

LAWYERS TITLE INSURANCE CORPORATION
TWO PENNY CENTER PLAZA, SUITE 1000
PHILADELPHIA, PA 19102

UNOFFICIAL COPY

[Burbank, Illinois]

(2/24)

PHI-96-06972

96853875

- DEPT-01 RECORDING \$41.50
- T40010 TRAN 3511 11/07/96 10:54:00
- 40348 + CJ *-96-853875
- COOK COUNTY RECORDER
- DEPT-10 PENALTY \$38.00

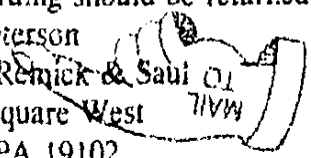
Property of Cook County Clerk's Office

AMENDMENT TO COLLATERAL ASSIGNMENT OF LEASE AND AGREEMENT

By and among SUSAN J. SANDELMAN, AS TRUSTEE OF SANSTEVE TRUST, MONROE-DELSEA FINANCIAL CORPORATION, and COLOR TILE, INC.

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



Permanent Real Estate Tax Index No.:
19-30-300-015, Volume 190

Common Address:
7100 West 79th Street
Burbank, Illinois

LTR-COMMERCIAL CASE NO 54303 BE @ 1/4

LAWYERS TITLE INSURANCE CORPORATION

3800

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AMENDMENT TO COLLATERAL ASSIGNMENT OF LEASE AND AGREEMENT

THIS AMENDMENT is made as of the 25th day of April, 1996 by 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, 10607 (the "Trust"), MONROE-DELSEA FINANCIAL CORPORATION, a Delaware corporation having an address c/o Kin Properties, Inc., 77 Tarrytown Road, Suite 100, White Plains, New York 10607 ("Company"), and COLOR TILE, INC., a Delaware corporation having an address at 515 HOUSTON ST. ("Color Tile").

FIVE WORTH TX 76102
Background

CT Monroe Associates Limited Partnership ("CT Monroe") delivered to Company that certain promissory note dated June 18, 1980 in the original principal amount of \$10,194,917 (the "Partnership Note"). The Partnership Note was originally secured by, among other things, that certain collateral assignment of lease and agreement (as now or hereafter amended, the "Assignment of Lease") from CT Monroe and C and O Holdings Corporation ("C&O"), as owners, and Color Tile, as lessee, to the Company. The Assignment of Lease encumbers the premises described on Exhibit "A" attached hereto (the "Property"). The Property was leased to Color Tile pursuant to the terms of a composite lease and agreement dated as of June 1, 1980 (as the same may be amended, the "Original Color Tile Lease").

By collateral reassignment of lease dated as of June 1, 1980 (the "Collateral Reassignment"), Company assigned its interest in the Assignment of Lease 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 Collateral Reassignment). Recording data for the Assignment of Lease and the Collateral Reassignment is set forth on Exhibit "B" attached hereto.

Prior to this date, CT Monroe and C&O conveyed fee simple title to the Property to the Trust. In connection with such conveyance, the Trust assumed, among other things, the obligations of CT Monroe under the Partnership Note and the obligations of CT Monroe and C&O under the Assignment of Lease (subject, however, to the limitations on liability set forth in such documents). The Assignment of Lease requires, among other things, that Color Tile wire the portion of the Basic Rent due under the Color Tile Lease equal to the Installment Payment payable under (and defined by) the Notes directly to the Secured Parties.

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

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(HSB) - 96-80 (HSB), inclusive (the "Bankruptcy Case"). In connection with the Bankruptcy Case, with the permission of the Bankruptcy Court, it is the intention of Color Tile to reject or amend the Original Color Tile Lease insofar as it affects the Property.

The Company, with the consent of the Secured Parties, has agreed that, provided that no Event of Default (hereinafter defined) exists, notwithstanding anything to the contrary contained in the Assignment of Lease or related loan documents, the Trust shall have the right to collect all Basic Rent, Additional Rent and other sums due to the Trust from Color Tile under the Original Color Tile Lease. The parties now desire to amend the Assignment of Lease to reflect such agreement.

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

1. Grant of License to Collect Rents. Notwithstanding anything to the contrary contained in the Assignment of Lease, Company and the Secured Parties agree that prior to the occurrence of an Event of Default, the Trust shall have a revocable license to collect and receive all rent, additional rent and other sums due (collectively, the "Rents") under the Original Color Tile Lease. Such license shall permit the Trust to collect any and all Rents or other sums to be paid to the Trust in accordance with the terms and conditions of the Original Color Tile Lease when the same are due and payable, in trust for the benefit of the Secured Parties, and to apply the Rents so received in each respective month to the payment of principal, interest and all other sums due and payable under the Partnership Note and related loan documents (collectively, the "Loan Documents") and the balance of Rents received, if any, may be used and enjoyed by the Trust, subject to the provisions of the Loan Documents. The Trust agrees that in no event shall the Trust collect rent for more than thirty (30) days in advance under the Original Color Tile Lease.

2. Termination of License. Upon the occurrence of an Event of Default, the Secured Parties may terminate the Trust's license herein granted in their sole discretion at any time after such occurrence and upon notice to the Trust, and the Secured Parties (or their designated agent) may thereafter, at its option, receive and collect all Rents with or without taking actual possession of the Property or any actions equivalent thereto. Upon the occurrence of an Event of Default, the Secured Parties shall have the unilateral right to notify Color Tile that such Rents shall be paid to the Secured Parties or to the Secured Parties' designated agent. At such time as Color Tile shall have received notice that an Event of Default has occurred under any of the Loan Documents, Color Tile is hereby expressly authorized and directed to pay any and all amounts due the Trust pursuant to the Original Color Tile Lease to the Secured Parties or such agent as the Secured Parties may designate in writing delivered to Color Tile and Color Tile is expressly relieved of any duty or obligation to the Trust in respect of all payments so made.

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3. Event of Default. As used herein, the term "Event of Default" shall mean the occurrence of any Event of Default under any of the mortgages, deeds of trust, deeds to secure debt or similar security instruments dated as of June 1, 1980 (as now or hereafter amended, the "Mortgages") to the Company, which Mortgages were assigned to the Secured Parties pursuant to assignments of mortgage dated as of June 1, 1980.

4. New Color Tile Lease. The parties acknowledge and agree that the Assignment of Lease is with respect to only the Original Color Tile Lease, as now or hereafter amended. If a new lease is executed by Color Tile with respect to the Property, it shall be subject to, and governed by, the terms of that certain Assignment of Leases, Rents and Profits dated as of April 25, 1996 by the Trust in favor of the Company, as collaterally assigned by the Company to Agent pursuant to that certain Collateral Reassignment of Leases, Rents and Profits dated as of April 25, 1996. The parties further acknowledge and agree that this Amendment shall in no way affect or impair any right of Color Tile, pursuant to the Settlement Agreement dated August 14, 1996, between Sanford M. Sandelman as Trustee of the Susteve Trust, Sanford M. Sandelman as Trustee of the Sulyse Trust, Sanford Sandelman as Trustee of the Sagan Trust, Jeffrey Sandelman as Trustee of the Sabrooke Trust, Jeffrey Sandelman as Trustee of the Subrooke Trust, Jeffrey Sandelman as Trustee of the Sacole Trust, Jeffrey Sandelman as Trustee of the Sucole Trust, Susan J. Sandelman as Trustee of the Sanstevet Trust, Susan J. Sandelman as Trustee of the Sanlyse Trust, Susan Sandelman as Trustee of the Sagan Trust and Color Tile to assume, assign, amend or reject any portion of the Original Color Tile Lease.

5. Use of Defined Terms. The parties acknowledge and agree that, as used in the Assignment of Lease, the terms Note Purchase Agreement, Note, Notes, Partnership Note, Mortgage, and Security Agreement shall mean the Note, Notes, Partnership Note, Mortgage and Security Agreement as such documents are now or hereafter amended.

6. Miscellaneous. The parties acknowledge and agree that the Assignment of Lease, as amended hereby and as amended hereafter, is and shall remain subject to the Collateral Reassignment. The Assignment of Lease, except to the extent supplemented or amended hereby, is in all respects hereby ratified and confirmed. This Amendment may be executed in counterpart.

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(Burbank, Illinois)

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

SANSTEVE TRUST

Witness: Donna O. Conklin

By: Susan J. Sandelman
Susan J. ~~Wampler~~ as Trustee
Sandelman,

MONROE-DELSEA FINANCIAL CORPORATION, a Delaware corporation

Attest: Donna O. Conklin

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

(corporate seal)

APPROVED
As To Form
Date 7/6/96 HET

COLOR TILE, INC., a Delaware corporation

Attest: _____

By: _____
Name: _____
Title: _____

(corporate seal)

24740 1 8 29'96

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(Burbank, Illinois)

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

SANSTEVE TRUST

Witness: _____

By: _____
Susan J. Sanford, as Trustee

MONROE-DELSEA FINANCIAL
CORPORATION, a Delaware corporation

Attest: _____

By: _____
Name: _____
Title: _____

(corporate seal)

COLOR TILE, INC., a Delaware
corporation

Attest: Heanna L. Hartley

By: Alan J. Bethscheider
Name: Alan J. Bethscheider
Title: Exec VP - Admin.

(corporate seal)

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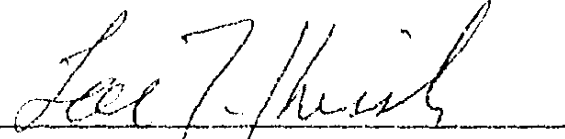
[Burbank, Illinois]

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. Kisko
VICE PRESIDENT

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MAY 1 1996

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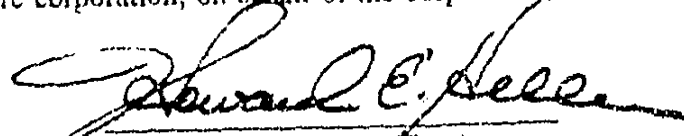
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[Burbank, Illinois]

STATE OF NEW YORK COUNTY OF WESTCHESTER ss.

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


(signature of notarial officer)

[SEAL]

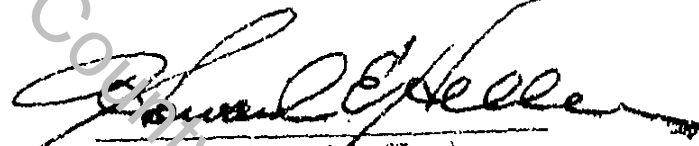
NOTARY PUBLIC
(title and rank)

HOWARD E. HELLER
Notary Public, State of New York
NO. 02HE5053460

My commission expires Qualified in Rockland County
~~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 Sugran Trust.


(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
Commission Expires Dec. 18, 1997

My commission expires

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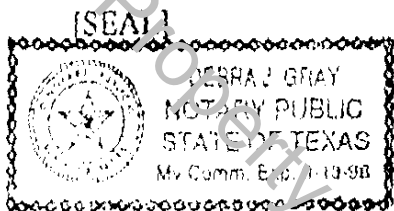
STATE OF Texas COUNTY OF Tarrant ss.

The foregoing instrument was acknowledged before me this 11th day of October, 1996, by Alan J. Bethesda of COLOR TILE, INC., a Delaware corporation, on behalf of the corporation.

Debra J. Gray
(signature of notarial officer)

(title and rank)

My commission expires: 9-13-98



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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 18, 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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100 West 79th Avenue
Burbank, Cook County, IL

EXHIBIT "B"

Collateral Assignment of Lease and Agreement from CT Monroe Associates Limited Partnership and C and O Holdings, as Owners, and Color Tile, Inc., as Lessee, to Monroe-Delsea Financial Corporation dated June 1, 1980 and recorded on June 23, 1980 as Document No. 25494684. Such Collateral Assignment of Lease was assigned to The Lincoln National Life Insurance Company as agent for The Lincoln National Life Insurance Company and Penn Mutual Life Insurance Company by Collateral Reassignment of Lease dated June 1, 1980 and recorded June 23, 1980 as Document No. 25494686.

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25494686

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