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Cook County Recorder 91.00

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Dickens II Apartments  
Chicago, Illinois

FHA Project No. 071-35591

209242

MODIFICATION NO. 2 OF MORTGAGE

**THIS MODIFICATION OF MORTGAGE** (the "Agreement"), dated as of the 13<sup>th</sup> day of May, 1999 and made effective as of May 1, 1999 (the "Effective Date"), is made by and between **AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO**, as Trustee under Trust Agreement, dated January 19, 1989 and known as Trust No. 107451-07, a national banking association (the "Mortgagor"), having its place of business at 120 South LaSalle Street, Chicago, Illinois 60603 and **GREYSTONE SERVICING CORPORATION, INC.**, a Georgia corporation (the "Mortgagee"), having its place of business at 98 Alexandria Pike, 4<sup>th</sup> Floor, Warrenton, Virginia 20186.

**WITNESSETH:**

**WHEREAS**, the Mortgagor is the owner of certain real property located in the city of Chicago in Cook County of the State of Illinois as further described in Exhibit A to this Agreement on which is constructed a certain rental apartment project known as Dickens II Apartments, FHA Project No. 071-35591, hereinafter referred to collectively as the "Project."

**WHEREAS**, Mortgagor previously executed a certain Mortgage Note (the "Mortgage Note"), dated June 1, 1989, in favor of Reinlein/Leisler/McGee, a California general partnership ("RLG"), in the original principal amount of One Million Three Hundred Three Thousand Six Hundred and 00/100 Dollars (\$1,303,600.00). The Mortgage Note is secured by (i) a certain Mortgage (the "Mortgage"), dated June 1, 1989, which was executed by the Mortgagor and delivered to RLG and thereafter recorded on June 23, 1989 against the real property described in Exhibit A to this Agreement in the Office of the Recorder of Deeds in Cook County, Illinois (the "Official Records") as Document No. 89287448, (ii) a certain Security Agreement (the "Land Trustee Security Agreement") dated June 1, 1989, by and between the Mortgagor and RLG, (iii) a certain Security Agreement (the "Beneficiary Security Agreement")

**THIS DOCUMENT PREPARED BY AND AFTER RECORDING SHALL BE RETURNED TO:**

Elizabeth H. Friedgut, Esq.  
Rudnick & Wolfe  
203 North LaSalle Street  
Chicago, Illinois 60601

Box 430

HP8  
NO MAIL

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dated June 1, 1989, by and between Dickens Apartments II Associates Limited Partnership, an Illinois limited partnership ("DALP") and owner of one hundred percent (100%) of the beneficial interest in Mortgagor, and RLG, (iv) certain UCC Financing Statements (the "Original Land Trustee UCC Financing Statements") executed by the Mortgagor in favor of RLG and filed or recorded, as applicable, on June 22, 1989 with the Secretary of State of Illinois as Document No. 2590290 and on June 23, 1989 against the real property described in Exhibit A to this Agreement in the Official Records as Document No. 89U-15451, (v) certain UCC Financing Statements (the "Original Beneficiary UCC Financing Statements") executed by DALP in favor of RLG and filed or recorded, as applicable, on June 22, 1989 with the Secretary of State of Illinois as Document No. 2590291 and on June 23, 1989 against the real property described in Exhibit A to this Agreement in the Official Records as Document No. 89U-15452. The Mortgage, the Land Trustee Security Agreement, the Beneficiary Security Agreement, the Original Land Trustee UCC Financing Statements and the Original Beneficiary UCC Financing Statement created a first lien security interest in favor of RLG in and to the Project and various items of personal property currently on or thereafter owned by the Mortgagor and/or DALP with respect to the Project.

**WHEREAS**, the Mortgage Note and the indebtedness evidenced thereby (the "Mortgage Loan") is insured by the Secretary of Housing and Urban Development of Washington, D.C., acting by and through the Federal Housing Commissioner ("HUD" or the "Commissioner" as the context may require) under Section 2204(4) of the National Housing Act, as amended, which contract of insurance (the "Contract of Insurance") is evidenced by the initial and final endorsement of the Mortgage Note by HUD.

**WHEREAS**, the Mortgagor, DALP and HUD previously executed that certain Regulatory Agreement for Multifamily Housing Projects (the "Regulatory Agreement"), dated June 1, 1989, and recorded on June 23, 1989 against the real property described in Exhibit A of this Agreement as Document No. 89287449 in the Official Records. The Regulatory Agreement is incorporated by reference into and made a part of the Mortgage.

**WHEREAS**, the Mortgage Loan was assigned by RLG to the State Teachers Retirement Board of Ohio, an entity existing under the laws of the State of Ohio ("TRBO"). Said assignment is evidenced, in part, by (i) an Endorsement to the Mortgage Note from RLG to TRBO; (ii) an Assignment of Mortgage, dated November 16, 1990, from RLG to TRBO and recorded against the real property described in Exhibit A to this Agreement on November 16, 1990 as Document No. 90560711 in the Official Records; (iii) an Assignment of Mortgage and Collateral Documents, dated November 30, 1990, from RLG to TRBO (inclusive of the Land Trustee Security Agreement and the Beneficiary Security Agreement); (iv) Assignment of the Original Land Trustee UCC Financing Statements which were filed or recorded, as applicable, with (a) the Secretary of State of Illinois, and (b) the Official Records; and (v) Assignments of the Original Beneficiary UCC Financing Statements which were filed or recorded, as applicable, with (a) the Secretary of State of Illinois, and (b) the Official Records.

**WHEREAS**, the Mortgage Note and Mortgage were modified pursuant to a Modification Agreement (the "Modification Agreement No. 1"), dated March 1, 1994 between TRBO and Mortgagor, consented to by HUD, which was recorded against the real property described on Exhibit A to this Agreement on August 31, 1994 as Document No. 94768789 in the Official Records, which effectuated a reduction in interest rate on the Mortgage Loan from ten and three quarters per centum (10.75%) per annum to eight and one-half per centum (8.50%) per annum, effective as of April 1, 1994. For purposes hereof, all references contained herein to the Mortgage Note and Mortgage shall be deemed to refer to such instruments as amended by the Modification Agreement No. 1, as aforesaid.

**WHEREAS**, the Mortgage Loan was assigned by TRBO to WMF/Huntoon, Paige Associates Limited, a Delaware corporation ("WMF"). Said assignment is evidenced, in part, by (i) an Endorsement of the Mortgage Note from TRBO to WMF, (ii) an Assignment of Mortgage, dated December 11, 1997 from TRBO to WMF recorded on December 30, 1997 against the real property described in Exhibit A to this Agreement as Document No. 97977126 of the Official Records, (iii) an Assignment of Land Trustee Security Agreement, dated December 11, 1997, from TRBO to WMF, (iv) an Assignment of Beneficiary Security Agreement, dated December 11, 1997, from TRBO to WMF.

**WHEREAS**, the Original Land Trustee UCC Financing Statements and the Original Beneficiary UCC Financing Statements lapsed and were replaced concurrently with the assignment of the Mortgage Loan from TRBO to WMF by (i) new UCC Financing Statements in the name of Mortgagor, as debtor (the "New Land Trustee UCC Financing Statements") which were filed or recorded, as applicable, (a) on December 22, 1997 with the Secretary of State of Illinois and as Document No. 3777927, and (b) on December 29, 1997 against the real property described in Exhibit A to this Agreement as Document No. 97U-15675 of the Official Records, and (ii) new UCC Financing Statements in the name of DALP, as debtor (the "New Beneficiary UCC Financing Statements") which were filed, or recorded, as applicable, (a) on December 22, 1997 with the Secretary of State of Illinois as Document No. 3777928, and (b) January 23, 1998 against the real property described in Exhibit A to this Agreement as Document No. 98-U00882 of the Official Records.

**WHEREAS**, the Mortgage Loan has been assigned by WMF to the Mortgagee. Said assignment is evidenced, in part, by (i) an Allonge to the Mortgage Note, dated April 16, 1999, (ii) an Assignment of Mortgage, dated April 16, 1999 from WMF to Mortgagee which has been recorded against the real property described in Exhibit A to this Agreement in the Official Records, (iii) an Assignment of Security Agreement, dated April 16, 1999 from WMF to Mortgagee with respect to the Land Trustee Security Agreement, (iv) an Assignment of Security Agreement, dated April 16, 1999 with respect to the Beneficiary Security Agreement, (v) Assignments of New Land Trustee UCC Financing Statements which have been filed or recorded, as applicable, with (a) the Secretary of State of Illinois, and (b) the Official Records concurrently with this Agreement, and (vi)

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Assignments of New Beneficiary UCC Financing Statements which have been filed or recorded, as applicable, with (a) the Secretary of State of Illinois, and (b) the Official Records. 99480808

**WHEREAS**, as of the Effective Date, the outstanding principal amount of the Mortgage Loan is ONE MILLION TWO HUNDRED SIXTY TWO THOUSAND TWO HUNDRED THIRTY AND 54/100 DOLLARS (\$1,262,230.54).

**WHEREAS**, Mortgagor and Mortgagee now desire to amend the Mortgage to reference the fact that the Regulatory Agreement is concurrently herewith being amended by a certain Amendment to Regulatory Agreement for Multifamily Housing Projects (the "Amendment to Regulatory Agreement") of even date herewith by and among the Mortgagor, DALP and HUD, which Amendment to Regulatory Agreement is to be incorporated by reference into the Mortgage, as amended by this Agreement, and recorded with the Official Records concurrently with this Agreement. For purposes hereof, the Regulatory Agreement, as amended by the Amendment to Regulatory Agreement, shall hereinafter be referred to collectively as the "HUD Regulatory Agreement."

**WHEREAS**, pursuant to the terms of that certain Modification No. 2 to Mortgage Note (the "Modification No. 2 to Note") of even date herewith, Mortgagor and Mortgagee have agreed to modify the terms of the Mortgage Note (i) to reduce the rate of interest therein provided from eight and one-half per centum (8.50%) per annum to eight per centum (8%) per annum effective as of the Effective Date, (ii) to revise the amount of principal and interest payable monthly by Mortgagor to Mortgagee under the Mortgage Note as a result of such reduction in interest rate so as to reamortize in full the Mortgage Loan over the remaining term thereof, (iii) to revise the prepayment provisions of the Mortgage Note, and (iv) to amend the Mortgage Note in certain other respects as therein described. The parties hereto now desire to amend the Mortgage to conform the terms thereof to the Mortgage Note, as amended by the Modification No. 2 of Note, and to amend the Mortgage in certain other respects as hereinafter described.

**NOW, THEREFORE**, for and in consideration of the premises, the sum of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, and in further consideration of the agreements, covenants and stipulations hereinafter set forth, the parties for themselves and for their respective successors and assigns, do hereby agree and covenant as follows:

1. The foregoing recitals are hereby incorporated by reference as if set forth fully herein. All capitalized terms not otherwise defined in this Agreement shall have the same meanings ascribed hereto in the Mortgage.

2. The Mortgage is hereby amended as necessary to reflect the modification of the obligation of Mortgagor to make payments of principal and/or interest under the Mortgage Loan as set forth in the Mortgage Note, as amended by the Modification No. 2 to Note, and as



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incorporated into and made a part of the Mortgage, and thereby to provide that said payments shall be payable as follows:

"Interest only shall be payable on the unpaid principal balance of the Note for the period from July 1, 1989 up to and including September 30, 1990 at a rate of ten and three quarters per centum (10.75%) per annum. Interest shall continue to accrue on the unpaid principal balance of the Note at such rate up to and including February 28, 1994 and shall be payable as follows. Commencing on October 1, 1990, monthly installments of interest and principal shall be paid in the sum of Eleven Thousand Eight Hundred Forty-One and 87/100 Dollars (\$11,841.87) each, such payments to continue monthly thereafter on the first day of each succeeding month up to and including March 1, 1994. Interest shall accrue on the unpaid principal balance of the Note from March 1, 1994 up to and including April 30, 1999 at the rate of eight and one-half per centum (8.50%) per annum until paid. Said principal and interest shall be payable in monthly installments as follows. Commencing on April 1, 1994 installments of interest and principal shall be paid in the sum of Nine Thousand Six Hundred Ten and 19/100 Dollars (\$9,610.19) each, such payments to continue monthly thereafter on the first day of each succeeding month up to and including May 1, 1999. From and after May 1, 1999 interest shall accrue on the unpaid principal balance of the Mortgage Note at the rate of eight per centum (8%) per annum. Commencing on June 1, 1999, installments of interest and principal shall be paid in the sum of Nine Thousand One Hundred Sixty Eight and 73/100 Dollars (\$9,168.73) each, such payments to continue monthly thereafter on the first day of each succeeding month until the entire indebtedness has been paid. In any event, the balance of principal (if any) remaining unpaid, plus accrued interest, shall be due and payable on September 1, 2030. The installments of interest and principal payable under the Mortgage Note shall be aggregated with all other payments payable by the Mortgagor under this Mortgage and shall be applied by the Holder to such items and in such priority as are set forth in this Mortgage."

3. Section 3 of the Mortgage is hereby amended by (a) deleting the words commencing with "is incorporated in and made a part of" through the end of said paragraph, and (b) by inserting in lieu thereof the following:

", as amended by that certain Amendment to Regulatory Agreement for Multifamily Housing Projects (as so amended, the "HUD Regulatory Agreement), dated as of May 13, 1999 and made effective as of May 1, 1999, by and among the Mortgagor, Dickens Apartments II Associates Limited Partnership, an Illinois limited partnership and the owner of one hundred percent (100%) of the beneficial interest in the Mortgagor, and the Secretary of Housing

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and Urban Development, acting by and through the Federal Housing Commissioner, which is to be recorded against the property covered by this Mortgage and is incorporated in and made a part of this Mortgage. Upon default under this HUD Regulatory Agreement and upon request by the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, Mortgagee may declare this Mortgage in default and may declare the whole of the indebtedness secured hereby to be due and payable."

4. The Mortgage is hereby amended (a) by deleting therefrom all references contained therein to (i) RLG and (ii) the address of RLG and (b) by inserting in lieu thereof: GREYSTONE SERVICING CORPORATION, INC., a Georgia corporation, 98 Alexandria Pike, 4<sup>th</sup> Floor, Warrenton, Virginia 20186.

5. All references contained in the Mortgage to the (a) "Mortgage Note" or "Note" and/or (b) "Regulatory Agreement" shall hereafter be deemed to refer respectively to (x) the Note, as further amended by the Modification No. 2 to Note, and (y) the HUD Regulatory Agreement.

6. Nothing in this Agreement shall waive, compromise, impair or prejudice any right Mortgagee or HUD may have to seek judicial recourse for any breach of the HUD Regulatory Agreement that may have occurred prior to or that may occur subsequent to the date of this Agreement. In the event that Mortgagee or HUD initiates an action for breach of the HUD Regulatory Agreement and recovers funds, either on behalf of Mortgagee or HUD or on behalf of the Project or the Mortgagor, those funds may be applied, at the discretion of HUD, to payment of the delinquent amounts due under the Mortgage or as a partial payment of the Mortgage Loan.

7. Nothing herein contained shall in any way impair the Mortgage Note, as amended by the Modification No. 2 to Note, or the security now held for the indebtedness evidenced by the Mortgage Note, as amended by the Modification No. 2 to Note, or alter, waive, annul, vary or affect any provision, covenant or condition of the Mortgage or the HUD Regulatory Agreement, except as specifically modified and amended herein, nor affect or impair any rights, powers or remedies of Mortgagee under the Mortgage Note, as amended by the Modification No. 2 to Note, the Mortgage, as amended by this Agreement, or the HUD Regulatory Agreement, nor create a novation or new agreement by and between the parties thereto, it being the intent of the parties to this Agreement that all of the terms, covenants, conditions and agreements of the Mortgage Note, as amended by the Modification No. 2 to Note, the Mortgage, and the HUD Regulatory Agreement are expressly approved, ratified and confirmed, and shall continue and remain in full force and effect except as modified hereby, and that the lien of the Mortgage and the HUD Regulatory Agreement and the priority thereof shall be unchanged.

8. Mortgagor hereby acknowledges and affirms to Mortgagee that as of the effective date of this Agreement, there are no counter-claims, defenses or set-offs, whether legal or equitable, to Mortgagor's obligations under either the Mortgage or the Mortgage Note, and Mortgagor hereby waives the right to assert or raise any such counter-claims, defenses or set-offs which Mortgagor or its beneficiary may have had with respect to any suit, proceeding or foreclosure action under the Mortgage that Mortgagee, or any of its predecessors in interest in and to the Mortgage Loan, may or could have brought against Mortgagor prior to the effective date of this Agreement.

9. Notwithstanding anything herein contained, if any one or more of the provisions of this Agreement shall for any reason whatsoever be held to be illegal, invalid, or unenforceable in any respect, such illegality, invalidity, or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such illegal, invalid, or unenforceable provision had never been contained herein.

10. The Mortgage, as amended by this Agreement, may not be further modified except by an instrument in writing executed by each of the parties hereto.

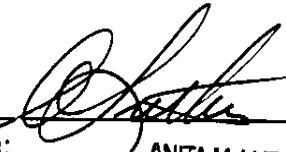
11. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and assigns.

12. This Agreement may be executed in any number of counterparts and all counterparts shall be construed together and shall constitute but one agreement.

IN WITNESS WHEREOF, Mortgagor and Mortgagee have caused this Agreement to be executed as of the day and year first above written.

**MORTGAGOR:  
SUBJECT TO THE TERMS AND  
PROVISIONS OF THE  
EXCULPATORY RIDER ATTACHED  
HERETO AND HEREBY MADE A  
PART HEREOF.**

**AMERICAN NATIONAL BANK AND  
TRUST COMPANY OF CHICAGO, as  
Trustee under Trust Agreement, dated  
January 19, 1989 and known as Trust  
No. 107451-07, a national banking  
association**

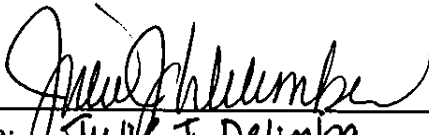
By:   
Name: ANITA M. LUTKUS  
Its: ASST. V.P.

Property of Cook County Clerk's Office



MORTGAGEE:

GREYSTONE SERVICING  
CORPORATION, INC., a Georgia  
corporation

By:   
Name: Julie J. Delimba  
Its: Executive Vice President

Property of Cook County Clerk's Office

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

\*

CYNTHIA K. HARRIS

I, \_\_\_\_\_, a Notary Public in and for the State and County aforesaid, do hereby certify that ANITA M. LUTKUS, the ASST. V.P. of American National Bank and Trust Company of Chicago, as Trustee under Trust Agreement, dated January 19, 1989 and known as Trust No. 107451-07, a national banking association, being authorized to do so, has executed the foregoing and annexed document on behalf of said banking association as the act and deed of said banking association, for the purposes therein contained by signing his name as the authorized officer thereof.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 13<sup>th</sup> day of April, 1999

Cynthia K. Harris  
Notary Public

My Commission Expires: \_\_\_\_\_



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COMMONWEALTH OF VIRGINIA )

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COUNTY OF Fauquier )

I, Karen Drake Gennuso, a Notary Public in and for the State and County aforesaid, do hereby certify that Julie J. Delimba, the Exec. Vice Pres. of Greystone Servicing Corporation, Inc., a Georgia corporation, being authorized to do so, has executed the foregoing and annexed document on behalf of said corporation as the act and deed of said corporation, for the purposes therein contained by signing her name as the authorized officer thereof.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 13th day of May, 1997

Karen D. Gennuso  
Notary Public

My Commission Expires: 1/31/2000





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EXHIBIT "A" TO  
MODIFICATION NO. 2 TO MORTGAGE

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LEGAL DESCRIPTION OF PROPERTY

Lots 7, 8, 9, 10, 11, 12 and the East 12 ½ feet of Lot 13 in Block 8 in Jackson's Subdivision of Blocks 7 and 8 in Hambleton's Subdivision of the East half of the Northwest quarter of Section 35, Township 40 North, Range 13 East of the Third Principal Meridian in Cook County, Illinois.

INDEX NOS: 13-35-126-006 Vol. 372  
13-35-126-007 Vol. 372  
13-35-126-008 Vol. 372  
13-35-126-009 Vol. 372

PROPERTY ADDRESS: 3625-29 West Dickens  
Chicago, Illinois 60647



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## EXCULPATORY RIDER FOR FHA DOCUMENTS

Attached to and made a part of that instrument created by AMERICAN NATIONAL BANK & TRUST COMPANY OF CHICAGO, as Trustee under Trust Agreement dated January 19, 1989, and known as Trust No. 107451-07.

This Document is executed by AMERICAN NATIONAL BANK & TRUST COMPANY OF CHICAGO, as Trustee under Trust Agreement dated January 19, 1989, and known as Trust No. 107451-07 as aforesaid, in the exercise of the power and authority conferred upon and vested in said Trustee as such, and it is expressly understood and agreed that nothing contained in this Agreement shall be construed as creating any monetary liability on said Trustee personally to pay any indebtedness accruing thereunder or any personal monetary indebtedness on said Trustee with respect to the performance of any warranty or covenant either express or implied in said Agreement (all such personal monetary liability, if any, being expressly waived by the parties hereto and by every person now or hereafter claiming any right or security thereunder), except that the said Trustee shall be liable for funds or property of the project coming into its hands which, by the provisions of the Regulatory Agreement, it is not entitled to retain.