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This Document Prepared by and Mail to:
Edward J. Halper
Schwartz & Freeman
401 North Michigan Avenue
Suite 900
Chicago, IL 60611

AMENDMENT TO NOTE, MORTGAGE, CONSTRUCTION LOAN AGREEMENT AND OTHER LOAN DOCUMENTS

This Amendment to Note, Mortgage, Construction Loan Agreement and Other Loan Documents (the "Amendment") is made as of July 1, 1998 between THE COMMUNITY BANK OF RAVENSWOOD, an Illinois banking corporation ("Lender") and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but as Trustee under Trust Agreement dated June 6, 1997 and known as Trust No. 123063-04 ("Trustee"), and JOSEPH E. GRODMAN, a resident of Illinois ("Borrower").

RECITALS

Lender has made a loan (the "Loan") to Borrower relating to the construction of certain improvements on real property located at 24 West Erie Street, Chicago, Illinois, as legally described on Exhibit A attached hereto (the "Land").

The Loan is evidenced and secured by the following documents, each executed by Borrower or Trustee, as applicable, in favor of Lender:

- (i) Promissory Note dated June 25, 1997 in the original principal amount of \$1,745,000 (the "Note") executed by Borrower;
- (ii) Construction Loan Agreement of even date with the Note executed by Borrower (the "Loan Agreement");

BOX 333-CTI

Property

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(iii) Mortgage of even date with the Note executed by Trustee recorded on June 30, 1997 as document No. 97469329 in the office of the Recorder of Deeds of Cook County, Illinois, constituting a first mortgage lien on the Land and improvements thereon.

(iv) Assignment of Leases and Rents of even date with the Note executed by Trustee and Borrower; recorded on June 30, 1997 as document No. 97469330 in the office of the Recorder of Deeds of Cook County Illinois, constituting a first lien on the leases and rents on the Land and improvements thereon.

(v) Security Agreement and Security Assignment of Beneficial Interest under the Land Trust executed by Borrower.

(vi) Second Mortgage executed by Borrower recorded on June 30, 1997 as document No. 97469331 in the office of the Recorder of Deeds of Cook County, Illinois, constituting a second mortgage lien on the property commonly known as 2721 N. Clark St., Chicago, Illinois ("Clark Street") and improvements thereon.

(vii) Second Assignment of Leases and Rents of even date with the Note executed by Borrower; recorded on June 30, 1997 as document No. 97469332 in the office of the Recorder of Deeds of Cook County, Illinois, constituting a second lien on leases and rents on Clark Street.

All of the foregoing, together with all other documents or instruments evidencing and securing the Loan and described in the Loan Agreement, or otherwise executed in connection with the Loan are hereinafter referred to collectively as the "Loan Documents".

Borrower has requested that Lender increase the amount of the Loan and extend the Construction Loan Maturity Date and Lender is willing to do so on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the above recitals, the mutual covenants contained herein and other good and valuable consideration, Borrower and Lender agree as follows:

1. Definitions. All capitalized terms used herein, unless otherwise defined shall have the meanings ascribed to them in the Loan Agreement.

2. Principal Amount. The Note is amended as of the Effective Date to increase the amount which Lender may disburse by \$185,000 (the "Additional Advance") to a total amount of \$1,930,000, which shall be disbursed, accrue interest and be repaid as set forth in Note and in the Loan Agreement. All references in the Note to the maximum amount, which may be borrowed by Borrower, shall after the Effective Date mean \$1,930,000.

3. Amendment of Loan Agreement. As of the Effective Date:

(i) Section 3 of the Loan Agreement is amended to increase the amount of the Construction Loan to \$1,930,000. All references elsewhere in the Loan Agreement to the

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amount of the Construction Loan or to the maximum borrowings Borrower may make under the Loan Agreement shall hereafter mean \$1,930,000.

(b) Section 2.3 of the Loan Agreement is amended to increase the total Project cost to \$1,824,000 from \$1,570,000, in the last sentence thereof.

(c) "Liabilities", as defined in Section 5.2 of the Agreement, shall be deemed to include the indebtedness constituting the Additional Advance and all obligations owed by Borrower to Lender evidenced or referenced in this Amendment.

(d) Article 5 of the Loan Agreement is hereby amended by adding thereto the following Sections:

5.30 A Third Mortgage ("Clybourn Mortgage") executed by Borrower and Margarita C. Grodman, Borrower's spouse, containing a waiver of homestead rights, which by virtue of its being recorded will constitute a second mortgage lien on the property commonly known as Unit 602 at 1872 N. Clybourn St., Chicago, Illinois ("Clybourn Property"). The Third Mortgage shall secure the Payment of the Note and the Liabilities. The Clybourn Mortgage shall constitute a third mortgage lien on the Clybourn Property, subject only to permitted exceptions on the Clybourn Property approved by Lender in favor of Lender, until such Clybourn Mortgage is released.

5.31 Such insurance policies and certificates, with premiums prepaid, evidencing fire and extended coverage and comprehensive liability coverage, in forms and with insurers satisfactory to Lender, on the Clybourn Property, naming Lender as mortgagee loss payee under the standard mortgage clause.

5.32 An ALTA Lender's Policy of Title Insurance (the Clybourn title Policy") issued by Title Company, in the amount of the Liabilities, covering the Clybourn Property, insuring that the Clybourn Mortgage will be a third mortgage lien, upon fee simple title to the Clybourn property to the extent of advances made from time to time under the Loan Agreement, subject to no liens, claims or encumbrances except those permitted exceptions approved in writing by Lender.

5.33 Copies of such documents, if any, that Borrower has provided the Title Company in connection with the issuance of the Clybourn Title Policy.

5.34 Security Agreements and liens registered on certificates of titles for a 1994 Mercedes 280 (VIN WDBHA22E2RF087283) and 1995 Porsche 911 (VIN WPOCA2992SS340930) automobiles, to be identified and in form and substance satisfactory to Lender.

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5.35 Such insurance policies and certificates, with premiums prepaid, evidencing property casualty coverage and comprehensive liability coverage, in forms and with insurers satisfactory to Lender, on the two automobiles described in Section 5.35 hereof, naming Lender as lender loss payee under the standard lender loss payee clause.

5.36 A Pledge Agreement, in form and substance satisfactory to Lender, executed by Borrower's spouse.

(e) Article 6 of the Loan Agreement is amended by adding the following as Section 6.8 thereof:

"6.8 Prior to Lender making any disbursement of the Additional Advance, Borrower shall satisfy the conditions set forth in the amendment and hereof. Further, Borrower shall deliver updated title insurance policies for the Land and Clark Street showing no liens, claims or encumbrances unacceptable to Lender."

(f) The Construction Loan Maturity Date in Section 8.2 is hereby restated to be January 1, 1999.

4. Security/Collateral. All security interests and liens created by Borrower and Trustee and evidenced by the Mortgage on the Land and the improvements thereon, the Second Mortgage on Clark street and the improvements thereon, and the other Loan Documents shall secure the repayment of the Additional Advance to the same extent as all other indebtedness outstanding under the Note and other Loan Documents and all other obligations set forth in the Amendment.

5. The Maturity Date of the Note, as hereby modified, shall be January 1, 1999.

6. Recertification of Representations. Borrower and Trustee hereby certify and confirm to Lender that all the representations and warranties set forth in the Loan Documents remain true and correct in all material respects as of the date hereof.

7. No Default. Borrower and Trustee hereby certify and confirm to Lender that no Event of Default or any fact or condition, which with the passage of time or the giving of notice shall constitute an Event of Default (an "Unmatured Event of Default"), then exists.

8. Other Loan Documents. All references to the Note contained in any of the Loan Documents shall be deemed to refer to the Note as amended by this Amendment and to all extensions, renewals, amendments and other modifications thereof. All references to any of the other Loan Documents contained in any of the Loan Documents shall be deemed to refer to the Loan Documents as amended by this Amendment and to all subsequent amendments and modifications thereof.

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9. Reaffirmation. Borrower and Trustee hereby ratify and reaffirm the Note and the other Loan Documents as hereby amended and the obligations, liabilities, liens, encumbrances and security interests created thereby. Borrower and Trustee acknowledge that none of Borrower, Trustee or any person or entity claiming by, through or under either of them has any defense or claim for set-off against the enforcement by Lender of the Note or any of the Loan Documents.

10. Continuation. Except as modified herein, the Loan Documents remain in full force and effect in accordance with their respective terms and provisions.

11. Binding Effect. This Amendment and the Loan Documents are hereby amended, are and shall continue to be binding upon Borrower and Trustee and inure to the benefit of Lender, its successors and assigns. This amendment is made pursuant to section 167.6 of the Loan Agreement.

12. Fees and Expenses. Borrower shall pay all Lender's costs and expenses in connection with this Amendment, including reasonable attorney's fees, title expenses and recording fees.

13. Conditions Precedent. Borrower shall have delivered to Lender for Lender's review and approval, the following:

(a) Opinion of Borrower's counsel as to the authority of Trustee and Borrower to enter into and execute this Amendment, the enforceability of this Amendment and other matters as required by Lender;

(b) Payment to Lender of a fee in the amount of \$9,650;

(c) Delivery an endorsement to the Title Policy extending the effective date thereof, increasing the amount of the coverage thereunder by the amount of the Additional Advance and showing no new matters of record not approved by Lender; and

(d) Other documents required hereunder.

14. Effective Date. All amendments to the Loan Documents set forth herein shall become effective on the first day of the first month (the "Effective Date") after satisfaction of the conditions set forth in Paragraph 11, provided further that no Event of Default or Unmatured Event of Default shall then exist.

15. Land Trustee Exculpation: This Amendment 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

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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 this Amendment except the warranty made in this Paragraph, all such liability, if any, being expressly waived by Lender and by every person now or hereafter claiming any right or security hereunder, and that so far as 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 Land, Clark Street, or the Clybourn Property or other collateral 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 lien of any mortgage or Lender's right to foreclosure thereof, or construed in any way so as to limit or restrict any of the rights and remedies in any such foreclosure proceedings or other enforcement of the payment of the Indebtedness Hereby Secured out of and from the security given therefor in the manner herein and in the Note provided for to affect or impair the personal liability of maker on the Note or any guarantors thereof.

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

LENDER:

THE COMMUNITY BANK OF RAVENSWOOD, an Illinois banking corporation

By: [Signature]
Its: Senior Vice President

TRUSTEE:

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICGO, as Trustee as aforesaid

By: [Signature]
Its: TRUST OFFICER

BORROWER:

[Signature]
Joseph E. Grodman

- Exhibit A - Legal Description of the Land
- Exhibit B- Legal description of Clark Street
- Exhibit C- Legal description of Clybourn Property
- Acknowledgements

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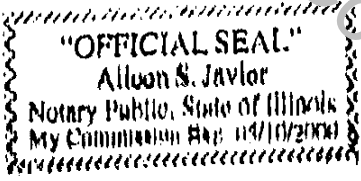
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STATE OF ILLINOIS)
COUNTY OF COOK)SS.

I, _____, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that _____ of THE COMMUNITY BANK OF RAVENSWOOD, an Illinois banking corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer of said Bank, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said Bank, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 27th day of July 1998.

[Signature]
Notary Public



My Commission Expires:
11-11-2000

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STATE OF Illinois)
)SS.
COUNTY OF Cook)

I, L. M. SOVIENSKI, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that EILEEN F. NEARY, TRUST OFFICER of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but as Trustee under Trust Agreement dated 6/6/97, 1997 and known as Trust No. 1230304, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as _____ of said Bank, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said Bank, as Trustee as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 21 day of July, 1998.

L. M. Sovienksi
Notary Public

My Commission Expires:



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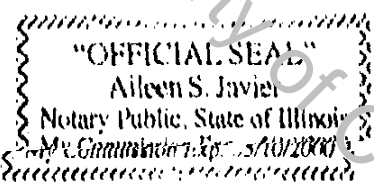
STATE OF ILLINOIS)

COUNTY OF COOK) SS.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that JOSEPH E. GRODMAN, personally known to me to be the same person whose name is subscribed to the within instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument and executed same as his free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 27th day of July, 1998.

[Signature]
Notary Public



My Commission expires:
5-10-2000, 19

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EXHIBIT A

Legal Description of the Land

Sub-Lot 6 and the west 16 feet of Sub-Lot 7 in the Subdivision of Lots 3, 4, 5 and the East ½ of Lot 11 and of Lots 12, 13, and 14 in Block 25 in Wolcott's Addition to Chicago in Section 9, Township 29 North, Range 14, East of the Third Principal Meridian in Cook County, Illinois.

Commonly known as 24 East Erie St.; Chicago, Ill. PIN17-09-220-015-0000

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EXHIBIT B

Legal Description for the Clark Street Property

Lot 56 in Lehmann Diversey Boulevard, Addition in the Southwest ¼ of Section 28, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Commonly known as 2721 N. Clark St; Chicago, Ill.

PIN 14-28-306-0000

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EXHIBIT C

Legal Description for the Clybourn Property

Unit Nos. 602 and P-46 in Clybourn Lofts Condominium as delineated on a survey of the following described parcel of real estate:

Lots 1 to 4, both inclusive, and Lots 25 to 28, both inclusive, in Block 5 in Subdivision of Lots 1 and 2 in Block 8 in Sheffield's Addition to Chicago, in Section 32, Township 40 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois, which survey is attached as Exhibit ⁹ to the Declaration of Condominium recorded as Document No. 27162456 together with its undivided percentage interest in the common elements, in Cook County, Illinois

Commonly known as Unit 602, 1872 B. Clybourn St., Chicago, Ill.

PIN 14-32-406-015-1103

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