

UNOFFICIAL COPY

99594518

THIS DOCUMENT PREPARED BY AND UPON
RECORDING TO BE RETURNED TO:

5826/0044 30 001 Page 1 of 19

1999-06-22 13:40:08

Cook County Recorder

57.50

THOMAS P. DUFFY, ESQ.
Wildman, Harrold, Allen & Dixon
225 West Wacker Drive, Suite 2600
Chicago, Illinois 60606



99594518

97-0952
MAIL TO

**AMENDMENT TO
REVOLVING CREDIT CONSTRUCTION LOAN MORTGAGE
AND SECURITY AGREEMENT, ASSIGNMENT OF
LESSOR'S INTEREST IN LEASES
AND LOAN DOCUMENTS**

THIS AMENDMENT is dated as of December 1, 1997, but shall be effective as of the date this Amendment has been executed and delivered by all of the parties to this Agreement, and is by and among WASHINGTON BOULEVARD, L.L.C., an Illinois limited liability company ("Borrower"), GEORGE H. THRUSH ("Guarantor") and COLE TAYLOR BANK, an Illinois banking corporation ("Lender").

RECITALS:

A. Pursuant to the terms of a Loan Agreement (the "Original Loan Agreement") dated as of December 1, 1997, by and among Borrower, Guarantor and Lender, Lender extended a credit facility to Borrower on a revolving basis in the original principal amount of Eight Million Seven Hundred Fifty Thousand and No/100 Dollars (\$8,750,000.00) (the "Loan").

B. Borrower executed and delivered to Lender a Mortgage Note (the "Original Note") dated as of December 1, 1997 in the original principal amount of Eight Million Seven Hundred Fifty Thousand and No/100 Dollars (\$8,750,000.00).

C. The Loan as evidenced by the Original Note is secured by (i) a Revolving Credit Construction Loan Mortgage and Security Agreement (the "Construction Mortgage") dated as of December 1, 1997, executed by Borrower in favor of Lender, encumbering the property legally described on attached Exhibit A (the "Mortgaged Premises"), which Construction Mortgage was recorded with the

Recorder of Deeds for Cook County, Illinois on February 3, 1998, as Document No. 98089843; (ii) an Assignment of Rents and Lessor's Interest in Leases (the "Assignment of Rents") dated as of December 1, 1997, executed by Borrower in favor of Lender encumbering the Mortgaged Premises, which Assignment of Rents was recorded with the Recorder of Deeds for Cook County, Illinois on February 3, 1998, as Document No. 98089844.

D. The Loan is also secured by (i) a Security Agreement dated as of December 1, 1997, executed by Borrower in favor of Lender; (ii) Guaranty of Payment and Performance dated as of December 1, 1997, executed by Guarantor in favor of Lender; (iii) Environmental Indemnity Agreement dated as of December 1, 1997, executed by Borrower and Guarantor in favor of Lender; (iv) Collateral Assignment of Plans, Permits, Licenses and Contracts dated as of December 1, 1997 executed by Borrower in favor of Lender; (v) UCC-1 and UCC-2 Financing Statements executed by Borrower; (vi) Collateral Assignment of Real Property Purchase Contracts; and (vii) such other collateral documents delivered in connection with the Original Note.

E. The Original Loan Agreement and the documents which evidence and secure the Loan were amended pursuant to a Cross-Collateralization Agreement dated as of September 10, 1998, by and among Borrower, Thrush Monroe, Inc. and Lender. Pursuant to the terms and provisions of the Cross-Collateralization Agreement, Borrower executed and delivered to Lender a Security Agreement (Sales Proceeds Account) dated as of September 10, 1998.

The documents set forth in Recitals A - E above, together with any amendments, modifications, extensions or renewals thereof, are hereinafter individually and collectively referred to as the "Loan Documents."

F. Borrower, Guarantor and Lender have entered into an Amended and Restated Loan Agreement (the "Amended and Restated Loan Agreement") dated as of even date herewith which provides for, among other things, (i) an increase in the amount of the revolving credit from Eight Million Seven Hundred Fifty Thousand and No/100 Dollars (\$8,750,000.00) to Ten Million Five Hundred Thousand and No/100 Dollars (\$10,500,000.00) and (ii) issuance of three Letters of Credit not to exceed in the aggregate Three Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$381,600.00) to secure certain of Borrower's obligations to the City of Chicago with respect to the construction of the Units on the Mortgaged Premises; for an aggregate credit facility in the amount of Ten Million Eight Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$10,881,600.00).

G. Pursuant to the Amended and Restated Loan Agreement, Borrower has executed and delivered to Lender an Amended and Restated Mortgage Note effective as of even date herewith in the original principal amount of Ten Million Eight Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$10,881,600.00).

H. Borrower, Guarantor and Lender deem it to be in their best interests to modify the Loan Documents as hereinafter provided.

NOW, THEREFORE, in consideration of the above recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree acknowledge and agree as follows:

1. All capitalized terms used herein shall have the same meaning as such terms are used in the Loan Documents.

2. The Recitals are hereby incorporated into and shall become part of this Amendment.

3. Concurrent with the execution and delivery of this Amendment, Borrower and/or Guarantor shall execute and deliver to Lender the following documents:

A. Borrower shall execute and deliver to Lender an Amended and Restated Mortgage Note (the "Amended and Restated Note") effective as of the date hereof in the original principal amount of Ten Million Eight Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$10,881,600.00) payable to the order of Lender, in the form attached hereto as Exhibit B, the terms of which are hereby incorporated by reference herein. The Amended and Restated Note shall evidence the Loan, as hereby modified, and the indebtedness, liabilities and obligations of Borrower in favor of Lender under the Original Note, which Borrower and Guarantor hereby reaffirm and restate. The Amended and Restated Note shall supersede the Original Note and shall be secured by and entitled to all of the benefits of the Loan Documents.

B. Guarantor shall execute and deliver to Lender a Reaffirmation of Guaranty dated as of the date hereof executed by Guarantor to and for the benefit of Lender in the form attached hereto as Exhibit C, the terms of which are hereby incorporated by reference herein.

4. Borrower and Guarantor shall concurrently herewith deliver to Lender, in form and substance satisfactory to Lender, the items which are referred to on the Document Checklist attached hereto as Exhibit D as a condition to the amendment of the Loan as provided above.

5. All references in the Loan Documents to "Principal Sum" shall mean Ten Million Eight Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$10,881,600.00).

6. All references in the Loan Documents to the "Original Note" are hereby deleted and the "Amended and Restated Note" is hereby inserted in lieu thereof, which Amended and Restated Note is and shall be secured by the Loan Documents as hereby amended. The amount of the original stated principal amount of the Construction Mortgage, Assignment of Rents and the other Loan Documents is hereby increased accordingly.

7. Borrower and Guarantor represent and warrant that no Event of Default has occurred under the Loan Documents, as hereby amended, and Borrower

UNOFFICIAL COPY

and Guarantor hereby reaffirm all of their representations, covenants, agreements and obligations under the Loan Documents, as amended, which secure Borrower's and Guarantor's obligations under the Loan.

8. In all other respects, the terms and provisions of the Loan Documents, as hereby amended, shall remain in full force and effect.

IN WITNESS WHEREOF, Borrower, Guarantor and Lender have executed this Amendment as of the day and year first above written.

BORROWER:

WASHINGTON BOULEVARD, L.L.C., an
Illinois limited liability company

By


GEORGE H. THRUSH, Manager

Property of Cook County Clerk's Office

GUARANTOR:



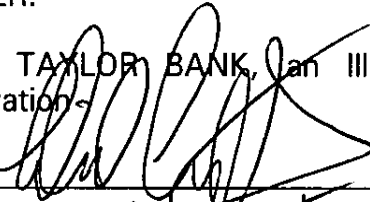
GEORGE H. THRUSH, Individually

LENDER:

COLE TAYLOR BANK, an Illinois banking corporation

By

Its:


Vice President

Property of Cook County Clerk's Office

UNOFFICIAL COPY

STATE OF ILLINOIS

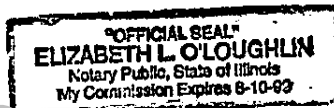
COUNTY OF COOK

I, the undersigned, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that GEORGE H. THRUSH, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Manager of WASHINGTON BOULEVARD, L.L.C., an Illinois limited liability company, appeared before me and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 25th day of May, 1999.

Elizabeth L. O'Loughlin
Notary Public

My Commission Expires:



UNOFFICIAL COPY

99594518

STATE OF ILLINOIS

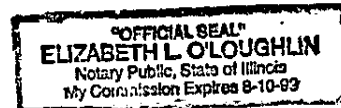
COUNTY OF COOK

I, the undersigned, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that GEORGE H. THRUSH, personally known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me and acknowledged that he signed and delivered the said instrument as his own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 25th day of May, 19 99.

Elizabeth L. O'Loughlin
Notary Public

My Commission Expires:



UNOFFICIAL COPY

99594518

STATE OF ILLINOIS

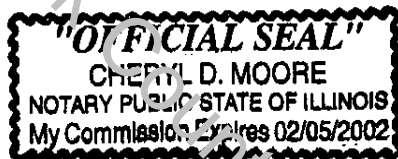
COUNTY OF COOK

I, the undersigned, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that David F. Livingston personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Vice President of COLE TAYLOR BANK, an Illinois banking corporation, appeared before me and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said national banking association, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18 day of June 1999

Cheryl D. Moore
Notary Public

My Commission Expires:



EXHIBITS

Exhibit A	Legal Description
Exhibit B	Amended and Restated Mortgage Note
Exhibit C	Reaffirmation of Guaranty
Exhibit D	Checklist

Property of Cook County Clerk's Office

EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1:

LOTS 1 THROUGH 11 IN CARPENTER AND STRONG'S RESUBDIVISION OF LOTS 1 TO 10 IN SUBDIVISION OF BLOCK 47 IN CARPENTER'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF THE SOUTHEAST 1/4 OF SECTION 8, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 12, 13, 16, 17, 20, 21 AND 24 (EXCEPT THE SOUTH 6.0 FEET THEREOF) IN CARPENTER'S RESUBDIVISION OF BLOCK 47 IN CARPENTER'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF THE SOUTHEAST 1/4 OF SECTION 8, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOTS 1 THROUGH 7 AND LOT 8 (EXCEPT THE SOUTH 6.0 FEET THEREOF) IN THE SUBDIVISION OF LOTS 11, 14, 15, 18, 19, 22 AND 23 IN CARPENTERS RESUBDIVISION OF BLOCK 47 IN CARPENTER'S ADDITION TO CHICAGO, BEING A SUBDIVISION OF THE SOUTHEAST 1/4 OF SECTION 8, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

17-08-443-034 17-08-443-035 17-08-443-036 17-08-443-037
17-08-443-039

Commonly known as: SE Corner of Washington Blvd. and
Racine Ave.

EXHIBIT BAMENDED AND RESTATED
MORTGAGE NOTE

\$10,881,600.00

Chicago, Illinois
As of December 1, 1997

1. Agreement to Pay. FOR VALUE RECEIVED, the undersigned, WASHINGTON BOULEVARD, L.L.C., an Illinois limited liability company, hereby promises to pay to the order of COLE TAYLOR BANK, an Illinois banking corporation, in the manner hereinafter provided, the principal sum of Ten Million Eight Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$10,881,600.00) or so much thereof as may be disbursed or advanced (or deemed disbursed or advanced) pursuant to the provisions of that certain Amended and Restated Loan Agreement dated of even date herewith between the undersigned, the guarantors hereof and Cole Taylor Bank (hereinafter referred to as the "Loan Agreement"), together with interest at the applicable rate herein set forth on all sums disbursed from time to time to or for the benefit of the undersigned and remaining from time to time unpaid. This Note evidences (i) a revolving credit construction loan in the amount of Ten Million Five Hundred Thousand and No/100 Dollars (\$10,500,000.00) and (ii) issuance of one or more Letters of Credit not to exceed in the aggregate Three Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$381,600.00) to secure certain of Borrower's obligations to the City of Chicago with respect to development of the Project on the Mortgaged Premises; for an aggregate credit facility in the amount of Ten Million Eight Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$10,881,600.00), all as described in the Loan Agreement (hereinafter referred to as the "Loan"), maturing on December 31, 1999 (hereinafter referred to as the "Loan Maturity Date"), and the outstanding principal balance hereof from time will include the outstanding principal of the Loan. Advances of proceeds of the Loan (hereinafter referred to as the "Loan Advances") shall be payable by the undersigned in accordance to the following provisions:

(a) Interest only at an annual rate (hereinafter referred to as the "Loan Interest Rate") equal to the "Prime Rate" (as hereinafter defined), on the balance of principal of the Loan advanced pursuant to the Loan Agreement and remaining from time to time unpaid, shall be paid monthly commencing on the first day, of the first calendar month after the first Loan Advance hereunder, and on the first day of each month thereafter to and including the Loan Maturity Date, on which date the entire principal balance of the Loan, if not sooner paid, and all accrued interest shall be due and payable.

(b) So long as no Event of Default (as hereinafter defined) exists hereunder, Loan Advances on the Loan, once repaid, may be reborrowed for permitted purposes as provided in the Loan Agreement; provided, however, that notwithstanding the foregoing, Loan Advances on the Loan, once repaid, may not be reborrowed from and after the time the total remaining costs of the Project (as defined in the Loan Agreement) are less than the remaining availability of funds under the Loan, in the reasonable determination of the holder hereof.

(c) For the purposes hereof the term Prime Rate shall mean that rate of interest from time to time publicly announced by Cole Taylor Bank as its Prime Rate. Bank may lend to its customers at rates that are at, above or below the Prime Rate. For purposes of determining any interest rate which is based on the Prime Rate, such interest rates shall change on the effective date of any change in the Prime Rate.

(d) All interest payable hereunder shall be computed on the basis of a three hundred sixty (360) day year consisting of twelve (12) thirty (30) day months and calculated for the actual number of days elapsed.

2. Application of Payments. All payments received on account of the indebtedness evidenced by this Note shall be applied to the payment of the following obligations in the order set forth: (1) to indebtedness (including accrued and unpaid interest due thereon) secured by any collateral or security agreement entered into in connection with this Note other than the principal balance evidenced hereby and the interest due thereon; (2) to payment of late charges described in Section 5 hereof; (3) to interest at the applicable rate specified in Sections 1 and 4 hereof; and (4) the remainder (if any) shall be applied to the principal balance remaining unpaid hereunder. Notwithstanding the foregoing, any such payments that may be received during any period of time that an Event of Default has occurred and is continuing hereunder or under any other "Loan Document" (as defined in Section 12 hereof), or following acceleration of maturity of the indebtedness evidenced hereby, shall be applied in such manner as the holder hereof may determine in its sole discretion.

3. Method and Place of Payment. All such payments of principal and interest are to be paid in lawful money of the United States of America and shall be made at such place as the legal holder of this Note, may from time to time in writing appoint, and in the absence of such appointment, at the office of Cole Taylor Bank, 5501 West 79th Street, Burbank, Illinois 60459.

4. Event of Default. "Event of Default" shall mean the occurrence of any one or more of the events (subject to applicable cure periods, if any) defined as an Event of Default in the Loan Agreement, all of which are hereby incorporated by reference herein. Upon the occurrence of any such Event of Default or at any time thereafter, at the option of the holder of this Note, the whole of the principal sum then remaining unpaid hereunder, together with all interest accrued thereon, shall immediately become due and payable without notice, and the lien given to secure the payment of this Note may be foreclosed. From and after the maturity of this Note either according to its terms or as the result of a declaration of maturity made by the holder hereof or from and after the due date for the performance of any such covenants or conditions irrespective of any declaration of maturity, the entire principal remaining unpaid hereunder shall bear interest at a default interest rate (herein referred to as the "Default Rate") equal to four (4%) percent in excess of the Loan Interest Rate, or the highest lawful rate, whichever is the lesser, provided that there shall be no automatic reduction to the highest lawful rate as to any maker hereof barred by law from availing itself in any action or proceeding of the defense of usury, or any maker barred or exempted from the operation of any law limiting the amount of interest that may be paid for the loan or use of money, or in the event this transaction, because of its amount or purpose or for any other reason is exempt from the operation of any statute limiting the amount of Interest that

may be paid for the loan or use of money. Failure to exercise such option or any other rights the holder may, in the event of any Event of Default, be entitled to shall not constitute a waiver of the right to exercise such option or any other rights in the event of any subsequent Event of Default, whether of the same or different nature.

5. **Late Charge.** A late charge of five (5%) percent of each installment not paid by the fifth (5th) day of each month following notice shall be paid to the holder hereof in order to defray part of the cost of collection. Such late charge payment shall be due and payable on the sixth (6th) day of such month. The payment of any such late fee will not affect the rights of the holder hereof to pursue any remedies available to it.

6. **Costs of Enforcement.** In the event that this Note is placed in the hands of an attorney-at-law for collection after maturity, or upon an Event of Default, or in the event that proceedings at law, in equity, or bankruptcy, receivership or other legal proceedings are instituted or threatened in connection herewith, or if the holder is made a party to any such proceeding, or in the event that this Note is placed in the hands of an attorney-at-law to enforce any of the rights or requirements contained therein or in the Mortgage or any other collateral or security agreement executed in connection with this Note, the undersigned hereby agrees to pay all reasonable costs of collecting or attempting to collect this Note, or any costs of protecting or enforcing such rights, including, without limitation, reasonable attorneys' fees (whether or not suit is brought), in addition to all principal, interest and other amounts payable hereunder; all of which shall be secured by the Loan Documents.

7. **Interest Limitation.** In the event the several interest provisions hereof or any exactions provided for herein or in any Loan Document shall result, at any time during the life of the indebtedness evidenced hereby, in an effective rate of interest which, for any month, transcends the limit of the usury or any other law applicable to the loan evidenced hereby, all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any, party hereto, be applied upon principal immediately upon receipt of such monies by the holder hereof, with the same force and effect as though the payer had specifically designated such extra sums to be so applied to principal and the holder hereof had agreed to accept such extra payments as a premium-free prepayment. Notwithstanding the foregoing, however, the holder hereof may at any time and from time to time elect by notice in writing to the owner of the "Property" (as defined in Section 12 hereof) to reduce or limit the collection to such sums which, when added to the said first-stated interest, shall not result in any payments toward principal in accordance with the requirements of the preceding sentence. In no event shall any agreed to or actual exaction as consideration for the indebtedness evidenced hereby transcend the limits imposed or provided by the law applicable to this transaction or the makers hereof in the jurisdiction in which the Property is located for the use or detention of money or for forbearance in seeking its collection.

8. **Waiver.** To the extent permitted by law, the undersigned and all endorsers, guarantors and all persons liable or to become liable on this Note waive: (i) presentment, protest and demand, notice of protest, demand and dishonor and nonpayment of this Note; (ii) all applicable appraisalment, valuation and exemption

rights; and consent to any and all renewals and extensions in the time of payment hereof; and agree, further, that at any time and from time to time without notice, the terms of payment herein may be modified or the collateral described in any Loan Document released, in whole or in part, or increased, changed or exchanged by agreement between the holder hereof and any owner of the collateral affected by such Loan Document, without in anywise affecting the liability of any party to this instrument or any person liable or to become liable with respect to any indebtedness evidenced hereby.

9. Holder's Actions. The remedies of the holder hereof as provided herein or in any other Loan Document shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of the holder hereof, and may be exercised as often as occasion therefor shall arise. Failure of the holder hereof, for any period of time or on more than one occasion, to exercise its option to accelerate the Maturity Date of this Note shall not constitute a waiver of the right to exercise the same at any time thereafter or in the event of any subsequent Event of Default. No act of omission or commission of the holder hereof, including specifically any failure to exercise any right, remedy or recourse, shall be deemed to be a waiver or release of the same and any such waiver or release is to be effected only through a written document executed by the holder hereof and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as a waiver or release of any subsequent event or as a bar to any subsequent exercise of the holder's rights or remedies hereunder. Except as otherwise specifically required herein, notice of the exercise of any right or remedy granted to the holder hereof by this Note is not required to be given.

10. Disbursement. Funds representing the proceeds of the indebtedness evidenced hereby which are disbursed for any purpose permitted hereunder by any holder hereof by mail, wire transfer or other delivery to the; undersigned, to escrows or otherwise for the benefit of the undersigned, for all purposes, shall be deemed outstanding hereunder and to have been received by undersigned as of the date of such mailing, wire transfer or other delivery, and interest shall accrue and be payable upon such funds from and after the date of such wire transfer, mailing or delivery and until repaid, notwithstanding the fact that such funds may not at any time have been remitted by such escrows to undersigned or for its benefit. Funds paid hereunder shall be deemed received on the next business day if not received by the holder hereof by 2:00 p.m. local time at the location where payments hereunder are to be made.

11. Prohibition on Sale or Financing. The provisions of Paragraph 43 of the Mortgage relating to prohibition on sale or financing are hereby incorporated herein by reference as fully and with the same effect as if set forth herein at length.

12. Security. This Note is secured by a Mortgage and Security Agreement (hereinafter referred to as the "Mortgage") dated of even date herewith, as amended in favor of Cole Taylor Bank, encumbering property located in Cook County, Illinois (hereinafter referred to as the "Property"). The terms, covenants and conditions of the Mortgage are incorporated herein by reference as if same were fully set forth herein. This Note, the Mortgage, the Loan Agreement and all other documents referred to or defined as Loan Documents in the Loan Agreement, together with any and all amendments, extensions, modifications or replacements

thereof and any other documents at any time given to evidence or secure the Loan, are hereinafter individually and collectively referred to as the "Loan Documents".

13. Business Loan. The undersigned acknowledges that the proceeds of the Loan evidenced by this Note will be used for the purposes specified in 815 ILCS 205/4(1)(c), and that the principal obligation secured hereby constitutes a "business loan" within the purview and operation of said Section.

14. Prepayment. The indebtedness evidenced hereby may be prepaid, in whole or in part, without penalty, on not less than ten (10) business days prior written notice to the prior written consent of the holder.

15. Notices. All notices hereunder shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally, forwarded by expedited messenger with evidence of delivery, or sent by registered or certified mail to the parties hereto as follows:

If to the Holder: Cole Taylor Bank
5501 West 79th Street
Burbank, Illinois 60459
Attn: Commercial Real Estate
Loan Department

With a copy to: Thomas P. Duffy
Wildman, Harrold, Allen & Dixon
225 West Wacker Drive
Suite 2000
Chicago, Illinois 60606

If to the Undersigned: Washington Boulevard, L.L.C.
357 West Chicago Avenue
Chicago, Illinois 60610
Attn: David L. Chase

With a copy to: Katz, Randall & Weinberg
333 West Wacker Drive, Suite 1300
Chicago, Illinois 60606

or at such other address of which it shall have notified the party giving such notice in writing. Whenever in this Note the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person or persons entitled to receive such notice.

16. Time. Time is of the essence of this Note and each of the provisions hereof.

17. Captions. The captions to the Sections of this Note are for convenience only and shall not be deemed part of the text of the respective Sections and shall not vary, by implication or otherwise, any of the provisions of this Note.

18. **Governing Law.** This Note has been negotiated in, has been executed and delivered in, is payable in and shall be governed by the laws of the State of Illinois.

19. **Joint and Several.** The obligations of the undersigned hereunder are and shall at all times be joint and several.

WASHINGTON BOULEVARD, L.L.C.,
an Illinois limited liability company

By: _____
GEORGE H. THRUSH, Manager

Property of Cook County Clerk's Office

EXHIBIT C**REAFFIRMATION OF GUARANTY**

This Reaffirmation of Guaranty is dated as of December 1, 1997 but shall be effective as of the date this Reaffirmation has been executed and delivered by Guarantor and is by GEORGE H. THRUSH ("Guarantor") to and for the benefit of COLE TAYLOR BANK, an Illinois banking corporation ("Lender").

W I T N E S S E T H:

A. Pursuant to the terms of a Loan Agreement (the "Original Loan Agreement") dated as of December 1, 1997, by and among Washington Boulevard, L.L.C., an Illinois limited liability company ("Borrower"), Guarantor and Lender, Lender extended a credit facility to Borrower on a revolving basis in the original principal amount of Eight Million Seven Hundred Fifty Thousand and No/100 Dollars (\$8,750,000.00) (the "Loan").

B. Borrower executed and delivered to Lender a Mortgage Note (the "Original Note") dated as of December 1, 1997 in the original principal amount of Eight Million Seven Hundred Fifty Thousand and No/100 Dollars (\$8,750,000.00).

C. The Loan as evidenced by the Original Note is secured by (i) a Revolving Credit Construction Loan Mortgage and Security Agreement (the "Construction Mortgage") dated as of December 1, 1997, executed by Borrower in favor of Lender, encumbering the property legally described on attached Exhibit A (the "Mortgaged Premises"), which Construction Mortgage was recorded with the Recorder of Deeds for Cook County, Illinois on February 3, 1998, as Document No. 98089843; (ii) an Assignment of Rents and Lessor's Interest in Leases (the "Assignment of Rents") dated as of December 1, 1997, executed by Borrower in favor of Lender encumbering the Mortgaged Premises, which Assignment of Rents was recorded with the Recorder of Deeds for Cook County, Illinois on February 3, 1998, as Document No. 98089844.

D. The Loan is also secured by (i) a Security Agreement dated as of December 1, 1997, executed by Borrower in favor of Lender; (ii) Environmental Indemnity Agreement ("Environmental Indemnity Agreement") dated as of December 1, 1997, executed by Borrower and Guarantor in favor of Lender; (iii) Collateral Assignment of Plans, Permits, Licenses and Contracts dated as of December 1, 1997 executed by Borrower in favor of Lender; (iv) UCC-1 and UCC-2 Financing Statements executed by Borrower; (v) Collateral Assignment of Real Property Purchase Contracts; and (vi) such other collateral documents delivered in connection with the Original Note.

E. The Original Loan Agreement and the documents which evidence and secure the Loan were amended pursuant to a Cross-Collateralization Agreement dated as of September 10, 1998, by and among Borrower, Thrush Monroe, Inc. and Lender. Pursuant to the terms and provisions of the Cross-Collateralization

Agreement, Borrower executed and delivered to Lender a Security Agreement (Sales Proceeds Account) dated as of September 10, 1998.

The documents set forth in Recitals A - E above, together with any amendments, modifications, extensions or renewals thereof, are hereinafter individually and collectively referred to as the "Loan Documents".

F. The Loan was guaranteed pursuant to a Guaranty of Payment and Performance dated as of December 1, 1997, executed by Guarantor in favor of Lender (the "Guaranty"); and

F. Borrower, Guarantor and Lender have entered into an Amended and Restated Loan Agreement (the "Amended and Restated Loan Agreement") effective as of even date herewith which provides for, among other things, (i) an increase in the amount of the revolving credit from Eight Million Seven Hundred Fifty Thousand and No/100 Dollars (\$8,750,000.00) to Ten Million Five Hundred Thousand and No/100 Dollars (\$10,500,000.00) and (ii) issuance of three Letters of Credit not to exceed in the aggregate Three Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$381,600.00) to secure certain of Borrower's obligations to the City of Chicago with respect to the construction of the Units on the Mortgaged Premises; for an aggregate credit facility in the amount of Ten Million Eight Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$10,881,600.00).

G. Pursuant to an Amendment to Revolving Credit Construction Loan Mortgage and Security Agreement, Assignment of Lessor's Interest in Leases and Loan Documents dated as of even date herewith ("Amendment to Loan Documents") by and among Borrower, Guarantor and Lender, Borrower has executed and delivered to Lender an Amended and Restated Mortgage Note (the "Amended and Restated Note") dated as of even date herewith in the original principal amount of Ten Million Eight Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$10,881,600.00).

NOW, THEREFORE, in consideration of the foregoing recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantors agree as follows:

1. Guarantor hereby consents to the execution by Borrower of the Amended and Restated Note, Amended and Restated Loan Agreement and Amendment to Loan Documents and all of the terms and conditions of such documents, including without limitation, increasing the amount of the revolving credit from Eight Million Seven Hundred Fifty Thousand and No/100 Dollars (\$8,750,000.00) to Ten Million Five Hundred Thousand and No/100 Dollars (\$10,500,000.00) and (ii) issuance of three Letters of Credit not to exceed in the aggregate Three Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$381,600.00); for an aggregate credit facility in the amount of Ten Million Eight Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$10,881,600.00). All references in the Guaranty to the Original Note shall be deemed hereafter to refer to the Amended and Restated Note effective as of even date herewith, in the original

principal amount of Ten Million Eight Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$10,881,600.00) issued pursuant to the Amendment to Loan Documents and any renewals and extensions thereof.

2. Guarantor hereby consents to Lender increasing the amount of the revolving credit from Eight Million Seven Hundred Fifty Thousand and No/100 Dollars (\$8,750,000.00) to Ten Million Five Hundred Thousand and No/100 Dollars (\$10,500,000.00) and (ii) issuance of three Letters of Credit not to exceed in the aggregate Three Hundred Eighty-One Thousand Six Hundred and No/100 Dollars (\$381,600.00) and hereby acknowledges that the Guaranty is in full force and effect in accordance with its terms. Guarantor hereby acknowledges that his obligations, covenants and agreements under the Guaranty are not diminished, discharged or adversely affected by the Amended and Restated Note, Amended and Restated Loan Agreement or the Amendment to Loan Documents and that the Guaranty, as hereby reaffirmed, shall apply to the Indebtedness (as defined in the Guaranty), including any Indebtedness evidenced by the Amended and Restated Note, Amended and Restated Loan Agreement and the Amendment to Loan Documents. Guarantor hereby agrees that all of his covenants, agreements, representations and warranties and liabilities and obligations as set forth in the Guaranty with respect to the Loan, are hereby incorporated by reference herein and apply to the Loan as modified by the Amended and Restated Loan Agreement and the Amendment to Loan Documents.

3. Guarantor hereby grants to Lender a security interest in such balances, credits, deposits, accounts or money, if any, of or in the name of Guarantor now or hereafter on deposit with, or directly or indirectly and/or constructively in the possession or control of, or in transit to, Lender or any agent of Lender as security for Guarantor's obligations under this Guaranty.

4. Notwithstanding anything to the contrary contained in this Guaranty or the Environmental Indemnity Agreement, the liability, in the aggregate, of George H. Thrush under any of the agreements comprising this Guaranty and the Environmental Indemnity Agreement shall not exceed the sum of One Million and No/100 Dollars (\$1,000,000.00). Payments made by George H. Thrush under any of the agreements comprising this Guaranty and the Environmental Indemnity Agreement shall be credited against the maximum liability George H. Thrush has under all of the agreements comprising this Guaranty and the Environmental Indemnity Agreement.

5. Guarantor hereby represents and warrants that no Event of Default has occurred under the Loan Documents, including the Guaranty, and Guarantor hereby reaffirms the Guaranty and all of their obligations under the Guaranty.

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

GEORGE H. THRUSH