

#7545471-4

THIS INSTRUMENT PREPARED BY:
Bruce A. Salk
Cohen, Salk & Huvard, P.C.
630 Dundee Road, Suite 120
Northbrook, Illinois 60062



Doc#: 0407042147
Eugene "Gene" Moore Fee: \$42.00
Cook County Recorder of Deeds
Date: 03/10/2004 10:25 AM Pg: 1 of 10

AND AFTER RECORDING MAIL TO:
Frank Lakofka
Oxford Bank & Trust
1100 West Lake Street
Addison, Illinois 60101

SECOND MODIFICATION AGREEMENT

THIS SECOND MODIFICATION AGREEMENT (hereinafter referred to as the "Modification Agreement") made as of this 1st day of January, 2004, by and among GVP CORNELIA L.P., an Illinois limited partnership ("Borrower"), MARVIN G. GRAHN, PETER M. GRAHN, ERICK V. GRAHN and GVP HOLDINGS IV, INC., an Illinois corporation ("GVP") (all of the foregoing, except Borrower are hereinafter collectively referred to as the or "Guarantors") (Borrower and Guarantors are hereinafter collectively referred to as the "Obligors") and OXFORD BANK & TRUST ("Lender").

WITNESSETH:

WHEREAS, Borrower has executed and delivered to Lender that certain amended and restated mortgage note dated as of May 1, 2003 in the original principal sum of Seven Million and 00/100 (\$7,000,000.00) (the "Note"), which Note is secured by the following documents (the following documents and any and all other instruments executed by any Obligor, as modified pursuant to that certain letter agreement dated as of June 20, 2002 by and between GVP and Lender, and as further modified pursuant to that certain modification agreement dated as of May 1, 2003 by and between Obligors and Lender and recorded in the Office of the Recorder of Deeds of Cook County, Illinois (the "Recorder's Office") as Document No. 0319035208 are hereinafter collectively referred to as the "Loan Documents"):

- (i) mortgage and security agreement dated March 1, 2001, recorded in the Recorder's Office as Document No. 0010197792 (the "Mortgage") on property commonly known as 3500 North Halsted and 800 West Cornelia, Chicago, Illinois and legally described on Exhibit "A" attached hereto and made a part hereof (the "Premises");
- (ii) assignment of rents and of lessor's interest in leases dated March 1, 2001 made by Borrower in favor of Lender, recorded in the Recorder's Office as Document No. 0010197793;
- (iii) construction loan agreement dated March 1, 2001 between Borrower and Lender (the "Loan Agreement");
- (iv) guaranty dated March 1, 2001 made by Marvin G. Grahn, Peter M. Grahn, Erick V. Grahn in favor of Lender (the "Individual Guaranty");

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- (v) guaranty dated as of June 20, 2002 made by GVP favor of Lender (the "GVP Guaranty") (the Individual Guaranty and the GVP Guaranty are hereinafter sometimes collectively referred to as the "Guaranty");
- (vi) environmental indemnity agreement dated March 1, 2001 made by Individual Guarantors in favor of Lender;
- (vii) environmental indemnity agreement dated as of June 20, 2002 made by GVP in favor of Lender;
- (viii) Security agreement and assignment of contractual agreements affecting real estate dated of even date with the Note made by Borrower in favor of Lender; and
- (ix) assignment of sales contracts dated March 1, 2001 made by Borrower in favor of Lender.

WHEREAS, Obligors are desirous of extending the maturity date of the Note from January 1, 2004 to July 1, 2004, and Lender is willing to consent to such extension subject to the terms and provisions hereinafter provided.

NOW THEREFORE, in consideration of the mutual promises of the parties hereto, and upon the express conditions that the lien of the Mortgage held by Lender is a valid, first and subsisting lien on the Premises and that the execution of this Modification Agreement will not impair the lien of said Mortgage and that there is no existing second mortgage or other liens subsequent to the lien of the Mortgage held by Lender that will not be paid in full and released concurrently herewith (for breach of which conditions, or either of them, this Modification Agreement, at the sole election of Lender, shall not take effect and shall be void), **IT IS AGREED AS FOLLOWS:**

1. The parties represent and agree that the foregoing recitals are true and correct. All defined terms used herein and not otherwise defined shall have the meaning ascribed to such term as set forth in the Loan Documents.

2. As of January 1, 2004, the total outstanding principal balance of the Note is \$0.00. The Note is hereby modified as follows:

a. The date "January 1, 2004" as it appears in (a) the sixth line of the first paragraph on page 1, and (b) the third line of the second paragraph on page 1, is deleted and replaced in each instance with the date "July 1, 2004". Borrower shall continue to make monthly payments of accrued interest on the first date of each month to and including June 1, 2004.

b. The following is hereby added after the first full paragraph on page 1:

"Borrower acknowledges that, at the request of Borrower, Lender may issue letters of credit (the "Letters") for the benefit of the City of Chicago, Illinois (the "City") in an aggregate amount not to exceed \$3,770.00. Borrower further acknowledges and agrees that in the event Lender disburses to the City all or any portion of the funds evidenced by the Letters, the funds so disbursed at any time and from time to time shall be deemed to constitute a disbursement by Lender to Borrower under this Note as of the date any said disbursement is made to the City and shall constitute principal indebtedness evidenced by

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this Note, and notwithstanding anything contained herein to the contrary, such funds, together with interest thereon at the rate per annum of 0.5% above the Prime Rate then in effect, shall be due and payable from Borrower to the Lender 10 days after written demand from Lender. In addition to the foregoing, in the event that on the Maturity Date the Letters are outstanding and have not been released and canceled by the City, the outstanding amount of the Letters shall be deemed to have been disbursed by the Lender to Borrower under this Note on the Maturity Date and shall constitute principal indebtedness evidenced by this Note, and notwithstanding anything contained herein to the contrary, said outstanding amount shall be due and payable from Borrower to the Lender 10 days after written demand from Lender.”

3. The Mortgage is hereby modified as follows:

a. The date “1st day of January, 2004” as it appears in the first “Whereas” paragraph on page 1 is deleted and replaced with the date “1st day of July, 2004”.

b. The date “January 1, 2004” as it appears in paragraph 41(C) is deleted and replaced with the date “July 1, 2004”.

4. The Loan Agreement is hereby modified as follows:

a. Paragraph 8.1 is hereby modified by deleting the date “January 1, 2004” as it appears in the first paragraph thereof, and replacing it with the date “July 1, 2004”.

b. Paragraph 12(d) is hereby modified by deleting the date “January 1, 2004” as it appears in the last line thereof and replacing it with the date “July 1, 2004”.

5. Each reference in the Note and the Loan Documents to the “Maturity Date” shall hereafter mean July 1, 2004. Each reference in the Note and the Loan Documents to the “Completion Date” shall hereafter mean July 1, 2004.

6. Except for the modifications stated herein, the Note and Loan Documents are not otherwise changed, modified or amended. Except as expressly provided herein, the Note and other Loan Documents and each other instrument or agreement delivered by any Obligor to or for the benefit of Lender in connection with the loan shall remain in full force and effect in accordance with their respective terms and the execution and delivery of this Modification Agreement shall not operate to waive any rights or remedies that Lender may have with respect to the Note and other Loan Documents, to forgive or waive any violation, default or breach under the Note or any other Loan Document, or to obligate Lender in any manner to make any further extensions of credit other than as expressly set forth herein.

7. Contemporaneously with the execution of this Modification Agreement by Lender, Obligors shall pay to Lender a non-refundable modification fee in the amount of \$1,585.00, plus all of Lender's attorneys' fees incurred in connection with the negotiation and documentation of the agreements contained in this Modification Agreement, all recording fees and charges, title insurance charges and premiums, appraisal fees, and all other expenses, charges, costs and fees necessitated by or otherwise relating to this Modification Agreement (the “Additional Fees”). If any of the Additional Fees are not paid at the time this Modification Agreement is executed by Lender, such Additional Fees shall be paid by Obligors within five

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days after written demand therefor by Lender, and if not timely paid, they shall bear interest from the date so incurred until paid at an annual rate equal to the Default Rate (as defined in the Note).

8. The Premises described in the Mortgage shall remain in all events subject to the lien, charge or encumbrance of the Mortgage, or conveyance of title (if any) effected thereby, and nothing herein contained, and nothing done pursuant hereto, shall affect or be construed to effect the lien, charge or encumbrance of, or warranty of title in, or conveyance effected by the Mortgage, or the priority thereof over liens, charges, encumbrances or conveyances, or, except as expressly provided herein, to release or affect the liability of any party or parties whomsoever may now or hereafter be liable under or on account of the Note and/or Mortgage, nor shall anything herein contained or done in pursuance thereof affect or be construed to affect any other security or instrument, if any, held by Lender as security for or evidence of the aforesaid indebtedness.

9. This Modification Agreement shall extend to and be binding upon each of the Obligors and their heirs, legatees, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

10. Each Obligor hereby ratifies and confirms his or its respective obligations and liabilities under the Note and other Loan Documents, as hereby amended, and the liens and security interest created thereby, and acknowledge that he or it have no defenses, claims or set-offs against the enforcement by Lender of their respective obligations and liabilities under the Note and other Loan Documents, as so amended.

11. This Modification Agreement shall, in all respects, be governed by and construed in accordance with the laws of the State of Illinois, including all matters of construction, validity and performance.

12. This Modification Agreement constitutes the entire agreement between the parties with respect to the aforesaid Modification and shall not be amended or modified in any way except by a document in writing executed by all of the parties thereto.

13. This Modification Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall be one agreement.

14. Lender's consent to this Modification Agreement shall be subject to Lender (or Lender's nominee) having received the following in a form and substance acceptable to Lender on or before March 1, 2004 (the "Modification Termination Date"):

(a) An endorsement to Chicago Title Insurance Company Loan Policy No. 007888660 (the "Title Policy") which (i) amends the description of the Mortgage insured under the Title Policy to include this Modification Agreement, (ii) amends the description of the Assignment of Rents to include this Modification Agreement, (iii) extends the effective date of the Title Policy to the date of the recording of this Modification Agreement, (iv) includes no additional exceptions to title other than those that have been approved in writing by Lender, and (v) states that all real estate taxes and assessments applicable to the Premises which are due and payable as of the date of such endorsement have been paid in full; and

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

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The Obligors' failure to deliver the aforementioned documents and items to Lender on or before the Modification Termination Date shall, at the option of Lender, result in this Modification Agreement (including all agreements and waivers of Lender contained herein) being null and void.

15. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR HEREBY AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS MODIFICATION AGREEMENT SHALL BE TRIED AND DETERMINED ONLY IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF COOK, STATE OF ILLINOIS, OR, AT THE SOLE OPTION OF LENDER IN ANY OTHER COURT IN WHICH LENDER SHALL INITIATE LEGAL OR EQUITABLE PROCEEDINGS AND WHICH HAS SUBJECT MATTER JURISDICTION OVER THE MATTER IN CONTROVERSY. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR 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.

TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OBLIGOR AND LENDER HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY ACTION, CAUSE OF ACTION, CLAIM, DEMAND, OR PROCEEDING ARISING UNDER OR WITH RESPECT TO THIS MODIFICATION AGREEMENT, OR IN ANY WAY CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE DEALINGS OF OBLIGORS AND LENDER WITH RESPECT TO THIS MODIFICATION AGREEMENT, OR THE TRANSACTION 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 OBLIGOR AND LENDER HEREBY AGREE THAT ANY SUCH ACTION, CAUSE OF ACTION, CLAIM, DEMAND OR PROCEEDING SHALL BE DECIDED BY A COURT TRIAL WITHOUT A JURY AND THAT ANY OBLIGOR OR LENDER MAY FILE A COPY OF THIS EXECUTED MODIFICATION AGREEMENT WITH ANY COURT OR OTHER TRIBUNAL AS WRITTEN EVIDENCE OF THE CONSENT OF EACH OBLIGOR AND LENDER TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed as of the date first above written.

GVP CORNELIA L. P., an Illinois limited partnership

By: GVP HOLDINGS IV, INC., an Illinois corporation, its sole general partner

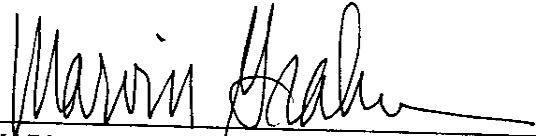
By: Marvin Grahn

Its: President

Name: MARVIN GRAHN

[SIGNATURES CONTINUED ON THE NEXT PAGE]

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MARVIN G. GRAHN, individually

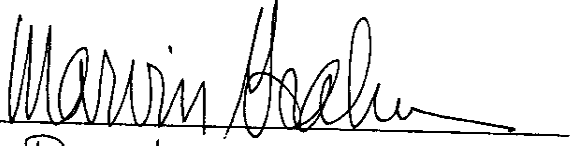


PETER M. GRAHN, individually



ERICK V. GRAHN, individually

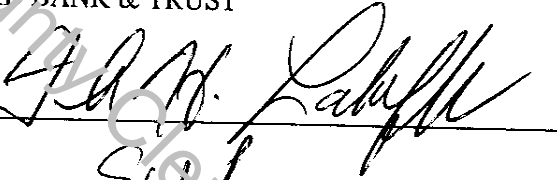
GVP HOLDINGS IV, INC., an Illinois corporation

By: 

Its: President

Name: MARVIN GRAHN

OXFORD BANK & TRUST

By: 

Its: SVP

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EXHIBIT "A"

PIN NO. 14-20-407-034-0000
14-20-407-039-0000

ADDRESS: 3500 North Halsted/800 West Cornelia, Chicago, Illinois

PARCEL 1:

THE EAST 100.00 FEET OF SOUTH 110.00 FEET, LYING WEST OF WEST LINE OF HALSTED STREET AND NORTH OF THE NORTH LINE OF CORNELIA STREET OF LOT 7 IN THE CIRCUIT COURT PARTITION OF THE NORTH 3/4 OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 69 IN BENTON'S ADDISON STREET ADDITION, BEING A SUBDIVISION OF THE EAST 102.9 FEET OF LOT 1 AND LOT 7 (EXCEPT THE EAST 100.00 FEET OF THE SOUTH 110.00 FEET THEREOF), IN THE CIRCUIT COURT PARTITION OF THE NORTH 3/4 OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.