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THIS INSTRUMENT PREPARED BY
AND PLEASE RETURN TO:
KIMBERLY K. ENDERS, ESQ.
100 WEST MONROE STREET #1100
CHICAGO, ILLINOIS 60603

90 090031722

72-41-089 w 1022

LOAN MODIFICATION AGREEMENT

This instrument is a Loan Modification Agreement ("Modification") by and between First Chicago Bank of Oak Park, an Illinois banking corporation ("Lender"), First United Trust Company, as successor trustee to Oak Park Trust & Savings Bank, as Trustee under Trust Agreement dated December 23, 1976 and known as its Trust No. 7669 ("Trustee") and Steven Zoller, Paul Lossan and Walter Drechsler (collectively "Guarantors"). Trustee and Guarantors are sometimes collectively referred to as "Borrowers."

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RECITALS:

A. On January 25, 1988, Trustee executed a promissory note in the amount of $100,000 ("Note") evidencing a loan in the amount of $100,000 ("Loan").

B. To secure the Note, Borrowers executed and delivered to Lender on January 25, 1988 the following documents ("Security Documents"):

1. A Second Real Estate Mortgage and Assignment of Rents ("Mortgage") executed by Trustee, securing the property legally described on Exhibit A attached hereto ("Real Estate"), which Mortgage was recorded with the Recorder of Deeds of Cook County on January 27, 1988 as Document No. 88040191. Filed as Doc # 3683755

2. A Guaranty of Note, Mortgage and Other Undertakings ("Guaranty") executed by Guarantors on January 25, 1988.

C. Borrowers used the proceeds of the initial loan as evidenced by the Note to finance the purchase of the Real Estate.

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EXHIBIT A

LEGAL DESCRIPTION:

Lots 1, 2, 3, 4, 5, 6 and 7 in Block 3 of Subdivision of Blocks 3 and 4 in Swigart's Subdivision of Lot 5 and the West 33 feet of Lot 6 in the Subdivision of Section 18, (except the West ½ of the Southwest ¼) Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois

COMMONLY KNOWN AS: 901-927 Wesley and 707-711 Garfield, Oak Park

P.I.N.: 16-18-404-004 (Lot 7); 16-18-404-005 (Lot 6); and 16-18-404-006 (Lots 1-5)

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Mail to:
The First Chicago Bank
of Oak Park
1048 Lake St
Oak Park, Ill 60301-1185

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D. Borrowers have now requested Lender to increase the principal amount of the Note by $100,000 in order to provide it with a working capital fund. Lender is agreeable to this request subject to the terms, covenants and conditions contained herein.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Lender agrees to lend and Trustee agrees to borrow the additional amount of $100,000 ("Additional Loan"). The proceeds of this Additional Loan shall be disbursed pursuant to the provisions of this Modification. All of Borrowers covenants, representations and agreements set forth in the Note and Security Documents shall apply to the Additional Loan and are reaffirmed as of the date hereof. References to the Mortgage shall mean the Mortgage as security for the Note and this Modification.

2. In connection with the Additional Loan, concurrently with the execution of this Modification the following documents shall be executed and delivered to Lender:

(a) Current financial statements of Guarantors.

(b) Such other instruments, documents or papers as may be required by Community Title Insurance Agency, Inc. ("Title Insurer") for the issuance of an endorsement to its policy number MP001716 increasing its insurance coverage to the amount of $200,000 and insuring the Mortgage as modified by this Modification as a second lien against the Real Estate and shall be subject only to such exceptions as are approved by Lender.

(c) A true and correct copy of Guarantors' Partnership Agreement, certified as of the date hereof, or if none, a statement signed by each of the Guarantors stating that there is no written partnership agreement.

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(d) An Estoppel Certificate from the holder of the first mortgage lien holder stating the amount of the outstanding principal balance and accrued interest of the loan and that the loan is not currently in default.

3. At the expense of Borrowers, Lender will cause this Modification to be placed of record and concurrently therewith will order an endorsement to its lender's title insurance policy number MP001716 from Title Insurer covering said recordation and insuring this Modification. When the endorsement has been issued and reflects that Trustee is the holder and owner of the fee simple title to the Real Estate and that Lender holds the lien of the Mortgage as modified by this Modification as a second lien on the Real Estate subject only to such exceptions as approved by Lender then Lender shall disburse the Additional Loan as further provided herein.

4. The loan proceeds of the Additional Loan shall be used to provide a working capital fund and shall be disbursed as follows:

(a) Lender shall disburse to itself such amount as shall be necessary shall be disbursed to reimburse Lender for legal expenses in connection with the preparation of documents, appraisers' expenses, service charges, title insurance premiums and similar such expenditures required of Lender.

(b) The balance shall be disbursed by Lender to Trustee or as directed by it.

5. Guarantors agree to deliver the following information, from time to time, as requested by Lender:

(a) Guarantors' annual financial statements.

(b) Guarantors' state and federal income tax returns.

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(c) A rent roll, prepared semi-annually.

6. There is outstanding presently on the Note the principal amount of $ 94,674.56 and accrued interest of $_____. The Note is hereby modified and amended in that the principal amount of the Note is hereby increased to a total amount of $ 194,674.56. Trustee promises to pay to the order of Lender the aggregate principal sum of $ 194,674.56 ("Aggregate Sum"), or so much thereof as may from time to time be outstanding hereunder and under the Note.

7. The Note is hereby modified and amended further in that subparagraphs (a), (b), (c) and (d) of the first paragraph are hereby deleted in their entirety and the following subparagraphs are substituted in their place:

(a) On the first day of March, 1988 and on the first day of each succeeding month to and including February, 1989, there shall be paid on account of this Note the amount of $1,089.95 which payment shall be applied first to interest at a rate of 10.25% per annum and the remainder to principal.

(b) On March 1, 1989 ("Adjustment Date") the rate of interest to be paid by Borrower (as defined in the Note) to Holder shall be adjusted ("Adjusted Rate"). The Adjusted Rate shall be determined by adding 3.0 percentage points to the average of yields for the four weeks next preceding the Adjustment Date on actively traded U.S. Government Securities One-Year Treasury Constant Maturities as published in the Federal Reserve Statistical Release (H.15, Selected Interest Rates Report).

(c) On the Adjustment Date and on the first day of each succeeding month thereafter to and including December 1, 1989 there shall be paid on account of the principal and interest of this Note a payment in the appropriate amount required to amortize, by the level rate amortization method, a loan in the principal amount of One Hundred Thousand ($100,000) Dollars at such Adjusted Rate for a term of fifteen (15) years, which such payment shall be applied first to interest at the Adjusted Rate and the remainder to principal.

(d) On January 1, 1990 and on the first day of each succeeding month thereafter until all amounts due under the Note, as modified by the Modification, are paid there shall be paid on account of the principal and interest

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of this Note, as increased by the Modification, the amount of $2,174.64, which such payment shall be applied first to interest at a rate of 10.75% per annum and the remainder to principal.

(e) On December 1, 1992 the principal balance together with all accrued interest and all other amounts due hereunder shall be paid.

8. This Modification shall constitute an amendment of the Note and Security Documents, and wherever in said instruments or in any other instrument evidencing or securing the indebtedness evidenced by the Note ("Loan Documents") reference is made to the Loan Documents aforesaid, such reference shall be deemed a reference to such Loan Documents as hereby modified and amended.

9. The Mortgage and Security Documents are specifically amended to secure the Note as hereby increased. All other provisions of the Loan Documents remain unchanged; and nothing herein contained shall in any manner affect the lien or priority of the Mortgage.

10. Trustee and Guarantors hereby expressly acknowledge and confirm that by executing this Modification, Lender has not waived, altered or modified Lender's rights under the Loan Documents to amend, extend, renew, modify or otherwise deal with the obligations of Trustee and Guarantors or any of the security given to Lender in connection therewith without such action releasing, modifying or affecting the obligations of Trustee and Guarantors or affecting the security heretofore guaranteed to Lender. Guarantors hereby expressly acknowledge and agree that their Guaranty extends to the Note and Security Documents as hereby modified and increased.

11. Time is of the essence in the performance of this Modification.

12. Trustee and Guarantors hereby agree to pay all of Lender's expenses arising out of and in connection with this

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Modification including, but not limited to, attorneys' fees performed in preparation of necessary documentation and title insurance, escrow and recording fees.

13. This instrument is executed by First United Trust Company, as successor trustee to Oak Park Trust & Savings Bank, not individually or personally, but solely as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee, and it is expressly understood and agreed that nothing herein contained shall be construed as creating any liability of First United Trust Company personally to pay any indebtedness arising or accruing under or pursuant to this instrument, or to perform any covenant, undertaking, representation or agreement, either express or implied, contained in this instrument, all such personal liability of First United Trust Company, if any, being expressly waived by each and every person now or hereafter claiming any right under this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Modification on 12-14, 1989.

LENDER:

First Chicago Bank of Oak Park, an Illinois corporation

BY: _____
ITS SR VICE PRESIDENT

ATTEST: _____
ITS Assistant Secretary

TRUSTEE:

First United Trust Company, as successor trustee to Oak Park Trust & Savings Bank, as Trustee under Trust Agreement dated 12/23/76 and known as its Trust No. 7669

BY: _____
ITS TRUST OFFICER

GUARANTORS:

_____
Steven Zoller

_____
Paul Lossan

_____
Walter Drechsler

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STATE OF ILLINOIS)
COUNTY OF ~~C O O K~~ DuPAGE) SS

I, Rita H Boukal, a Notary Public in and for the State and County aforesaid, do hereby certify that Thomas Gallagher and Patricia O. Baker, Sr Vice President and Assistant Secretary, respectively, of First Chicago Bank of Oak Park, 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 and delivered the said instrument as their 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 December 14, 1989.

OFFICIAL SEAL
Rita H Boukal
Notary Public, State of Illinois
My Commission Expires 8/14/93

Rita H Boukal
Notary Public

STATE OF ILLINOIS)
COUNTY OF C O O K) SS

Margaret O'Donnell, a Notary Public in and for the State and County aforesaid, do hereby certify that Dennis John Carrara TRUST OFFICER ~~President~~ of First United Trust Company, as successor trustee to Oak Park Trust & Savings Bank, as Trustee as aforesaid, 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 Trustee for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal December 14, 1989.

"OFFICIAL SEAL"
Margaret O'Donnell
Notary Public, State of Illinois
My Commission Expires 5/10/93

Margaret O'Donnell
Notary Public

STATE OF ILLINOIS)
COUNTY OF ~~C O O K~~ DuPAGE) SS

I, Rita H Boukal, a Notary Public in and for the State and County aforesaid, do hereby certify that Steven Zoller, 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 December 14, 1989.

Rita H Boukal
Notary Public, State of Illinois
My Commission Expires 8/14/93

Rita H Boukal
Notary Public

STATE OF ILLINOIS)
COUNTY OF ~~C O O K~~ DuPAGE) SS

I, Rita H Boukal, a Notary Public in and for the State and County aforesaid, do hereby certify that Paul Lossan, 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 December 14, 1989.

OFFICIAL SEAL
Rita H Boukal
Notary Public, State of Illinois
My Commission Expires 8/14/93

Rita H Boukal
Notary Public

STATE OF ILLINOIS)
COUNTY OF ~~C O O K~~ DuPAGE) SS

I, Rita H Boukal, a Notary Public in and for the State and County aforesaid, do hereby certify that Walter Drechsler, 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 December 14, 1989.

OFFICIAL SEAL
Rita H Boukal
Notary Public, State of Illinois
My Commission Expires 8/14/93

Rita H Boukal
Notary Public

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