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COOK COUNTY RECORDER



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MODIFICATION OF REVOLVING CREDIT, TERM LOAN AND SECURITY AGREEMENT, MORTGAGES AND OTHER LOAN DOCUMENTS

THIS MODIFICATION OF REVOLVING CREDIT, TERM LOAN AND SECURITY AGREEMENT, MORTGAGES AND OTHER LOAN DOCUMENTS

("Modification") is made as of April 21, 1998, by and among LASALLE NATIONAL BANK, not personally, but solely as Trustee under a certain Trust Agreement dated December 7, 1993, and known as Trust No. 118480 (the "Trust"), JAVO-MEX CORPORATION, an Illinois corporation and the sole beneficiary of the Trust ("Beneficiary"), and JOSEPH CUEVAS (collectively, the "Guarantor") (the Trust, Beneficiary and Guarantor are sometimes hereinafter referred to collectively as the "Obligors") and LASALLE NATIONAL BANK (formerly known as LaSalle Bank NI), a national banking association ("Lender").

RECITALS:

A. Lender has made available to Beneficiary certain loans (collectively, the "Original Loans") pursuant to the terms and conditions of a certain Revolving Credit, Term Loan and Security Agreement dated as of December 20, 1993, as thereafter amended from time to time (the "Loan Agreement"), between Beneficiary and LaSalle Bank Matteson ("LaSalle Matteson"). Lender thereafter assumed LaSalle Matteson's rights and obligations under the Loan Agreement and the other Loan Documents (as hereinafter defined) pursuant to the terms and conditions of that certain Assignment of Loan Documents dated as of July 27, 1995.

B. The Original Loans included a \$1,500,000 revolving line of credit (the "Revolving Loan").

This instrument was prepared by:
Schwartz/Cooper /Greenberger & Krauss
After recording return to:
LaSalle National Bank
3201 N. Ashland Ave.
Chicago, Il 60657
Attn: Mary Haddad-Homsy

Permanent Real Estate Tax Index Nos.:
25-05-416-012, -015, -016, & -018
25-05-404-006 & -007

Common Addresses:
9210 and 9300 South Sangamon
Chicago, Illinois

S-YES
P-10
N-1
M-YES

C. As of July 31, 1997, the Original Loans were evidenced by the following notes: (i) that certain \$1,500,000 Replacement Revolving Note dated as of July 15, 1997, made by Beneficiary to Lender to evidence the Revolving Loan, (ii) that certain \$700,000 Term Note dated as of September 1, 1996, made by Beneficiary to Lender, (iii) that certain \$1,200,000 Replacement Equipment Note dated as of December 1, 1994, made by Beneficiary to LaSalle Matteson, and (iv) that certain \$857,078.76 Modified Mortgage Note dated as of December 1, 1994, made by Beneficiary to LaSalle Matteson (collectively, the "Original Notes").

D. Lender made an additional \$600,000 loan (the "Additional Loan") to Beneficiary evidenced by a certain \$600,000 Mortgage Note dated as of July 28, 1995 (the "Additional Note"), made by Beneficiary. (The Original Loans and the Additional Loan are collectively referred to herein as the "Loans".)

E. Repayment of the Loans is secured by the liens and security interests created by the Loan Agreement and the following documents:

(i) Mortgage, Security Agreement and Financing Statement dated as of December 20, 1993, as thereafter amended from time to time (the "9300 Sangamon Mortgage") made by the Trust for the benefit of LaSalle Matteson and creating a first mortgage lien on certain improved real estate commonly known as 9300 South Sangamon Avenue and 9300 and 9351 South Genoa in Chicago, Cook County, Illinois, and legally described in Exhibit A hereto (the "9300 Sangamon Property");

(ii) Collateral Assignment of Beneficial Interest and Security Agreement dated as of December 20, 1993, as thereafter amended from time to time (the "Collateral ABI"), made by Beneficiary for the benefit of LaSalle Matteson; and

(iii) Mortgage, Assignment of Rents and Leases, Security Agreement and Financing Statement dated as of July 28, 1995, as thereafter amended from time to time (the "9210 Sangamon Mortgage") made by Beneficiary for the benefit of LaSalle Bank Northbrook and creating a first mortgage lien on certain improved real estate commonly known as 9210 South Sangamon Avenue in Chicago, Cook County, Illinois, and legally described in Exhibit B hereto (the "9210 Sangamon Property")

The aforementioned documents, the Loan Agreement, the Original Notes, the Additional Note, the Guaranty (as hereinafter defined) and the other documents or agreements delivered to Lender to secure or evidence the Loans or to otherwise induce Lender to disburse the proceeds of the Loans are hereinafter referred to collectively as the "Loan Documents".

F. Guarantor has guaranteed repayment of the Loans to Lender pursuant to the provisions of a certain Continuing Unconditional Guaranty dated as of December 20, 1993, as thereafter amended from time to time (the "Guaranty"), made by Guarantor for the benefit of LaSalle Matteson.

G. The Obligors and Lender entered into a certain Modification of Revolving Credit, Term Loan and Security Agreement, Mortgages and Other Loan Documents dated as of August 1, 1997 (the "August 1997 Modification") pursuant to which the Revolving Demand Note and the Replacement Notes (as such terms were defined in the August 1997 Modification) were executed and delivered to Lender in replacement of the Original Notes and the Additional Note.

H. The Trust, Beneficiary and Guarantor have requested Lender to (i) increase the amount of the Revolving Loan from \$1,500,000 to \$2,500,000, and (ii) permit certain overadvances on the Revolving Loan. Lender is willing to grant such requests, subject to the terms and conditions set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Trust, Beneficiary, Guarantor and Lender hereby agree as follows:

1. **Incorporation of Recitals.** The Recitals set forth above are incorporated herein and made a part hereof.

2. **Revolving Loan Increase.** Subject to the terms of the Loan Agreement, as amended hereby, the permitted maximum aggregate outstanding principal balance of the Revolving Loan is hereby increased from \$1,500,000 to \$2,500,000; provided, however, that overadvances on the Revolving Loan in an amount not to exceed \$250,000 in the aggregate may be requested in accordance with the terms and conditions of Loan Agreement, as amended by Section 3 below. From and after the date hereof, the Revolving Loan shall be evidenced by that certain Demand Note (Replacement Revolving Note) or even date herewith (the "New Revolving Demand Note") in the principal amount of \$2,500,000, and the New Revolving Demand Note shall be deemed a "Loan Document" under the Loan Agreement.

3. **Borrowing Base Amount; Revolving Loan Availability; Overadvances.**

(a) The definition of "Revolving Loan Availability" set forth in the Loan Agreement is hereby deleted and the following definition is inserted in lieu thereof:

"Revolving Loan Availability" at any time shall mean the lesser of (i) \$2,500,000, and (ii) the sum of the Borrowing Base Amount at such time and the Permitted Overadvance Amount at such time. As used herein, the "Permitted Overadvance Amount" means (a) \$250,000 from the date hereof through and including May 31, 1998, (b) \$175,000, from June 1, 1998, through and including June 15, 1998, (c) \$100,000 from June 16, 1998, through and including June 30, 1998, and (d) \$0 at all times thereafter."

(b) Nothing in this Section is intended to limit the right of Lender to demand repayment of the Revolving Loan at any time in accordance with the terms and conditions of the Loan Documents, including the New Revolving Demand Note.

4. **Reaffirmation of Security Interests.** The Obligors hereby acknowledge and reaffirm that the Obligations (as defined in the Loan Agreement) include, without limitation, the Revolving Loan and each of the Loans evidenced by the Replacement Notes, and that Lender has been granted liens on and security interests in the Collateral (as defined in the Loan Agreement) and the other collateral described in the 9300 Sangamon Mortgage, the 9210 Sangamon Mortgage and the Collateral ABI to secure, among other things, the repayment of the Revolving Loan and the Loans evidenced by the Replacement Notes.

5. **Required Deliveries.** Lender's agreeing to the terms and conditions set forth in this Modification shall be subject to Lender (or Lender's nominee) having received the following in a form and substance acceptable to Lender:

- (a) This Modification duly executed by the Obligors;
- (b) The New Revolving Demand Note;
- (c) Certified copy of Letter of Direction to the Trust;
- (d) Opinion of counsel for the Obligors;
- (e) Certificate of Good Standing for Beneficiary and Secretary's Certificate with Directors' and Shareholders' Resolutions authorizing modification of loan facility;
- (f) Endorsement to Chicago Title Insurance Company Loan Policy No. 1401 007480510 which (i) increases the face amount of insurance to \$1,300,000; (ii) amends the description of the 9300 Sangamon Mortgage to include this Modification; (iii) extends the effective date of said Title Policy to the date of the recording of this Modification; (iv) endorses over all mechanic lien claims and includes no additional exceptions to title other than those that have been approved in writing by Lender; and (v) states that all real estate taxes and assessments which are due and payable as of the date of such endorsement have been paid in full;
- (g) Endorsement to Ticor Title Insurance Company Loan Policy No. 316062 which (i) increases the face amount of insurance to \$700,000; (ii) amends the description of the 9210 Sangamon Mortgage to include this Modification; (iii) extends the effective date of said Title Policy to the date of the recording of this Modification; (iv) endorses over all mechanic lien claims and includes no additional exceptions to title other than those that have been approved in writing by Lender; and (v) states that all real estate taxes and assessments which are due and payable as of the date of such endorsement have been paid in full; and

(h) Such other documents as Lender may reasonably require.

6. **References.** All references to the Loan Agreement, the Guaranty or any other Loan Document contained in any of the Loan Documents shall be deemed to refer to each of such documents as further amended by this Modification.

7. **Fees; Additional Loan Expenses.** Concurrently with the execution and delivery of this Amendment by the Obligors, the Obligors shall pay to Lender a nonrefundable loan fee in the amount of \$2,500. Furthermore, the Obligors hereby agree to pay all of Lender's reasonable attorneys' fees incurred in connection with the negotiation and documentation of the agreements contained in this Modification, all recording fees and charges, title insurance charges and premiums, appraisal fees, and all other expenses, charges, costs and fees referred to in, necessitated by or otherwise relating to this Modification.

8. **No Defenses.** Beneficiary and Guarantor represent and warrant and the Trust represents to Lender there is not any condition, event or circumstance existing, or any litigation, arbitration, governmental or administrative proceedings, actions, examinations, claims or demands pending or threatened affecting Beneficiary, the Trust, Guarantor, the 9300 Sangamon Property and/or the 9210 Sangamon Property, or which would prevent Beneficiary, the Trust or Guarantor from complying with or performing his or its respective obligations under the Loan Documents, and no basis for any such matter exists.

9. **Authority to Execute Amendment; No Conflict.** Beneficiary and Guarantor represent and warrant and the Trust represents to Lender that he or it has full power and authority to execute and deliver this Modification and to perform his or its respective obligations hereunder. Upon the execution and delivery hereof, this Modification will be valid, binding and enforceable upon the Obligors in accordance with its terms. Execution and delivery of this Modification does not and will not contravene, conflict with, violate or constitute a default under any applicable law, rule, regulation, judgment, decree or order or any agreement, indenture or instrument to which any Obligor is a party or is bound.

10. **Ratification of Guaranty and Other Liabilities.** Each Obligor hereby ratifies and confirms his or its respective liabilities and obligations under the Loan Agreement, the Guaranty and the other Loan Documents and the liens and security interests created thereby, and acknowledge that he or it no defenses, claims or set-offs to the enforcement by Lender of their respective obligations and liabilities under the Loan Agreement, the Guaranty and the other Loan Documents.

11. **Amendment Binding.** This Modification shall be binding on Beneficiary, the Trust, Guarantor and their respective heirs, legatees, successors and permitted assigns, and shall inure to the benefit of Lender and its successors and assigns.

12. **Continued Effectiveness.** Except as expressly provided herein, the Loan Documents shall remain in full force and effect in accordance with their respective terms.

13. **Counterparts.** This Modification may be executed in counterparts, and all said counterparts when taken together shall constitute one and the same document.

14. **Trustee Exculpation.** This Modification is executed by LaSalle National Bank, not personally but solely as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee, and it is expressly understood and agreed that nothing in this Modification shall be construed as creating any liability on such Trustee personally to perform any express or implied covenant, condition or obligation under this Modification, all such liability, if any, being expressly waived by every person or entity now or hereafter claiming any right, title or interest under this Modification; provided, however, that the foregoing exculpation of the Trustee shall not impair or otherwise affect any of Lender's rights or remedies against the assets held by Beneficiary or other collateral now or hereafter pledged to Lender as security for the obligations of the Trust or Beneficiary, or against Beneficiary, Guarantor or any other person or entity liable for the obligations of the Trust or Beneficiary.

IN WITNESS WHEREOF, this Modification has been entered into as of the date first above written.

LASALLE NATIONAL BANK, not personally, but solely as Trustee as aforesaid

By: [Signature]
Title: SR. VICE PRESIDENT

Attest: [Signature]
Title: Assistant Secretary

JAVO-MEX CORPORATION, an Illinois corporation

By: [Signature]
Title: President

JOSEPH L. CUEVAS
JOSEPH CUEVAS

LASALLE NATIONAL BANK (formerly known as LaSalle Bank NJ)

By: [Signature]
Title: First Vice President

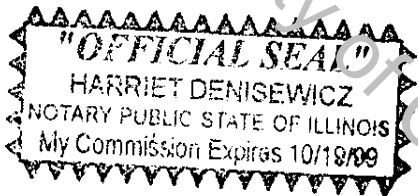
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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, HARRIET DENISEWICZ, a Notary Public in and for said County, in the State aforesaid, do hereby certify that JOSEPH W. LANG, and Nancy A. Carlin, the SR. VICE PRESIDENT and ASSISTANT SECRETARY of LEASALLE NATIONAL BANK, as Trustee, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such SR. VICE PRESIDENT and ASSISTANT SECRETARY, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Trustee, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 31st day of Dec., 1998.



Harriet Denisewicz
NOTARY PUBLIC
(SEAL)

STATE OF _____)
) SS.
COUNTY OF _____)

I, _____, a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____, the _____ of JAVO-MEX CORPORATION, an Illinois corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such _____ appeared before me this day in person 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 ____ day of _____, 1998.

NOTARY PUBLIC
(SEAL)

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STATE OF IL)
) SS.
COUNTY OF COOK)



I, Maria C. Hernandez, a Notary Public in and for said County, in the State aforesaid, do hereby certify that JOSEPH CUEVAS, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person 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 28th day of January, 1998.

Maria C. Hernandez
NOTARY PUBLIC
(SEAL)

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, _____, a Notary Public in and for said County in the State aforesaid, do hereby certify that _____, a _____ of LASALLE NATIONAL BANK, who is personally known to be to be the same person whose name is subscribed to the foregoing instrument as such _____, appeared before me this day in person and acknowledged that he/she signed and delivered such instrument as his/her own free and voluntary act and as the free and voluntary act of said Bank, for the uses and purposes set forth therein.

Given under my hand and notarial seal on _____, 1998.

NOTARY PUBLIC
(SEAL)

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EXHIBIT A

LEGAL DESCRIPTION OF 9300 SANGAMON PROPERTY

THE EAST 200 FEET OF THAT PART OF VACATED LOTS, BLOCKS, STREETS AND ALLEYS IN CENTRAL ADDITION TO SOUTH ENGLEWOOD WHICH LIES WEST OF THE WEST LINE OF SOUTH SANGAMON STREET, SOUTH OF THE SOUTH LINE EXTENDED WESTERLY OF WEST 92ND STREET AND NORTH OF THE NORTH LINE EXTENDED WESTERLY OF WEST 93RD STREET SAID CENTRAL ADDITION BEING A RESUBDIVISION OF BLOCKS 2 TO 8 INCLUSIVE OF HALSTED STREET ADDITION TO WASHINGTON HEIGHTS IN THE SOUTH EAST 1/4 OF SECTION 5, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING EAST OF THE CHICAGO ROCK ISLAND AND PACIFIC RAILROAD IN COOK COUNTY, ILLINOIS.

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25-05-404-007

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EXHIBIT B

LEGAL DESCRIPTION OF 9210 SANGAMON PROPERTY

THE EAST 200 FEET OF THAT PART OF VACATED LOTS, BLOCKS, STREETS AND ALLEYS IN CENTRAL ADDITION TO SOUTH ENGLEWOOD WHICH LIES WEST OF THE WEST LINE OF SOUTH SANGAMON STREET, SOUTH OF THE SOUTH LINE EXTENDED WESTERLY OF WEST 92ND STREET AND NORTH OF THE NORTH LINE EXTENDED WESTERLY OF WEST 93RD STREET SAID CENTRAL ADDITION BEING A RESUBDIVISION OF BLOCKS 2 TO 8 INCLUSIVE OF HALSTED STREET ADDITION TO WASHINGTON HEIGHTS IN THE SOUTH EAST 1/4 OF SECTION 5, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING EAST OF THE CHICAGO ROCK ISLAND AND PACIFIC RAILROAD IN COOK COUNTY, ILLINOIS.

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