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Cook County Recorder 35.50



ANB/Langer
5/19/99

This Instrument Prepared by
(and after Recording, mail to):
William S. McDowell, Jr.
Baker & McKenzie
130 East Randolph Drive
Chicago, Illinois 60601



2 of 3
MTC 2021581

The Above Space For Recorder's Use Only

LOAN MODIFICATION AGREEMENT

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This Loan Modification Agreement, made as of the 30 day of May, 1999, by and between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a National Banking Association ("Lender"), and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally, but as trustee (in such capacity as trustee hereinafter referred to as "Trustee") under (i) Trust Agreement dated October 1, 1991 and known as Trust No. 25-10992 (the "1260 Trust"), (ii) Trust Agreement dated August 20, 1993, and known as Trust No. RV-012195 (the "1117 Trust"), and (iii) Trust Agreement dated January 16, 1996, and known as Trust No. 12123303 (the "1030 Trust"), HARRY A. LANGER ("Guarantor") and JOYCE LANGER (with Guarantor, collectively hereinafter referred to as "Beneficiaries") (Trustee and Beneficiaries are hereinafter collectively referred to as "Borrower");

WITNESSETH:

WHEREAS:

A. The parties comprising Borrower other than and excluding Trustee as trustee under the 1030 Trust (collectively, the "Existing Debtors") are indebted to Lender under and pursuant to that certain Amended and Restated Revolving Mortgage Note of Existing Debtors dated March 31, 1998, in the original principal amount of Eleven Million and No/100 Dollars (\$11,000,000.00) which note (as amended by a First Amendment and a Second Amendment thereto, the "Note") is secured by:

(i) a Mortgage and Security Agreement from Trustee, as Trustee under the 1260 Trust and Beneficiaries to Lender of the premises described in Exhibit A-1 attached hereto and made a part hereof, dated May 27, 1992, which was recorded in the office ("Recording Office") of the Recorder of Deeds of Cook County, Illinois, on May 28, 1992, as Document No. 92370656 (the "1260 Mortgage"), that certain Assignment of Rents and specific Assignment of Leases and Rents dated even date with, and from the same parties who executed, the 1260 Mortgage and recorded in the Recording Office concurrently therewith as Document No. 92370656 (the "1260 AR") and that certain Collateral Assignment of Beneficial Interest in the 1260 from Beneficiaries to Lender (the "1260 Collateral ABI"); and

(ii) a Mortgage and Security Agreement from Trustee, as Trustee under Trust and Beneficiaries to Lender of the premises described in Exhibit A-2 attached hereto and made a part hereof, dated February 16, 1996 which was recorded in the Recording Office on March 28, 1996, as Document No. 96237360 (the "1117 Mortgage"), that certain Assignment of Rents and Leases dated March 14, 1996 from the same parties who executed the 1117 Mortgage and recorded in the Recording Office concurrently therewith as Document No. 96237361 (the "1117 AR") and that certain Collateral Assignment of Beneficial Interest in the 1117 Trust from Beneficiaries to Lender (the "1117 Collateral ABI");

and guaranteed by Guarantor pursuant to that certain Guaranty dated even date with the Note (the "Guaranty") (the Note, 1260 Mortgage, 1260 AR, 1260 Collateral ABI, 1117 Mortgage, 1117 AR, 1117 Collateral ABI, Guaranty together with all other documents as have heretofore been executed and delivered by any of the parties comprising Borrower to further evidence or secure the obligations of the Existing Debtors under the Note or with respect to the properties described in the 1260 Mortgage and 1117 Mortgage, including, but not limited to any separate environmental indemnity agreements, and as the same may have heretofore been amended, are herein collectively referred to as the "Loan Documents");

B. Borrower has requested Lender to increase the amount of the loan evidenced by the Note (the "Loan") and extend the maturity date thereof, and Lender has agreed to do so subject to the terms and conditions hereinafter specified;

NOW, THEREFORE, in consideration of the premises and the mutual agreements hereinafter specified, which each of the parties acknowledges and agrees to be adequate consideration for the agreements hereinafter specified, the parties hereto agree as follows:

1. **Integration of Agreement with Loan Documents.** The preamble hereto and the following provisions of this Agreement are as fully a part of the Loan Documents as if expressed in each of them, and to the extent any provision specified in this Agreement is inconsistent with any provision in any of the Loan Documents as originally executed, the provision in this Amendment shall be controlling, and shall be deemed an amendment of the terms specified in the Loan Documents as originally executed to the extent necessary to give full force and effect to the provisions of this Amendment. Except as herein otherwise specified, all of the Loan Documents remain unchanged and in full force and effect.

2. **Increase in Loan Amount; Restated Note; Loan Fee.** The maximum amount of the Loan is hereby increased to Twenty Million Dollars (\$20,000,000.00). The maturity date of the Loan is hereby extended to June 30, 2000. To further document the aforesaid changes, and a change in the rate of interest payable on the Loan, Borrower has concurrently herewith executed and delivered to Lender that certain Second Amended and Restated Revolving Mortgage Note (the "Restated Note") dated even date herewith in the principal amount of Twenty Million Dollars (\$20,000,000.00) which shall be due and payable in full on December 31, 2001 (the "Maturity Date"). In consideration of the aforesaid increase in the Loan, Borrower agrees to pay Lender a recurring Loan fee, commencing on the date hereof, and on the first (1st) day of each September, December, March, and June thereafter until the Maturity Date which fee, each time it is payable, shall be equal to one-quarter of one-quarter of one percent (0.0625%) of the amount, if any, by which Twenty Million Dollars (\$20,000,000.00) exceeds the principal balance of the Loan then outstanding.

3. ~~**Demand Deposit Accounts.** Until the Maturity Date, Guarantor agrees to open and thereafter maintain with Lender not less than five (5) demand deposit accounts, in addition to those already maintained by Guarantor with Lender.~~

4. **References to Note.** The parties agree that all references in the Loan Documents to the Note now mean the Restated Note.

5. **Current Balances; Revolving Credit.** As of the date hereof, the principal balance of the Loan is Eleven Million Dollars (\$11,000,000.00), and subject to Borrower's compliance with the requirements of the Loan Documents and satisfaction of the conditions specified in Section 5 of this Agreement, and provided that at the time a disbursement of Loan proceeds is requested by Borrower, no Event of Default (as defined in the Restated Note) has occurred, and there are no facts or circumstances which, with the passage of time or giving notice, or both, could ripen to an Event of Default, Borrower may borrow up to an additional Nine Million Dollars (\$9,000,000.00). If Borrower repays all or any portion of the principal balance of the Loan prior to the Maturity Date, Borrower shall be permitted to re-borrow pursuant to this Agreement and under the Restated Note at any time prior to the Maturity Date provided that the maximum principal amount which may be outstanding at any time shall not exceed the maximum amount of the Loan specified in Section 2 above. The Loan and indebtedness evidenced by the Restated Note and secured by the 1260, the 1117 Mortgage and the 1030 Mortgage (defined in Section 6 below) is a revolving credit indebtedness as defined in Section 4.1 of the Illinois Interest Act.

Harry James
EL

6. **Condition to Lender's Obligations.** Lender's obligation to make any further disbursements of the Loan is subject to the conditions precedent that Borrower shall have prior thereto delivered to Lender the following documents, each in form and substance reasonably acceptable to Lender:

- (a) an Amended and Restated Guaranty from Guarantor;
- (b) the following security documents respecting the land legally described in Exhibit A-3 from Trustee, as Trustee under the 1030 Trust, and the Beneficiaries:
 - (i) Mortgage and Security Agreement (the "1030 Mortgage");
 - (ii) Assignment of Rents and Leases (the "1030 AR");
 - (iii) Security Agreement and Collateral Assignment of Beneficial Interest in Trust No. 1030 (the "1030 Collateral ABI");
- (c) the following documents respecting the priority of the security for the Loan from Chicago Title Insurance Company, each dated after the date of recording in the Recording Office this Agreement, the 1030 Mortgage and the 1030 AR:
 - (i) a date down endorsement to the existing Loan policy of title insurance for the 1260 Mortgage and the 1117 Mortgage, and
 - (ii) a Loan policy of title insurance for the 1030 Mortgage;

wherein the aggregate amount of insurance under such policies, through a tie-in endorsement is specified to be the maximum amount of the Loan specified in Section 2 hereof.

7. **Limitation on Liabilities of Beneficiaries.** Except as hereinafter specified, the property, interests and assets of Beneficiaries to which Lender shall have recourse in the exercise or enforcement by Lender of (i) any of the remedies herein specified for an Event of Default under and as defined in the Restated Note or any of the other Loan Documents or (ii) any judgment obtained by Lender in connection therewith shall be limited solely to any such property as consists of some or all of the property described in and encumbered by the 1260 Mortgage, 1260 AR, 1260 Collateral ABI, 1117 Mortgage, 1117 AR, 1117 Collateral ABI, 1030 Mortgage, 1030 AR, and 1030 Collateral ABI (collectively, the "Collateral Security"), and Lender shall have no right to seek or obtain any deficiency judgment against property owned by Beneficiaries other than the Collateral Security. The limitation on recourse liability specified in the preceding sentence does not apply to, and Beneficiaries shall have full recourse personal liability hereunder for: (i) any and all damages and losses incurred by Lender as a result of (A) waste committed by the Borrower with respect to any of the Collateral Security, excluding, however, the failure to pay real estate taxes, (B) any fraud or conversion by the Borrower, or (C) any representation or warranty by Borrower in any of the Loan Documents being false or misleading in any material respect; (ii) the amount of (A) security deposits of tenants under any Leases of space in any and each of the buildings described in the 1260 Mortgage, 1117 Mortgage and the 1030 Mortgage (collectively, the "Improvements") which Borrower shall fail to turn over to Lender upon foreclosure or upon the appointment of a receiver or upon Lender becoming a mortgagee in possession of any of the Collateral Security, (B) any proceeds from casualty or rent loss insurance or from any condemnation award or payment in lieu thereof which are not either (1) applied to the restoration of the Improvements in accordance with the terms and conditions of the mortgage relating thereto or (2) paid over to Lender in the manner required thereunder or upon the occurrence of an Event of Default, and (C) the amount of any rents or other income from the operation of the Collateral Security which is in the hands of the Beneficiaries or Trustee at the time of, or is received after, the occurrence of any Event of Default, and which is not applied to the fixed and operating expenses of the Collateral Security or to payment of the Loan; (iii) performance of Borrower's obligations regarding environmental matters (regardless of whether specified in a separate environmental indemnity agreement or as part to any of the other Loan Documents); (iv) all attorneys' fees and costs and all other costs and expenses incurred by Lender in any foreclosure or other proceeding to collect the Loan and/or realize upon any of the Collateral Security if (A) any one or more of the parties comprising Borrower shall contest such proceedings and (B) Lender shall prevail in such

proceedings; (v) any obligations and liabilities any and each of the Beneficiaries may have under any other separate indemnification agreement, guaranty, bond, affidavit or undertaking executed and delivered by either or both of them in connection with the Loan, subject to the limitations of liability, if any, with respect thereto to the extent expressly specified therein and (vi) all obligations of Borrower under any and each of the Loan Documents in a final decree of a court of competent jurisdiction finds and adjudicates that Lender's collateral interest in any of the Collateral Security as established by any of the Loan Documents is null and void, or subordinate to other liens or encumbrances not otherwise permitted under the Loan Documents, by reason of a forfeiture of title to such property under any criminal statute providing for such forfeiture of title. Nothing contained in this Section 7 shall be deemed or construed to be a release or impairment of the indebtedness evidenced by any of the Loan Documents or of the lien created by any of them, or to prevent Lender from exercising and enforcing, consistent with the provisions of this Section 7 any remedy allowed at law or in equity or by any statute or by the terms of any of the Loan Documents.

8. **Trustee Exculpation.** This Agreement is executed by American National Bank and Trust Company of Chicago, not personally, but as trustee of the 1260 Trust, the 1117 Trust and the 1030 Trust, 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 possess full power and authority to execute this Agreement), and it is expressly understood and agreed that nothing herein contained shall be construed as creating any liability on the said Trustee personally to perform any covenant either express or implied herein contained, all such personal liability, if any, being expressly waived by the other parties hereto and by every person now or hereafter claiming any right or security hereunder.

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

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a National Banking Association

By: Edward P. Gin
Name: Edward P. Gin
Title: Vice President

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a National Banking Association, not personally, but as trustee of the 1260 Trust, the 1117 Trust and the 1030 Trust, as aforesaid

By: _____
Name: _____
Title: _____

HARRY A. LANGER
HARRY A. LANGER

Joyce Langer
JOYCE LANGER

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

This instrument was acknowledged before me on May 21, 1999 by Guy Kozlowski as VP, of American National Bank and Trust Company of Chicago, a national banking association, and Trustee of the aforesaid 1260 Trust, 1117 Trust and 1030 Trust.

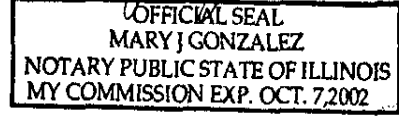
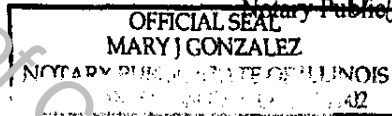
Mary J. Gonzalez
Notary Public



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

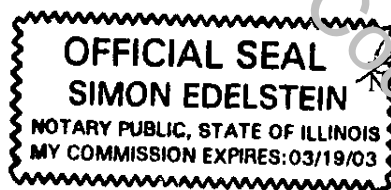
This instrument was acknowledged before me on May 26, 1999 by Edward D. Bin, as VP, of American National Bank and Trust Company of Chicago, a national banking association.

Mary J. Gonzalez
Notary Public



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

This instrument was acknowledged before me on May 24, 1999 by Harry A. Langer and Joyce Langer.



Simon Edelstein
Notary Public

EXHIBIT A-1
Legal Description of Premises Mortgaged Under 1260 Mortgage

Lots 12 and 13 in Assessor's Division of Lots 16 and 23, inclusive, in Bronson's Addition to Chicago, in the Northeast ¼ of Section 4, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Real Estate Index Number: 17-04-223-013

Common Address: 1260 North Dearborn Street, Chicago, Illinois

Property of Cook County Clerk's Office

EXHIBIT A-2
Legal Description of Premises Mortgaged Under 1117 Mortgage

Parcel 1:

Lots 5, 6 and 7 in Ewing Addition of Chicago, said Addition being a Subdivision in Block 17 in Bushnell's Addition to Chicago in the Southeast ¼ of Section 4, Township 39 North, Range 14 East of the Third Principal Meridian, according to plat thereof recorded October 8, 1895 as Document 2288460.

Parcel 2:

The North 20 feet of Lot 5 in the Assessor's Division of the North 200 feet of Block 17 in Bushnell's Addition to Chicago, said land being also described as follows:

Beginning at a point on the West line of said Block 17 feet South of the North line of said block and running thence South along said West line 20 feet more or less thence East along a line parallel with the North line of said block, 148.8 feet more or less to the alley; thence North along the West line of said alley 20 feet more or less to a point 175 feet South from the North line of said block; thence West parallel with the North line of said block, 148.8 feet more or less to the place of beginning in Cook County, Illinois.

Permanent Real Estate Index Numbers: 17-04-414-008-0000; 17-04-414-007-0000

Common Address: 1117 North Dearborn Street, Chicago, Illinois

EXHIBIT A-3
Legal Description of Premises Mortgaged Under 1030 Mortgage

Lot 3 and the North 24.5 feet of Lot 4 in a Subdivision of Block 15 in Bushnell's addition to Chicago, in the East half of the Southeast quarter of Section 4, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois

Permanent Real Estate Index Number: 17-04-423-009

Common Address: 1030 North Dearborn Street, Chicago, Illinois

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