of Management Liens.

2. Further Assurances. Subordinated Lienholder will execute such instruments and take such other actions as from time to time may be reasonably requested by Senior Mortgagee to evidence the foregoing consent of Subordinated Lienholder to the loan amendment.

1. Consent to loan amendment. Subordinated Lienholder hereby acknowledges and consents to the terms of the loan amendment, and to the continued, uninterrupted subordination of its subordinated lien rights, as described above, to the Senior Mortgage Note and Senior Mortgage, and any indebtedness, liabilities or obligations arising thereunder or secured thereby, as the same are amended and modified by the Loan Amendment.

Lienholder hereby agrees as follows:
sufficiency of which is hereby acknowledged, Subordinated other good and valuable consideration, the receipt and NOW, THEREFORE, in consideration of the premises and for

WHEREAS, as a condition precedent to the consummation of the transactions contemplated by the Loan Amendment, Senior Mortgagee requires the consent of Subordinated Lienholder thereto;

principal payments due under the Senior Mortgage Note;

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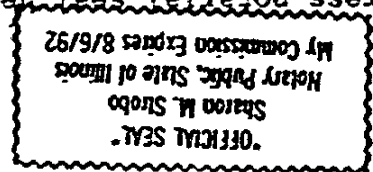
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Property of Cook County Illinois

My commission expires: August 6, 1992

(Impress notarial seal here)



GIVEN under my hand and Notarial Seal this 12th day of April, 1991.

The undersigned, Sharon M. Stebo, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that James C. Garber and Secretary respectively of THE GARBER CORPORATION, an Illinois corporation, in whose name the above and foregoing instrument is executed, appeared before me this day in person and severally acknowledged that they signed and delivered the said instrument as their free and voluntary act and as the free and voluntary act of said corporation as aforesaid, for the uses and purposes therein set forth and that the said Secretary, as custodian of the corporate seal of said corporation, did affix the said corporate seal to said instrument as his/her free and voluntary act and as the free and voluntary act of said corporation as aforesaid, for the uses and purposes therein set forth.

STATE OF ILLINOIS) COUNTY OF COOK)

SS:)

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DEPT-91 RECORDING \$23.00
TRAN 2852 07/30/87 09:59:00
#1016 # A * - 87-419113
COOK COUNTY RECORDER

PROPERTY TAX NUMBER: 17-10-106-007 VOLUME: 507
ADDRESS OF PROPERTY: 140-160 EAST HURON STREET CHICAGO, ILLINOIS
C.A.O. 05
THE SOUTHEAST 1/4 (EXCEPT THE WEST 1/2 AND THEREOF) OF
BLOCK 45 OF KINZIE'S ADDITION TO CHICAGO IN THE NORTH
EAST 1/2 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14 EAST
OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PART B

SUBLEASED ESTATE CREATED IN AND BY THAT CERTAIN INCENTURE OF
LEASE DATED JULY 1, 1971 MADE BY SAUS AND COMPANY, AS SUBLESSOR
AND CLARIDGE TRADING CORPORATION, AS SUBLESSEE, AS DISCLOSED
BY AGREEMENT REGARDING COMPLETION OF TERM OF LEASE
DATED MAY 1, 1971 AND RECORDED JULY 30, 1971 AS DOCUMENT NO.
22,419,030, AS AMENDED DECEMBER 21, 1972, MAY 1, 1973 AND
FEBRUARY 15, 1977 AND AMENDED BY A MEMORANDUM OF CHANGE
SUBLEASE DATED AS OF JULY 15, 1980, AND RECORDED SEPTEMBER 22,
1980 AS DOCUMENT NO. 25,982,005, DENISING THE GARAGE
FACILITIES WITHIN THE BUILDING LOCATED ON THE LAND LEGALLY
DESCRIBED IN PART B BELOW.

ESTATE 1

THE MEMBERSHIP OF THE BUILDING AND IMPROVEMENTS LOCATED ON THE
LAND LEGALLY DESCRIBED IN PART B BELOW.

ESTATE 2

LAND LEGALLY DESCRIBED IN PART B BELOW.
NATIONAL BANK TRUST NO. 2158, AS GRANT LESSEE, DENISING THE
1977 MADE BY SAUS AND COMPANY, AS GRANT LESSOR, AND LAKE SHORE
NOVEMBER 5, 1968, MAY 25, 1970, JUNE 18, 1971 AND FEBRUARY 15,
RECORDED APRIL 8, 1969 AS DOCUMENT NO. 20,804,412, AS AMENDED
LEASE DATED NOVEMBER 5, 1968, A MEMORANDUM OF WHICH WAS
LEASERD ESTATE CREATED IN AND BY THAT CERTAIN INCENTURE OF

ESTATE 3

PART A

PROPERTY DESCRIPTION

EXHIBIT A

98202716

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1. Mortgage Loan Application, executed May 7, 1987, by Mortgagor and Beneficiary, as Borrower (the "Application").
2. Commitment Letter, dated May 11, 1987, by and between Mortgagor and Mortgagee (the "Commitment").
3. Undated Letter amending the terms of the Application and Commitment.

WHEREAS, in addition to the Mortgage Note and Mortgage, Mortgagor, Mortgagee, Beneficiary and certain other parties, in some instances, entered into certain other instruments and agreements, in connection with or otherwise related to the financing described above, including without limitation the following (Documents Numbers 4, 5, 6, 7, 8 and 9 below being hereinafter collectively referred to as the "Loan Instruments"):

WHEREAS, to secure the Mortgage Note, Mortgagor made a Leasehold Mortgage and Assignment of Rents and Security Agreement in favor of the Mortgagee dated July 29, 1987, encumbering certain real property legally described on Exhibit "A" attached hereto and made a part hereof (the "Property"), which was recorded in the Cook County Recorder's Office as Document 87419110 (the "Mortgage");

WHEREAS, Mortgagee made a Mortgage Note dated July 29, 1987 in the principal amount of TWENTY ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$21,500,000) in favor of Mortgagee (the "Mortgage Note");

RECITALS

This Amendment to Mortgage Note, Mortgage and Loan Instruments (the "Amendment") is entered into as of and effective August 1, 1990, by and between LAKE SHORE NATIONAL BANK, a national banking association, not personally but as Trustee under Trust Agreement (the "Trust Agreement") dated November 30, 1984 and known as Trust No. 4967 ("Mortgagor"), CHICAGO HUDON PARTNERS, sole beneficiary and sole holder of the power of direction in and to Lake Shore National Bank, as Trustee under the Trust Agreement ("Beneficiary"), James C. Caraher and David J. Butler, personally, and ABNA LIFE INSURANCE COMPANY, a Connecticut corporation ("Mortgagee").

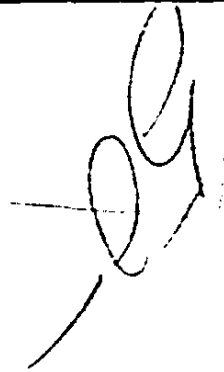
AMENDMENT TO MORTGAGE NOTE, MORTGAGE AND LOAN INSTRUMENTS
 14444 LEAN 4806 05/02/91 13:15:00
 49937 D *-71-206095
 COUNTY RECORDER

ADRIAN C. SMITH
 ROSS & HARDIES
 150 North Michigan Avenue
 Suite 2500
 Chicago, Illinois 60601

AMENDMENT TO MORTGAGE NOTE, DEPT-01 RECORDING
 \$50.00

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4. Assignment of Leases and Rents, dated July 29, 1987, by and between Mortgagor and Mortgagee recorded on July 30, 1987, as Document No. 87419111 (the "Assignment of Leases").
5. Assignment of Management and Operating Documents, dated July 29, 1987, by and between Mortgagor, Beneficiary and Mortgagee, dated July 29, 1987, by and between Mortgagor, Beneficiary and Mortgagee (the "Security Agreement and Assignment").
6. Security Agreement and Assignment of Beneficial Interest, dated July 29, 1987, by and between Mortgagor, Beneficiary and Mortgagee (the "Security Agreement").
7. Security Agreement, dated July 29, 1987, by and between Mortgagor, Beneficiary and Mortgagee (the "Security Agreement").
8. Conditional Assignment of Equipment Leases, dated July 29, 1987, by and between Mortgagor, Beneficiary and Mortgagee (the "Conditional Assignment of Leases").
9. Indemnity Agreement, dated July 29, 1987, by and between Mortgagor and Chicago Huron Partners for the benefit of the Mortgagor.
10. Subordination Agreement, dated July 28, 1987, by and between Chicago Title & Trust Company, an Illinois Corporation ("CT&T"), as Trustee, J.W. Family Trust Nos. 1-20, Tanya Trust No. 18, M & J Wilcox, Ltd., as Agent, and Mortgagee, recorded on July 30, 1987 as Document No. 87419113.
11. Subordination Agreement, dated July 28, 1987, by and between CT&T, as Trustee, Sheraton Operating Corporation and Mortgagee, recorded on July 30, 1987 as Document No. 87419112.
12. Subordination of Management Liens, dated July 9, 1987, by and between The Caraher Corporation and Mortgagee, recorded on July 30, 1987 as Document No. 87419115.
13. Subordination of Management Liens, dated July 10, 1987, by and between Mutual Garages, Inc. and Mortgagee, recorded on July 30, 1987 as Document No. 87419115.
14. Consent and Subordination Agreement, dated January 25, 1988, by and between Signal Capital Corporation and Mortgagee.
15. Subordinate Assignment of Beneficial Interest and Subordinated Security Agreement, dated as of January 25, 1988, between Signal Capital Corporation and Beneficiary, recorded January 26, 1988 as Document

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(i) From nine and seventy-five hundredths percent (9.75%) per annum to ten percent (10.0%) per annum, effective for the period from August 1, 1990 through January 31, 1991 (the "First Interest

C. Interest Rate. The interest rate on the Mortgage Note shall be increased

percentage point loan extension fee; (\$21,553,750), to evidence a one-quarter FIFTY-THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$21,500,000) to TWENTY-ONE MILLION FIVE HUNDRED THOUSAND DOLLARS increased from the original amount of TWENTY-ONE MILLION FIVE HUNDRED THOUSAND DOLLARS.

A. Maturity Date. The maturity date (the "Maturity Date") of the indebtedness evidenced by the Mortgage Note shall be extended from August 1, 1990 to August 1, 1991, at which date the outstanding principal balance together with all accrued interest, shall be due and payable.

1. Amendments to Mortgage Note, Mortgage and Loan Instruments. Upon the closing of the transactions herein contemplated and effective as of the date hereof, the Mortgage Note, Mortgage and each of the Loan Instruments shall be amended as follows:

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to amend the Mortgage Note, the Mortgage and each of the Loan Instruments in the following manner and on the following terms and conditions:

16. Subordinate Leasehold Mortgage, Assignment of Rents and Security Agreement, dated as of January 25, 1988, between Signal Capital Corporation and Mortgage, and recorded January 26, 1988 as Document No. 88,038,353 and as assigned to Textron Financial Corporation ("Textron") by Assignment dated April 4, 1990 and recorded as Document 90151555.

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2. Consents of Subordinate Lienholders. On or before the Closing, Mortgagor shall deliver to

the Closing and effectiveness of the Loan Modification. The following items shall be conditions precedent to the Closing and effectiveness of the Loan Modification: (11) From ten percent (10%) per annum to ten

(10.25%) per annum effective for the and twenty-five hundredths percent period from February 1, 1991 until the Maturity Date (the "Second Interest Period"). Except as otherwise provided in the Letter Agreement as to the first period interest, interest shall be due and payable in advance on the first day of each calendar month, commencing April 1, 1991. Interest payments shall be in addition to principal payments due under the Mortgage Note and as herein provided. D. Additional Principal Payments. In addition to, and not in reduction of, the regular monthly or other payments under the Mortgage Note, Mortgagor shall make principal payments thereon as follows: (12) \$75,000, due and payable on or before May 1, 1991; (11) \$75,000, due and payable on or before June 1, 1991; and (111) \$125,000, due and payable on or before July 1, 1991. E. Security Interest in Accounts. The Loan Instruments, and specifically the Security Agreement, shall be amended to provide that, as of the effective date hereof, Mortgagor grants Mortgagee, as secured party, a first security interest in all existing and future "accounts," as defined in Article 9-106 of the Uniform Commercial Code as in effect from time to time in the State of Illinois (Ill. Rev. Stat. Ch.26 §9-106) (the "Uniform Commercial Code") and the proceeds thereof. Furthermore, the Mortgagor hereby acknowledges that references in the Mortgage to all "rents, issues and profits" derived from the Real Property shall be deemed to include "accounts" as defined in the Uniform Commercial Code.

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Period"); and

(11) From ten percent (10%) per annum to ten

and twenty-five hundredths percent (10.25%) per annum effective for the period from February 1, 1991 until the Maturity Date (the "Second Interest Period").

Except as otherwise provided in the Letter Agreement as to the first period interest, interest shall be due and payable in advance on the first day of each calendar month, commencing April 1, 1991. Interest payments shall be in addition to principal payments due under the Mortgage Note and as herein provided.

D. Additional Principal Payments. In addition to, and not in reduction of, the regular monthly or other payments under the Mortgage Note, Mortgagor shall make principal payments thereon as follows:

(12) \$75,000, due and payable on or before May 1, 1991;

(11) \$75,000, due and payable on or before June 1, 1991; and

(111) \$125,000, due and payable on or before July 1, 1991.

E. Security Interest in Accounts. The Loan Instruments, and specifically the Security Agreement, shall be amended to provide that, as of the effective date hereof, Mortgagor grants Mortgagee, as secured party, a first security interest in all existing and future "accounts," as defined in Article 9-106 of the Uniform Commercial Code as in effect from time to time in the State of Illinois (Ill. Rev. Stat. Ch.26 §9-106) (the "Uniform Commercial Code") and the proceeds thereof. Furthermore, the Mortgagor hereby acknowledges that references in the Mortgage to all "rents, issues and profits" derived from the Real Property shall be deemed to include "accounts" as defined in the Uniform Commercial Code.

Mortgage written consents to this Amendment from each of the subordinate lienholders on the property listed in Exhibit "B", or any other party whose consent to this Amendment is required by Mortgage, in form and substance acceptable to Mortgage in its sole discretion.

B. Mortgage's Counsel's Opinion Letter. Prior to the recording of this Amendment, Mortgage shall have received a written opinion from Mortgage's and Beneficiary's counsel, satisfactory to Mortgage, stating, *inter alia*, that the Mortgage Note, Mortgage and Loan Instruments (as modified hereby) are valid and in full force and effect, binding upon Mortgage and Beneficiary in accordance with their terms.

C. Payment of Mortgage's Attorneys' Fees and Closing Costs. On or before the Closing, Mortgage shall have paid in full all legal, recording, title policy and other fees, expenses and costs incurred by Mortgage (including without limitation its attorneys' fees) (collectively "Mortgage's Costs") in connection with the Loan Modification, this Amendment and the closing of the transactions hereby contemplated.

Notwithstanding the foregoing, if, for whatever reason, the transactions herein contemplated are not consummated, Mortgage shall pay Mortgage's Costs nevertheless. If not so paid within 10 days after demand for payment thereof by Mortgage, such failure to pay Mortgage's Costs will be an event of default under the Loan Instruments, entitling Mortgage to all of its rights and remedies thereunder.

D. No Defaults. At the time of Closing, the Mortgage Note, Mortgage and Loan Instruments shall not be in default, and all debt service payments and insurance premiums shall be paid and current. In addition, except for the delinquent property taxes (as hereinafter defined), there shall exist no events which, with the lapse of time or upon notice, would constitute a default under the Mortgage Note, Mortgage and Loan Instruments. Mortgage shall be entitled, upon request, to satisfactory documentation evidencing Mortgage's and Beneficiary's compliance with this condition precedent.

E. Environmental Study. On or before April 10, 1991, Mortgage shall have retained the services of an environmental consultant acceptable to Mortgage to prepare (a) a Phase I environmental study of the property (the "Environmental Study").

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and, (b) at Mortgagee's discretion, any additional studies that may be reasonably necessary.

F. Title Endorsement. Upon Closing, Mortgagee will provide Mortgagee an endorsement to its mortgagee title insurance policy numbered 230418, originally dated July 30, 1987, issued by Ticon Title Insurance Company of California and satisfactory to the Mortgagee, insuring that the Mortgagee, as amended by this Amendment, remains a first, valid and prior lien on the Property as of the date of the recording of the Amendment thereof. Such endorsement shall contain no information or exceptions that are not approved in writing by Mortgagee prior to the Closing.

G. Guarantees of Delinquent Real Estate Taxes. On or before the Closing, James C. Caraher and David J. Butfam shall execute and deliver to Mortgagee their individual, personal guarantees (the "Tax Guarantees") for 50% each (a total of 100%) of the delinquent 1989 first and second installment and 1990 first installment of real property taxes on the Property, together with accrued and unpaid interest and penalties thereon and all related costs of redemption (collectively, the "Delinquent Property Taxes"). The Tax Guarantees shall be acceptable in form and substance to Aetna in its sole discretion. In addition, on or before the Closing, the personal guarantees of Messrs. Caraher and Butfam, given to Tectron to guarantee Tectron's \$7,000,000 subordinated debt (the "Tectron Guarantees") must be subordinated in writing by Tectron to the Tax Guarantees. In connection with the execution and delivery with the Tax Guarantees, Messrs. Caraher and Butfam each shall have delivered to Mortgagee on or before the Closing their notarized personal financial statements, in form and sufficient detail acceptable to Mortgagee (the "Personal Financial Statements"). It, on or before June 1, 1991, Mortgagee delivers to Mortgagee an irrevocable stand-by letter of credit, in form and substance as set forth in paragraph 3.B. below, then the Tax Guarantees, to extent that they guarantee the Delinquent Property Taxes, shall be deemed satisfied and released.

H. Tax Escrow. On or before the Closing, Mortgagee shall establish a real estate tax escrow with Mortgagee for the second installment of 1990 real estate taxes due August 1, 1991 (the "Tax Escrow"), and shall deposit therein the sum of \$167,000 (representing two months' estimated prorated real estate taxes). Mortgagee shall also

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4. Realization of Mortgages, Representations and Covenants. Each and every warranty, representation and covenant of Mortgagee or Beneficiary, as applicable, made in connection with the Mortgage Note, Mortgage and the Loan Instruments, or

on or before such date. If the Delinquent Property Taxes are not paid in full further notice to or action by Mortgagee or Beneficiary shall be payable to Mortgagee on August 1, 1991 without fully redeem and pay the same. Such letter of credit estimated if necessary but in any event sufficient to cover the full amount of the Delinquent Property Taxes, in all respects to Mortgagee, in its sole discretion, substance and from a financial institution, acceptable irrevocable stand-by letter of credit, in full and June 1, 1991, Mortgagee may tender to Mortgagee an amount of \$196,723. Notwithstanding the foregoing, on or before and the first installment of 1990 taxes (estimated: \$553,446) and second installments of taxes (estimated: \$553,446) less the property for non-payment of the 1989 taxes including without limitation all sums necessary to redeem and/or paid in full on or before June 1, 1991, Delinquent Property Taxes on the Property must be paid.

5. Payment of Delinquent Property Taxes. All Delinquent Property Taxes shall be paid on or before May 15, 1991. Mortgagee shall deliver the completed Phase I Environmental Study to Mortgagee on or before May 15, 1991.

6. Post-Closing Covenants. The following post-closing covenants and conditions must be fully performed and complied with by Mortgagee and Beneficiary as herein provided, and the failure of Mortgagee and Beneficiary to do so shall constitute events of default under the Note, Mortgage and Loan Instruments:

3. Post-Closing Covenants. The following post-closing covenants and conditions must be fully performed and complied with by Mortgagee and Beneficiary as herein provided, and the failure of Mortgagee and Beneficiary to do so shall constitute events of default under the Note, Mortgage and Loan Instruments:

It, for whatever reason, including, without limitation, the failure to meet or comply with any of the foregoing conditions precedent, the Closing does not occur on or before April 15, 1991, then, notwithstanding anything herein to the contrary, Mortgagee shall have no obligation to proceed with the loan modification and this amendment (and the commitments to Mortgagee evidenced thereby or by the Letter Agreement), and the same shall be deemed immediately null and void without further action of the parties.

deposit into the Tax Escrow the sum of \$150,000 on or before June 1, 1991 and an additional \$150,000 on or before July 1, 1991. All funds from time to time on deposit in the Tax Escrow will be earmarked and used exclusively for payment of real estate taxes on the property. The schedule for any subsequent or other deposits by Mortgagee to the Tax Escrow shall have been provided and be acceptable to Mortgagee prior to the Closing in its sole discretion.

B. Except for the security interests and rights of Mortgagee therein, Mortgagee is the owner of the Collateral, as defined in the Security Agreement, free of any lien, security interest or encumbrance of any kind; no financing statements are on file in any public

D. Mortgagee has not previously assigned, sold, pledged, transferred, mortgaged, hypothecated, or otherwise encumbered the leases of personal property referred to in the Conditional Assignment of Equipment Leases, or the lease of real property referred to in the Assignment of Leases, or any of them; and Mortgagee has further complied, and will continue to comply, with each and every covenant and representation contained therein;

C. Except for the security interests of Mortgagee created by the Loan Instruments and the Mortgage, and the other junior or subordinate security interests listed on Exhibit "B" hereto, Beneficiary is and will remain the sole owner of 100% of the rights, powers, privileges and beneficial interest ("Beneficial Interest") under the Trust Agreement, free from any lien, security, interest, encumbrance or other right, title or interest of any person, firm, corporation or entity; no financing statement relating to the Beneficial Interest is on file in any public office, other than financing statements reflected in Exhibit "C"; and Beneficiary shall defend the Beneficial Interest against all claims and demand of all persons at any time claiming the same or any interest adverse therein to Mortgagee;

A. Mortgagee, Beneficiary and Messrs. Caraher and Butfam each have full power and authority to enter into this amendment;

B. Except for Delinquent Property Taxes, there are no defaults (or events which, upon lapse of time or with notice, would constitute a default) under the Terton Mortgage, the Sheraton Mortgage, the Sheraton Management Agreement, the Caraher Management Agreement or the Mutual Management Agreement, as defined in Exhibit "B" hereto, or any related instruments, and such mortgages and agreements are in full force and effect and, in each case, the mortgage or statutory liens evidenced thereby are subordinate to the first lien of the Mortgage, as amended by this Amendment;

subsequent thereto, including without limitation those made in connection with the Letter Agreement, are hereby reassessed and reaffirmed to Mortgagee as true, correct and complete. In addition, but not by way of limitation, Mortgagee, Beneficiary and Messrs. Caraher and Butfam hereby warrant and represent to Mortgagee that:

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5. Full Force and Effect. Except as expressly modified herein, the terms and provisions of the Mortgage Note, Mortgage and Loan Instruments are and shall remain in full force and effect. This Amendment: (a) shall not be construed as a waiver of any other right held by Mortgagee under the Mortgage Note,

The foregoing warranties, representations and covenants shall survive the execution and delivery of this Amendment and the Closing, and shall be true, correct and complete as of the Closing and shall remain so until the full amount of the indebtedness of Mortgagee and/or Beneficiary to Mortgagee under the Mortgage Note, the Mortgage and the Loan Instruments, and, in the case of Messrs. Caraher and Butler, their obligations to Mortgagee under their respective Tax Guarantees, is paid in full to Mortgagee. Notwithstanding the foregoing, this Amendment shall not be deemed to constitute a consent or waiver by Mortgagee of any defaults existing as of the effective date hereof, and specifically as to the Delinquent Property Taxes.

1. Messrs. Caraher and Butler warrant that each and every representation and statement contained in their respective Personal Financial Statements delivered to Mortgagee prior to the Closing are true, correct and complete as of the date thereof and as of the Closing.

ii. Mortgagee, Beneficiary and Messrs. Caraher and Butler have no defense, claim or offset which would in any way limit or diminish the indebtedness to Mortgagee evidenced by the Mortgage Note, Mortgage, and Loan Instruments or hereunder or by the agreements contemplated hereby; and

6. Except for the Delinquent Property Taxes, there are no defaults (or events which, upon lapse of time or with notice, would constitute a default) under the Mortgage Note, Mortgage or any of the Loan Instruments, or under any leases or agreements assigned by Mortgagee or Beneficiary to Mortgagee as further security for the Mortgage Note and Mortgage;

7. Except of the Lien of the Mortgage and the Junior and subordinate Liens listed in Exhibit "B" hereto, including without limitation the Textron Mortgage and the Sheraton Mortgage, as defined in such Exhibit, Mortgagee is the owner of the Leasehold interest in the Property (including the improvements therein) described in the Mortgage, and has complied, and will continue to comply, each and every term, covenant and representation contained therein;

office (other than in favor of Mortgagee or as otherwise set forth in Exhibit "C"); and Mortgagee has further complied, and will continue to comply, with each and every covenant and representation contained therein;

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By: Caraher Huron Associates, an Illinois Limited Partnership, a General Partner
 James C. Caraher
 Its General Partner
 James C. Caraher, personally
 David J. Buetem, personally

By: CHICAGO HURON PARTNERS, sole beneficiary and sole holder of the power of direction in and to Lake Shore National Bank, as Trustee under Trust Agreement dated November 30, 1984, known as Trust No. 4967
 David J. Buetem, General Partner

Witness: Lake Shore National Bank, as Trustee under Trust Agreement dated November 30, 1984, known as Trust No. 4967, and not personally
 BY: *[Signature]*
 VICE PRESIDENT
 Lake Shore National Bank
 Exoneration provisions, vesting any liability of Lake Shore National Bank, attached hereto as Rider, is hereby expressly made a part hereof.
 WITNESSES:
[Signature]
[Signature]
 VICE PRESIDENT

IN WITNESS WHEREOF, Mortgagee, Beneficiary, Messrs. Caraher and Buetem have executed this Amendment effective as of the date written above.
 6. Further Assurances. Mortgagee, Beneficiary and Messrs. Caraher and Buetem each agree to execute such other documents and instruments, and take such further actions, including without limitation, payment of all related costs, as requested from time to time by Mortgagee to evidence or consummate the foregoing agreements, modifications and extensions to the Mortgage Note, Mortgage and Loan Instruments and the Tax Guarantees.

Mortgagee or any of the Loan Instruments; (b) is the final extension of the Maturity Date of the Mortgage Note which Mortgagee will grant Mortgagee; and (c) applies to the Mortgage Note, Mortgage and Loan Instruments only, and shall not operate as precedent to or for any future consents or modifications by Mortgagee regarding such documents or any other loan which Mortgagee, Beneficiary or any of their affiliates may now or hereafter have with Mortgagee.

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Property of Cook County Clerk's Office

140-160 EAST HURON STREET
CHICAGO, ILLINOIS

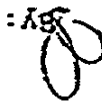
ADDRESS OF PROPERTY:

17-10-106-007
501

PERMANENT TAX NUMBER:
VOLUME:

ITS: Assistant Vice President



BY: 

AETNA LIFE INSURANCE COMPANY, a
Connecticut corporation

9 1 2 0 6 0 9 5

UNOFFICIAL COPY

The Southeast 1/4 (except the West 1/2) of Section 10, Township 37 North, Range 14 East of Chicago in the North Fractional 1/2 of Section 10, Township 37 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Tax Number: 17-10-106-057
Volume: 501
Address: 140-160 East Huron Street, Chicago, Illinois

ESTATE 1:

Leasehold Estate created in and by that certain Indenture of Lease dated November 5, 1968, a recendum of which was recorded April 8, 1969 as Document No. 20,804-412, as amended November 5, 1970, May 25, 1970, June 18, 1971 and February 15, 1977 made by Saks and Company, as Ground Lessor, and Lake Shore National Bank Trust No. 2158, as Ground Lessee, defining the land for a term of 55 years, commencing July 1, 1971 and ending June 30, 2065.

And assignment thereof:
Assignor: Lake Shore National Bank, Trust No. 2158
Assignee: SCP, Inc.
Recorded: February 22, 1965
Document: 27,451,775

And assignment thereof:
Assignor: Lake Shore National Bank, Trust No. 2158
Assignee: Lake Shore National Bank, Trust No. 109164
Recorded: February 22, 1965
Document: 27,451,775

And assignment thereof:
Assignor: Lake Shore National Bank, Trust No. 4967
Assignee: SCP, Inc.
Recorded: February 22, 1965
Document: 27,451,781

And assignment thereof:
Assignor: Lake Shore National Bank, Trust No. 109164
Assignee: Lake Shore National Bank, Trust No. 4967
Recorded: February 22, 1965
Document: 27,451,782

ESTATE 2:

The Ownership of the buildings and improvements located on the land.

ESTATE 3:

Subdivided Estate created in and by that certain Indenture of Lease dated July 1, 1971 made by Saks and Company, as Sublessor and Clearing, Grading Corporation, as Sublessee, as disclosed by agreement regarding Clearing Corporation's term of Garage Sublease dated May 1, 1973 and recorded July 30, 1973 as Document No. 22,419,030, as amended October 21, 1972, May 1, 1973 and February 15, 1977 and extended by a recendum of Garage Sublease dated as of July 15, 1980, and recorded September 27, 1980 as Document No. 25,192,873, defining the "Garage Facilities" within the building located on the land for a term of 25 years beginning November 1, 1972.

And assignment thereof:
Assignor: Clearing Grading Corporation
Assignee: Lake Shore National Bank, Trust No. 2158

And assignment thereof:
Assignor: SCP, Inc.
Assignee: Lake Shore National Bank, Trust No. 2158
Recorded: February 22, 1965
Document: 27,451,779

And assignment thereof:
Assignor: Lake Shore National Bank, Trust No. 2158
Assignee: Lake Shore National Bank, Trust No. 109164
Recorded: February 22, 1965
Document: 27,451,780

And assignment thereof:
Assignor: SCP, Inc.
Assignee: Lake Shore National Bank, Trust No. 4967
Recorded: February 22, 1965
Document: 27,451,778

And assignment thereof:
Assignor: Lake Shore National Bank, Trust No. 109164
Assignee: Lake Shore National Bank, Trust No. 4967
Recorded: February 22, 1965
Document: 27,451,777

98202716

56090216

98030216

98202216

Property of

1. Holders of \$4,775,000 Note dated as of January 25, 1988 and Supplemental Floating Rate Note dated as of September 16, 1988, in favor of Signal Capital Corporation, assigned to Textron Financial Corporation ("Textron Mortgage"). Such Notes are secured by a Subordinate Leasehold Mortgage, Assignment of Rents and Security Agreement dated as of January 15, 1988, and are further secured by a Subordinate Assignment of Beneficial Interest and Subordinate Security Agreement, dated as of January 25, 1988. The Subordinated Mortgage, Subordinate Assignment of Beneficial Interest and Subordinate Security Agreement were subordinated pursuant to the Consent and Subordination Agreement dated as of January 25, 1988.
2. Holders of \$1,300,000 Notes in favor of Chicago Title Trust Company, as Trustee, and Sheraton Operating Corporation, as Beneficiary (the "Sheraton Mortgage"), subordinated pursuant to Subordination Agreement dated as of July 29, 1987.
3. Sheraton Operating Corporation ("Sheraton"), Manager, pursuant to Management Agreement dated as of December 7, 1984 between Sheraton and Mortgage (the "Sheraton Management Agreement"), and subordinated pursuant to Subordination of Management Agreement dated as of July 29, 1987.
4. The Caraher Corporation ("Caraher"), Manager, pursuant to Management Agreement (the "Caraher Management Agreement") referred to in an agreement dated as of July 9, 1987, denominated Subordination of Management Liens, between Caraher and Mortgage.
5. Mutual Garages, Inc. ("Mutual"), pursuant to management agreement (the "Mutual Management Agreement"), as referred to in an agreement dated as of July 13, 1987, denominated Subordination of Management Liens, between Mutual and Mortgage.

Subordinated Lienholders

Exhibit "B"

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1. A first security interest in certain real chattels affixed to real property in favor of Aetna Life Insurance Company, Secured Party, recorded on July 31, 1987, as document number 2313971.
2. UCC-1 Financing Statement covering 340 Servisars located at the Sheraton Plaza Hotel in favor of Servisars, Inc., Secured Party, assigned to LINC Financial Services, Inc., recorded on February 23, 1987 as document number 2246941, and as assigned to USX Credit Corporation on August 17, 1987, as document number 2319788.
3. A subordinate security interest in certain real chattels affixed to real property in favor of Signal Capital Corporation, Secured Party, recorded on January 28, 1988, with the Illinois Secretary of State, as document number 2381612; as amended to cover and secure additional total indebtedness of \$7,000,000.00, recorded on June 2, 1989, as document number 2582195; and as assigned to Tektex Financial Corporation, recorded on February 9, 1990, as document number 2677553.
4. UCC-1 Financing Statement covering Scotchman Sun Control Film installed at the Sheraton Plaza Hotel in favor of Minnesota Division, Minnesota Mining and Manufacturing Co., Secured Party, recorded on June 17, 1988, as document number 2440333.
5. UCC-1 Financing Statement covering television and radio equipment in favor of ElKay Manufacturing Company, Secured Party, recorded on September 5, 1989, with the Illinois Secretary of State, as document number 2617880.
6. UCC-1 Financing Statement covering phone equipment in favor of ElKay Manufacturing Company, Secured Party, recorded on August 10, 1990, with the Illinois Secretary of State as document number 2749635.

Permitted Exceptions

Exhibit "C"

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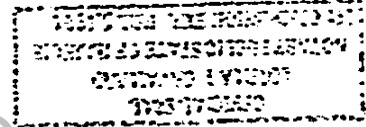
Property of Cook County Clerk

John S. ...
My commission expires:

(Impress notarial seal here)

NOTARY PUBLIC

[Signature]



GIVEN under my hand and Notarial Seal this 15 day of April, 1991.

The undersigned, John S. ..., a Notary Public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY THAT Robert M. ... and ... personally known to me to be the ... and ... of LAKE SHORE NATIONAL BANK, a national banking association, whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said association, as Trustee as aforesaid, for the uses and purposes therein set forth; and the said ... Secretary then and there acknowledged that he/she, as custodian of the corporate seal of said association, did affix the said corporate seal to said instrument as his/her own free and voluntary act and as the free and voluntary act of said association, as Trustee as aforesaid, for the uses and purposes therein set forth.

STATE OF ILLINOIS)
COUNTY OF COOK)
SS.)

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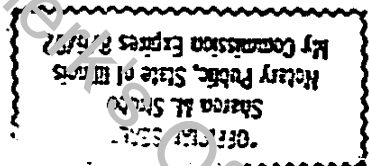
91220286

Property of Cook County Clerk's Office

Sharon M. Stebbins
August 4, 1992

My commission expires:

(Impress notarial seal here)



NOTARY PUBLIC

Sharon M. Stebbins

1991

GIVEN under my hand and notarial seal this 19th day of

The undersigned, Sharon M. Stebbins, a Notary Public in and for said County in the State aforesaid, DOES HEREBY CERTIFY THAT JAMES C. CARHER, as the general partner of CARHER HURON ASSOCIATES, general partner of CHICAGO HURON PARTNERS, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such, 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 and deed of said partnership, for the uses and purposes therein set forth.

STATE OF Illinois
COUNTY OF Cook

SS.

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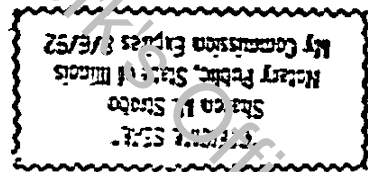
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Property of Cook County Clerk

August 1, 1992

My commission expires:

(Impress notarial seal here)



Notary Public signature

GIVEN under my hand and notarial seal this 1st day of August, 1991.

The undersigned, Sharon M. Stibbe, a Notary Public in and for said County in the State aforesaid, DOES HEREBY CERTIFY THAT DAVID J. BUFFAN, general partner of CHICAGO HURON PARTNERS, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such, 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 and deed of said partnership, for the uses and purposes therein set forth.

STATE OF Illinois)
COUNTY OF Cook)

SS.

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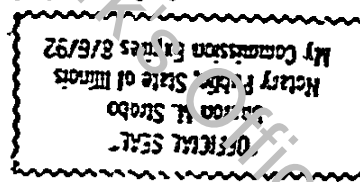
91220286

Property of Cook County Clerk

August 6, 1993

My commission expires:

(Impress notarial seal here)



Sharon M. Stachura
NOTARY PUBLIC

April, 1991.

GIVEN under my hand and notarial seal this 1st day of

The undersigned, Sharon M. Stachura, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT JAMES C. CARABER, personally, known to me to be the same person whose name is subscribed to the foregoing instrument as such, 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, for the uses and purposes therein set forth.

STATE OF Illinois
COUNTY OF Cook

SS.

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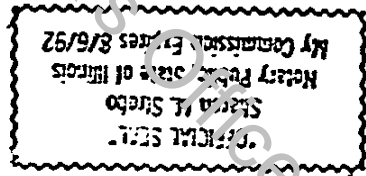
91220286

Property of Cook County Clerk

August 1, 1992
My commission expires:

(Impress notarial seal here)

Sharon M. Spahn
NOTARY PUBLIC



Spahn
GIVEN under my hand and notarial seal this 16th day of April, 1991.

The undersigned, Sharon M. Spahn, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT DAVID J. BUFFAN, personally, known to me to be the same person whose name is subscribed to the foregoing instrument as such, 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, for the uses and purposes therein set forth.

STATE OF Illinois
COUNTY OF Cook
SS.

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91220286

Property of Cook County Clerk

KATHY E. BULL
NOTARY PUBLIC

My commission expires:

(Impress notarial seal here)

NOTARY PUBLIC

Kathy E. Bull

April, 1991.

GIVEN under my hand and Notarial Seal this 11th day of

set forth.
said corporation as aforesaid, for the uses and purposes therein
own free and voluntary act and as the free and voluntary act of
did attach the said corporate seal to said instrument as his/her
he/she, as custodian of the corporate seal of said corporation,
the said Secretary then and there acknowledged that
aforesaid, for the uses and purposes therein set forth; and that
and as the free and voluntary act of said corporation as
and delivered the said instrument as their free and voluntary act
this day in person and severally acknowledged that they signed
above and foregoing instrument is executed, appeared before me
Insurance Company, a Connecticut corporation, in whose name the
President and Secretary respectively of Aetna Life
personally known to me and known by me to be the First Vice
and First Vice and
and for said County in the State aforesaid, DO HEREBY CERTIFY
The undersigned, Walter E. Bull, a Notary Public in

COUNTY OF HARTFORD

STATE OF CONNECTICUT

SS.

91220286

91220286

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee, and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against the Lake Shore National Bank under said Trust agreement, on account of this instrument or on account of any representation, covenant, undertaking or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

Rider Containing Exoneration Provisions Restricting Liability of Lake Shore National Bank ("Trustee")

Exoneraton provisions restricting any liability of Lake Shore National Bank, attached hereto as Rider, is hereby expressly made a part hereof.