

LOAN MODIFICATION AGREEMENT

This Agreement is made and entered into as of the 15th day of December, 1993 by and between Town Center, Inc., an Illinois corporation ("Owner") and THE XXIV Corporation, an Illinois corporation ("Lender").

WITNESSETH, THAT:

DEPT-01 RECORDING \$35.50
T40000 TRAN 6463 02/07/94 09:35:00
#6273 ÷ *-94-122671
COOK COUNTY RECORDER

WHEREAS, Owner is the record title holder of certain real estate located in Cook County, Illinois, commonly known as Town Center Shopping Center, Skokie, and legally described on Exhibit A attached hereto (the "Real Estate"); and

WHEREAS, Lender is the holder of a promissory note (the "Note") from Owner dated December 15, 1993 which evidences a loan (the "Loan") in the original principal amount of Two Million Eight Hundred Sixteen Thousand and 00/100 Dollars (\$2,816,000.00); and

WHEREAS, the unpaid principal balance of the Note is Two Million Eight Hundred Sixteen Thousand and 00/100 Dollars (\$2,816,000.00); and

WHEREAS, payment of the Note is secured by, among other things, the following documents (which along with all other documents which secure the Loan are collectively the "Security Documents") which, to the extent recorded, were recorded in the office of the Cook County Recorder of Deeds on January 14, 1994 :

1. Construction Mortgage and Security Agreement with Assignment of Rents from Owner, as mortgagor, recorded as Document No. 94050029 ;
2. Assignment of Rents and Leases from Owner, as Assignor, recorded as Document No. 94050030 ;
3. UCC-1 Finance Statement from Owner, as debtor, filed as Document No. 3211982 with the Illinois Secretary of State;
4. UCC-2 Finance Statement from Owner, as debtor recorded as Document No. 94U00778 ; and
5. Construction Loan Agreement dated December 15, 1993.

WHEREAS, the Note and Security Documents have been executed and delivered pursuant to that certain Bifurcation Agreement executed by and between Owner and The XXIV Mortgage Corporation (the "Senior Lender") and do not evidence new loan indebtedness but have been executed and delivered to effectuate the bifurcation process set forth in said Bifurcation Agreement; and

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WHEREAS, the Owner and Lender have agreed upon certain modifications to the Note and the Security Documents, as provided for herein ("Loan Modifications"); and

WHEREAS, the Loan Modification shall be in full force and effect from and after January 1, 1994 (the "Effective Date").

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and Lender agree upon the following Loan Modifications:

1. The rate of interest upon outstanding balances of the Note shall be Ten and 25/100 Percent (10.25%) per annum.

2. The principal balance of the Note shall be amortized on the basis of a twenty-five (25) year term.

3. There shall be monthly payments of principal and interest in the amount of Twenty Six Thousand Eighty-six and 95/100 Dollars (\$25,086.95), payable on the first day of each month hereafter, with the next scheduled payment to be due on January 1, 1994.

4. The principal balance of the Note together with accrued interest and all other sums evidenced by the Note and/or secured by the Security Documents shall be due and payable on December 31, 2003.

5. All liabilities, obligations and covenants of guarantors and indemnitors pursuant to the Amended and Restated Guaranty of Payment and Performance, Amended and Restated Payment Guaranty and Amended and Restated Indemnity Agreement (as those terms are defined in the Security Documents) have been released by Lender. All references to the Amended and Restated Guaranty of Payment and Performance, Amended and Restated Payment Guaranty and Amended and Restated Indemnity Agreement which appear in the Security Documents are hereby deleted in their entirety.

6. Lender has released Owner from its obligation to provide and maintain the Letter of Credit (as defined in the Security Documents) as additional security for the Loan. All references to the Letter of Credit which appear in the Security Documents are hereby deleted in their entirety.

7. Lender acknowledges that all of the improvements located on the Real Estate have been completed pursuant to the requirements of the Security Documents and to Lender's satisfaction. Owner has no further construction obligations under the Security Documents, all such obligations having been and being hereby released by Lender.

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8. Any and all references in the Security Documents to Trustee, Beneficiary or Partnership are hereby deemed to mean the Owner as defined herein.

9. Lender has released and does hereby release Owner from its obligations to make periodic payments of Net Proceeds from the Project (as defined in the Note) to reduce the outstanding principal balance of the Loan. All references to Net Proceeds from the Project which appear in the Note and Security Documents are hereby deleted.

10. Lender agrees that the liens and security interests granted under the Security Documents are and shall be subject and subordinate to the lien and security interests created by the loan documents (the "Senior Loan Documents") which evidence and secure a loan (the "Senior Loan") currently held by the Senior Lender in the outstanding principal amount of Three Million One Hundred Eighty-four Thousand and 00/100 Dollars (\$3,184,000.00).

11. Owner covenants that it will, at all times, maintain the Senior Loan Documents in full force and effect and if a default or Event of Default occurs under the Senior Loan Documents or an event occurs or condition exists which with the passage of time and/or giving of notice shall constitute a default or Event of Default, the Lender shall have the right to cure such defaults. In the event Lender cures the aforementioned defaults, any funds (the "Default Amount") expended by Lender to cure such defaults shall be deemed additional indebtedness secured by the Security Documents and shall be repaid by Owner to Lender within five (5) days after written demand for such payment. Interest on the Default Amount shall accrue at the Default Interest Rate (as defined in the Note) commencing from the time the Default Amount is disbursed by Lender until Lender has received repayment of the Default Amount from Owner.

12. The following shall constitute an Event of Default under the Security Documents: (a) the occurrence of a default or Event of Default under the Senior Loan documents or (b) the occurrence of an event or the existence of a condition which with the passage of time and/or giving of notice would constitute a default or Event of Default under the Senior Loan Documents or (c) the Owner's failure to repay the Default Amount as set forth above.

13. All notices or other communications required or permitted under the Security Documents should be sent to Owner, addressed as follows:

13a. See page R-1 attached hereto.

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15. The Note and the Security Documents are modified to incorporate the provisions of this Agreement and, as so modified, are ratified, confirmed and approved.

16. Notwithstanding any provision contained herein or in the Security Documents to the contrary, Lender shall look only to the Real Estate as its sole remedy and source for collection of amounts due under the Note or the Security Documents. Nothing contained herein, in the Note or in any of the Security Documents shall be construed as making any officer, director, employee or shareholder of the Owner liable for the payment of all or any portion of the Loan or for the payment or performance (or the failure of performance) of any of the Owner's obligations hereunder under the Note or under the Security Documents.

Dated as of the day and year first above written.

TOWN CENTER, INC., an Illinois corporation

By: 

Vice-President

Attest:

THE FIRST CORPORATION, an Illinois corporation

By: 

President

Attest:



This instrument was prepared by: *Y Mail To:*

Martin K. Blonder
Rosenthal and Schanfield
55 East Monroe Street
46th Floor
Chicago, Illinois 60603

R&S 062049-111
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11/30/93

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13a. If and so long Owner deposits funds in escrows held by Senior Lender pursuant to the Senior Loan Documents for payments of real estate taxes and/or insurance premiums, Owner shall not be required to make any such escrow deposits with Junior Lender pursuant to the Security Documents.

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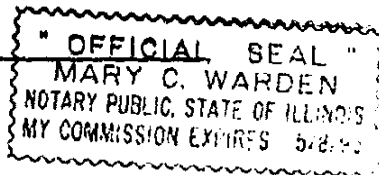
STATE OF Illinois)
COUNTY OF Cook) SS.

I, Mary C. Warden, a Notary Public in and for the County and State aforesaid, do hereby certify that Lawrence Shaw, a Vice President, and John Carter, Inc, a Secretary of John Carter, Inc, (the "Corporation") personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and 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 Corporation, for the uses and purposes therein set forth; and the said Secretary did also then and there acknowledge that he, as custodian for the corporate seal of said Corporation, did affix 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 30th day of December, 1993.

Mary C. Warden
Notary Public

My Commission Expires



County Clerk's Office

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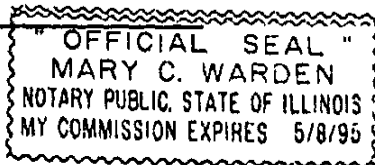
STATE OF Illinois)
COUNTY OF Cook) SS.

I, Mary C Warden, a Notary Public in and for the County and State aforesaid, do hereby certify that Richard S. Janakow, a _____ President, and _____ Secretary of The XIV Corporation, (the "Corporation") personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such _____ President and _____ 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 Corporation, for the uses and purposes therein set forth; and the said _____ Secretary did also then and there acknowledge that he, as custodian for the corporate seal of said Corporation, did affix 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 30th day of December, 1993.

Mary C Warden
Notary Public

My Commission Expires



~~Prepared By
Mail To:
Residential - Schanfield
55 E. Monroe St.
4th floor
Chicago, Ill 60603
Attn: Michael B. Jones~~

Notary Clerk's Office

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EXHIBIT A LEGAL DESCRIPTION

PARCEL 1:

LOT 2 IN ARGENT SUBDIVISION, A SUBDIVISION IN THE SOUTHEAST 1/4 OF SECTION 26, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

EASEMENT FOR INGRESS AND EGRESS, PARKING AND OTHER MATTERS CONTAINED IN DECLARATION OF EASEMENTS AND RESTRICTIONS DATED APRIL 16, 1990 AND RECORDED APRIL 17, 1990 AS DOCUMENT 90173136, AMENDED AND RESTATED DECLARATION OF EASEMENTS AND RESTRICTIONS RECORDED MAY 9, 1990 AS DOCUMENT 90215470, AND SECOND AMENDED AND RESTATED DECLARATION OF MUTUAL EASEMENTS AND RESTRICTION RECORDED FEBRUARY 25, 1991 AS DOCUMENT 91085415.

PIN NO. 10-26-401-085

NORTHWEST QUADRANT OF TOUHY AND KEDZIE AVENUES
SKOKIE, ILLINOIS

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