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PREPARED BY AND AFTER
RECORDING RETURN TO:

Nancy J. Bromley
Household Finance Corporation III
2700 Sanders Road - Floor 3SC
Prospect Heights, IL 60070

MODIFICATION OF MORTGAGE AND SECURITY AGREEMENT

THIS Modification of Mortgage and Security Agreement ("Modification") is made this 28th day of September, 1998, effective as of April 1, 1998, between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Trustee under Trust No. 51431 dated November 25, 1980, now known as Trust No. 101224-06 ("Borrower") and HOUSEHOLD FINANCE CORPORATION III, a Delaware corporation, successor in interest to Household Bank, f.s.b., a federal savings bank, successor in interest to Land of Lincoln Savings and Loan, an Illinois chartered savings and loan association ("Lender").

WITNESSETH:

IN CONSIDERATION of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned Borrower and Lender hereby covenant and agree as follows:

RECITALS:

1. On or about December 24, 1986, Lender made a loan (the "Loan") to Borrower in the amount of Eight Hundred Ninety Thousand and No/100 Dollars ($890,000.00).

2. To evidence the Loan, Borrower executed and delivered that Mortgage and Security Agreement dated December 24, 1986 in favor of Land of Lincoln Savings and Loan ("Mortgagee"), recorded on January 6, 1987, as Document No. 87007670 in the Cook County, Illinois, Records ("Deed"), which Deed encumbers the real estate legally described in Exhibit "A" attached hereto (the "Premises").

3. The Note, Mortgage, Modification Documents and any and all other documents securing the Loan are hereinafter referred to as the "Loan Documents".

4. Borrower has requested that Lender grant an extension of the maturity date of the Note which expires by its terms on April 1, 1998.

5. No default or event which would constitute a default but for the passage of time or the giving of notice, or both, exists under the Note or under the obligations of Borrower pursuant to the Loan Documents.

NOW, THEREFORE, in consideration of the Premises and the mutual promises of the parties, the receipt and sufficiency of which are hereby acknowledged by Borrower, it is hereby agreed as follows:

1. The Loan Documents are hereby modified to extend the maturity date thereof from April 1, 1998 to April 1, 1999.

2. The Interest Rate shall remain at 8.53% and payments of principal and interest shall continue to be based upon a twenty-five (25) year amortization schedule.

3. The modification provided for in this Agreement shall be effective only upon the following terms and conditions being complied with by Borrower:

A. Borrower hereby acknowledges and agrees that the outstanding principal amount due and owing to Lender under the terms of the Loan Documents, as of September 16, 1998, is $780,563.00.

B. Delivery to Lender of an additional principal payment in the amount of $75,000.00 made simultaneously with the execution of this document.

C. That the Note is and always has been maintained in good standing, free from any default, and there is no uncured event of default hereunder or under the Loan Documents, as of the date hereof.

D. Delivery to Lender of the recorded copy of this Modification.

E. Delivery to Lender an appraisal and copies of all leases affecting the real estate legally described in Exhibit "A" attached hereto.

4. To the extent any term(s) or condition(s) in the Loan Documents shall contradict or be in conflict with the amended terms of the Loan as set forth herein such terms and conditions are hereby deemed modified and amended accordingly, upon the effective date hereof to reflect the terms of the Loan as so amended herein. All terms of the Loan Documents, as amended hereby, shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the Borrower to the Lender. Upon the effective date hereof, the Borrower herein restates, ratifies and reaffirms each and every term and condition set forth in the Loan Documents as modified, renewed and extended hereby.

5. Contemporaneously with the execution and delivery hereof, Borrower shall pay or cause to be paid all closing costs and expenses, including title insurance premiums, and shall

reimburse to Lender the reasonable fees and expenses of counsel for Lender, incident to the transactions contemplated herein.

6. Borrower hereby acknowledges that (i) Borrower has no defense, offset or counterclaim with respect to the payment of any sum owed to Lender, or with respect to any covenant in the Loan Documents; (ii) Lender, on and as of the date hereof, has fully performed all obligations to Borrower which it may have had or has on and as of the date hereof; (iii) as set forth herein, Lender does not waive any condition or obligation in the Loan Documents.

7. This Modification shall be governed and construed in accordance with the laws of the State of Illinois.

8. Borrower shall execute and deliver to Lender, or cause to be executed and delivered to Lender from time to time, immediately upon Lender's request, all documents, including changes to any of the existing documents, required by Lender as Lender reasonably deems necessary to protect its security in any existing collateral security for the indebtedness described above.

9. Each party acknowledges that they have read this Modification, that they fully understand its terms, provisions, and consequences; and, that the entry into this Modification is voluntary, free from duress, fraud or undue influence of any kind.

10. This Modification shall be and become effective and binding pursuant to its terms after execution as of the date first above written. It is understood and agreed that said date shall be the effective date even though that date may be a date other or different than the actual date of execution.

11. Borrower shall pay Lender's attorneys' fees and costs in connection with documentation of this Modification, enforcement of this Modification, any additional documentation required by Lender and any and all of the Loan Documents. Without limiting the generality of the foregoing, if the Lender employs counsel to protect, collect, lease, sell, take possession of, or liquidate any of the Premises, or to attempt to enforce or protect any rights of the Lender or obligations of Borrower or any other person, firm or corporation which may be obligated to Lender by virtue of this Modification or under any of the Loan Documents then all of the attorneys' fees arising from such services, and any expenses, costs and charges relating hereto, shall constitute an additional indebtedness owing by Borrower to Lender payable on demand and evidenced and secured by the Loan Documents.

12. Any one or more phrases, sentences, sections or provisions of the Loan Documents which subsequently shall be deemed, construed or interpreted by a court of competent jurisdiction to be unenforceable, invalid or contrary to law, or the inclusion of which would effect the validity or legal enforceability of the Loan Documents, shall be of no force or effect; and in such event each of the remaining provisions of the Loan Documents shall subsist and remain and be fully effective according to the terms of the Loan Documents, as though any such unenforceable, invalid or unlawful provision or provisions had never been included in the Loan Documents.

13. Neither this Modification nor any provision hereof may be amended, waived, discharged or terminated orally, unless such is deemed unenforceable, invalid or contrary to law as provided above. Rather, no provision of this Modification may be amended, waived, discharged or terminated except by a written instrument duly executed and acknowledged by each and every of the parties to this Modification and by no other means.

14. The terms, provisions and conditions of this Modification shall be binding upon and inure to the benefit of each respective party and their respective legal representatives, successors and assigns.

15. Each right, power, and remedy herein conferred upon any party to and under the Loan Documents is cumulative and in addition to every other right, power, or remedy, express or implied, given now or hereafter existing under the Loan Documents, at law or in equity, and each and every right, power, and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by either party, and the exercise or the beginning of the exercise of one right, power or remedy shall not be a waiver of the right to exercise at the same time or thereafter any other right, power, or remedy; and no delay or omission of either party in the exercise of any right, power, or remedy accruing hereunder or arising otherwise shall impair any such right, power, or remedy, or be construed to be a waiver of any default, or acquiescence therein.

16. The failure to insist upon strict performance of any of the terms, covenants, obligations or conditions hereof or under the Loan Documents shall not be deemed a waiver of any rights or remedies that any party may have and shall not be deemed a waiver of any subsequent breach or default in any such terms, covenants or conditions.

17. All notices which any party may be required or may desire to give in connection with this Modification shall be in writing, and shall be given in the manner required under the Loan Documents.

18. Except as specifically set forth herein, the Promissory Note, and each and every other Loan Document shall remain in full force and effect in accordance with the terms and conditions originally set forth therein. Further, each and every covenant, warranty and representation of Borrower set forth in the Loan Documents is incorporated herein by this reference and is hereby restated as if first made as of the date of this Agreement.

19. This Modification may be executed simultaneously or otherwise in one or more identical counterparts, each of which shall be deemed and construed as an original, and all of which shall be construed together to constitute one and the same document. It is specifically agreed and acknowledged by each party that in the event of an actual or alleged variation or discrepancy between two or more executed duplicate originals, the executed duplicate original in the possession of the Lender shall control.

20. Each party acknowledges that this Modification consists of multiple sections each of and understands that the characterizations of such sections are for convenience and general

descriptive purposes only, are not definitive in nature, and shall not be construed to limit, enlarge or affect the scope or intent of this Modification or the meaning of any provision hereof. The parties further acknowledge each to the other that no party is relying upon any characterization or implication from any such section heading in the execution of this Modification.

IN WITNESS WHEREOF, the parties hereto have executed this Modification Agreement as of the day and year first above written.

BORROWER:
AMERICAN NATIONAL BANK AND
TRUST COMPANY OF CHICAGO,
as trustee aforesaid

By: _____

Its: Authorized Officer

This instrument is executed by the undersigned Land Trustee, not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument.

Attestation not required by American National Bank and Trust Company of Chicago Bylaws

Attest: _____

Its: _____

LENDER:
HOUSEHOLD FINANCE CORPORATION III

By: _____
Van S. Powell
Its: Vice President
Commercial Real Estate Division

Attest: _____
Timothy P. Shanley
Its: Assistant Secretary
Commercial Real Estate Division

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Anne M. Marchert, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Anthony A. DiMonte personally known to me to be the TRUST OFFICER of American National Bank and Trust Company of Chicago, as Trustee under Trust No. 51431, dated November 25, 1980, now known as Trust No. 101224-06, a national banking corporation, and _____ personally known to me to be the Assistant Secretary of said corporation, 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 severally acknowledged that as such Vice President and Assistant Secretary, they signed and delivered the said instrument as Vice President and Assistant Secretary of said corporation, and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority, given by the Board of Directors of said corporation as their free and voluntary act, and as the free and voluntary act, and deed of said corporation, for the uses and purposes therein set forth.

WITNESS my hand and official seal this _____ day of OCT 22 1998, 1998.

Anne M. Marchert
Notary Public

"OFFICIAL SEAL"
Anne M. Marchert
Notary Public, State of Illinois
My Commission Expires April 23, 2002

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Wanda Podgurski, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Van S. Powell personally known to me to be the Vice President Commercial Real Estate Division of Household Finance Corporation III, a Delaware corporation, and Timothy P. Shanley personally known to me to be the Assistant Secretary Commercial Real Estate Division of said corporation, 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 severally acknowledged that as such Vice President and Assistant Secretary, they signed and delivered the said instrument as Vice President and Assistant Secretary of said corporation, and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority, given by the Board of Directors of said corporation as their free and voluntary act, and as the free and voluntary act, and deed of said corporation, for the uses and purposes therein set forth.

WITNESS my hand and official seal this 28th day of September, 1998.

Wanda M. Podgurski
Notary Public

"OFFICIAL SEAL"
WANDA M. PODGURSKI
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 2/10/2001

Order No. 339020-9

EXHIBIT A

TRACT INDEX SEARCH

LEGAL DESCRIPTION

Lots 1 to 5, inclusive (except the North 17 feet thereof), in Block 3 in Bartlett's Centralwood, being a Subdivision of the East 1/2 of the East 1/2 and the East 1/2 of the West 1/2 of the East 1/2 of Section 8, Township 37 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

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