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



Doc#: 0626333006 Fee: \$42.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 09/20/2006 07:21 AM Pg: 1 of 10

AND AFTER RECORDING MAIL TO:
Delaware Place Bank
190 West Delaware Place
Chicago, Illinois 60611
Attn: Joseph Haugh

SECOND MODIFICATION AGREEMENT

THIS SECOND MODIFICATION AGREEMENT (hereinafter referred to as the "Modification Agreement") made as of this 1st day of August, 2006, by and among 548 DEMING LLC, an Illinois limited liability company ("Borrower"), JON GOLDMAN, ARTURO COLLAZO (Jon Goldman and Arturo Collazo are hereinafter collectively referred to as the "Guarantors") (Borrower and Guarantors are hereinafter collectively referred to as the "Obligors") and DELAWARE PLACE BANK ("Lender").

WITNESSETH:

WHEREAS, Borrower executed and delivered to Lender that certain amended and restated mortgage note dated as of August 1, 2005 in the original principal sum of Four Million Six Hundred Four Thousand Four Hundred Ninety Four and 00/100 Dollars (\$4,604,494.00) (the "Note"), which Note is secured by the following documents (the following documents and any and all other instruments executed by the Borrower or any Obligor, as modified, restated or replaced from time to time, are hereinafter collectively referred to as the "Loan Documents"):

- (i) mortgage and security agreement dated as of August 6, 2004 made by the Borrower, recorded in the Office of the Recorder of Deeds of Cook County, Illinois (the "Recorder's Office"), as Document No. 0422433202 (the "Mortgage") on a property commonly known as 548 West Deming, 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 as of August 6, 2004 made by the Borrower in favor of Lender, recorded in the Recorder's Office as Document No. 0422433203 (the "Assignment");
- (iii) guaranty dated as of August 6, 2004 made by Guarantors in favor of Lender (the "Guaranty");

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- (iv) environmental indemnity agreement dated as of August 6, 2004 made by Borrower and Guarantors in favor of Lender;
- (v) construction loan agreement dated as of August 6, 2004 between Borrower and Lender (the "Loan Agreement");
- (vi) security agreement and assignment of contractual agreements affecting real estate dated as of August 6, 2004 made by Borrower in favor of Lender; and
- (vii) assignment of sales contracts dated as of August 6, 2004 made by Borrower in favor of Lender.

WHEREAS, the Note and Loan Documents were previously modified pursuant to that certain modification agreement dated as of August 1, 2005 by and among Borrower, Guarantors and Lender, recorded in the Recorder's Office as Document No. 0534927015, whereby, among other modifications, the principal sum of the Note was increased to \$4,604,494.00 and the Maturity Date was extended to August 1, 2006.

WHEREAS, Obligors are desirous of (i) increasing the principal sum of the Note to \$4,775,494.00, and (ii) extending the Maturity Date, and Lender is willing to consent to such changes 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 August 1, 2006, the total outstanding principal balance of the Note is \$2,569,863.00. Concurrent with the execution of this Modification Agreement, Borrower shall execute and deliver to Lender an amended and restated mortgage note of even date herewith in the principal amount of Four Million Seven Hundred Seventy-Five Thousand Four Hundred Ninety-Four and 00/100 Dollars (\$4,775,494.00), payable to the order of Lender (the "Amended Note"). Each reference in the Loan Documents to the term "Note" shall hereafter be deemed to be a reference to the Amended Note. The increased loan amount of \$171,000.00 shall be applied as follows: (i) \$168,790.00 shall be reserved and allocated towards an interest reserve, and (ii) \$2,210.00 shall be paid to Lender as a modification fee.

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3. The Mortgage is hereby modified by amending and restating in its entirety the first "Whereas" paragraph on page 1 to read as follows:

"WHEREAS the Mortgagor has executed and delivered to the Mortgagee, the Mortgagor's Amended and Restated Mortgage Note dated as of August 1, 2006, payable to the order of Mortgagee, in the principal sum of Four Million Seven Hundred Seventy-Five Thousand Four Hundred Ninety-Four and 00/100 Dollars (\$4,775,494.00) (as amended, restated or replaced from time to time, the "Note") bearing interest at the rate specified therein, due in the manner as provided therein and in any event on the 1st day of February, 2007, the terms and provisions of which Note are incorporated herein and made a part hereof by this reference with the same effect as if set forth at length; and".

4. The Assignment is hereby modified by amending and restating in its entirety the first "Whereas" paragraph on page 1 to read as follows:

"WHEREAS, Assignor has executed an amended and restated mortgage note (as amended, restated or replaced from time to time, the "Note") dated as of August 1, 2006, payable to the order of DELAWARE PLACE BANK (hereinafter referred to as "Assignee") in the principal amount of Four Million Seven Hundred Seventy-Five Thousand Four Hundred Ninety-Four and 00/100 Dollars (\$4,775,494.00); and".

5. The Guaranty is hereby modified by amending and restating in its entirety the first 2 recitals paragraphs on page 1 to read as follows:

"WHEREAS, pursuant to the terms of that certain Construction Loan Agreement dated as of August 6, 2004 (as modified from time to time, the "Loan Agreement") between 548 DEMING LLC, an Illinois limited liability company ("Borrower") and Lender, Lender has agreed to make a construction loan to Borrower in the maximum principal amount of \$4,775,494.00 (as modified, restated or replaced from time to time, the "Loan"); and

WHEREAS, the Loan is evidenced by a certain amended and restated mortgage note dated as of August 1, 2006 in the maximum principal amount of \$4,775,494.00 (the "Note"); and".

6. The Loan Documents are hereby amended to secure the obligations and liabilities evidenced by the Amended Note.

7. Except for the modifications stated herein, the Amended Note and Loan Documents are not otherwise changed, modified or amended. Except as expressly provided herein, the Amended 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 Amended Note and other Loan Documents, to forgive or waive any violation, default or breach under

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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.

8. Contemporaneously with the execution of this Modification Agreement by Lender, Obligors shall pay to Lender a non-refundable modification fee in the amount of \$2,210.00 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 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 Amended Note).

9. 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 Amended 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.

10. 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.

11. Each Obligor hereby ratifies and confirms his or its respective obligations and liabilities under the Amended 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 Amended Note and other Loan Documents, as so amended.

12. 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.

13. 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.

14. 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.

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15. 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 September 30, 2006 (the "Modification Termination Date"):

(a) An endorsement to Chicago Title Insurance Company Loan Policy No. 1401 008238134 D2 (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 Mortgage 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, (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 (vi) increases the amount of insurance to \$4,775,494.00; and

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

The Obligor's 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.

16. 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.

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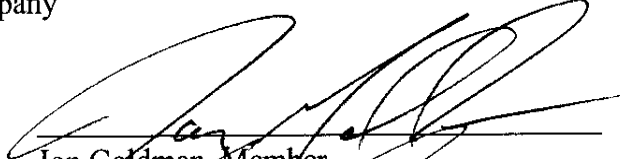
Property of Cook County Clerk's Office

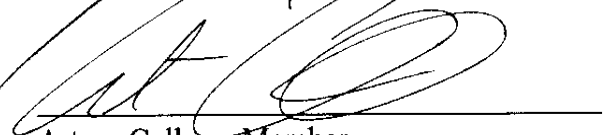


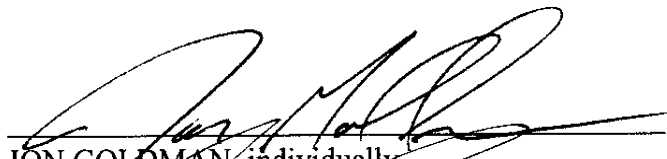
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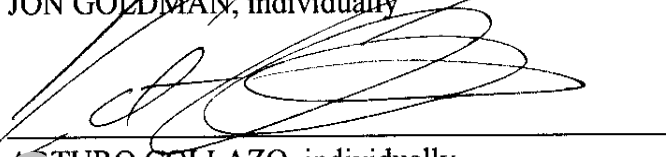
IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed as of the date first above written.

548 DEMING LLC, an Illinois limited liability company

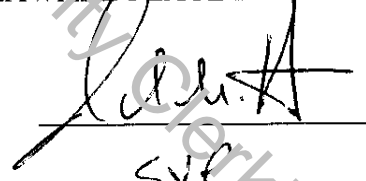
By: 
Jon Goldman, Member

By: 
Arturo Collazo, Member


JON GOLDMAN, individually


ARTURO COLLAZO, individually

DELAWARE PLACE BANK

By: 
Its: SVP

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STATE OF ILLINOIS)
)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that JON GOLDMAN and ARTURO COLLAZO personally known to me as members of 548 DEMING LLC, an Illinois limited liability company, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as such members of said limited liability company, as their own and 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 11th day of September, 2006.



Kate Ryan
Notary Public

My Commission Expires: 4.27.08

STATE OF ILLINOIS)
)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that JON GOLDMAN, 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, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial seal, this 11th day of September, 2006.



Kate Ryan
Notary Public

My Commission Expires: 4.27.08

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STATE OF ILLINOIS)
)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that ARTURO COLLAZO, 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, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial seal, this 11th day of September, 2005.



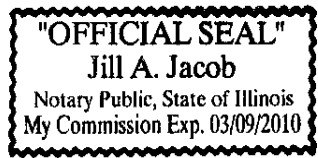
Kate Ryan
Notary Public

My Commission Expires: 4-27-08

STATE OF ILLINOIS)
)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County in the State aforesaid, do hereby certify that JOSEPH M. HAUGH, SR. of DELAWARE PLACE BANK, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such SR VP, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act, and as the free and voluntary act of said bank, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 11th day of September, 2006.



Jill A. Jacob
Notary Public

My Commission Expires: 3/9/10

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EXHIBIT "A"

PIN: 14-28-313-030-0000

ADDRESS: 548 West Deming, Chicago, Illinois

LOT 10 (EXCEPT THAT PART OF LOT 10 COMMENCING AT A POINT AT THE SOUTHWEST CORNER OF SAID LOT 10 THEN NORTHERLY ALONG THE WESTERN LINE OF SAID LOT 10, 190 FEET TO THE NORTHERN LINE OF SAID LOT 10, THEN EASTERLY ALONG THE NORTHERN LINE OF SAID LOT 10, 44 FEET AND 2 5/8 INCHES TO THE EASTERN LINE OF SAID LOT 10, THEN SOUTHERLY TO A POINT ON THE SOUTHERN LINE OF SAID LOT 10 (BEING ALSO THE NORTHERN LINE OF DEMING PLACE) 46 FEET EAST OF THE SOUTHWEST CORNER OF SAID LOT 10 THEN WESTERLY ALONG THE SOUTHERN LINE OF SAID LOT 10 (BEING ALSO THE NORTHERN LINE OF DEMING PLACE) 46 FEET TO THE PLACE OF BEGINNING) AND LOT 11 IN GEO. S. PEPPER'S SUBDIVISION OF LOT 12 OF COUNTY CLERK'S DIVISION OF LOT D IN WRIGHTWOOD, A SUBDIVISION OF THE SOUTHWEST 1/4 OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.