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

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Doc#: 0331034073
Eugene "Gene" Moore Fee: \$40.00
Cook County Recorder of Deeds
Date: 11/06/2003 11:21 AM Pg: 1 of 9

Address: 1313-21 Oak, Evanston, Illinois

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THIRD LOAN MODIFICATION AGREEMENT

THIS THIRD LOAN MODIFICATION AGREEMENT (this "Agreement") is made as of October 1, 2003, by and between **DEMPSTER/OAK II, LLC**, an Illinois limited liability company ("Borrower"), **WILLIAM B. SILVERSTEIN** and **THOMAS B. SILVERSTEIN** (collectively, "Original Borrower") and **LASALLE BANK NATIONAL ASSOCIATION**, a national banking association, its successors and assigns ("Lender").

RECITALS:

WHEREAS, on August 4, 1999, Lender extended to Original Borrower a loan (the "Loan") in the amount of \$2,385,000.00 pursuant to that certain Mortgage Loan Agreement dated August 4, 1999 between Original Borrower and Lender (the "Loan Agreement") and pursuant to which Original Borrower has issued its Mortgage Note dated August 4, 1999 in favor of Lender ("Original Note") in the amount of \$2,385,000.00.

WHEREAS, the Original Note is secured by, among other things: (i) that certain Mortgage and Security Agreement dated August 4, 1999 from Original Borrower to Lender recorded in the Recorder's Office on August 6, 1999 as Document No. 99749282 ("Mortgage"), which Mortgage encumbers the real property and all improvements thereon legally described on Exhibit "A" hereto ("Property"); (ii) that certain Assignment of Rents and Leases dated August 4, 1999 from Original Borrower to Lender and recorded in the Recorder's Office on August 6, 1999 as Document No. 99749283 (the "Assignment of Leases"); (iii) that certain Environmental Indemnity Agreement dated August 4, 1999 from Original Borrower to Lender (the "Indemnity Agreement"); and (iv) certain other loan documents (the Loan Agreement, the Original Note, the Mortgage, the Assignment of Leases, the Indemnity Agreement and the other documents evidencing, securitizing and guarantying the Loan, as amended, restated, replaced and/or modified from time to time are sometimes collectively referred to herein as the "Loan Documents").

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WHEREAS, the Loan Documents were amended by that certain Modification of Loan Documents made as of February 28, 2002 and recorded in the Cook County Recorder's Office on March 7, 2002 as Document Number 0020259964 whereby the Loan was amended to, among other things, increase the principal amount of the Loan to \$3,090,000.00 as evidenced by the Amended and Restated Mortgage Note dated February 28, 2002 (the "Amended Note") which note amended and restated the Original Note;

WHEREAS, the Loan Documents were further amended by that certain Assignment and Assumption, Allonge and Second Modification of Loan Documents dated as of September 1, 2002 by and among Borrower, Original Borrower and Lender, as recorded in the Cook County Recorder's Office on October 25, 2002 as Document Number 0021177269 and pursuant thereto, Borrower assumed each and every liability and obligation of Original Borrower under the Loan made by Lender to Original Borrower and Borrower and Original Borrower became co-borrowers under the Loan Documents;

WHEREAS, Borrower and Original Borrower now desire to amend the Loan Agreement and Loan Documents again to (i) extend the maturity date; (ii) fix the interest rate; (iii) remove Original Borrower as a co-borrower and add Original Borrower as a guarantor; and (iv) otherwise modify the terms of the existing agreements between Borrower and Lender.

NOW, THEREFORE, in consideration of the above and the promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Borrower, Original Borrower and Lender agree as follows:

1. AGREEMENTS AND AMENDMENTS

1.1 Recitals. The foregoing recitals are hereby incorporated into and made a part of this Agreement.

1.2 Recording, Payment Interest and Costs. Borrower agrees to pay all costs and fees of the Lender incurred or charged in the preparation and execution of this Agreement, as well as all recording and title charges, if any.

1.3 Capitalized Terms. Capitalized terms contained in this Agreement shall retain the meaning given under the Loan Agreement or the Loan Documents.

1.4 Maturity Date Extension. The Maturity Date, as defined in the Loan Documents, is hereby extended to October 1, 2008 and any references to the Maturity Date in the Loan Documents will refer to the Maturity Date as amended by this Agreement.

1.5 Second Amended and Restated Mortgage Note. The change in the Loan Rate of the Loan shall be evidenced by Borrower's execution and delivery of that certain Second Amended and Restated Mortgage Note dated of even date herewith in the amount of Three Million Twenty-five Thousand Seven Hundred Seven and 38/100 Dollars (\$3,025,707.38) (the "Second Amended and Restated Note"). The Second Amended and Restated Note is being executed and delivered in substitution, renewal, amendment and replacement of (but not in payment of) the Amended Note. The Second Amended and Restated Note represents a renewal of all amounts currently outstanding under the Amended Note. All amounts outstanding under the Amended Note as of the date hereof shall be deemed outstanding under the Second Amended and Restated Note. The term "Mortgage Note" or "Note" as used in the Loan Documents shall

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hereafter refer to the Second Amended and Restated Note executed in connection herewith (and any amendments, renewals, substitutions or replacements thereto).

1.6 Loan Rate. The Loan shall bear interest at the new Loan Rate as set forth in the Second Amended and Restated Note. All references to the "Loan Rate" in the Loan Documents shall mean the Loan Rate as defined in the Second Amended and Restated Note. Borrower shall make principal and interest payments as set forth in the Second Amended and Restated Note.

1.7 Amendment of Borrowers and Addition of Guarantors. Contemporaneously herewith, each Original Borrower is hereby released as a "Borrower" under the Loan Documents. Any and all references to the "Borrower" in the Loan Agreement or the other Loan Documents shall henceforth be deemed to mean Borrower. Each Original Borrower shall contemporaneously herewith execute a Continuing Unconditional Personal Guaranty in favor of Lender jointly and severally guarantying Borrower's liabilities and obligations under the Loan (the "Guaranty"). The Guaranty shall be in form and manner satisfactory to Lender. In addition, each Original Borrower shall provide to Lender his annual personal financial statements and tax returns certified by such Original Borrower to be true, correct and complete, in each case, no later than ninety (90) days after the end of each year.

1.8 Loan to Value Covenant Amendment. The Loan Documents are hereby amended to provide that at all times the ratio of the principal balance of the Loan to the appraised value of the Property shall be no more than eighty percent (80%).

1.9 Omnibus Amendment. Each of the Loan Documents shall be deemed amended to give effect to the provisions of this Agreement without need for referencing each of the Loan Documents by name. Without limiting the generality of the foregoing, Borrower and Lender acknowledge that the term "Loan Documents" shall mean all of the Loan Documents as modified by this Agreement (and the notes, amendments and agreements delivered in connection herewith).

2. REPRESENTATIONS, WARRANTIES AND WAIVERS

2.1 Representations, Warranties, Covenants and Waivers by Borrower. Borrower hereby represents, warrants, covenants and agrees with Lender as follows:

(a) The recitals set forth at the beginning of this Agreement are factually true and correct in all respects and such have been relied on by Lender and form a material part of this Agreement;

(b) all liens and security interests granted in favor of Lender in or by the Loan Documents (including, without limitation, the Assignment) shall continue in full force and effect and shall continue to secure the repayment of the Loan, including the obligations evidenced by the Note;

(c) Except as modified by or as otherwise expressly provided for in this Agreement: (i) it remains liable under the Loan Documents and such liability shall be unaffected and in no way be released, mitigated, or discharged as a result of this Agreement; and (ii) the Loan Documents are in full force and effect and are binding and enforceable, and will remain binding and enforceable, against Borrower in accordance with their terms, but subject to the provisions of this Agreement;

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(d) It does not possess (or have knowledge of) any claims, defenses, offsets or counterclaims against the Lender (or its officers, directors, shareholders, employees or agents) relating to this Agreement or the Loan Documents;

(e) In the event there exists any facts that would give rise to any claim, defense, offset or counterclaim against or with respect to the enforcement of this Agreement or the Loan Documents, Borrower hereby unconditionally, irrevocably, and unequivocally waives and fully releases Lender (and its officers, directors, shareholders, employees or agents) of any such claim, defense, offset or counterclaim to the same extent as if such claims were the subject of a lawsuit adjudicated to conclusion and dismissed therein with prejudice;

(f) Prior to the date hereof, Lender has fully performed its obligations under the Loan Documents;

(g) Except as modified hereby or as referenced herein: (i) Borrower hereby reaffirms and renames all of its representations, warranties, covenants and agreements contained in the Loan Documents; and (ii) Borrower affirmatively states that, as of the date of this Agreement, all of its representations, warranties and covenants contained in the Loan Documents are true as of the date of this Agreement as if made on the date hereof;

(h) The terms and provisions of the Loan Documents (as modified by this Agreement) shall remain in full force and effect;

(i) That no Event of Default has occurred under this Agreement or the Loan Documents and no circumstances exist which would constitute an Event of Default if proper notice were given or a grace period elapsed; and

(j) Borrower's execution and delivery of this Agreement and all agreements and instruments required in connection herewith, were properly authorized by all necessary limited liability company action, written proof of which shall be delivered to Lender.

3. MISCELLANEOUS

3.1 Conditions Precedent. Borrower acknowledges and agrees that this Agreement shall be of no force or effect unless and until:

(a) This Agreement has been executed by Borrower and delivered to and accepted and executed by Lender and recorded with the Cook County Recorder's Office;

(b) The Second Amended and Restated Note is executed by Borrower;

(c) Payment to Lender of the modification fee in the amount of \$7,564.00;

(d) Chicago Title Insurance Company shall have delivered to Lender an endorsement, dated no earlier than the recording date of this Agreement, to its Policy No. 1401 007822986 which endorsement shall (i) insure the validity and first priority of each of the recorded Loan Documents as securing the Second Amended and Restated Note, as the same are amended by this Agreement; (ii) disclose no Schedule B-1 exceptions other than those set forth in said Policy or as approved in writing by Lender's counsel; and (iii) insure that Borrower is owner in fee simple of title to the Property;

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(e) Original Borrower shall execute and deliver the Guaranty;

(f) Borrower shall deliver any such other documents as may be reasonably required by Lender to consummate the transactions contemplated hereby.

3.2 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

3.3 Incorporation, Controlling Agreement. The terms and provisions of the Loan Documents (as modified hereby) are incorporated herein by reference as if fully stated herein. To the extent the terms of this Agreement conflict with the terms of the Loan Documents, the terms of this Agreement shall control. Whenever a particular document is referenced herein, such reference shall be deemed to include all amendments, replacements, substitutions or modifications to such document. Any capitalized term used herein, but not defined, shall have the meaning given to such term in the Loan Documents.

3.4 Entire Agreement, No Waiver. This Agreement and the Loan Documents modified hereby, contain the entire understanding between the parties, and cannot be amended, modified, waived or discharged unless such amendment, modification, waiver or discharge is agreed to in a writing signed by all parties hereto. No agreements or representations, oral or otherwise, expressed or implied, have been made by any party hereto which are not set forth expressly in this Agreement or in the Loan Documents.

3.5 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the parties to this Agreement to the extent possible. In any event, all other terms, provisions, covenants or restrictions of this Agreement shall be deemed valid and enforceable and shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

3.6 Counterparts, Headings. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The headings herein are for convenience only and shall in no manner be construed to affect the substantive nature of this Agreement.

3.7 Jury Waiver. BORROWER AND LENDER IRREVOCABLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING: (a) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith; OR (b) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS AGREEMENT OR ANY SUCH AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.


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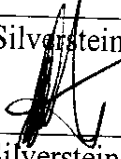
IN WITNESS WHEREOF, this Agreement has been duly executed as of the day and year specified at the beginning hereof.

BORROWER:


DEMPSTER/OAK II, LLC,
an Illinois limited liability company

By: BEAL HOLDINGS, an Illinois limited liability company, its Manager

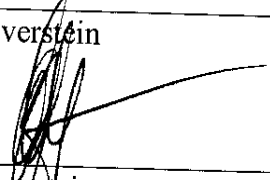
By: 
William B. Silverstein, Manager

By: 
Thomas B. Silverstein, Manager

ORIGINAL BORROWER:



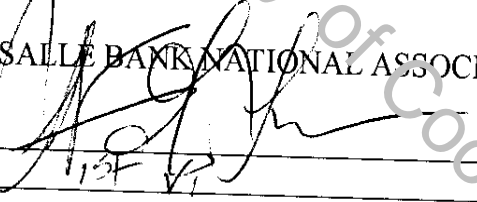
William B. Silverstein



Thomas B. Silverstein

LENDER:

LASALLE BANK NATIONAL ASSOCIATION

By: 
Its: _____

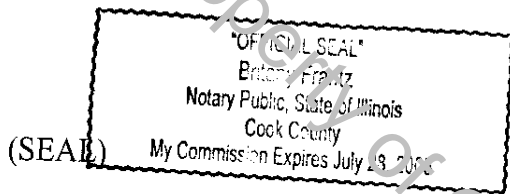
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STATE OF ILLINOIS)
)
COUNTY OF _____) SS.

I, Britany Frantz, a Notary Public in and for said County, in the State aforesaid, do hereby certify that on this day personally appeared before me, William B. Silverstein and Thomas B. Silverstein, the Managers of **BEAL HOLDINGS, LLC**, an Illinois limited liability company, Manager of **DEMPSTER/OAK II, LLC**, an Illinois limited liability company, and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 2nd day of October, 2003.



Britany Frantz
NOTARY PUBLIC

My commission expires: July 28, 2005

STATE OF ILLINOIS)
) SS.
COUNTY OF _____)

I, Britany Frantz, a Notary Public in and for said County, in the State aforesaid, do hereby certify that on this day personally appeared before me, **William B. Silverstein** and **Thomas B. Silverstein**, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act and deed, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 2nd day of October, 2003.

Britany Frantz
Notary Public

My commission expires: July 28, 2005



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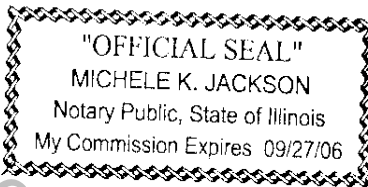
STATE OF ILLINOIS)
) SS.
COUNTY OF Cook)

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

GIVEN under my hand and notarial seal this 8 day of October, 2003.

Michele K. Jackson
Notary Public

My Commission Expires.
9/27/06



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EXHIBIT A

LEGAL DESCRIPTION

THE SOUTH 111 FEET OF THE NORTH 311 FEET OF THE WEST 200 FEET OF BLOCK
42 IN EVANSTON IN SECTION 18, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE
THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 1313-21 OAK, EVANSTON, ILLINOIS

P.I.N.: 11-18-327-003-0000

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