

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2013 054598

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MICHAEL B. BROWN
RECORDER

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FIRST AMENDMENT TO SECURITY DOCUMENTS

This **FIRST AMENDMENT TO SECURITY DOCUMENTS** (this "**Amendment**") is dated as of May 31, 2013, and is executed by and between **FAMILY VIDEO MOVIE CLUB INC.**, an Illinois corporation (the "**Mortgagor**"), and **JPMORGAN CHASE BANK, N.A.**, a national banking association (together with its successors and assigns, the "**Lender**").

RECITALS:

A. Pursuant to the terms and conditions contained in that certain Loan and Security Agreement dated as of February 17, 2010, executed by and among the Mortgagor, **CHARLES R. HOOGLAND**, not personally but solely as Trustee of **THE CHARLES R. HOOGLAND TRUST DATED JUNE 19, 1991** (the "**Hoogland Trust**"), **K AND E LIMITED PARTNERSHIP**, an Illinois limited partnership ("**KELP**"), **FAMILY-KMNS COMPANY, LLC**, an Illinois limited liability company ("**Family-KMNS**"), **FAMILY VIDEO EMPLOYEES LLC**, an Illinois limited liability company ("**Family Employees**"), **HOOGLAND 2004 FAMILY REAL ESTATE INVESTMENT LIMITED PARTNERSHIP**, an Illinois limited partnership ("**Hoogland 2004**"), **HOOGLAND 2007 CHILDREN LIMITED PARTNERSHIP**, an Illinois limited partnership ("**Hoogland 2007**"); the Mortgagor, the Hoogland Trust, **KELP**, **Family-KMNS**, **Family Employees**, **Hoogland 2004**, and **Hoogland 2007** are collectively referred to in this Amendment as the "**Original Borrowers**", and the Lender, as amended by that certain (i) First Amendment to Loan and Security Agreement and Reaffirmation of Guaranty dated as of May 21, 2010, (ii) Second Amendment to Loan and Security Agreement and Reaffirmation of Guaranty dated as of July 21, 2010, and (iii) Third Amendment to Loan and Security Agreement and Reaffirmation of Guaranty dated as of May 12, 2011 (as so amended and as further amended from time to time, the "**Loan Agreement**"), the Lender loaned to the Original Borrowers the aggregate principal amount of **FORTY-THREE MILLION EIGHT HUNDRED SIXTY-SIX THOUSAND SIX HUNDRED SIXTY-SIX AND 68/100 DOLLARS** (\$43,866,666.68) in the form of (1) a revolving loan in the maximum principal amount of **ELEVEN MILLION AND 00/100 DOLLARS** (\$11,000,000.00) (the "**Revolving Loan**"), which amount includes a **ONE MILLION FIVE HUNDRED THOUSAND AND 00/100 DOLLARS** (\$1,500,000.00) letter of

Store No. 74

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credit facility, and (2) a term loan in the original principal amount of **THIRTY-TWO MILLION EIGHT HUNDRED SIXTY-SIX THOUSAND SIX HUNDRED SIXTY-SIX AND 68/100 DOLLARS** (\$32,866,666.68) (the "**Term Loan**"; the Revolving Loan and the Term Loan are collectively referred to in this Amendment as the "**Loans**"). The Revolving Loan is evidenced by that certain Second Replacement Revolving Note dated May 12, 2011, jointly and severally executed by the Original Borrowers, made payable to the order of the Lender in the maximum principal amount of the Revolving Loan, and due on May 31, 2013. The Term Loan is evidenced by that certain Term Note dated February 17, 2010 (as amended, restated, or replaced from time to time, the "**Term Note**"), jointly and severally executed by the Original Borrowers, made payable to the order of the Lender in the original principal amount of the Term Loan, and due on December 17, 2014.

B. The Loans are secured by, among other things, that certain (i) Revolving Mortgage, Assignment of Rents and Leases and Fixture Filing dated as of February 17, 2010, executed by the Mortgagor to and for the benefit of the Lender, and recorded with the Recorder of Deeds in Lake County, Indiana (the "**Recorder's Office**") on **March 1, 2010**, as Document No. **2010011140** (the "**Mortgage**"), which Mortgage encumbers the real property and all improvements thereon legally described on **Exhibit "A"** hereto (the "**Property**"), and (ii) Assignment of Rents and Leases dated as of February 17, 2010, executed by the Mortgagor to and for the benefit of the Lender, and recorded in the Recorder's Office on **March 1, 2010**, as Document No. **2010011141** (the "**Assignment of Rents**").

C. The Mortgagor has requested, and the Lender has agreed to, among other things (i) extend the maturity date of the Revolving Loan to May 31, 2015, (ii) increase the amount of the Revolving Loan to **FIFTEEN MILLION AND 00/100 DOLLARS** (\$15,000,000.00), which amount includes a **TWO MILLION AND 00/100 DOLLARS** (\$2,000,000.00) letter of credit facility, (iii) provide that the Mortgage and the Assignment of Rents will secure that certain Application and Agreement for Irrevocable Standby Letter of Credit dated on or about August 15, 2007 (the "**Hoogland 2006 Trust Letter of Credit Agreement**"), executed by and between the **HOOGLAND 2006 GRANTOR TRUST** (the "**Hoogland 2006 Trust**"), and the Lender in connection with Irrevocable Letter of Credit No. CTCS-390193 dated September 4, 2007, as amended by Amendment No. 1 dated July 28, 2008, Amendment No. 2 dated July 31, 2009, Amendment No. 3 dated August 10, 2009, Amendment No. 4 dated July 26, 2010, and Amendment No. 5 dated July 26, 2011, issued by the Lender to and for the benefit of First Insurance Funding Corp. in the amount of \$2,120,535.00, as the same may be further amended from time to time; and (iv) release each of the Hoogland Trust, KERP, Family-KMNS, Family Employees, Hoogland 2004, and Hoogland 2007 from its obligations under the Loan Documents.

D. In connection with the foregoing, (i) the Original Borrowers, the Guarantor (as defined in the Loan Agreement), and the Lender have executed that certain Fourth Amendment to Loan and Security Agreement and Reaffirmation of Guaranty dated as of even date herewith (the "**Loan Agreement Amendment**"), (ii) the Mortgagor has executed a Third Replacement Revolving Note dated of even date herewith, made payable to the order of the Lender in the maximum principal amount of **FIFTEEN MILLION AND 00/100 DOLLARS** (\$15,000,000.00), and due on May 31, 2015 (the "**Third Replacement Revolving Note**"); and

(iii) the Mortgagor has agreed to guaranty all of the Hoogland 2006 Trust's obligations to the Lender, including without limitation the Hoogland 2006 Trust's obligations to the Lender under the Hoogland 2006 Trust Letter of Credit Agreement pursuant to that certain Continuing Unconditional Guaranty dated as of even date herewith executed by the Mortgagor to and for the benefit of the Lender (the "Hoogland 2006 Guaranty").

E. The Mortgagor is an affiliate of the Hoogland 2006 Trust; therefore, the extension or continued extension of credit by the Lender to the Hoogland 2006 Trust is necessary and desirable to the conduct and operation of the business of the Hoogland 2006 Trust and will inure to the financial benefit of the Mortgagor.

F. A condition precedent to the Lender's execution of the Loan Agreement Amendment is the execution and delivery by the Mortgagor of this Amendment.

AGREEMENTS:

NOW, THEREFORE, in consideration of (i) the facts set forth above (which are incorporated into and made a part of this Amendment), (ii) the agreements by the Lender to modify the Mortgage and the Assignment of Rents, as provided in this Amendment, (iii) the covenants and agreements contained in this Agreement, and (iv) for other good and valuable consideration, the receipt, adequacy, and sufficiency of which are acknowledged, the parties agree as follows:

1. DEFINITION OF NOTES. Each of the Mortgage and the Assignment of Rents is amended to provide that the term "Notes" means, collectively, the Third Replacement Revolving Note and the Term Note; provided, however, that as more specifically set forth in the Loan Agreement Amendment, the Hoogland Trust, KERP, Family-KMNS, Family Employees, Hoogland 2004, and Hoogland 2007 have been released from their obligations under the Term Note.

2. CROSS-COLLATERALIZATION. Each of the Mortgage and the Assignment of Rents is amended to provide that they secure not only the Indebtedness (as defined in the Mortgage), but also (i) the Mortgagor's obligations under the Hoogland 2006 Guaranty, and (ii) all of the obligations of the Hoogland 2006 Trust to the Lender with respect to the Hoogland 2006 Trust Letter of Credit Agreement.

3. MISCELLANEOUS.

3.1 Governing Law. This Amendment is governed by and must be construed in accordance with the laws of the State of Illinois.

3.2 Full Force and Effect. Except as expressly modified hereby, the terms of the Mortgage and the Assignment of Rents are and remain unmodified and in full force and effect.

3.3 Successor sand Assigns. This Amendment binds and inures to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

3.4 Counterparts. This Amendment may be executed in one or more counterparts, all of which, when taken together, constitute one original Amendment.

[Remainder of Page Intentionally Left Blank – Signature Page Follows]



IN WITNESS WHEREOF, the Mortgagor and the Lender have executed and delivered this First Amendment to Security Documents as of the day and year first above written.

MORTGAGOR:

FAMILY VIDEO MOVIE CLUB INC., an Illinois corporation

By: *K.A. Hoogland*
K.A. Hoogland, President

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The undersigned, a Notary Public in and for the said County, in the State aforesaid, **DOES HEREBY CERTIFY** that K.A. Hoogland, the President of **FAMILY VIDEO MOVIE CLUB INC.**, an Illinois corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such President, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her 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 12 day of June, 2013.

[SEAL]



Heather Hanrahan
Notary Public

[Signatures Continue on Following Page]

SIGNATURE PAGE—MORTGAGOR
FIRST AMENDMENT TO SECURITY DOCUMENTS
FAMILY VIDEO MOVIE CLUB INC.
LAKE COUNTY, INDIANA (STORE NO. 74)

[Signatures Continued from Preceding Page]

THE LENDER:

JPMORGAN CHASE BANK, N.A., a national banking association

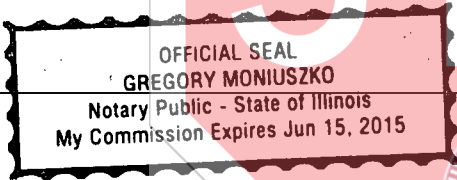
By: Jason M Leix
Name: Jason Leix
Title: Vice President

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The undersigned, a Notary Public in and for the said County, in the State aforesaid, DOES HEREBY CERTIFY that Jason Leix, the Vice President of JPMORGAN CHASE BANK, N.A., a national banking association, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Vice President, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her 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 17th day of Jan, 2013.

[SEAL]



[Signature]
Notary Public



SIGNATURE PAGE—LENDER
FIRST AMENDMENT TO SECURITY DOCUMENTS
FAMILY VIDEO MOVIE CLUB INC.
LAKE COUNTY, INDIANA (STORE NO. 74)

**THIS DOCUMENT WAS PREPARED BY,
~~AND AFTER RECORDING, RETURN TO:~~**

Michael D. Burstein
MUCH SHELIST
191 North Wacker Drive
Suite 1800
Chicago, Illinois 60606.1615

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.



Printed Name: Michael D. Burstein

~~Return to:~~

First American Title Insurance Company
Attn: Haley Wrenn
30 N. LaSalle St, Suite 2700
Chicago, IL 60602



AFFIRMATION PAGE
FIRST AMENDMENT TO SECURITY DOCUMENTS
FAMILY VIDEO MOVIE CLUB INC.
LAKE COUNTY, INDIANA (STORE NO. 74)

4109634

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

THAT PART OF OUTLOT "A" FOREST HILL ADDITION TO LOWELL, AS SHOWN IN PLAT BOOK 27, PAGE 33, IN LAKE COUNTY, INDIANA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF SAID OUTLOT "A", AND RUNNING THENCE WEST ON THE NORTH LINE OF SAID LOT 200 FEET; THENCE SOUTH AT RIGHT ANGLES 187.10 FEET; THENCE EAST AT RIGHT ANGLES 130.45 FEET TO THE EASTERLY LINE OF SAID OUTLOT "A"; THENCE NORTHEASTERLY 200 FEET TO THE PLACE OF BEGINNING.

PROPERTY ADDRESS OF REAL ESTATE:

1520 East Commercial
Lowell, Indiana

PARCEL NUMBER AND STATE ID NUMBER:

17-04-0051-0026 / 45-19-25-126-002.000-008

