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THIS DOCUMENT PREPARED BY:

Crowley & Lamb, P.C.
350 N. LaSalle Street, Suite 900
Chicago, Illinois 60610

2007 087132

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2007 NOV -2 AM 11:05

MICHAEL A. BROWN
RECORDER

AFTER RECORDING RETURN TO:

The Private Bank and Trust Company
70 W. Madison, Suite 200
Chicago, Illinois 60602
Attn: Daniel C. Siadak, Managing
Director

midwest title
755 East Main St.
Greenwood In 46143

FIRST MODIFICATION OF LOAN DOCUMENTS

THIS FIRST MODIFICATION OF LOAN DOCUMENTS (this "Agreement") is made effective as of the 29th day of June, 2007, by and among Blago Kozl, with an address at 3051 Forest View Trail, Crete, IL 60417 ("Borrower"), Zora Kozul and Nikola Kozul, each with an address at 3051 Forest View Trail, Crete, IL 60417 (together, "Guarantor"), Cypress Point, LLC, an Indiana limited liability company, and Cypress Point II, an Indiana limited liability company (together, the "Mortgagor"), and **THE PRIVATEBANK AND TRUST COMPANY**, its successors and assigns, having an address at 70 W. Madison, Chicago, Illinois 60602 ("Lender").

RECITALS:

A. Lender has heretofore made a loan ("Loan") to Borrower in the principal amount of **THREE MILLION SEVEN HUNDRED THOUSAND AND NO/100THS DOLLARS (\$3,700,000.00)**, as evidenced by a Promissory Note dated June 28, 2006, in the principal amount of the Loan made payable by Borrower to the order of Lender (as amended and modified from time to time, "Note") and further evidenced by that certain Loan Agreement (as amended and modified from time to time, the "Loan Agreement") among Borrower, Guarantor and Lender also dated June 28, 2006.

B. The Note is secured by, among other things, (i) that certain Junior Mortgage and Security Agreement and UCC Fixture Filing dated June 28, 2006, from Mortgagor to Lender recorded with the Recorder in Lake County, Indiana (the "Recorder's Office") on August 28, 2006, as Instrument No. 2006-75199 (as amended and modified from time to time, the "Mortgage"), which Mortgage encumbers the real property and all, improvements thereon legally described on Exhibit A hereto ("Property"), (iv) an Assignment of Rents and Leases dated June 28, 2006, from Mortgagor to Lender recorded with the Recorder's Office on August 28, 2006, as Instrument No. 2006-75200 and (iii) the Guaranty Agreement (as amended and modified from time to time, "Guaranty") of executed by Guarantor, guaranteeing payment of all obligations of Borrower under the Note and the other Loan Documents (as hereinafter defined) and (iv) certain other loan documents (together with the Loan Agreement, the Note, the Mortgage, the Assignment of Leases and Rents and the Guaranty, and any other document evidencing, securing and guarantying the Loan, in their original form and as amended and modified from time to time, are sometimes collectively referred to herein as the "Loan Documents"). A Junior Mortgage and

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Security Agreement and UCC Fixture Filing on the property commonly known as 6900 S. South Shore Dr., Chicago, IL and related documents also delivered to Lender to secure the Note were released by Lender after such property was sold and Borrower paid down the outstanding principal amount of the Note by \$1,000,000.

C. Borrower now desires to amend the Loan Documents in order to extend the Maturity Date of the Note from June 29, 2007 until June 29, 2008, and Lender is willing to so extend the Maturity Date of the Note, on the terms and conditions more fully set forth hereinafter and to reduce the principal amount of the Note from \$3,700,000 to \$2,700,000.

AGREEMENTS:

NOW, THEREFORE, in consideration of (i) the facts set forth hereinabove (which are hereby incorporated into and made a part of this Agreement), (ii) the agreements by Lender to modify the Loan Documents, as provided herein, (iii) Borrowers agreement to pay Lender all of Lender's reasonable attorneys fees and costs in connection with this Modification, (iv) the covenants and agreements contained herein, and (v) for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Maturity Date/Amount.** The Maturity Date, as described in the Note, the Mortgages or in any of the other Loan Documents, shall be amended from June 29, 2007 until June 29, 2008 and the original principal amount of the Note shall be reduced from \$3,700,000 to \$2,700,000.

2. **Amendment of Note.** The Note shall be further amended and restated by that certain First Amended and Restated Promissory Note of even date herewith executed by Borrower (the "Amended Note"). As of the date hereof, the Amended Note shall be substituted for and replace in its entirety the existing Note as evidence of the amounts due and owing to Lender.

3. **Continuing Validity.** Except as expressly modified above, the terms of the original Mortgage shall remain unchanged and in full force and effect and are legally valid, binding, and enforceable in accordance with their respective terms. Consent by Lender to this Agreement does not waive Lender's rights to require strict performance of the Mortgage (as amended above) nor obligate Lender to make any future modifications. Nothing in this Agreement shall constitute a satisfaction of the promissory note or other credit agreement secured by the Mortgage. It is the intention of Lender to retain as liable all parties to the Mortgage and all parties, makers and endorsers to the Amended Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Agreement. If any person who signed the original Mortgage does not sign this Agreement, then all persons signing below acknowledge that this Agreement is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Agreement or otherwise will not be released by it. This waiver applies not only to any initial extension or modification, but also to all such subsequent actions.

4. **Reaffirmation of Guaranty.** Guarantor ratifies and affirms the Guaranty and agrees that the Guaranty is in full force and effect following the execution and delivery of this Agreement and the Amended and Restated Note. The representations and warranties of Guarantor in the Guaranty are, as of the date hereof, true and correct and Guarantor does not know of any default thereunder. The Guaranty continues to be the valid and binding obligation of Guarantor, enforceable in accordance with its terms

and Guarantor has no claims or defenses to the enforcement of the rights and remedies of Lender thereunder, except as provided in the Guaranty.

5. **Representations and Warranties of Borrower and Guarantor.** Borrower, Mortgagor and Guarantor hereby represent, covenant and warrant to Lender as follows:

- (a) The representations and warranties in the Note, the Mortgage and the other Loan Documents are true and correct as of the date hereof.
- (b) There is currently no Event of Default (as defined in the Loan Documents) under the Note, the Mortgage or the other Loan Documents and neither Borrower nor Guarantor knows of any event or circumstance which with the giving of notice or passing of time, or both, would constitute an Event of Default under the Note, the Mortgage or the other Loan Documents.
- (c) The Amended Note and all other Loan Documents constitute valid and legally binding obligations of Borrower, Mortgagor and Guarantor and are enforceable to their full extent against Borrower, Mortgagor and/or Guarantor and the collateral granted therein in accordance with the terms thereof without defense, affirmative defense or counterclaim of any kind.
- (d) There has been no material adverse change in the financial condition of Borrower, Guarantor or any other party whose financial statement has been delivered to Lender in connection with the Loan from the date of the most recent financial statement received by Lender.
- (e) Borrower, Mortgagor and Guarantor do hereby waive and release any and all claims and defenses, whether legal or equitable, or by way of offset, recoupment or counterclaim that the Borrower, Mortgagor and/or Guarantor hereto has, or may have against Lender, relating in any way to Note, the Mortgage, or any other documents securing or relating to the Loan, by reason of any matter, cause or thing whatsoever occurring, including breach of good faith and fair dealing by Lender. As of the date hereof, neither Borrower nor Guarantor has any claims, counterclaims, defenses, or set-offs with respect to the Loan or the Loan Documents as modified herein.
- (f) The execution and delivery of this Agreement and the performance of the Loan Documents as modified hereby have been duly authorized by all requisite action by or on behalf of Borrower, Mortgagor and Guarantor. This Agreement has been duly executed and delivered on behalf of Borrower, Mortgagor and Guarantor.

6. **Borrower, Mortgagor and Guarantors- Releases.** Borrower, Mortgagor, Guarantor and each of them, in consideration of the execution of this Agreement, and the performance of all terms contained herein to be performed by Lender, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, do hereby remise, release and forever discharge, and by these presents, do for their successors, assigns, heirs, administrators, executors, personal representatives, agents, grantees, and successors in interest, remise, release and forever discharge Lender and its respective successors, assigns, heirs, administrators, officers, personal representatives, attorneys, agents and successors in interest, from all actions, suits, causes of action, damages, expenses, liabilities, claims, accounts and demands, whatsoever, whether or not well-founded in fact or in law which they have, have had, or at any time may have, could have, or might have but for the execution of this Agreement, asserted against Lender, for or by reason of or in respect of any matter, cause or thing whatsoever, whether known or unknown, developed or undeveloped, past, present or future or whether permanent, continuing or otherwise, arising out of or connected with the Loan, the Amended Note, the Loan Documents or this Agreement.

7. **Waiver.** Nothing in this Agreement shall be construed as a waiver of or acquiescence to any other Events of Default (as defined in the Loan Documents), which shall continue in existence subject only to Lender's agreement, as set forth herein, not to enforce its remedies for a limited period of time. Except as expressly provided herein, the execution and delivery of this Agreement shall not: (a) constitute an extension, modification, or waiver of any other aspect of the Amended Note or the other Loan Documents; (b) extend the terms of the Note or the other Loan Documents or the due date of the Note; (c) give rise to any obligation on the part of Lender to extend, modify or waive any term or condition of the Loan Documents; or (d) give rise to any defenses or counterclaims to Lender's right to compel payment of the Loan or to otherwise enforce its rights and remedies under the Amended Note, and any other Loan Documents. Except as expressly limited herein, Lender hereby expressly reserves all of its rights and remedies under the Note, as amended, and the Loan Documents and under applicable law with respect to such defaults.

8. **Expenses.** As a condition precedent to the agreements contained herein, Borrower shall pay all out-of-pocket recording costs and expenses incurred by Lender in connection with this Agreement, including, without limitation, title charges, recording fees, appraisal fees and attorneys' fees and expenses.

9. **Miscellaneous.**

- (a) This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.
- (b) This Agreement shall not be construed more strictly against Lender than against Borrower Mortgagor, and/or Guarantor merely by virtue of the fact that the same has been prepared by counsel for Lender, it being recognized that Borrower, Mortgagor, Guarantor and Lender have contributed substantially and materially to the preparation of this Agreement, and Borrower, Mortgagor, Guarantor and Lender each acknowledge and waive any claim contesting the existence and the adequacy of the consideration given by the other in entering into this Agreement. Each of the parties to this Agreement represents that it has been advised by its respective counsel of the legal and practical effect of this Agreement, and recognizes that it is executing and delivering this Agreement, intending thereby to be legally bound by the terms and provisions thereof, of its own free will, without promises or threats or the exertion of duress upon it. The signatories hereto state that they have read and understand this Agreement, that they intend to be legally bound by it and that they expressly warrant and represent that they are duly authorized and empowered to execute it.
- (c) Borrower, Mortgagor, Guarantor and Lender each acknowledges that there are no other understandings, agreements or representations, either oral or written, express or implied, that are not embodied in the Loan Documents and this Agreement, which collectively represent a complete integration of all prior and contemporaneous agreements and understandings of Borrower, Mortgagor, Guarantor and Lender; and that all such prior understandings, agreements and representations are hereby modified as set forth in this Agreement. Except as expressly modified hereby, the terms of the Loan Documents are and remain unmodified and in full force and effect.
- (d) This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors, assigns, and personal representatives, except to the extent of any contrary provision in this Agreement. Each party intends that

this Agreement, in all respects, shall be deemed and construed to have been prepared mutually by all parties, and it is expressly agreed that any uncertainty and ambiguity existing herein shall not be construed more strictly against one party or the other against the other party. If any part or any provision of this Agreement shall be determined to be invalid under any applicable law or the regulation, the remaining part of this Agreement, that can be separated from the invalid, unenforceable provisions, shall be in full force and effect.

- (e) If this Agreement is executed by more than one party as Borrower, Mortgagor or Guarantor, the liability of such parties shall be joint and several.
- (f) Each party to this Agreement agrees to perform any further acts and execute any documents that may be reasonably necessary to effect the purposes of this Agreement.
- (g) Time is of the essence of Borrower, Mortgagor and/or Guarantor 's obligations under this Agreement.

10. **Binding Effect.** This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors, assigns, and personal representatives, except to the extent of any contrary provision in this Agreement. Each party intends that this Agreement, in all respects, shall be deemed and construed to have been prepared mutually by all parties, and it is expressly agreed that any uncertainty and ambiguity existing herein shall not be construed more strictly against one party or the other against the other party. If any part or any provision of this Agreement shall be determined to be invalid under any applicable law or the regulation, the remaining part of this Agreement, that can be separated from the invalid, unenforceable provisions, shall be in full force and effect.

11. **No Novation.** This Agreement shall not be deemed or construed to be a satisfaction, reinstatement, novation, or release of the Note or of any of the other Loan Documents, or, except as expressly provided herein, nor shall it be deemed a waiver by Lender of any of the rights of Lender under the Note (or the Amended Note) or any of the other Loan Documents, or at law or in equity, and shall not be construed as a repayment or novation of the Note.

12. **Counterparts.** This Agreement may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which when so executed and delivered (whether by facsimile transmission or otherwise) shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

[signature page attached]




IN WITNESS WHEREOF, the parties hereto have executed this Agreement dated as of the day and year first above written.

BORROWER:



Blago Kozul

MORTGAGOR:

CYPRESS POINT, LLC, an Indiana limited liability company


By: 
Name: Blago Kozul
Its: Manger

CYPRESS POINT II, LLC, an Indiana limited liability company

Document is
NOT OFFICIAL!
By: 
Name: Zora Kozul
Its: Manger
This Document is the property of
the Lake County Recorder!

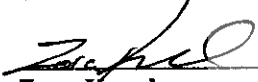
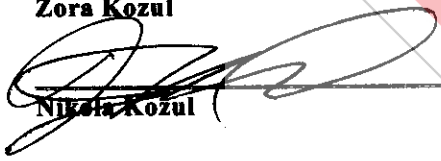
LENDER:

THE PRIVATEBANK AND TRUST COMPANY

By: 
Name: DANIEL C SIARAK
Its: MANAGING DIRECTOR

Agreed:

GUARANTORS:


Zora Kozul

Nikola Kozul



INDIANA
STATE OF ~~ILLINOIS~~)
) SS.
COUNTY OF LAKE)

I, Michelle R Zickuhr, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Blago Kozul, individually and as manager of Cypress Point, LLC, 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 acts, and as the free and voluntary act of the company for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 20th day of August, 2007.

Michelle R Zickuhr
Notary Public

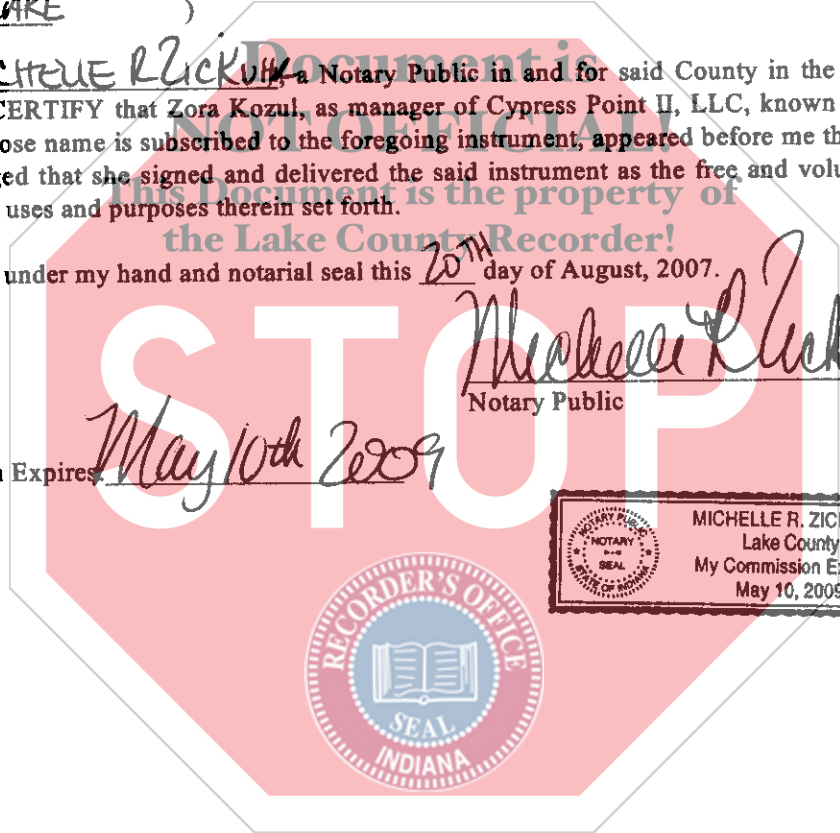
INDIANA
STATE OF ~~ILLINOIS~~)
) SS.
COUNTY OF LAKE)

I, Michelle R Zickuhr, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Zora Kozul, as manager of Cypress Point II, LLC, 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 she signed and delivered the said instrument as the free and voluntary act of the company for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 20th day of August, 2007.

Michelle R Zickuhr
Notary Public

My Commission Expires May 10th 2009



MICHELLE R. ZICKUHR
Lake County
My Commission Expires
May 10, 2009

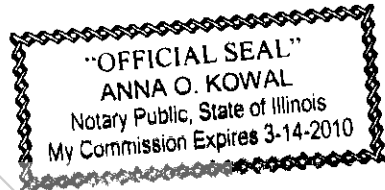
STATE OF ILLINOIS)
) SS.
COUNTY OF Cook)

I, Anna O. Kowal, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Daniel Siadak, Managing Director of THE PRIVATEBANK AND TRUST COMPANY, known to me to be the same person whose name is subscribed to the foregoing instrument as such Managing Director, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary acts, and as the free and voluntary act of THE PRIVATEBANK AND TRUST COMPANY, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 20th day of August, 2007.

Anna O. Kowal
Notary Public

My Commission Expires: 3/14/2010



Document is
NOT OFFICIAL!
This Document is the property of
the Lake County Recorder!

Prepared by: Daniel C. Siadak

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law Daniel C. Siadak


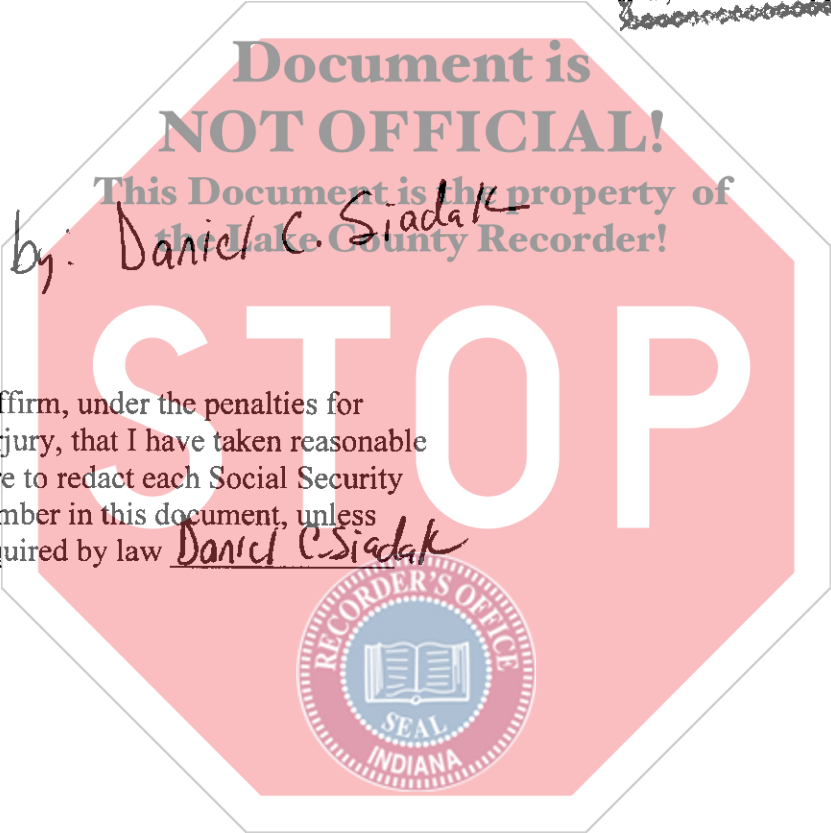


EXHIBIT A

LEGAL DESCRIPTION

LOTS "A" AND "B" HIGH MEADOWS, IN THE CITY OF CROWN POINT, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 44, PAGE 90 IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA, BEING A RESUBDIVISION OF ALL OF HIGH MEADOWS UNIT NO. 1 AND A SUBDIVISION OF PART OF THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 34 NORTH, RANGE 8 WEST OF THE 2ND P.M. IN LAKE COUNTY, INDIANA

P.I.N. 23-08-0410-0045

COMMONLY KNOWN AS: 930 CYPRESS POINTE, CROWN POINTE, INDIANA

