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LAWYERS TITLE INSURANCE CORPORATION
FEDERAL CENTER PLAZA, SUITE 1230
PHILADELPHIA, PA 19102

(Burbank, Illinois)

(14)

PHI-96-06972

96053874

DEPT-01 RECORDING \$39.50
TRAN 6311 11/07/96 10:53:00
CJ *-96-853874
COOK COUNTY RECORDER

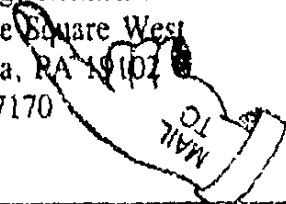
DEPT-10 PENALTY \$36.00

Property of Cook County Clerk's Office
AMENDMENT TO MORTGAGE

By and between SUSAN J SANDELMAN, AS TRUSTEE OF SANSTEVE TRUST and MONROE-DELSEA FINANCIAL CORPORATION

3950
3600

MAIL TO
This instrument was prepared by
and after recording should be returned to
Jennifer K. Peterson
Saul, Ewing, Remick & Saul
3800 Centre Square West
Philadelphia, PA 19102
(215) 972-7170



Permanent Real Estate Tax Index No.:
19-30-500-015, Volume 190

Common Address:
7100 West 79th Street
Burbank, Illinois

LTIC-COMMERCIAL CASE NO. 54303 BE COPY

LAWYERS TITLE INSURANCE CORPORATION

COOK COUNTY

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AMENDMENT TO MORTGAGE

THIS AMENDMENT is made as of the 25th day of April, 1996 by and between SUSAN J. SANDELMAN, AS TRUSTEE OF SANSTEVE TRUST, having an address c/o Kin Properties, Inc., 77 Tarrytown Road, Suite 100, White Plains, New York, NY 10607-1620 ("Mortgagor") and MONROE-DELSEA FINANCIAL CORPORATION, having an address c/o Kin Properties, Inc., 77 Tarrytown Road, Suite 100, White Plains, New York 10607 (the "Company").

Background

On June 1, 1980, the Company made a loan in the original principal amount of \$10,194,917 to CT Monroe Associates Limited Partnership ("CT Monroe"), as evidenced by that certain note dated as of June 1, 1980 (as now or hereafter amended, the "Partnership Note"). The Partnership Note is secured by, among other things, that certain mortgage by CT Monroe and C and O Holdings Corporation ("C&O") in favor of Company dated as of June 1, 1980 (the "Mortgage"). The Mortgage encumbers the premises described on Exhibit "A" attached hereto (the "Property")

By assignment of mortgage dated as of June 1, 1980 (the "Assignment of Mortgage"), Company assigned its interest in the Mortgage to The Lincoln National Life Insurance Company, as agent ("Agent") for The Lincoln National Life Insurance Company and The Penn Mutual Life Insurance Company (collectively, the "Secured Parties"), as security for, among other things, the due and punctual payment of the Secured Note and the performance of the other obligations of the Company contained in the Security Agreement (as those terms are defined in the Assignment of Mortgage). Recording data for the Mortgage and the Assignment of Mortgage is set forth on Exhibit "B" attached hereto.

Prior to this date, Mortgagor acquired fee simple title to the Property from CT Monroe and C&O and, in connection with such acquisition, assumed, among other things, the obligations of CT Monroe and C&O under the Mortgage (subject, however, to the limitations on the liability of the Mortgagor referred to in paragraph 23 thereof). With the consent of Agent, Mortgagor and Company now wish to amend the Mortgage in accordance with the terms of this Amendment.

NOW, THEREFORE, in consideration of the sum of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Due On Sale/Release of Property. Section 10(b) of the Mortgage is hereby deleted in its entirety and the following is substituted therefor:

(b) If no Event of Default, and/or event that with the giving of notice or passage of time would become an Event of Default,

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has occurred, Mortgagor may request Company to release the Property from the lien of this Mortgage. Such release shall be contingent upon satisfaction of the following terms and conditions:

(i) The proposed release shall be in connection with a sale or transfer of the Property.

(ii) At least thirty (30) days prior to the scheduled release date, Mortgagor shall deliver to the Company at Mortgagor's expense (A) the form of the release to be executed by the Company and the Agent (which form of release must be satisfactory to the Company and the Agent in form and substance); and (B) such further information and documentation regarding the release as the Company and Agent may request.

(iii) Company and Agent shall have reviewed and approved an itemized accounting of the proceeds of the sale of the Property and the resulting calculation of the Excess Sale Proceeds (as defined below). Such accounting shall be submitted to Company and Agent at least ten (10) days prior to the scheduled release date, and shall be certified by Mortgagor and Jeffrey Sandelman to be an accurate and complete description of the actual proceeds, costs and expenses attributable to the sale of the Property.

(iv) Contemporaneously with the execution and delivery of the release, Mortgagor shall pay, or cause to be paid, the Required Sale Prepayment (as hereinafter defined) and all costs and expenses incident to the preparation of the release and the consummation of the transaction specified herein, including, without limitation, recording fees.

As used in this Mortgage, the term "Required Sale Prepayment" shall mean an amount equal to the sum of (i) the outstanding principal balance under the Partnership Note which is allocable to the Property (as determined by the Company and Agent), *plus* (ii) fifty percent (50%) of the Excess Sale Proceeds (as hereinafter defined), *plus* (iii) accrued and unpaid interest attributable to the prepayment amount. The parties acknowledge and agree that, as of the date of this Amendment, following the application of the principal payments described in Section 2(a) of the Amendment to Partnership Note dated as of this date among, *inter alia*, Mortgagor and the Company (the "Amendment to

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Note"), the outstanding principal balance under the Partnership Note which is allocable to the Property is set forth on Exhibit "A" to the Amendment to Note. The Excess Sale Proceeds delivered to Company, if any, shall be applied on a prorata basis to reduce the outstanding principal balance allocable to the properties which are encumbered by the remaining Other Mortgages.

The proceeds of the sale of the Property shall be applied first to the payment of the outstanding principal balance under the Partnership Note which is allocable to the Property (as determined by the Company and Agent), second to reasonable customary costs and expenses incurred by Mortgagor in connection with the sale of the Property (including title charges, survey charges, environmental audit charges and real estate commission) and third to reimburse the Mortgagor for reasonable actual out of pocket costs and expenditures made to protect, preserve, repair or lease the Property, but only to the extent that Mortgagor is not reimbursed by any third party for such costs and expenditures. Any sale proceeds remaining after such application shall be called the "Excess Sale Proceeds."

(v) Notwithstanding the foregoing, a transfer of fee simple ownership of the Property among trusts controlled by members of the Sandelman family shall not constitute an Event of Default and shall not initiate any Required Sale Payment or change in the payment of the Partnership Note. While such transfer shall not require prior written approval of Company or Agent, it is required that Company and Agent be promptly notified in writing of same and be furnished with information as to the identity of the transferee and copies of the deed and other documentation executed in connection with such transfer.

2. Color Tile Bankruptcy. The parties acknowledge and agree that the Property is subject to a lease (the "Original Color Tile Lease") dated as of June 1, 1980 with Color Tile, Inc. ("Color Tile") as tenant. Color Tile has filed a petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. Section 101 et. seq. (the "Bankruptcy Code") with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"), Case No. 96-76 (HSB) - 96-80 (HSB), inclusive (the "Bankruptcy Case"). In connection with the Bankruptcy Case, with permission of the Bankruptcy Court, the Original Color Tile Lease may be rejected, amended, or replaced. Accordingly, all references in the Mortgage to the "Lease" shall hereafter be deemed to refer to the Original Color Tile Lease as the same may be amended, partially rejected or replaced by a new lease.

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with Color Tile, or to any other lease entered into by the Mortgagor with respect to the Property.

3. Other Definitions. The following definitions in Section 27 of the Mortgage are hereby amended and restated in their entirety as follows:

- "Note" means any of, and "the Notes" mean all of, the Notes issued and, unless the context otherwise specifies or requires, outstanding under the Note Purchase Agreement, as such Notes may now or hereafter be amended or supplemented from time to time.

- "Other Mortgages" means all of the other mortgages, deeds of trust, deeds to secure debt or similar security instruments from Sanford Sandelman, as Trustee of Sagram Trust, Susan J. Sandelman, as Trustee of Sansteve Trust, Jeffrey Sandelman as Trustee of Sacole Trust, Susan Sandelman, as Trustee of Sagram Trust, Jeffrey Sandelman, as Trustee of Sabrooke Trust, Jeffrey Sandelman, as Trustee of Sacole Trust, Sanford M. Sandelman, as Trustee of Sulyse Trust, Susan J. Sandelman, as Trustee of Sanlyse Trust, Jeffrey Sandelman, as Trustee of Sabrooke Trust, or Sanford M. Sandelman, as Trustee of Susteve Trust (as successor-in-interest to CT Monroe and C&O) to or for the benefit of the Company and securing the Partnership Note, as such Other Mortgages may be now or hereafter amended or supplemented from time to time.

- "Partnership Note" means the Non-Recourse Note due July 1, 2005 issued to the Company by the Partnership, as the Partnership Note may now or hereafter be amended or supplemented from time to time.

4. Miscellaneous. Company and Mortgagor acknowledge and agree that the Mortgage, as amended hereby and as amended hereafter, is and shall remain subject to Assignment of Mortgage in favor of Agent. The Mortgage, as amended hereby, is and shall remain in full force and effect. This Amendment may be executed in counterpart.

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{Barbank, Illinois}

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first above written.

SANSTEVE TRUST

Dany/O. Conlley
Witness

By: Susan J. Sandelman
Susan J. Sandelman, Trustee

MONROE-DELSEA FINANCIAL CORPORATION, a Delaware corporation

Attest: Dany/O. Conlley

By: Susan J. Sandelman
Name: SUSAN SANDELMAN
Title: VICE PRESIDENT

(Corporate Seal)

APPROVED
As To Form
Date 9/6/96 NET

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(Burbank, Illinois)

CONSENT OF AGENT

Agent, on behalf of the Secured Parties, hereby consents to the foregoing Amendment as of April 25, 1996.

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY, Agent for The Lincoln National Life Insurance Company and The Penn Mutual Life Insurance Company

By:



LAWRENCE T. KISKA

VICE PRESIDENT

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4/25/96

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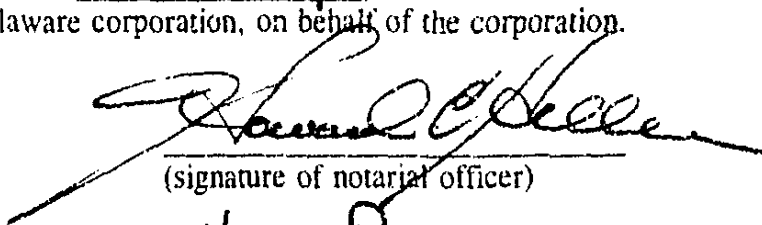
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[Burbank, Illinois]

STATE OF NEW YORK COUNTY OF WESTCHESTER ss.

The foregoing instrument was acknowledged before me this 9th day of SEPTEMBER, 1996, by Susan Sandelman, VP of MONROE-DELSEA FINANCIAL CORPORATION, a Delaware corporation, on behalf of the corporation.

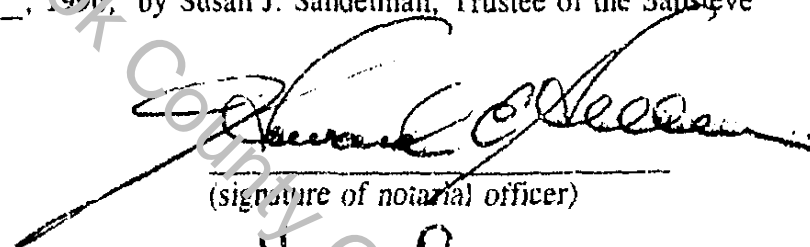

(signature of notarial officer)

[SEAL]

NOTARY PUBLIC
(title and rank) HOWARD E. HELLER
Notary Public, State of New York
NO. 02HE5053460
Qualified In Rockland County
My commission expires Commission Expires Dec. 18, 1997

STATE OF New York COUNTY OF WESTCHESTER ss.

The foregoing instrument was acknowledged before me this 9th day of SEPTEMBER, 1996, by Susan J. Sandelman, Trustee of the Sapstev Trust.


(signature of notarial officer)

[SEAL]

NOTARY PUBLIC
(title and rank)
My commission expires:
HOWARD E. HELLER
Notary Public, State of New York
NO. 02HE5053460
Qualified In Rockland County
Commission Expires Dec. 18, 1997

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EXHIBIT A

LEGAL DESCRIPTION

Property: 7100 West 79th Street
Burbank, Illinois

That part of the West 1/2 of the South West 1/4 (except the South 50 feet thereof) of Section 30, Township 38 North, Range 13 East of the Third Principal Meridian, lying East of the East line of the West 574.50 feet of said South West 1/4 and West of the East line of the West 787.50 feet of said South West 1/4 and South and Westerly of a curved line convex to the South West, radius 963 feet, commencing at a point 122 feet North of the South line and 1085 feet East of the West line of the aforesaid 1/4 Section and running to a point 122 feet East of the West line and 1085 feet North of the South line of said South West 1/4 of Section 30, in Cook County, Illinois; except a part of the West 1/2 of the South West 1/4 Section 30, Township 38 North, Range 13 East of the Third Principal Meridian as condemned by Case No. 76L1074 bounded and described as follows: Beginning at the point of intersection of the North line of 79th Street (as dedicated by Document 16584944, dated May 19, 1956) and the East line of the West 574.5 feet of said Section; thence North along said East line a distance of 10.65 feet to a point; thence Southeasterly along a straight line a distance of 213.1 feet more or less, to a point on the East line of the West 787.50 feet of said Section, said point lying 3.55 feet North of the North line of aforesaid 79th Street (as measured along said East line); thence South along said East line a distance of 3.55 feet to a point on the North line of aforesaid 79th Street; thence West along said North line a distance of 213 feet to the point of beginning, all in Cook County, Illinois.

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