

Bank of Hope v. Ka Soen Tie, et al.

BANK OF HOPE'S MOTION FOR ENTRY OF JUDGMENT BY CONFESSION

EXHIBIT "A"

Bank of Hope as successor to Foster Bank,)
 Plaintiff,) No.
 v.)
 Ka Soen Tie, Lushia Yun Tie and Fox Cleaners Co.,)
 Defendant(s).)

I, Song Cho, being first duly sworn on oath, depose and state as follows:

1. I am over 18 years of age and competent.
2. This affidavit is made on my personal knowledge and the documents contained herein, and if sworn as a witness, I could and would competently testify to the facts contained herein and documents attached hereto.
3. I am employed by Bank of Hope as successor to Foster Bank (herein "Bank"), Plaintiff in the above-captioned cause, as a First Vice President. One of my duties as First Vice President is to review loan accounts to ensure that timely payments are made and to ensure compliance with other loan terms. I am authorized to make this affidavit.
4. In my capacity as First Vice President, I am personally familiar with the files, ledgers and records kept by the Bank and have access to all documents processed by the Bank that relate to the loan made by it to Ka Soen Tie and Lushia Yun Tie (collectively, "Borrowers") and guaranteed by Fox Cleaners Co. ("Guarantor").
5. My full and careful review of the loan documents, itemization of interest charges, late fees and principal balance in the above-captioned suit relating to Borrowers and Guarantor shows the following:

- A. On or about February 24, 2006, Ka Soen Tie and Lushia Yun Tie (collectively, "Borrowers") executed a promissory note ("Note") in favor of Plaintiff in the original amount of \$140,000.00. A true and correct copy of the Note is attached hereto as "Exhibit 1."
- B. To secure the Note, Borrowers executed a mortgage ("Mortgage") on the property commonly known as 219 E. 69th St., Chicago, IL 60637. A true and correct copy of the Mortgage is attached hereto as "Exhibit 2."
- C. On or about April 28, 2011, Borrowers executed an Amendment/Extension to the Note ("Amendment") adjusting the interest rate and extending the maturity date of the Note to March 1, 2016 ("Maturity Date"). A true and correct copy of the Amendment/Extension is attached hereto as "Exhibit 3."
- D. Borrowers defaulted on the Note by failing to make the August 1, 2013 payment and on or about June 13, 2014, Borrowers entered into a Forbearance Agreement ("Forbearance"), under which Plaintiff agreed to forbear enforcing its rights under the Note pursuant to the terms of the Forbearance. A true and correct copy of the Forbearance is attached hereto as "Exhibit 4."
- E. To induce the Bank to enter into the Forbearance, Guarantor executed a Commercial Guaranty ("Guaranty"), under which Guarantor guaranteed full and prompt payment of the indebtedness due and owing under the Note. A true and correct copy of the Guaranty is attached hereto as part of "Exhibit 4."
- F. Borrowers and Guarantor defaulted on the Note by failing to pay the balance in full on or before the Maturity Date.
- G. As of January 25, 2017, the amount in default under the Note is \$154,134.66, which includes principal in the amount of \$118,289.09, interest in the amount of

\$14,577.92, late charges of \$8,037.99, environmental charges of \$9,350.00, appraisal fees of \$3,300.00, force placed insurance fees of \$366.92 and other fees of \$212.74.

The Note has a per diem interest rate of \$16.43, with attorneys' fees and costs to be added pursuant to separate affidavits from Ashen | Faulkner.

6. The matters set forth in this Affidavit are true in substance and in fact and are based upon my own personal knowledge and upon my own personal review of Borrowers' loan records, including the Loan Payoff Statement dated January 25, 2017 ("Payoff") now held and maintained in the normal and ordinary course of the Bank's business. A true and correct copy of the Payoff is attached hereto as "Exhibit 5."

7. I prepared the attached Payoff in the regular course of business of the Bank and it was in the regular course of the Bank's business at or around the date the Payoff was generated to produce such documents.

8. The Payoff was generated from the Bank's electronic accounting/payment management system Fiserv (herein "Fiserv") which automatically calculates, tracks and maintains balances and interest owed based upon parameters inputted into the system as set forth in the underlying obligation, in this case the Note, and triggered by payment activity in relation to the obligation.

9. It is the Bank's regular and ordinary course of business to enter incoming credits, payments or costs into Fiserv at or near the time payment or credit are received and all credits and payments made to the Bank for application to the indebtedness of the Note are reflected in the statement. Fiserv is recognized as standard in the finance industry and produces an accurate record in the form of the Payoff when properly employed and I properly employed and operated Fiserv to generate the Payoff. Fiserv operates on computing equipment recognized as standard in the finance industry and is utilized in the regular course of the Bank's business.

10. The Bank has performed all that has been required of it to be performed under the Note. The Bank has demanded that Borrowers and Guarantor fulfill their obligations under the Note, Guaranty and Forbearance, however, they have refused and continue to refuse to fulfill their obligations.

11. Under penalties provided by law pursuant to Section 1-109 of the Illinois Code of Civil Procedure and 28 U.S. Code § 1746, the undersigned certifies that the statements set forth in this instrument are true and correct.

By: 

Song Cho,
First Vice President, Bank of Hope

Dated: January 25, 2017

Bank of Hope v. Ka Soen Tie, et al.

AFFIDAVIT OF SONG CHO

EXHIBIT "1"

KA SOEN TIE; LUSHIA YUN TIE 3006 SOUTH LYMAN STREET CHICAGO, IL 60608	FOSTER BANK 5225 N KEDZIE CHICAGO, IL 60625	Loan Number 9000811-1 Date 02-24-2006 Maturity Date 03-01-2011 Loan Amount \$ 140,000.00 Renewal Of
BORROWER'S NAME AND ADDRESS "I" includes each borrower above, jointly and severally.	LENDER'S NAME AND ADDRESS "You" means the lender, its successors and assigns.	

For value received, I promise to pay to you, or your order, at your address listed above the PRINCIPAL sum of one hundred forty thousand and no/100 Dollars \$ 140,000.00

- ☒ **Single Advance:** I will receive all of this principal sum on 02-24-2006. No additional advances are contemplated under this note.
- ☐ **Multiple Advance:** The principal sum shown above is the maximum amount of principal I can borrow under this note. On _____ I will receive the amount of \$ _____ and future principal advances are contemplated.
- Conditions: The conditions for future advances are _____

- ☐ **Open End Credit:** You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on _____.

- ☐ **Closed End Credit:** You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

INTEREST: I agree to pay interest on the outstanding principal balance from 02-24-2006 at the rate of 7.000 % per year until 03-01-2011.

- ☐ **Variable Rate:** This rate may then change as stated below.

- ☐ **Index Rate:** The future rate will be _____ the following index rate: _____

- ☐ **No Index:** The future rate will not be subject to any internal or external index. It will be entirely in your control.

- ☐ **Frequency and Timing:** The rate on this note may change as often as _____.

A change in the interest rate will take effect _____.

- ☐ **Limitations:** During the term of this loan, the applicable annual interest rate will not be more than _____ % or less than _____ %.

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:

- ☐ The amount of each scheduled payment will change. ☐ The amount of the final payment will change.

ACCUAL METHOD: Interest will be calculated on a Actual/360 basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

- ☐ on the same fixed or variable rate basis in effect before maturity (as indicated above).

- ☒ at a rate equal to **5% OVER THE INTEREST RATE IDENTIFIED IN THIS NOTE**

- ☒ **LATE CHARGE:** If a payment is made more than 15 days after it is due, I agree to pay a late charge of 5.000% of the late amount with a min of \$25.00

- ☐ **RETURN CHECK CHARGE:** I agree to pay the greater of \$ _____ or all costs and expenses incurred in connection with any payment on this loan that is returned because it has been dishonored.

- ☐ **ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which ☐ are ☐ are not included in the principal amount above: _____

PAYMENTS: I agree to pay this note as follows:

59 monthly payments of \$999.79 beginning 04-01-2006 and 1 balloon payment of \$128,810.16 on 03-01-2011.

ADDITIONAL TERMS:

1. First mortgage and an assignment of rents against a commercial property located at 219 E. 69th St., Chicago, IL 60637. 2. Third mortgage against a residential property located at 3006 S. Lyman St., Chicago, IL 60608. Prepayment Penalties: If the Lender receives a prepayment on or before the 1st anniversary of the date of the first payment due date of the Note, the Penalty shall be equal to 5% of the remaining Principal balance of the Note. If the Lender receives a prepayment after the 1st anniversary but on or before the 2nd anniversary of the date of the first payment due date of the Note, the Penalty shall be equal to 4% of the remaining Principal balance of the Note. If the Lender receives a prepayment after the 2nd anniversary but on or before the 3rd anniversary of the date of the first payment due date of the Note, the Penalty shall be equal to 3% of the remaining Principal balance of the Note. If the Lender receives a prepayment after the 3rd anniversary but on or before the 4th anniversary of the date of the first payment due date of the Note, the Penalty shall be equal to 2% of the remaining Principal balance of the Note. If the Lender receives a prepayment after the 4th anniversary of the date of the first payment due date of the Note, but before the due date of the Note, the Penalty shall be equal to 1% of the remaining Principal balance of the Note.

- ☐ **SECURITY:** This note is separately secured by (describe separate document by type and date): _____

(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

Signature for Lender

Christine Yoon

PURPOSE: The purpose of this loan is TO PAYOFF CURRENT MORTGAGE AND CASH OUT

- ☐ **CONFESSION OF JUDGMENT:** I agree to the terms of the "Confession of Judgment" paragraph on page 2.

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

KA SOEN TIE

LUSHIA YUN TIE

UNIVERSAL NOTE

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Scanned and Verified by: BBCNJK05706 on 3/17/2014

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AFFIDAVIT OF SONG CHO

EXHIBIT "2"

0013
This instrument was prepared by:
FOSTER BANK
5225 N KEDZIE
CHICAGO, IL 60625



Doc#: 0605842250 Fee: \$44.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 02/27/2008 11:31 AM Pg: 1 of 11

When recorded return to (name, address):

FOSTER BANK
5225 N KEDZIE
CHICAGO, IL 60625
LOAN 1000611-1

State of Illinois

Space Above This Line For Recording Data

REAL ESTATE MORTGAGE

(With Future Advance Clause)

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is 02-24-2006 and the parties, their addresses and tax identification numbers, if required, are as follows:

MORTGAGOR: KA SOEN TIE and LUSHIA YUN TIE, AS JOINT TENANTS
3006 SOUTH LYMAN STREET
CHICAGO, IL 60608

☐ If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

LENDER: FOSTER BANK
Organized and existing under the laws of the state of Illinois
5225 N KEDZIE
CHICAGO, IL 60625

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, sells, conveys, mortgages and warrants to Lender the following described property:
SEE ATTACHED EXHIBIT A

The property is located in COOK at 219 EAST 69TH STREET

(County)

CHICAGO

(City)

Illinois 60637

(Zip Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, crops, timber, all diversion payments or third party payments made to crop producers, all water and riparian rights, wells, ditches, reservoirs, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:

A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)

SEE ATTACHED "EXHIBIT B" A COPY OF THE PROMISSORY NOTE WHICH SECURED BY THIS MORTGAGE.

BOX 334

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- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Mortgagor owes to Lender, which now exist or may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

- 4. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
- 5. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
 - A. To make all payments when due and to perform or comply with all covenants.
 - B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
 - C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
- 6. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
- 7. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
- 8. **TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if:
 - A. A beneficial interest in Mortgagor is sold or transferred.
 - B. There is a change in either the identity or number of members of a partnership or similar entity.
 - C. There is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity.

However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.

- 9. **ENTITY WARRANTIES AND REPRESENTATIONS.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall continue as long as the Secured Debt remains outstanding:
 - A. Mortgagor is duly organized and validly existing in Mortgagor's state of incorporation or organization. Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.
 - B. The execution, delivery and performance of this Security Instrument by Mortgagor and the obligations evidenced by the Secured Debt are within the power of Mortgagor, have been duly authorized, have received all

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necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.

- C. Other than previously disclosed in writing to Lender, Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

10. PROPERTY CONDITION, ALTERATIONS AND INSPECTION. Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

11. AUTHORITY TO PERFORM. If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

12. ASSIGNMENT OF LEASES AND RENTS. Mortgagor assigns, grants, bargains, conveys, mortgages and warrants to Lender as additional security all the right, title and interest in the following (Property).

- A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to, any extensions, renewals, modifications or replacements (Leases).
- B. Rents, issues and profits, including but not limited to, security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Mortgagor will not collect in advance any Rents due in future lease periods, unless Mortgagor first obtains Lender's written consent. Upon default, Mortgagor will receive any Rents in trust for Lender and Mortgagor will not commingle the Rents with any other funds. When Lender so directs, Mortgagor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment.

As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Mortgagor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Mortgagor or any party to the Lease defaults or fails to observe any applicable law, Mortgagor will promptly notify Lender. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance.

Mortgagor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Mortgagor will not assign,

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compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

13. LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS. Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

14. DEFAULT. Mortgagor will be in default if any of the following occur:

- A. Any party obligated on the Secured Debt fails to make payment when due;
- B. A breach of any term or covenant in this Security Instrument or any other document executed for the purpose of creating, securing or guarantying the Secured Debt;
- C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
- D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any other person or entity obligated on the Secured Debt;
- E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
- F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
- G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

15. REMEDIES ON DEFAULT. In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default. Upon default, Lender shall have the right, without declaring the whole indebtedness due and payable, to foreclose against all or part of the Property and shall have the right to possession provided by law. This Security Instrument shall continue as a lien on any part of the Property not sold on foreclosure.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

16. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS. Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. This Security Instrument shall remain in effect until released. Lender agrees to pay for any recordation costs of such release.

17. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) Environmental Law means all federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.

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- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law and Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
- E. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
- F. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.
- G. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
- H. Lender may perform any of Mortgagor's obligations under this section at Mortgagor's expense.
- I. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Security Instrument without prejudice to any of Lender's rights under this Security Instrument.
- J. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

18. CONDEMNATION. Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

19. INSURANCE. Mortgagor agrees to maintain insurance as follows:

- A. Mortgagor shall keep the Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debt. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

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Unless otherwise agreed in writing, all insurance proceeds shall be applied to restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.

C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

20. ESCROW FOR TAXES AND INSURANCE. Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

21. FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS. Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.

22. JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND. All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.

23. APPLICABLE LAW; SEVERABILITY; INTERPRETATION. This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.

24. NOTICE. Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

25. WAIVERS. Except to the extent prohibited by law, Mortgagor hereby waives and releases any and all rights and remedies Mortgagor may now have or acquire in the future relating to the right of homestead exemption, redemption, reinstatement, appraisement, the marshalling of liens and assets and all other exemptions as to the Property.

26. MAXIMUM OBLIGATION LIMIT. The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 140,000.00. This limitation of amount does not include interest, attorneys fees, and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

27. U.C.C. PROVISIONS. If checked, the following are applicable to, but do not limit, this Security Instrument:

- ☐ **Construction Loan.** This Security Instrument secures an obligation incurred for the construction of an improvement on the Property.
- ☐ **Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property.
- ☐ **Crops; Timber; Minerals; Rents, Issues and Profits.** Mortgagor grants to Lender a security interest in all crops, timber and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").

(page 6 of 8)

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- ☐ **Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property, including all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property (all of which shall also be included in the term "Property"). The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.
- ☐ **Filing As Financing Statement.** Mortgagor agrees and acknowledges that this Security Instrument also suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.

28. OTHER TERMS. If checked, the following are applicable to this Security Instrument:

- ☐ **Line of Credit.** The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.
- ☐ **Separate Assignment.** The Mortgagor has executed or will execute a separate assignment of leases and rents. If the separate assignment of leases and rents is properly executed and recorded, then the separate assignment will supersede this Security Instrument's "Assignment of Leases and Rents" section.

SIGNATURES: By signing below, Mortgagor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

Entity Name: _____

(Signature) KA SOEN TIE (Date) 2-24-06
(Signature) _____ (Date) _____

(Signature) LUSHIA YUN TIE (Date) 2-24-06
(Signature) _____ (Date) _____

ACKNOWLEDGMENT:

(Individual) STATE OF Illinois, COUNTY OF COOK) ss.
This instrument was acknowledged before me this 24th day of February, 2006
by KA SOEN TIE; LUSHIA YUN TIE, AS JOINT TENANTS
My commission expires: 4/8/08



Mary R. Peterson
(Notary Public)

(Business
or Entity
Acknowledgment)

STATE OF _____, COUNTY OF _____} ss.

This instrument was acknowledged before me this _____ day of _____

by _____

_____ (Title(s))

of _____ (Name of Business or Entity)

a _____ on behalf of the business or entity.

My commission expires:

(Notary Public)

EXHIBIT A

LEGAL DESCRIPTION:

LOT 27, 28, 29, AND 30 IN BLOCK "B", IN SONNENSCHNEID AND SOLOMON
PARK MANOR SUBDIVISION OF BLOCKS 5, 7 AND 12 IN FREER SUBDIVISION
OF THE EAST ½ OF THE SOUTHWEST ¼ OF SECTION 22, TOWNSHIP 38
NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK
COUNTY, ILLINOIS

PIN: 20-22-315-008-0000
20-22-315-009-0000
20-22-315-010-0000
20-22-315-011-0000

ADDRESS: 219 EAST 69TH STREET, CHICAGO, ILLINOIS

Bank of Hope v. Ka Soen Tie, et al.

AFFIDAVIT OF SONG CHO

EXHIBIT “3”

4

**AMENDMENT/EXTENSION
TO
COMMERCIAL MORTGAGE BALLOON NOTE**

Date of Note: February 24, 2006
Amount of Note: \$140,000.00
Interest Rate: 7.00% Fixed
Amortized Period: 300 Months
Maturity Date: March 1, 2011

Borrower/Mortgagor: Ka Soen Tie and Lushia Yun Tie

Lender/Mortgagee: Foster Bank, an Illinois Banking Corporation

In consideration of Ten Dollars and other good valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties, the Borrower and Lender do hereby agree to amend the above identified Note as follows:

New amount of Note: **ONE HUNDRED THIRTY THOUSAND TWO HUNDRED THIRTY EIGHT AND 97/100 UNITED STATES DOLLARS (\$130,238.97)**

New Interest Rate: 6.50 % Fixed
Effective date of new interest rate: April 28th, 2011
New Monthly Payment: \$971.03
New Amortization Period: 240 Months
New Maturity Date: March 1, 2016

Prepayment Penalties: If the Lender receives a prepayment on or before the 1st anniversary of the date of the first payment due date of the Note, the Penalty shall be equal to 5% of the remaining Principal balance of the Note. If the Lender receives a prepayment after the 1st anniversary but on or before the 2nd anniversary of the date of the first payment due date of the Note, the Penalty shall be equal to 4% of the remaining Principal balance of the Note. If the Lender receives a prepayment after the 2nd anniversary but on or before the 3rd anniversary of the date of the first payment due date of the Note, the Penalty shall be equal to 3% of the remaining Principal balance of the Note. If the Lender receives a prepayment after the 3rd anniversary but on or before the 4th anniversary of the date of the first payment due date of the Note, the Penalty shall be equal to 2% of the remaining Principal balance of the Note. If the Lender receives a prepayment after the 4th anniversary of the date of the first payment due date of the Note, but before the due date of the Note, the Penalty shall be equal to 1% of the remaining Principal balance of the Note.

All other terms and conditions of the Note shall remain the same.

Dated this 3rd day of April, 2011

Lender/Mortgagee:

FOSTER BANK, an Illinois banking corporation

BY: 

TITLE: Dong Hoon Kim, Loan Officer

Borrower: Ka Soen Tie and Lushia Yun Tie


Ka Soen Tie


Lushia Yun Tie

Bank of Hope v. Ka Soen Tie, et al.

AFFIDAVIT OF SONG CHO

EXHIBIT “4”

FORBEARANCE AGREEMENT

This Forbearance Agreement ("Agreement") is made and entered into as of June 13, 2014, by and among Ka Soen Tie and Lushia Yun Tie (collectively "Borrower"), Fox Cleaners Co. ("Fox") and BBCN Bank f/k/a Foster Bank ("Lender").

RECITALS

WHEREAS, on or about February 24, 2006, Borrower executed a Promissory Note in favor of Lender in the amount of One Hundred and Forty Thousand 00/100 Dollars (\$140,000.00) (herein "Note");

WHEREAS, on or about April 28, 2011, Borrower executed an Amendment/Extension to Commercial Mortgage Balloon Note ("Note Amendment") adjusting the interest rate and extending the maturity date to March 1, 2016 ("Maturity Date");

WHEREAS, as security for the Note, on or about February 24, 2006, Borrower signed a Real Estate Mortgage ("Mortgage") to Lender on the property located at 219 East 69th Street, Chicago, IL 60637;

WHEREAS, on or about March 1, 2011, Borrower signed a Mortgage Extension Agreement ("Mortgage Extension") acknowledging the adjusted interest rate and extending the Maturity Date.

WHEREAS, the Note, Note Amendment, Mortgage and Mortgage Extension shall hereafter be referred to collectively as "Loan Documents".

WHEREAS, Borrower is in default of the Loan Documents for failing to pay the August 1, 2013 loan payment and each payment thereafter, and as of April 21, 2014, the total amount Borrower owes Lender under the Loan Documents is \$122,896.21 ("Loan Balance"). In addition, interest, attorney's fees and costs continue to accrue under the Loan Documents and Borrower remains liable for the same (all payment obligations described in of this Paragraph shall be referred to collectively as the "Indebtedness");

WHEREAS, Borrower has requested that the Lender forbear from exercising its rights under the Loan Documents through the Forbearance Period, and Lender has agreed to forbear from exercising its rights through the Forbearance Period pursuant to the terms and provisions stated below;

WHEREFORE, in consideration of mutual promises and covenants and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Incorporation of Recitals. Borrower acknowledges and agrees that the Recitals set forth above are true and accurate and are incorporated into and form a part of this Agreement.

2. Forbearance Period. The Forbearance Period shall begin on the date of this Agreement and end on the earlier to occur of (i) May 1, 2015, (ii) immediately upon the failure of Borrower or Fox to observe or perform any of their obligations or agreements under this Agreement or any of the Loan Documents, (iii) the Property or commercial assets of Borrower or Fox are sold or (iv) the filing of a petition for Bankruptcy by the Borrower or Fox.
3. Forbearance Period Covenants. During the Forbearance Period, the following conditions precedent must be satisfied and maintained by the Borrower and Fox:
- (a) In consideration of Lender's Forbearance on its rights as set forth in this Agreement, Borrower hereby agrees to execute and deliver to Lender (i) a commercial guaranty from Fox in the amount of the Indebtedness (Attached as "Exhibit A") and (ii) a Commercial Security Agreement on all the business assets of Fox (Attached as "Exhibit B").
 - (b) Borrower shall repay the Indebtedness during the Forbearance Period under the following terms:
 - i. Upon execution of this Agreement, the May 1, 2014 payment of \$1,500.00 shall be immediately due and owing Lender;
 - ii. Beginning June 1, 2014, and continuing on the first (1st) day of each month thereafter through April 1, 2015, Borrower shall make monthly installments payments of \$1,500.00 to Lender;
 - iii. The interest rate under this Agreement will be reduced from 6.5% to 5% fixed;
 - iv. Principal and interest payments under the Note from August 1, 2013 through April 1, 2015 are deferred through the Forbearance Period;
 - v. Upon the Forbearance Period expiring, the remaining Loan Balance, including all deferred payments under this Agreement, will be re-amortized through the Maturity Date of the Note. Beginning May 1, 2015, and continuing on the first day of each month thereafter through the Maturity Date, Borrower shall make equal monthly installments payments to Lender on the remaining Loan Balance through March 1, 2016. If on March 1, 2016 the Note is not paid in full, one final balloon payment shall be due and owing Lender for the remaining Loan Balance due on the Note.
 - (c) All Payments made by Borrower or Fox under this Agreement shall be applied to the Indebtedness at the Lender's sole and absolute discretion. The failure by Borrower or Fox to perform any obligation under this Agreement for a period in excess of seven (7) days after written notice will be an immediate default.
4. Terms of Agreement. Nothing contained in this Agreement shall be construed in such a manner as to require the Lender to extend the Forbearance Period beyond May 1, 2015 or modify the terms of the Loan Documents; provided, however, that the Lender may, one or more times, but shall have no obligation to, extend the Forbearance Period to a date or dates subsequent to May 1, 2015 and/or modify the terms of the Loan Documents once the

Forbearance period has ended. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, on May 1, 2015, the Lender's agreement to forbear under this Agreement will terminate, and the Lender shall have the right, without additional notice, to proceed to exercise all of the Lender's Forbearance Period rights and post-Forbearance Period rights under this Agreement, as well as all rights and remedies under the Loan Documents.

5. Notices. Notice from one party to another relating to this Agreement shall be deemed effective if made in writing (including telecommunications) and delivered to the recipient's address, e-mail address, or facsimile number set forth below by any of the following means (a) hand delivery, (b) registered or certified mail, postage prepaid, (c) Federal Express, or like overnight courier service, (d) telecopy, facsimile, (e) e-mail transmission, or other wire transmission with request for assurance of receipt in a manner typical with respect to communications of that type or (f) Regular U.S. Mail Postage Prepaid. Notice made in accordance with this section shall be deemed delivered on receipt of delivered by hand or wire transmission, on the third business day after mailing if mailed regular U.S. mail, registered or certified mail, or on the next business day after mailing or deposit with an overnight courier service.

Lender's Atty: Deborah Ashen, Esq.
Ashen/Faulkner
217 N. Jefferson St., Suite 601
Chicago, IL 60661
F: (312) 655-0801
P: (312) 655-0800
E-mail: dsa@ashenlaw.com

Lender: BBCN Bank
3731 Wilshire Blvd, Ste. 1000
Los Angeles, CA 90010

Borrower & Guarantors: Ka Soen Tie and Lushia Yun Tie
3132 S. May St.
Chicago, IL 60608

Fox Cleaners Co.
c/o Ka Soen Tie, President
3132 S. May St.
Chicago, IL 60608

6. Prohibition on Assignment. This Agreement may not be assigned without the prior written consent of the Lender, which may be withheld for any or no reason. Any attempt to assign this Agreement without written consent of the Lender shall be void and without force or effect.
7. Previous Representations. The Borrower and Fox represent and warrant to Lender that all written representations, information and statements made, provided, or delivered to Lender by Borrower, Fox, or persons acting at their request or on its behalf, were and are complete

and accurate in all material respects and were not and are not misleading (by inclusion or omission) in any material respect.

8. No Release. Nothing contained in this Agreement, the discussions or communications leading up to this Agreement or any Loan Documents mentioned in this Agreement shall waive the Lender's right to possession of any property or the commercial assets of Borrower or the commercial assets of Fox, or any right or remedy of Lender under the Loan Documents, or at law or in equity.
9. Survival of Loan Documents. Notwithstanding anything to the contrary contained in this Agreement, the Loan Documents are in full force and effect in accordance with their respective terms, are and remain valid and binding obligations of the Borrower and Fox, and are hereby reaffirmed and ratified by the parties. The liens, security interest and assignments created by the Loan Documents and this Agreement are and continue to be valid, effective, properly perfected, enforceable and, except as otherwise expressly released or agreed to by Lender in writing, are hereby ratified and confirmed in all respects.
10. Conflict. This Agreement and all Loan Documents referenced in this Agreement shall be construed to the maximum extent possible to avoid any conflict between the respective provisions of such documents, but in the event of any irreconcilable conflict the terms of this Agreement shall govern.
11. Waiver of Defenses. Borrower and Fox acknowledge and agree that (a) the Loan Documents to which Borrower and Fox are a party are the legal, valid and binding obligations of Borrower and Fox, enforceable against Borrower and Fox in accordance with their respective terms, (b) Borrower and Fox have no defenses of any nature whatsoever to the enforcement of the Loan Documents or security instruments referenced in this Agreement, and (c) Borrower and Fox have no claims, counterclaims or offsets against Lender in respect of the Loan Documents or security instruments referenced in this Agreement, or which could be asserted against Lender by reason of any act, conduct or omission of Lender, nor shall this Agreement or the Forbearance contemplated by this Agreement give rise to any such defenses, claims, counterclaims or offsets. Borrower and Fox consent to all of the transactions contemplated by this Agreement, and except as expressly modified by this Agreement, ratifies and affirms the continuing validity and enforceability of the Loan Documents or security instruments referenced in this Agreement. The consents, releases, waivers and acknowledgments of Borrower and Fox in this Agreement shall survive the termination or expiration of this Agreement.
12. Acknowledgement of Default. Borrower and Fox acknowledge and agree that (a) Borrower is in default under the Loan Documents for failing to make the monthly payments due and owing and such default is material and entitle the Lender to pursue all of its remedies under the Loan Documents or security instruments referenced in this Agreement, or otherwise available at law or in equity, with all applicable grace periods and requirements of notice of default having been satisfied or waived, and (b) as a result of such defaults, and the satisfaction or waiver of all applicable grace periods and notices of default, the Lender is entitled to pursue all of its rights and remedies under the Loan Documents and security agreements created under this Agreement.

13. Release of Claims by the Borrower and Fox. Except for the Lender's obligations under this Agreement, Borrower and Fox, for themselves and on behalf of their agents, employees, representative, affiliates, predecessors-in-interest, successors, and assigns (such persons and entities other than the Borrower or Fox are referred to collectively as the "Other Releasors"), do hereby release, discharge and acquit the Lender, and its officers, directors, shareholder, agents, employees, and affiliates and their respective successors, heirs and assigns (collectively, the "Released Party"), of and from any and all rights, claims, demands, obligations, liabilities, indebtedness, breaches of contract, breaches of duty or any relationship, acts, omissions, misfeasance, malfeasance, causes of action, promises, damages, costs, losses and expenses of every kind, nature, description or character, and irrespective of how, why or by reason of what facts, which could or may be claimed to exist, whether known or unknown, suspected or unsuspected, liquidated or unliquidated, claimed or unclaimed, whether based on contract, tort, breach of any duty, or other legal or equitable theory of recovery, each as though fully set forth herein at length (collectively the "Claims"), which in any way arise out of, are connected with or relate to any or all of the following: (a) the Loan Documents and security agreements referenced in this Agreement, as well as any action or inaction of the Released Parties or any of them with respect to the Loan Documents or security agreements referenced in this Agreement or the administration thereof; (b) any or all of the transactions which are the subject of or contemplated by any or all of the Loan Documents or security agreements mentioned in this Agreement; or (c) any fact, matter or transaction existing or occurring as of or prior to the execution of this Agreement by the parties and relating to this Agreement, the Loan Documents, or all other documents referenced in this Agreement.
14. No Waiver by the Lender. This Agreement by the Lender to forbear from exercising its rights and remedies under the Loan Documents or all other documents referenced in this Agreement shall not constitute a waiver of, consent to, or condoning of any default by Borrower and Borrower and Fox agree that the Lender may immediately exercise all rights and remedies available to it under the Loan Documents and the commercial assets of Fox immediately upon termination of the Forbearance Period or upon a default by Borrower or Fox.
15. No Waiver. No waiver by the Lender of any of its rights or remedies in connection with this Agreement, any documents referenced in this Agreement, or the Loan Documents or all other documents referenced in this Agreement, shall be effective unless such waiver is in writing and signed by the Lender.
16. No Third Party Beneficiaries. Nothing in this Agreement is intended to or shall confer any rights or remedies upon any person, other than the parties hereto and, subject to any restrictions on assignment contained in this Agreement, the Loan Documents, or all other documents referenced in this Agreement, their respective successors and assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
17. Fees. Nothing in this Agreement shall (a) diminish or otherwise limit any obligation Borrower and Fox may have under the Loan Documents or in this Agreement with respect

to payment of the Lender's costs and expenses, or (b) prevent the Lender from requiring Borrower or Fox to pay all such costs and expenses in accordance with the terms of the Loan Documents or in this Agreement, including, but not limited to reasonable attorneys' fees and court costs.

18. Entire Agreement. This Agreement, all documents to be delivered and executed pursuant to this Agreement, and the Loan Documents contain the entire agreement and understanding between the parties concerning the matters covered by this Agreement and supersede all prior and contemporaneous agreements, statements, understandings, terms, conditions, negotiations, representations and warranties, whether written or oral, made by the Lender, Borrower or Fox concerning the matters covered by this Agreement.
19. Confession of Judgment. To secure the payment of the Indebtedness pursuant to this Agreement, Borrower and Fox hereby irrevocably authorize and empower Lender to select any attorney of its choosing to appear in either State or Federal Court in Cook County, Illinois, in term time or vacation and to confess judgment, without process, in favor of the holder of this Confession, for such amounts as may appear to be unpaid thereon, together with reasonable costs of collection, including but not limited to attorney's fees and to waive and release all errors which may intervene in such proceedings, consent to immediate execution upon such judgment, hereby ratifying and confirming all that said attorney may do by virtue hereof. If a copy of the Loan Documents or all other documents referenced in this Agreement verified by an affidavit, shall have been filed in the proceeding, it will not be necessary to file the original as a warrant of attorney. Agreement, Borrower and Fox waive the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. No single exercise of the foregoing warrant and power to confess judgment will be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be invalid, voidable, or void; but the power will continue undiminished and may be exercised from time to time as Lender may elect until all amounts owing herein have been paid in full. Agreement, Borrower and Fox hereby waive and release any and all claims or causes of action which Agreement, Borrower and Fox might have against any attorney acting under the terms of authority which Agreement, Borrower and Fox have granted herein arising out of or connected with the confession of judgment hereunder. The undersigned acknowledges that this Confession does not secure payment of monies pursuant to a "Consumer Transaction" as defined in 735 ILCS 5/2-1301. The undersigned hereby waives the right to present for payment, notice of dishonor, and protest. Additionally, the undersigned hereby states that they have read and understand this document in full, are not now under the influence of any alcohol, drugs, or other intoxicating substance, nor any duress, undue influence or incapacity and agree and consents to be fully bound by the terms herein.
20. Time of the Essence. Time is of the essence of each provision of this Agreement.
21. Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each such term and provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

22. Execution and Counterparts. This Agreement may be executed in any number of counterparts so long as each signatory hereto executes at least one such counterpart. Each such counterpart shall constitute one original, but all such counterparts taken together shall constitute one and the same instrument. This Agreement may be signed and transmitted by facsimile transmission or by electronic transmission; the signature of any person by facsimile transmission or electronic transmission shall be considered an original signature; and a facsimile or electronic copy hereof shall have the same binding effect as an original signature on an original document.
23. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Illinois, County of Cook.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth on page 1.

BBCN Bank f/k/a Foster Bank, N.A.

By: [Signature]

Its: Chong W. Kim / VP, BM

By: [Signature]

Lushia Yun Tie

By: [Signature]

Ka Soen Tie

Fox Cleaners Co.

By: [Signature]

Its:

Ka Soen Tie

President

(EXHIBIT A)

COMMERCIAL GUARANTY

THIS COMMERCIAL GUARANTY ("Guaranty") is made as of this ____ day of June, 2014 by Fox Cleaners Co. (herein as "Guarantor"), to and for the benefit of BBCN Bank f/k/a Foster Bank ("Lender").

WITNESSETH:

WHEREAS, on or about February 24, 2006, Ka Soen Tie and Lushia Yun Tie (collectively "Borrower") executed a Promissory Note in favor of the Lender in the amount of One Hundred and Forty Thousand 00/100 Dollars (\$140,000.00) (herein "Note");

WHEREAS, on or about April 28, 2011, Borrower executed an Amendment/Extension to Commercial Mortgage Balloon Note ("Note Amendment") adjusting the interest rate and extending the maturity date to March 1, 2016;

WHEREAS, as security for the Note, on or about February 24, 2006, Borrower signed a Real Estate Mortgage ("Mortgage") to Lender on the property located at 219 East 69th Street, Chicago, IL 60637;

WHEREAS, on or about March 1, 2011, Borrower signed a Mortgage Extension Agreement ("Mortgage Extension") acknowledging the adjusted interest rate and extended maturity date.

WHEREAS, the Note, Note Amendment, Mortgage and Mortgage Extension shall hereafter be referred to collectively as "Loan Documents".

WHEREAS, Borrower is in default of the Loan Documents for failing to pay the August 1, 2013 loan payment and each payment thereafter, and as of April 21, 2014, the total amount Borrower owes Lender under the Loan Documents is \$134,840.88 ("Loan Balance"). In addition, interest, attorney's fees and costs continue to accrue under the Loan Documents and Borrower remains liable for the same (all payment obligations described in of this Paragraph shall be referred to collectively as the "Indebtedness");

WHEREAS, Borrower has requested that the Lender forbear from exercising its rights under the Loan Documents through the Forbearance Period, and Lender has agreed to forbear from exercising its rights through the Forbearance Period;

WHEREAS, the execution and delivery of this Commercial Guaranty is a condition precedent to the execution and acceptance of the Forbearance Agreement between Lender and Borrower;

NOW, THEREFORE, Guarantor agrees to Guaranty the debt under the Forbearance Agreement and Note as follows:

1. **Guaranty.** Guarantor absolutely, unconditionally and irrevocably guarantees to Lender:

(a) The full and prompt payment of all principal, interest, late fees and other costs under the Note and the Loan Balance under the Forbearance Agreement between Lender and Borrower when payment becomes due to Lender under any and all circumstances;

(b) The full and prompt payment of any other amounts due Lender under any of the other Loan Documents, as and when the same shall in any manner be or become due as provided therein;

(c) The payment of all expenses, including reasonable attorneys' fees, incurred by Lender in exercising any of its rights and remedies under any of the Loan Documents, Note or Forbearance Agreement or incurred by Lender in enforcing this Guaranty (all payment obligations described in Subparagraphs (a), (b) or (c) of this Paragraph 1 being hereinafter referred to collectively as the "Indebtedness");

(d) The full, complete and punctual observance, performance and satisfaction of all obligations, duties and agreements (the "Obligations") of all parties from whom performance is owed to Lender under any of the Loan Documents, Note or Forbearance Agreement (the "Obligors").

2. **Lender's Remedies.** (a) In the event of any default by Borrower under the Note or Forbearance Agreement, after the expiration of any applicable cure period, Guarantor agrees, on demand by Lender, to pay all sums guaranteed or due hereunder regardless of any defense, right of set-off or claims which the Borrower or Guarantor may have against Lender. Guarantor acknowledges and agrees that this Guaranty is an absolute, irrevocable, present and continuing guaranty of payment, and continues regardless of any amendments, modifications, extensions or renewals under the Note or Forbearance Agreement.

(b) In the event that Borrower defaults in the performance of any of the Obligations, Guarantor agrees, on demand by Lender (i) to assume all responsibility for and perform such Obligations in accordance with the terms and conditions of the Note or Forbearance Agreement; (ii) to pay any and all costs and expenses necessary for the full and timely performance of such Obligations; and (iii) except for loss, damage, cost, expense, injury or liability arising out of Lender's gross negligence or willful misconduct, to indemnify and hold Lender harmless from and against any and all loss, damage, cost, expense, injury or liability Lender may suffer or incur in connection with the exercise of its rights under this Guaranty or any other Loan Documents or Forbearance Agreement. If Guarantor fails to commence and pursue diligently the performance of such Obligations within seven (7) days after his receipt of written notice from Lender demanding the performance of Guarantor, then, either before or after pursuing any other remedy of Lender against Guarantor or any other Obligors, and regardless of whether Lender shall ever pursue any such other remedy, Lender shall have the right to itself perform or cause others to perform such Obligations. All amounts required to be paid by Lender in the performance thereof shall be included within the term "Indebtedness" and all obligations performed by Lender pursuant to the terms hereof shall be included within the term "Obligations". Notwithstanding anything to the contrary herein contained, in any action to enforce any of the Obligations of Guarantor under this Guaranty, Lender, at its election, may proceed against Guarantor, with or without: (A) joining any of the other Obligors in

any such action; (B) commencing any action against or obtaining any judgment against any of the other Obligors; or (C) commencing any proceeding to enforce the Loan, realize upon any security interest or collateral or obtain any judgment, decree or foreclosure sale.

3. **No Discharge.** Guarantor agrees that the obligations, covenants and agreements of Guarantor under this Guaranty shall not be affected or impaired by any act of Lender, or any event or condition except full performance of the Obligations and payment of all Indebtedness and any other sums due hereunder. Guarantor agrees that he is directly, jointly and severally, with any other guarantor of the Obligations liable to Lender as same exist or may exist from time to time, that the obligations of Guarantor hereunder are independent of the obligations of Borrower or any other guarantor, and that a separate action may be brought against Guarantor whether such action is brought against Borrower, or any other guarantor or whether Borrower, or any such other guarantor is joined in such action. Guarantor agrees that, without full performance of the Obligations and payment in full of the Indebtedness, the liability of Guarantor hereunder shall not be discharged by: (a) any extension of time for the payment of the Indebtedness or performance of the Obligations under the Note or Forbearance Agreement, or any indulgences or modifications which Lender may extend to any of the Borrowers, or any other agreement relating to the Indebtedness or the Obligations, all whether made with or without the knowledge or consent of Guarantor; (b) any sale, transfer or assignment of all or any portion of the Note or Forbearance Agreement by Lender, its successors and assigns; (c) any consent which Lender may give to any sale, transfer or assignment of all or any portion of the Indebtedness, the Obligations or any collateral securing payment and performance of the Indebtedness or Obligations by any of the Obligors, their permitted successors and assigns; (d) the existence of any defenses to enforcement by Lender of the Note; (e) any failure, omission, delay or inadequacy, whether entire or partial, of Lender to enforce any of the conditions of the Note; (f) the existence of any set-off, claim, reduction, or diminution of the Indebtedness, or any defense of any kind or nature, which Guarantor may have against any of the Obligors or which any party has against Lender except for good faith defenses made by Guarantor; (g) the addition of any and all other guarantors, obligors or other persons liable for the payment of the Indebtedness and performance of the Obligations and the acceptance of any and all other security for the payment of the Indebtedness and performance of the Obligations; (h) the release or discharge of any of the Obligors in bankruptcy or other debtor and creditor proceeding; (i) any rejection or disclaimer of any of the Obligors; (j) foreclosure of the Security Agreement by Lender or the exercise by Lender of any other rights and remedies under any of the Loan Documents; or (k) the performance of such other acts as may be permitted under the Loan as it may be from time to time amended; all whether or not Guarantor shall have had notice or knowledge or any act or omission referred to in the foregoing clauses (a) through (k) of this Paragraph. Guarantor intends that Guarantor shall remain liable hereunder until all Indebtedness shall have been paid in full or released in writing by Lender.

4. **Waiver.** (a) Guarantor expressly waives: (i) notice of the acceptance by Lender of this Guaranty; (ii) excluding notices expressly required herein, notice of the existence, creation, payment or nonpayment of the Indebtedness; (iii) presentment, demand for payment or performance, notice of dishonor, protest, and all other notices whatsoever unless expressly set forth herein; (iv) diligence by Lender in any attempt to collect any Indebtedness or enforce any Obligation; (v) failure by Lender to assert or enforce any rights or remedies available to Lender under the Note, Security Agreement, Initial Guaranty or Forbearance Agreement; and (vi) any failure by Lender to inform Guarantor of any facts Lender may now or hereafter know about the Premises or the transactions contemplated by any of the Loan Documents, it being understood and agreed

that Lender has no duty so to inform and that Guarantor is fully responsible for being and remaining informed by the Obligors of all Indebtedness or Obligations. No modification or waiver of any of the provisions of this Guaranty will be binding upon Lender except as expressly set forth in a writing duly signed and delivered on behalf of Lender. Guarantor waives any right to require Lender to proceed against any of the Obligors or any security or any other guarantor.

(b) Guarantor hereby unconditionally and irrevocably agrees that (i) Guarantor will not at any time assert against any of the Obligors (or any successor of any one of the Obligors if such Obligor becomes bankrupt or becomes the subject of any case or proceeding under the bankruptcy laws of the United States of America) any right or claim to indemnification, reimbursement, contribution or payment for or with respect to any and all amounts Guarantor may pay or be obligated to pay Lender, including, without limitation, the Indebtedness, and any and all obligations which Guarantor may perform, satisfy or discharge, under or with respect to this Guaranty, including, without limitation, the Obligations, and (ii) Guarantor waives and releases all such rights and claims to indemnification, reimbursement, contribution or payment which Guarantor may have now or at any time against any of the Obligors (or any successor of any one of the Obligors if such Obligor becomes bankrupt or becomes the subject of any case or proceeding under the bankruptcy laws of the United States of America). Guarantor further unconditionally and irrevocably agrees that Guarantor shall have no right of subrogation, and waives any right to enforce any remedy which Lender now has or may hereafter have against any of the Obligors, and any security now or hereafter held by Lender, and waives any defense based upon an election of remedies by Lender which destroys or otherwise impairs any subrogation rights of Guarantor or the right of Guarantor to proceed against any of the Obligors for reimbursement, or both.

5. **Enforcement Costs.** If any of the following occur: (a) this Guaranty, Note or Forbearance Agreement is placed in the hands of an attorney for collection or is enforced through any legal proceeding; (b) an attorney is retained to represent Lender in any bankruptcy, reorganization, receivership, or other proceedings affecting creditors' rights and involving a claim under this Guaranty or any of the other Loan Documents or Forbearance Agreement; (c) an attorney is retained to protect or enforce Lender's rights under any of the Loan Documents or (d) an attorney is retained to represent Lender in any other proceedings whatsoever in connection with this Guaranty or any of the Loan Documents, then Guarantor agrees to pay to Lender upon demand all reasonable attorneys' fees, costs and expenses, including without limitation court costs, filing fees, and all other reasonable costs and expenses incurred in connection therewith (all of which are referred to herein as "Enforcement Costs"), in addition to all other amounts due hereunder.

6. **Governing Law; Interpretation.** This Guaranty has been negotiated, executed and delivered in Chicago, Illinois and shall be governed by the laws of the State of Illinois (without reference to the conflicts of law principles of that State). The headings of sections and paragraphs in this Guaranty are for convenience only and shall not be construed in any way to limit or define the content, scope, or intent of the provisions hereof. As used in this Guaranty, the singular shall include the plural, and masculine, feminine, and neuter pronouns shall be fully interchangeable where the context so requires. If any provision of this Guaranty, or any paragraph, sentence, clause, phrase, or word, or the application thereof, in any circumstance, is adjudicated by a court of competent jurisdiction to be invalid, the validity of the remainder of this Guaranty shall be construed as if such invalid part were never included herein. Time is of the essence of this Guaranty. All payments to be made hereunder shall be made in currency and coin of the United States of America which is legal tender for public and private debts at the time of payment.

8. Payment of Indebtedness. Lender agrees that the obligations of Guarantor under this Guaranty shall terminate at such time as either: (a) Lender shall have received payment of all of the Indebtedness and all other sums due and owing under this Guaranty and the other Loan Documents or Forbearance Agreement and (b) the Obligations shall have been fully performed. Release of this Guaranty, if it occurs, however, shall not affect, in any respect, the Loan, Forbearance Agreement or any other instrument securing or guarantying the Indebtedness or performance of the Obligations.

10. Notices. Notice from one party to another relating to this Agreement shall be deemed effective if made in writing (including telecommunications) and delivered to the recipient's address, e-mail address, or facsimile number set forth below by any of the following means (a) hand delivery, (b) registered or certified mail, postage prepaid, (c) Federal Express, or like overnight courier service, (d) telecopy, facsimile, (e) e-mail transmission, or other wire transmission with request for assurance of receipt in a manner typical with respect to communications of that type or (f) Regular U.S. Mail Postage Prepaid. Notice made in accordance with this section shall be deemed delivered on receipt of delivered by hand or wire transmission, on the third business day after mailing if mailed regular U.S. mail, registered or certified mail, or on the next business day after mailing or deposit with an overnight courier service:

Lender's Atty: Deborah Ashen, Esq.
Ashen/Faulkner
217 N. Jefferson St., Suite 600
Chicago, IL 60661
F: (312) 655-0801
E-mail: DSA@ashenlaw.com

Lender: BBCN Bank
3731 Wilshire Blvd, Ste. 1000
Los Angeles, CA 90010

Guarantor: Fox Cleaners Co.
c/o Ka Soen Tie, President
3132 S. May St.
Chicago, IL 60608

11. Venue and Trial by Jury. Guarantor hereby submits to personal jurisdiction in the State of Illinois for the enforcement of this Guaranty and waives any and all personal rights to object to such jurisdiction for the purposes of litigation to enforce this Guaranty. Guarantor hereby consents to the jurisdiction of either the Circuit Court of Cook County, Illinois, or the United States District Court for the Northern District of Illinois, Eastern Division, in any action, suit or proceeding which Lender may at any time wish to file in connection with this Guaranty or any related matter. Guarantor hereby agrees that an action, suit or proceeding to enforce this Guaranty may be brought in any State or Federal Court located in the County of Cook, State of Illinois and hereby waives any objection which Guarantor may have to the laying of the venue of any such action, suit or proceeding in any such Court; provided, however, that the provisions of this paragraph shall not be deemed to preclude Lender from filing any such action, suit or proceeding in any other appropriate forum. GUARANTOR HEREBY VOLUNTARILY, KNOWINGLY AND IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO A TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING IN CONNECTION WITH THIS GUARANTY OR THE INDEBTEDNESS IN WHICH GUARANTOR AND LENDER ARE ADVERSE PARTIES.

12. Confession of Judgment. To further secure the payment and performance of this Guaranty, Guarantor hereby irrevocably authorizes and empowers any attorney of record to appear in any court of record and to confess judgment against Guarantor for the unpaid amount in the Note and Forbearance Agreement between Lender and Borrower, and in this Guaranty as evidenced by an affidavit signed by an officer of Lender setting forth the amount then due, attorneys' fees plus costs of suit, and to release all errors, and waive all rights of appeal. If a copy of the Note, Forbearance Agreement, or Guaranty, verified by an affidavit, shall have been filed in the proceeding, it will not be necessary to file the original as a warrant of attorney. Guarantor waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. No single exercise of the foregoing warrant and power to confess judgment will be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be invalid, voidable, or void; but the power will continue undiminished and may be exercised from time to time as Lender may elect until all amounts owing on the Note or this Agreement have been paid in full. Guarantor hereby waives and releases any and all claims or causes of action which Guarantor might have against any attorney acting under the terms of authority which Guarantor has granted herein arising out of or connected with the confession of judgment hereunder. Guarantor acknowledges that this Confession does not secure payment of monies pursuant to a "Consumer Transaction" as defined in 735 ILCS 5/2-1301. Guarantor hereby waives the right to present for payment, notice of dishonor, and protest. Additionally, Guarantor hereby states that they have read and understand this document in full, are not now under the influence of any alcohol, drugs, or other intoxicating substance, nor any duress, undue influence or incapacity and agree and consents to be fully bound by the terms herein.

[Signature Page to Follow]

IN WITNESS WHEREOF, the undersigned Guarantor has duly executed this Guaranty to BBCN Bank to secure the Forbearance Agreement and Note executed by Ka Soon Tle and Lushia Yun Tle to BBCN Bank as of the date first set forth hereinabove,

Fox Cleaners Co.

By: *Ka Soon Tle* *Lushia Yun Tle*

Its: president Secretary

STATE OF ILLINOIS)

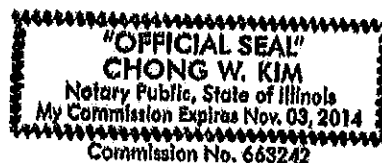
) SS

COUNTY OF COOK)

I, *Chong Kim*, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that *Ka S. Tle & Lushia Tle* behalf of Fox Cleaners Co. is the same person whose name is subscribed to the foregoing instrument and appeared before me this day in person and acknowledged that he signed and delivered this Commercial Guaranty to BBCN Bank as his free and voluntary act as aforesaid for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 13th day of June, 2014

[Signature]
Notary Public



(EXHIBIT B)

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (hereinafter "Agreement") is made as of June ___, 2014 by Fox Cleaners Co. ("Guarantor") and BBCN Bank f/k/a Foster Bank ("Lender"), and pertains to certain personal property relating to the real estate located at 7629 S. Jeffery, Chicago, IL 60649 (the "Premises").

I

RECITALS

WHEREAS, Guarantor has executed and delivered to Lender a Commercial Guaranty (the "Guaranty") of even date wherein Guarantor promises to pay Lender the amount of \$134,840.88 plus any accruing interest, late fees and costs in repayment pursuant to a Forbearance Agreement relating to a Note from Ka Soen Tle and Lushia Yuh Tle to Lender (the "Debt"); and

WHEREAS, as security for the repayment of the Debt, Guarantor is required to execute and deliver to Lender this Agreement.

II

THE GRANT

NOW, THEREFORE, as additional security for the repayment of the Debt by Guarantor and the financial accommodations made to Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby grants to Lender a security interest in, and collaterally assigns to Lender, Guarantor's right, title and interest in the property of Fox Cleaners Co. described in Exhibit "A" attached hereto and made a part hereof. All such property is collectively referred to herein as the "Goods."

III

WARRANTIES AND GENERAL COVENANTS

3.1 Absence of Other Security Interests. Guarantor hereby warrants that it has full title to the Goods, free of all security interests, liens and encumbrances. Guarantor shall defend the Goods against the claims and demands of all persons other than Lender and shall not do or permit anything to be done that may impair the value of the Goods as collateral hereunder without the prior written consent of Lender.

3.2 Location of Goods. Until a "Default" (as that term is defined in Paragraph 4.1 hereof) has occurred, Guarantor may have possession of the Goods and use the same in any lawful manner consistent with the provisions of this Security Agreement and all policies of insurance on the Goods. The Goods shall be kept on the Premises and Guarantor, so long as it has full title to the Goods, shall not permit them to be removed from the Premises without the prior written

consent of Lender, provided that Guarantor shall have the right to replace any items of personal property included in the Goods with similar items if (a) such replacements have value and utility equivalent or superior to that existing when the security interest created hereby first attached, and (b) Lender has obtained a first and paramount lien on or security interest in such replacements, and provided further that the provisions of this Agreement shall not apply to leased equipment or personal property to the extent said property is encumbered by purchase money financing.

3.3 Use of Goods. Guarantor shall use the Goods solely for business purposes in connection with the operation of the Premises.

3.4 Goods as Personal Property. The Goods shall remain personal property even if attached to real estate, except to the extent that they become included in the property to which the lien of a Mortgage has attached as a first and paramount lien.

3.5 Maintenance of Lender's Lien. Guarantor shall from time to time execute and cause to be executed such additional security agreements, financing statements, renewals thereof and other documents (and pay the cost of filing and recording the same in all public offices deemed necessary by Lender) and do such other acts (including the deposit with Lender of any certificate of title issuable with respect to the Goods, with an official notation thereon of the security interest hereunder) to establish, maintain and evidence Lender's security interest in the Goods, free of all other liens and claims other than those of the other Loan Documents.

3.6 Repair and Inspection of Goods. Guarantor shall at all times keep the Goods in good condition and repair and shall permit Lender or its agents to inspect the Goods at all reasonable times.

3.7 Payment of Taxes on Goods. Guarantor shall cause all taxes and assessments on the Goods or on their use or operation to be paid when due.

3.8 Insurance on Goods. Guarantor shall at all times until the indebtedness secured hereby is paid in full cause the Goods to be insured. Lender is hereby authorized (but not obligated) to act as attorney in fact for Guarantor in obtaining, adjusting, settling and cancelling all insurance on the Premises and the Goods, endorsing any checks or drafts drawn by insurers of the Premises and the Goods, and in directing Guarantor to endorse any such checks or drafts as Lender may direct. Guarantor shall forthwith remit to Lender in the form received, with any endorsements necessary to effect payment thereof to Lender, any proceeds of insurance required or maintained pursuant to this Security Agreement that Guarantor may receive or that Guarantor and any other party or parties may receive.

3.9 Lender's Right to Perform Covenants. Lender may, from time to time at its election, pay any amount or perform any act that Guarantor has agreed to do hereunder and that Guarantor shall have failed to do. All moneys so advanced and expenses so incurred by Lender shall be immediately due and payable, shall be added to the principal amount of the Note, shall bear interest at the "Default Interest Rate" (as that term is defined in the Note), and shall be secured by this Agreement and the other Loan Documents as though originally part of the Note.

IV

DEFAULTS AND REMEDIES

4.1 Defaults. Each of the following events shall constitute a default (a "Default") under this Agreement:

- (a) The material untruth or material deceptiveness of any warranty or representation herein or in any other Loan Document made by Guarantor;
- (b) The failure by Guarantor to perform any obligation under this Agreement for a period in excess of seven (7) days after the date on which notice of the nature of such failure is given by Lender to Guarantor by certified mail, return receipt requested;
- (c) The occurrence of any Default or Event of Default under the terms of the Note or any of the other Loan Documents beyond the expiration of the applicable notice or grace period, if any; and
- (d) The loss, damage or destruction (if uninsured), seizure, levy, forfeiture, distraint or attachment of any substantial portion of the Goods that materially impairs any of the intended uses of the Premises.

4.2 Remedies. If a Default exists (as defined under 4.1), then at the election of Lender and without further demand or notice of any kind, Lender may declare all indebtedness under the Note or Forbearance Agreement to be immediately due and payable and exercise from time to time any rights and remedies available to Lender under the terms of any of the Loan Documents or under the Uniform Commercial Code of Illinois in order to collect such indebtedness. Guarantor shall, in such event and if Lender so requests, assemble the Goods, at Guarantor's expense, at a convenient place designated by Lender. Guarantor shall pay all expenses incurred by Lender in the collection of such indebtedness, including, without limitation, attorneys' fees and legal expenses, and in the repair of any real estate or other property to which any of the Goods may be affixed. If any notification of intended disposition of any of the Goods is required by law, such notification shall be deemed reasonable and proper if given at least five (5) days before such disposition. Any proceeds of the disposition of any of the Goods may be applied by Lender to the payment of the expenses of retaking, holding, preparing for sale, and selling the Goods, including without limitation, attorneys' fees and legal expenses, and any balance of such proceeds may be applied by Lender toward the payment of such of the indebtedness as Lender may from time to time elect.

V

MISCELLANEOUS

5.1 Notices. Any notice that Lender or Guarantor may desire or be required to give to the other such party shall be in writing and shall be mailed or delivered to the intended recipient thereof at its address hereinabove set forth, or at such other address as such intended recipient may, from time to time, by notice in writing, designate to the sender pursuant hereto. Any such notice shall be sent in accord with the provisions of Section 6 of the Forbearance Agreement.

5.2 Governing Law; Litigation. THIS AGREEMENT SHALL BE CONSTRUED AND ENFORCED ACCORDING TO THE LAWS OF THE STATE OF ILLINOIS, TO THE MAXIMUM EXTENT PERMITTED BY LAW, GUARANTOR HEREBY AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT SHALL BE TRIED AND DETERMINED ONLY IN THE STATE OR

FEDERAL COURTS LOCATED IN THE COUNTY OF COOK, STATE OF ILLINOIS. TO THE MAXIMUM EXTENT PERMITTED BY LAW, GUARANTOR HEREBY EXPRESSLY WAIVES ANY RIGHT IT MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS PARAGRAPH.

5.3 Rights and Remedies. All rights and remedies set forth in this Agreement are cumulative, and the holder of the Note and of every other obligation secured hereby may recover judgment thereon, issue execution therefore, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security of any right or remedy afforded hereby. Unless expressly provided in this Agreement to the contrary, no consent or waiver, whether express or implied, by any party to or of any breach or default by any other party in the performance by such other party of its obligations hereunder shall be deemed a consent to or waiver of the performance of any other obligation hereunder.

5.4 Interpretation. If any provision of this Agreement, or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstance, is held invalid, the validity of the remainder of this Agreement shall be construed as if such invalid part were never included herein. The headings of sections and paragraphs in this Agreement are for convenience of reference only and shall not be construed in any way to limit or define the content, scope or intent of the provisions hereof. As used in this Agreement, the singular shall include the plural and vice-versa, and masculine, feminine and neuter pronouns shall be fully interchangeable, when the context so requires.

5.5 Successors and Assigns. This Agreement and all provisions hereof shall be binding upon Guarantor and its successors, assigns and legal representatives, and all other persons or entities claiming under or through Guarantor, and the word "Guarantor," when used herein, shall include all such persons and entities and any others liable for the payment of the indebtedness secured hereby or any part thereof, whether or not they have executed the Note or this Agreement. The word "Lender," when used herein shall include Lender's successors, assigns and legal representatives, including all other holders, from time to time, of the Note, Guaranty and Forbearance Agreement.

5.6 Jury Waiver. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OF GUARANTOR AND LENDER HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY ACTION, CAUSE OF ACTION, CLAIM, DEMAND, OR PROCEEDING ARISING UNDER OR WITH RESPECT TO THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS, OR IN ANY WAY CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE DEALINGS OF GUARANTOR AND LENDER WITH RESPECT TO THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS, OR THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OF GUARANTOR AND LENDER HEREBY AGREES THAT ANY SUCH ACTION, CAUSE OF ACTION, CLAIM, DEMAND OR PROCEEDING SHALL BE DECIDED BY A COURT TRIAL WITHOUT A JURY AND THAT GUARANTOR OR LENDER MAY FILE A COPY OF THIS AGREEMENT WITH ANY COURT OR OTHER TRIBUNAL AS WRITTEN

EVIDENCE OF THE CONSENT OF EACH OF GUARANTOR AND LENDER TO THE
WAIVER OF ITS RIGHT TO TRIAL BY JURY.

IN WITNESS WHEREOF, Guarantor has caused this Agreement to be executed as of
the day and year first above written.

GUARANTOR:

Fox Cleaners Co.

By: Richard Lee Luso you to

Its: President Secretary

STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

I, Chong Kim, a notary public in and for said County, in the State aforesaid, DO
HEREBY CERTIFY that RICHARD LUSO on behalf of Fox Cleaners Co. is 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 Commercial Security Agreement to
BBCN Bank as his free and voluntary act as aforesaid for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 13th day of June, 2014

Chong Kim
Notary Public

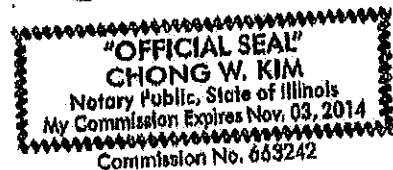


EXHIBIT A

DESCRIPTION OF GOODS

1. All fixtures and personal property now or hereafter owned by Guarantor and attached to or contained in and used in connection with Fox Cleaners Co. and the Premises located at 7629 S. Jeffery, Chicago, IL 60649 (the "Premises") or any of the improvements now or hereafter located thereon, including without limitation any and all air conditioners, antennae, bookcases, cabinets, carpets, coolers, curtains, dehumidifiers, disposals, doors, drapes, dryers, ducts, dynamos, elevators, engines, equipment, escalators, fans, fittings, floor coverings, furnaces, furnishings, furniture, hardware, heaters, humidifiers, incinerators, lighting, machinery, motors, ovens, pipes, plumbing, pumps, radiators, ranges, recreational facilities, refrigerators, screens, security systems, shades, shelving, sinks, sprinklers, stokers, stoves, toilets, ventilators, wall coverings, washers, windows, window coverings, wiring, all renewals or replacements thereof or articles in substitution therefore, and all property owned by Guarantor and now or hereafter used for similar purposes in or on the Premises;
2. Guarantor's right, title and interest in articles or parts now or hereafter affixed to the property described in Paragraph 1 of this Exhibit A or used in connection with such property, any and all replacements for such property, and all other property of a similar type or used for similar purposes now or hereafter in or on the Premises or any of the improvements now or hereafter located thereon;
3. Guarantor's right, title and interest in all personal property owned by Guarantor and used or to be used in connection with the operation of the Premises or the conduct of business thereon, including without limitation business equipment and inventories located on the Premises or elsewhere, together with files, books of account and other records, wherever located;
4. Guarantor's right, title and interest in and to any and all contracts now or hereafter relating to the Premises and executed by any architects, engineers, or contractors, including all amendments, supplements and revisions thereof, together with all of Guarantor's rights and remedies thereunder and the benefit of all covenants and warranties thereon, and also together with all drawings, designs, estimates, layouts, surveys, plats, plans and specifications prepared by any architect, engineer or contractor, including any amendments, supplements and revisions thereof and the right to use and enjoy the same, as well as all other rights, licenses, permits, agreements and test results relating to construction on the Premises;
5. Guarantor's right, title and interest in and to any and all contracts now or hereafter relating to the operation of the Premises or the conduct of business thereon, including without limitation all management and other service contracts, and the right to appropriate and use any and all trade names used or to be used in connection with such business;
6. Guarantor's right, title and interest in the rents, issues, deposits (including security deposits and utility deposits), accounts receivables and profits in connection with all leases, contracts, and other agreements with any person or entity pertaining to all or any part of the Premises, whether such agreements have been heretofore or are hereafter made;

7. Guarantor's right, title and interest in all earnest money deposits, proceeds of contract sales, accounts receivable and general intangibles relating to the Premises;

8. All of Guarantor's rights in and proceeds from all fire and hazard, loss-of-income and other non-liability insurance policies now or hereafter covering improvements now or hereafter located on the Premises or described in this Security Agreement, the use or occupancy thereof, or the business conducted thereon;

9. All of Guarantor's right, title and interest in all awards or payments, including interest thereon, that may be made with respect to the Premises, whether from the right of the exercise of eminent domain (including any transfer made in lieu of the exercise of said right) or for any other injury to or decrease in volume of the Premises; and

10. All proceeds from the sale, transfer or pledge of any or all of the foregoing property.

Bank of Hope v. Ka Soen Tie, et al.

AFFIDAVIT OF SONG CHO

EXHIBIT "5"

NAPERVILLE
1504 NORTH NAPER BOULEVARD
NAPERVILLE IL 60563

MIDWEST REGION
4001 WEST DEVON AVE
CHICAGO IL 60646

KA SOEN TIE
LUSHIA YUN TIE
3132 S MAY ST
CHICAGO IL 60608

Loan Payoff Statement

Loan Payoff for:	Loan Number:	100061100001
KA SOEN TIE	Date Quoted:	Jan 25, 2017
LUSHIA YUN TIE	Payoff Good To:	Jan 25, 2017
3132 S MAY ST	Method:	6/6
CHICAGO IL 60608		

Collateral: Multiple

Principal:	\$118,289.09
Interest To Jan 25, 2017:	\$14,577.92
Late Charges:	\$8,037.99
Environmental Fee:	\$9,350.00
Appraisal Fee:	\$3,300.00
FP Insurance:	\$366.92
Other Fees:	\$212.74
Net Amount Due:	\$154,134.66

Additional Information

One Day's Interest:	\$16.43
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Bank of Hope v. Ka Soen Tie, et al.

BANK OF HOPE'S MOTION FOR ENTRY OF JUDGMENT BY CONFESSION

EXHIBIT "B"

**IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION**

Bank of Hope as successor to Foster Bank,)	
)	No. 17-cv-00597
Plaintiff,)	
)	Honorable Matthew F. Kennelly
v.)	
)	
Ka Soen Tie, Lushia Yun Tie and Fox Cleaners Co.,)	
)	
Defendant(s).)	

AFFIDAVIT OF ALEXANDER WRIGHT

The undersigned being first duly sworn on oath states the following:

1. I am one of the attorneys of record for Bank of Hope as successor to Foster Bank, Plaintiff in this matter and I have been licensed to practice law in the state of Illinois since 2013. I have knowledge and experience handling like matters.

2. Attached is a 1-page fee sheet detailing the services performed in conjunction with the above-captioned matter. The detailed sheet was produced from my firm's billing system called TABS. TABS is reliable, accurate and widely used in the legal community to keep and maintain billing records.

3. The attached statement indicates the costs and services performed and the amount of time spent in handling this matter. Additional time will be spent in traveling to and from Court and presenting this case to Court for Judgment. The hourly rate charged by our firm is \$275.00 which is within the range of fees customarily charged by firms in this area handling like matters. The attached sheet shows that a total of 14.60 hours of work were performed on this matter, for a total of \$3,990.00 in fees. Additionally, costs of \$901.84 were generated. Plaintiff seeks Court approval for an award of attorney's fees and costs in the amount of \$4,891.84.

4. Under penalties provided by law pursuant to Section 1-109 of the Illinois Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct.

Dated: January 30, 2017

Respectfully submitted,

ASHEN|FAULKNER

By: /s/Alexander Wright
Alexander N. Wright
Attorney for Bank of Hope

217 N. Jefferson St., Suite 601
Chicago, Illinois 60661
312.655.0800 / Atty. No.: 6314304
awright@ashenlaw.com

Client	Trans Date	Tmkr	H P	Tcode/ Task Code	Rate	Hours to Bill	Amount	Ref #
Client ID 138.0057 Bank of Hope								
138.0057	04/24/2014	3	A	1	250.00	1.00	250.00	ARCH
138.0057	04/24/2014	1	A	50			500.00	ARCH
138.0057	04/29/2014	3	A	1	275.00	0.75	206.25	ARCH
138.0057	05/15/2014	1	A	1	275.00		0.00	ARCH
138.0057	05/27/2014	3	A	1	275.00	3.25	893.75	ARCH
138.0057	05/29/2014	3	A	1	275.00	1.00	275.00	ARCH
138.0057	12/05/2014	3	A	1	275.00	2.25	618.75	ARCH
138.0057	12/08/2014	3	A	1	275.00		0.00	ARCH
138.0057	10/07/2016	5	A	1	275.00	0.50	137.50	ARCH
138.0057	01/03/2017	5	P	1	275.00	1.10	302.50	9
138.0057	01/06/2017	1	P	70	1.840		1.84	4
138.0057	01/18/2017	5	P	1	275.00	0.20	55.00	10
138.0057	01/23/2017	5	P	1	275.00	1.50	412.50	11
138.0057	01/24/2017	5	P	1	275.00	0.40	110.00	12
138.0057	01/25/2017	5	P	1	275.00	0.25	68.75	13
138.0057	01/26/2017	1	P	70			400.00	5
138.0057	01/26/2017	5	P	1	275.00	0.50	137.50	14
138.0057	01/27/2017	5	P	1	275.00	0.60	165.00	15
138.0057	01/30/2017	5	P	1	275.00	1.30	357.50	16

Total for Client ID 138.0057	Billable	14.60	4,891.84	Bank of Hope
				Tie, Ka Soon & Lushia Yun Tie / 1000611-1

GRAND TOTALS

Billable	14.60	4,891.84
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