

UNOFFICIAL COPY

94915350

Loan#417543340

LOAN MODIFICATION AND EXTENSION AGREEMENT

5 YEAR FIXED, THEN ONE YEAR ARM
WITH TEN YEAR CALL

THIS LOAN MODIFICATION AND EXTENSION AGREEMENT ("Agreement") is made and entered into as of this 3rd day of October, 1994 by and among AMERICAN NATIONAL BANK and TRUST COMPANY of CHICAGO as Successor Trustee to FIRST CHICAGO TRUST COMPANY of ILLINOIS and Successor Trustee to FIRST CHICAGO BANK of RAVENSWOOD f/k/a BANK OF RAVENSWOOD not personally but as Trustee under a Trust Agreement ("Trust Agreement") dated October 24, 1981 and known as Trust No. 25-6030 ("Trustee"), Donald Lotton, married to Linda Lotton ("Borrower"), and THE FIRST NATIONAL BANK OF CHICAGO an national banking association, as payee under that certain Promissory Note dated March 21, 1990 ("Payee"), under the following circumstances:

RECITALS

A. On March 21, 1990 the Borrower and the Trustee executed and delivered to the Payee a certain Promissory Note in the principal amount of Three Hundred Fifty Thousand and 00/100 (\$350,000.00) Dollars (the "Note").

B. Contemporaneous with the execution of the Note, the Trustee, not personally but as Trustee under the Trust Agreement executed and delivered a ("Mortgage") to the Payee to secure payment of the indebtedness described in the Note, including the entire principal amount thereunder and all interest thereon, and the Borrower executed and delivered to the Payee a collateral assignment of its beneficial interest under the land trust described above (the "Assignment").

C. The Mortgage has been recorded as Document No. 90140936 with the Cook County Recorder's Office to encumber the property commonly known as 3731-33 N. Clark, Chicago, Illinois and described on Exhibit A, attached hereto and made a part hereof.

D. The Borrower desires to modify the terms of the Note to provide for a reduction of the interest rate thereunder as set forth in Section 2 hereof and to provide for an extension of the initial call option provided to Payee under the Note and the Payee is willing to agree to such a reduction of the interest rate and to such extension of the call option upon the terms and conditions set fourth herein.

NOW, THEREFORE, in consideration of the mutual promises described herein, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

DEPT. OF RECORDING
14777 TRAN 9847 10/26/94 13156:00
\$4704 \$ DW *-94-915350
COOK COUNTY RECORDER

94915350

2300
248

UNOFFICIAL COPY

1. Amount of Outstanding Obligations. Borrower acknowledges and confirms that as of the date hereof, the outstanding balance of principal and accrued interest under the Note is Three Hundred Thirty One Thousand Six Hundred Twenty Three and 61/100 (\$331,623.61) Dollars (the "Indebtedness"). The Borrower personally agree to pay the Indebtedness in accordance with the payment schedule set forth in Section 3 of this Agreement. The parties acknowledge and agree that the Mortgage, the Note any other documents securing the Note and the Indebtedness evidenced and secured thereby shall continue in full force and effect notwithstanding maturity of the Note and subject only to the modifications described in this Agreement. Execution of this Agreement shall not affect or otherwise impair the lien evidenced by the Mortgage or its priority over other liens, if any.

2. Interest. Effective as of the date hereof, the Borrower shall pay interest (computed on a 360 day basis) from the date hereof on the outstanding amount of the indebtedness at an initial interest rate equal to Eight and One Eighth percent (8.125%) per annum. On the first Reset Date (as herein defined), and on each Reset Date thereafter, the interest rate shall be adjusted to an annual rate of interest equal to two and three-quarters (2.75%) percentage points in excess of the Index Rate (as herein defined), as described in Section 3 below, all of which payments shall be made in the manner set forth in Section 3 of this Agreement.

3. Payments of Principal and Interest. Payments of principal and interest hereunder shall be made in the following manner:

(a) Monthly installments of principal and interest in the amount of Two Thousand Seven Hundred Sixty Eight and 16/100 Dollars (\$2,768.16) on the 1st day of October 1994 ("First Payment Date") and monthly installments of principal and interest in the same amount on the same day of each month thereafter, for each of the succeeding fifty-nine (59) months thereafter; provided, however, upon payment in full of all principal indebtedness hereunder, there shall be simultaneously paid to Payer all interest accrued through said date of payment.

(b) On the first day of the fifty-ninth month following the First Payment Date and on the first day of each twelfth month thereafter ("Reset Dates") until the Maturity Date, the monthly installments of principal and interest for the same day of the month described in paragraph (1) above for each successive twelve month period commencing with the sixtieth month following the First Payment Date (being the sixty-first monthly payment) shall be reset based upon the following formula. The then principal balance on each Reset Date shall be utilized to determine an amortization of the loan evidenced by this Note, using a term for amortization purposes as of the date hereof, of 247 months. On the first Reset Date the amortization term shall be 187 months, on the second Reset Date the amortization term shall be 175 months and the same annual reduction of the amortization term shall

94915350

UNOFFICIAL COPY

be applicable on each Reset Date thereafter, prior to the Maturity Date. For such amortization purposes, the interest rate shall be determined to be equal to two and three-quarters (2.75) percentage points in excess of the Index Rate in effect on each applicable Reset Date. The Index Rate is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board most recently prior to each Reset Date, rounded to the nearest one-eighth of one percentage point (.125%). The most recent Index figure available as of the date 45 days before each Reset Date is called the "Current Index". Lender shall give to Maker ten (10) days prior written notice of the changes in the amounts of monthly installments due under this paragraph. If the Index Rate is no longer available, the Lender will chose a new index which is based upon comparable information.

(c) On April 1, 2015 ("Maturity Date") all principal indebtedness hereunder plus accrued and unpaid interest and other charges.

4. Call Option. The Lender hereof shall have the optional right to call and declare the entire principal sum disbursed hereunder and all accrued interest thereon to be due and forthwith payable in advance of the Maturity Date upon (a) the tenth anniversary of the First Payment Date, or (b) each anniversary thereafter of the First Payment Date, provided that Lender shall have given written notice of said call to Maker at least ninety (90) days prior to any such anniversary date upon which Lender may exercise its call option hereunder.

5. Continuation of Obligations. The parties acknowledge that the Indebtedness shall not be deemed to have been cancelled, discharged or released in any manner by this Agreement, and that the obligations evidenced by the Note, as modified by this Agreement, and any mortgages, trust deeds or other documents creating or perfecting any liens or other security interests with respect to the Indebtedness shall continue in full force and effect as security for the satisfaction and payment of the Indebtedness.

6. Continuation of Other Terms. Except as modified by this Agreement, the terms, conditions, promises and covenants contained in the Note and Mortgage shall remain in full force and effect.

7. Late Charge. Effective upon execution of this Agreement, in the event the Borrowers fail to make a payment when due and if such payment shall not be received by Bank within ten (10) days after its due date, the Borrowers shall be assessed a late fee equal to the greater of \$50.00 or five percent of the amount of any such overdue payment.

94915350

UNOFFICIAL COPY

8. Financial Statements. Within thirty (30) days after the close of each calendar year, (i) each individual Borrower shall furnish to the Payee its personal financial statement for the

calendar year then ending, in form and substance satisfactory to Lender and (ii) each corporate or partnership Borrower shall furnish an annual report of such Borrower, prepared and reviewed by independent certified public accountants, consisting of a balance sheet of such Borrower as of the close of such calendar year and statements of profit and loss of such Borrower, all prepared in accordance with generally accepted accounting principles. In addition, the Borrower shall furnish to Payee, within thirty (30) days after the close of each calendar year, an income and expense statement showing the operation of the premises secured by the Mortgage (the "Premises") and copies of all leases of any portion of the Premises; said income and expense statement being prepared and reviewed by an independent certified public accountant. The income and expense statement shall be comprehensive and reflect, in addition to other data, the following: gross income and source, real estate taxes, insurance, operating expenses in reasonable detail, depreciation deduction for federal income tax purposes, federal income taxes and net income. Within thirty (30) days of filing, the Borrower shall furnish to the Payee copies of all filed federal and state income tax returns.

9. Execution by Trustee. This Agreement is executed by Trustee, not personally, but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said Trustee hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in the Note contained shall be construed as creating any liability on said Trustee personally, to pay the Note or any interest that may accrue thereon or any indebtedness accruing hereunder, or to perform any covenant, representation, agreement or condition, either express or implied herein contained, or with regard to any warranty contained in the Mortgage except the warranty made in this Paragraph; all such liability, if any, being expressly waived by the Payee and by every person now or hereafter claiming any right or security hereunder, and that so far as the Trustee and its successors and assigns are concerned, the legal holder or holders of the Note and the owner or owners of any indebtedness accruing hereunder shall look to the premises which are the Mortgage for the payment thereof in the manner herein and in the Note provided but this shall not be construed in any way so as to affect or impair the lie of the Mortgage or the Payee's right to foreclosure thereof, or construed in any such foreclosure proceedings or other enforcement of the payment of the indebtedness out of and in the Note provided for or to affect or impair the personal liability of Borrower on the Note, this Agreement or any other document.

94915350

UNOFFICIAL COPY

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date and year first set forth above.

ATTEST: [Signature]
AUTHORIZED OFFICER

AMERICAN NATIONAL BANK and TRUST Company of CHICAGO, not personally but as Trustee as aforesaid

BY: [Signature]
Title: Trust Officer

[Signature]
Donald W. Lotton

"Borrower"

ATTEST: [Signature]
Closing Officer

THE FIRST NATIONAL BANK OF CHICAGO

By: [Signature]
Title: Martin Thomiser (Vice President

"Payee"

STATE OF ILLINOIS)
COUNTY OF COOK) S

The foregoing instrument was acknowledged before me this 18th day of October 1994, by Donald W. Lotton.

[Signature]
"OFFICIAL COPY"
ELAINE G. [Signature]
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 01/17/96

94915350

UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, NANCY SCOTT-RUDNICK, a Notary Public in and for said County in the State aforesaid, do hereby certify that MARTHA ANN BROOKINS of American National Bank and Trust Company of Chicago and WILLIE JACOBS of American National Bank and Trust Company of Chicago being personally known to me as the persons whose names are subscribed to the foregoing instrument as such Trust Officer and AUTHORIZED OFFICER respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their free and voluntary acts, and as the free and voluntary act of said Bank, as Land Trustee, for the uses and purposes therein set forth; and the said did also then and there acknowledge that he as custodian of the corporate seal of said Bank, did affix the corporate seal of said Bank to said instrument as his own free and voluntary act and as the free and voluntary act of said bank, as Land Trustee, for the uses and purposes therein set forth.

"OFFICIAL SEAL"
Nancy Scott-Rudnick
Notary Public, State of Illinois
My Commission Expires 6/22/91

Nancy Scott-Rudnick
Notary Public

STATE OF ILLINOIS)
) S
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 18th day of October, 19 94, by Willie Jacobs, the Vice President of The First National Bank of Chicago, a national banking association, on behalf of said bank.

Willie Jacobs
Notary Public
"OFFICIAL SEAL"
WILLIE JACOBS
NOTARY PUBLIC, STATE OF ILLINOIS
COMMISSION EXPIRES 01/17/95

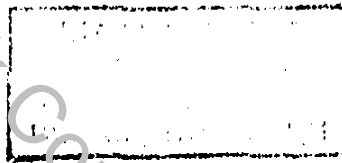
This instrument was prepared by:
First Chicago Bank
Ravenswood Office
1825 W. Lawrence Ave.
Chicago, Illinois 60640
Box 55



94915350

UNOFFICIAL COPY

Property of Cook County Clerk's Office



000000

UNOFFICIAL COPY

EXHIBIT "A"

LOT 12 AND 13 IN BLOCK 1 IN BUCKINGHAM'S SECOND ADDITION TO LAKE VIEW, BEING A SUBDIVISION OF THE NORTH EAST 1/4 OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PROPERTY ADDRESS: 3731-33 NORTH CLARK, CHICAGO, ILLINOIS 60613

PERMANENT TAX I.D. #14-20-215-012-0000

Property of Cook County Clerk's Office

94915350