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THIS INSTRUMENT PREPARED BY:

Bruce A. Salk
Cohen, Salk & Huvad, P.C.
630 Dundee Road, Suite 120
Northbrook, Illinois 60062

AND AFTER RECORDING MAIL TO:

Oxford Bank & Trust
1111 W. 22nd Street, Suite 800
Oak Brook, Illinois 60523
Attn: Steve Frank

*Call
8373127
I. Sandral-danada*



Doc#: 0831235097 Fee: \$60.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 11/07/2008 12:16 PM Pg: 1 of 13

SECOND MODIFICATION AGREEMENT

THIS SECOND MODIFICATION AGREEMENT (hereinafter referred to as this "Modification Agreement") made as of this 29th day of August, 2008, by and among 2034 W. ARTHUR, LLC, an Illinois limited liability company ("Borrower"), BENJAMIN MIHAI ("Benjamin"), OLIMPIA MIHAI ("Olimpia"), STEFAN SZAFIAN ("Szafian") (Benjamin, Olimpia and Szafian are hereinafter referred to, individually, as "Guarantor" and, collectively, as the "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 mortgage note dated May 30, 2006 in the original principal sum of Three Million Two Hundred Thousand and 00/100 Dollars (\$3,200,000.00) (as modified, restated or replaced from time to time, 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, restated or replaced from time to time, are hereinafter collectively referred to as the "Loan Documents"):

- (i) mortgage and security agreement of even date therewith, recorded in the Office of the Recorder of Deeds of Cook County, Illinois (the "Recorder's Office"), as Document No. 0618820151 (the "Mortgage") on property commonly known as 2034 West Arthur, 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 of even date with the Note made by Borrower in favor of Lender, recorded in the Recorder's Office as Document No. 0618820152 (the "Assignment of Rents");
- (iii) guaranty dated of even date with the Note made by Guarantors in favor of Lender (the "Guaranty");
- (iv) environmental indemnity agreement dated of even date with the Note made by Obligors in favor of Lender;

BOX 333-CTI

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- (v) construction loan agreement dated of even date with the Note between Borrower and Lender (the "Loan Agreement");
- (vi) 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
- (vii) assignment of sales contracts and security agreement dated of even date with the Note made by Borrower in favor of Lender.

WHEREAS, Borrower properly exercised its option to extend the maturity date of the Note to December 1, 2007.

WHEREAS, the Note and Loan Documents were previously modified pursuant to that certain modification agreement by and among Borrower, Guarantors and Lender, dated as of November 30, 2007, recorded in the Recorder's Office as Document No. 0803240043, whereby the maturity date of the Note was extended to September 1, 2008.

WHEREAS, Obligors are desirous of (i) increasing the principal sum of the Note to \$2,338,024.32, (ii) extending the maturity date of the Note to September 1, 2009, (iii) converting interest rate on the Note from a variable rate to a fixed rate of 6.5%, (iv) converting interest only payments to principal and interest payments as of October 1, 2008, (v) pledging additional collateral to the loan, and (vi) making certain other changes thereto, 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 (as defined in the Mortgage) 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 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.
2. Concurrent with the execution of this Modification Agreement, the Borrower shall execute and deliver to Lender: (i) an amended and restated mortgage note of even date herewith in the principal amount of Two Million Three Hundred Thirty-Eight Thousand Twenty-Four and 32/100 Dollars (\$2,338,024.32), payable to the order of Lender (the "Amended Note") on or before September 1, 2009 (the "Maturity Date"); and (ii) a blocked account pledge agreement of even date herewith establishing an account in the amount of \$45,000.00 (the "Blocked Account Agreement"). Also, concurrent with the execution of this Modification Agreement, Borrower shall cause STEFAN HOLDINGS, LLC, an Illinois limited liability company ("Stefan Holdings") to execute and deliver to Lender the following documents: (a) a mortgage and security agreement of even date herewith encumbering property commonly known as 1626 W. Estes, Unit 1F, Chicago, Cook County, Illinois ("Estes Property") with Stefan Holdings, as mortgagor, and Lender, as mortgagee, ("Estes Mortgage"); (b) an assignment of rents and of lessor's interest in leases encumbering the Estes Property dated as of August 29, 2008 made by Stefan Holdings in favor of Lender ("Estes Assignment of Rents"); (c) a mortgage and security agreement of even date herewith encumbering

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property commonly known as 6172 N. Winchester, Unit 6172-G, Chicago, Cook County, Illinois ("Winchester Property") with Stefan Holdings, as mortgagor, and Lender, as mortgagee, ("Winchester Mortgage"); and (d) an assignment of rents and of lessor's interest in leases encumbering the Winchester Property dated as of August 29, 2008 made by Stefan Holdings in favor of Lender ("Winchester Assignment of Rents"). Each reference in the Loan Documents to the term "Note" shall hereafter be deemed to be a reference to the Amended Note, as amended, restated and modified. Each reference in the Loan Documents to the term "Loan" shall hereafter mean that certain \$2,338,024.32 construction loan made by Lender to Borrower and evidenced by the Amended Note. Each reference in the Loan Documents to the term "Loan Documents" shall be deemed to include, without limitation, the Blocked Account Agreement, the Estes Mortgage, the Estes Assignment of Rents, the Winchester Mortgage, and the Winchester Assignment of Rents. Notwithstanding anything to the contrary contained in the Note and the Loan Documents, Lender shall have no obligation to disburse the additional \$70,000.00, except for \$45,000.00 to the blocked account created by the Blocked Account Agreement and \$25,000.00 to closing costs.

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 29, 2008, payable to the order of Mortgagee, in the principal sum of Two Million Three Hundred Thirty-Eight Thousand Twenty-Four and 32/100 Dollars (\$2,338,024.32) (herein called the "Note") bearing interest at the fixed rate specified therein, due in the manner as provided therein and in any event on the September 1, 2009, 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 of Rents 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 (hereinafter referred to as the "Note") dated as of August 29, 2008, payable to the order of OXFORD BANK & TRUST (hereinafter referred to as "Assignee") in the principal amount of Two Million Three Hundred Thirty-Eight Thousand Twenty-Four and 32/100 Dollars (\$2,338,024.32); and".

5. The Loan Agreement is hereby modified as follows:

a. Section 5.1 is hereby amended and restated in its entirety to read as follows: "An amended and restated mortgage note (the "Note") executed by Borrower, payable to the order of Lender, in the principal amount of \$2,338,024.32."

b. Section 8.1 is hereby amended by deleting the phrase "September 1, 2008 (the "Maturity Date")" as it appears therein and replacing it with the phrase "September 1, 2009 (the "Maturity Date")".

c. Section 14.3 is hereby amended and restated in its entirety to read as follows:

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“Provided that all of the conditions described in Sections 14.1 and 14.2 above have been satisfied in form and substance acceptable to Lender and no default or event with which the giving of notice or the passage of time, or both, would constitute a default then exists under the Note, the Mortgage, this Agreement, or any of the other Loan Documents, Lender will issue a partial release of the lien of its Loan Documents covering any Unit upon the payment to Lender of the amount per Unit equal to the greater of (i) One Hundred Seventy-Five Thousand and 00/100 Dollars (\$175,000.00) as to each Unit, and (ii) Ninety percent (90%) of the gross sales price of the Unit as conclusively determined by Lender. Said amounts shall be allocated to the Loan in such manner as Lender shall determine. In addition to the foregoing partial release price, Borrower shall pay Lender \$50.00 per Residential Unit at the time of each Unit closing. Borrower shall notify Lender not less than three (3) business days prior to the scheduled closing of any sale so as to permit Lender sufficient time to arrange for preparation of releases or pay-off letters satisfactory to the Title Company.”

d. Article 14 is hereby amended after Section 14.3 by adding Section 14.4 to read as follows:

“14.4 Notwithstanding anything to the contrary in the Note, the Mortgage, this Agreement, or any other Loan Documents, Borrower shall have the right, beginning as of September 1, 2008, to enter into and perform rental contracts with credit-worthy third party lessees for the unsold Units in the Project on a form lease to be approved by Lender, provided that (i) Lender has approved all rental materials relating to the unsold Units, (ii) the consideration for any such rental consists solely of cash, and (iii) that no default or any event with which the giving of notice or the passage of time, or both, would constitute a default then exists under the Note, the Mortgage, this Agreement or any other Loan Documents.”

e. Exhibit C is hereby deleted in its entirety and replaced with Exhibit C attached hereto.

6. The Loan Documents are hereby amended to secure the obligations and liabilities evidenced by the Note, as hereby modified. Each reference in the Note and the Loan Documents to the term “Maturity Date” shall hereafter mean September 1, 2009.

7. 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 evidenced by the Note 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.

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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 \$5,000.00, 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 Note).

9. The Premises described in the Mortgage shall remain in all events subject to the lien, charge or encumbrance of the Mortgage, and nothing herein contained, and nothing done pursuant hereto, shall affect or be construed to affect the lien, charge or encumbrance of the Mortgage, or the priority thereof over any other liens, charges, or 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, the Mortgage and/or the Assignment of Rents, 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 Note, the Guaranty 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, the Guaranty and other Loan Documents, as so amended.

Without limiting the generality of the foregoing paragraph, each Guarantor hereby further represents and warrants to the Lender with the intent that the Lender rely thereon, as follows with regard to the Guaranty, as hereby modified: (a) the Guaranty is in full force and effect and is binding and enforceable against the Guarantor in accordance with its terms; (b) the Guarantor irrevocably consents and agrees to the Borrower's execution and delivery of this Modification Agreement; (c) the liability of the Guarantor to the Lender under the Guaranty shall in no way be affected, modified, altered, or discharged in any fashion by the Borrower's execution, delivery or performance of this Modification Agreement; (d) the Guarantor hereby restates and reaffirms to Lender all terms and provisions of the Guaranty as if set forth in full herein; and (e) the Guarantor does not possess any claims, defenses, offsets, or counterclaims against the enforcement of the Guaranty as of the date hereof, and any and all such claims, defenses, offsets and counterclaims, whether known or unknown, are forever waived and released, and the Guarantor is unconditionally liable under the Guaranty, for the payment and performance of all present and future indebtedness and all other obligations described therein.

12. This Modification Agreement shall, in all respects, be governed by and construed in accordance with the laws of the State of Illinois (exclusive of choice of law principals), including all matters of construction, validity and performance.

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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.

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 October 15, 2008 (the "Modification Termination Date"):

(a) An endorsement to Chicago Title Insurance Company Loan Policy No. 1409 008373127 (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) A loan title policy insuring Lender's Estes Mortgage;

(c) A loan title policy insuring Lender's Winchester Mortgage; and

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

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

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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.

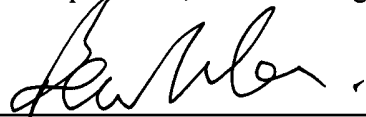
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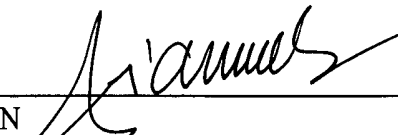
IN WITNESS WHEREOF, the undersigned have caused this instrument to be executed as of the date first above written.

2034 W. ARTHUR, LLC, an Illinois limited liability company

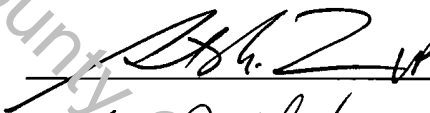
By: 
Olimpia Mihai, its sole manager


BENJAMIN MIHAI


OLIMPIA MIHAI


STEFAN SZAFIAN

OXFORD BANK & TRUST

By: 
Its: Vice President

Property of Cook County Clerk's Office

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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 OLIMPIA MIHAI, personally known to me as the sole manager of 2034 W. ARTHUR, LLC, an Illinois limited liability company, and 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 she signed, sealed and delivered the said instrument as such manager of said limited liability company, pursuant to authority, given by the members of said limited liability company, as her 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 29th day of August, 2008.

Angela L. Cook
Notary Public

My Commission Expires: 6-19-11



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 BENJAMIN MIHAI, personally known to me to be the same person whose name is subscribed to the foregoing instrument, personally appeared before me this day and of his own free will, subscribed his name to the foregoing instrument for the uses and purposes therein contained.

Given under my hand and notarial seal this 29th day of August, 2008.

Angela L. Cook
Notary Public

My Commission Expires: 6-19-11



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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 OLIMPIA MIHAI, personally known to me to be the same person whose name is subscribed to the foregoing instrument, personally appeared before me this day and of her own free will, subscribed her name to the foregoing instrument for the uses and purposes therein contained.

Given under my hand and notarial seal this 29th day of August, 2008.

Angela L. Cook
Notary Public

My Commission Expires: 6-19-11



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 STEFAN SZAFIAN, personally known to me to be the same person whose name is subscribed to the foregoing instrument, personally appeared before me this day and of his own free will, subscribed his name to the foregoing instrument for the uses and purposes therein contained.

Given under my hand and notarial seal this 29th day of August, 2008.

Angela L. Cook
Notary Public

My Commission Expires: 6-19-11



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STATE OF ILLINOIS)
)
) SS
COUNTY OF DUPAGE)

I, the undersigned, a Notary Public in and for said County in the State aforesaid, do hereby certify that Steve Frank, of OXFORD BANK & TRUST, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such _____, 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 29th day of August, 2008.

Angela L. Cook

Notary Public

My Commission Expires: 6-19-11



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EXHIBIT "A"

PIN: 11-31-310-005-0000

ADDRESS: 2034 West Arthur, Chicago, Illinois 60645

LOTS 9 AND 10 IN ARTHUR AVENUE SUBDIVISION OF THE 26 ACRES IN THE SOUTHWEST QUARTER OF SECTION 31, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 4, 1922 AS DOCUMENT NO. 7366967, IN COOK COUNTY, ILLINOIS.

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Exhibit C Minimum Sales Price

From: 630 628 0202 Page: 1/7 Date: 9/26/2008 3:27:16 PM

Address	Grade	Room Count	Size in Sq Ft	Value in \$	Value (Rounded)
2034 W. Arthur	G	4-2-2	880	\$200	\$175,000
	1	4-2-2	907	\$225	\$205,000
2036 W. Arthur	G	4-2-1	834	\$180	\$150,000
	1	4-2-2	930	\$225	\$210,000
	2	4-2-2	930	\$230	\$215,000
6504 N. Seeley	3	4-2-2	930	\$235	\$220,000
	G	4-2-2	783	\$200	\$155,000
	1	4-2-2	843	\$225	\$190,000
6506 N. Seeley	2	4-2-2	843	\$230	\$195,000
	G	3-1-1	633	\$210	\$130,000
	1	4-2-2	864	\$225	\$195,000
6508 N. Seeley	2	4-2-2	864	\$230	\$200,000
	3	4-2-2	864	\$235	\$205,000
	G	4-2-2	1,000	\$190	\$190,000
Total:	2	4-2-2	1,106	\$230	\$255,000
	3	4-2-2	1,106	\$235	\$260,000
					\$3,150,000