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COOK COUNTY, ILLINOIS

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WP51\Loans
02/08/91

Prepared by and should be
returned to:
Randy S. Gussis
Shaw, Shoub & Gussis, Ltd.
318 W. Randolph, Suite 500
Chicago, Illinois 60606

LOAN MODIFICATION AGREEMENT

\$20.00

This Loan Modification Agreement is made as of the ~~21~~ day of February, 1991, by and between American National Bank and Trust Company of Chicago, as Trustee of Trust No. 32488 ("Mortgagor"), and American National Bank and Trust Company of Chicago ("Mortgagee"), Flair Communication Agency, Inc., an Illinois corporation ("Borrower"), and Lee Flaherty ("Guarantor").

WHEREAS, Mortgagee has previously made a loan to Mortgagor in the principal amount of Four Hundred Thousand Dollars (\$400,000) (the "Original Loan"), evidenced by a Promissory Note dated March 12, 1987 (the "Original Loan Note") and guaranteed by Guarantor pursuant to Guaranty dated March 11, 1987 (the "Original Loan Guaranty"); and

WHEREAS, said Original Loan Note has been secured by (i) a second mortgage in favor of Mortgagee, recorded in the office of the Recorder of Deeds of Cook County on April 30, 1987, as Document No. 87231386 (the "Second Mortgage"), against the property legally described on Exhibit A (the "Premises"), attached hereto and made a part hereof, (ii) two (2) Assignments of Rents dated November 22, 1987 and recorded in the office of the Recorder of Deeds of Cook County as Document Nos. 88068217 and 88068218, respectively (the "Assignments of Rent") and (iii) Security Agreement and Security Assignment Under Land Trust dated September 2, 1987, made by Flair in favor of Mortgagee (the "Collateral ABI"); and

WHEREAS, Mortgagee has agreed to loan to Borrower an additional Two Hundred Thousand Dollars (\$200,000) (the "Additional Loan") to be evidenced by a Promissory Note of even date herewith, executed by Borrower in favor of Mortgagee (the "Additional Loan Note"); and

WHEREAS, Borrower and Mortgagor have agreed that the Second Mortgage and the Assignments of Rent shall be, among other things, security for the repayment of the Additional Loan Note; and

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WHEREAS, Lender has required that Guarantor guaranty the repayment of all sums due pursuant to the Additional Loan Note.

NOW THEREFORE, in consideration of the Mortgagee's agreement to make the Additional Loan, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor hereby agrees as follows:

1. Recitals. The foregoing recitals are incorporated herein by reference as a material part hereof.

2. Additional Loan. The Second Mortgage and the Assignments of Rents are hereby amended so that they shall secure repayment of all of Borrower's Liabilities pursuant to the Additional Loan Note (as defined therein). The Additional Loan Note provides for interest at one-half of one percent (.5%) in excess of the Base Rate (as defined in the Additional Loan Note) with a maturity date of March 31, 1991.

3. Environmental Indemnity Agreement. Mortgagor, Borrower and Guarantor shall execute an Environmental Indemnity Agreement of even date herewith, which Agreement is hereby incorporated into the Second Mortgage by reference and made a part thereof.

4. Guaranty. Guarantor shall guaranty repayment of the Additional Loan Note by Guaranty of even date herewith. The Original Guaranty is hereby modified so that the right of recovery thereunder shall be limited to the outstanding principal balance of the Original Loan Note plus interest and all loans and/or advances and all expenses as set forth in said Original Loan Guaranty.

5. The Collateral ABI. The Collateral ABI is hereby amended so that same shall also secure the repayment of Borrower's Liabilities pursuant to the Additional Loan Note.

6. Default. Any (i) Event of Default under the Original Loan Note or the Additional Loan Note (as defined therein), (ii) Default under the Environmental Indemnity Agreement (as defined therein), or (iii) any failure by Mortgagor to perform any of the covenants under the Second Mortgage to be performed by Mortgagor, shall be a default entitling Mortgagee to accelerate the maturity date of the Original Loan Note and/or the Additional Loan Note so that Borrower's Liabilities pursuant to each said Note shall become immediately due and payable, and in addition, Mortgagee shall have all other remedies provided for in the aforementioned loan documents, as well as those remedies as shall be available to Mortgagee at law or in equity.

7. Security Agreement. Mortgagee, Mortgagor and Borrower hereby agree that this Loan Modification Agreement shall constitute a Security Agreement within the meaning of the

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Illinois Uniform Commercial Code (the "Code") with respect to (i) all sums at any time on deposit for the benefit of Mortgagee or held by the Mortgagee (whether deposited by on behalf of the Borrower or anyone else) pursuant to any of the provisions of the Second Mortgage, (ii) any personal property included in the granting clauses of the Second Mortgage, which personal property may not be deemed to be affixed to the Premises and all replacements of, substitutions for, additions to, and the proceeds thereof, (iii) all deposits and accounts of Flair in the possession of Mortgagee, (iv) rents, issues and profits now due and which may hereafter become due by virtue of any lease for the Premises, and (v) the beneficial interest in both land trusts constituting Mortgagor (all collectively referred to herein as the "Collateral"), and that a security interest in and to the Collateral is hereby granted to Mortgagee, and the Collateral and all of Borrower's and Mortgagor's respective right, title and interest therein are hereby assigned to Mortgagee, all to secure payment of the indebtedness secured by the Second Mortgage. Mortgagor and Borrower shall execute such UCC Financing Statements as Mortgagee shall request to perfect the security interest granted hereunder.

8. Prohibited Transfer. In the event that Lee Flaherty shall cease to own at least fifty one percent (51%) of the issued and outstanding shares of stock of Borrower, such event shall be deemed a prohibited transfer under the Second Mortgage, and shall entitle Mortgagee to all remedies thereunder, at law or in equity, including the right to accelerate the maturity date of the Original Loan Note and/or the Additional Loan Note and any and all other indebtedness secured by the Second Mortgage, so that Borrower's Liabilities as defined in the Original Loan Note and the Additional Loan Note shall be immediately due and payable.

Mortgage in Full Force and Effect. Except as amended by this Loan Modification Agreement, the Second Mortgage, the Assignments of Rents, the Collateral ABI and all other documents evidencing and securing the Original Loan shall remain in full force and effect.

In Witness Whereof, the undersigned have executed this Loan Modification Agreement as of the date first above written.

FLAIR COMMUNICATION AGENCY, INC.

By: *Ann Marie*
Its _____ President

Attest: *Augusta C. Mello*
Its _____ Secretary

AMERICAN NATIONAL BANK and TRUST COMPANY of CHICAGO

By: [Signature]
Its Vice President

Attest: [Signature]
Its Asst Secretary

AMERICAN NATIONAL BANK and TRUST COMPANY of CHICAGO, as Trustee,
as aforesaid

By: [Signature]
Its Vice President

Attest: [Signature]
Its Assistant Secretary

[Signature]
Lee Flaherty

TRUSTEE'S ACKNOWLEDGEMENT

American National Bank and Trust Company of Chicago, as Trustee as aforesaid, hereby acknowledges that the foregoing documents amends the Collateral ABI so that said instrument shall be security for the Additional Loan as well as for the Original Loan.

American National Bank and Trust Company of Chicago, as Trustee as aforesaid

By: [Signature]
Its Vice President

Attest: [Signature]
Its Assistant Secretary

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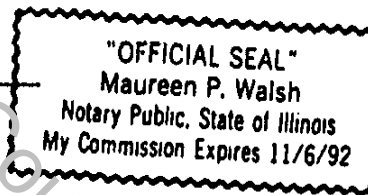
STATE OF ILLINOIS)
)SS:
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that Alvin Miller, President of FLAIR COMMUNICATION AGENCY, INC., and August Comella, its Secretary, respectively, of said corporation, 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 their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 22 day of February, 1991.

My Commission Expires: 11/6/92

Maureen P. Walsh
Notary Public



STATE OF ILLINOIS)
)SS:
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that Kevin Lewson, Vic President of and William D. ... Secretary, respectively, of AMERICAN NATIONAL BANK and TRUST COMPANY of CHICAGO, 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 their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 25 day of February, 1991.

My Commission Expires:

Cathleen Dunne
Notary Public



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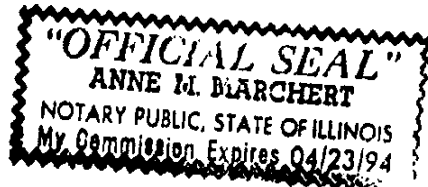
STATE OF ILLINOIS)
)SS:
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County and State, do hereby certify that J. MICHAEL WHELAN Peter Johansen
VICE President and Assistant Secretary, respectively, of AMERICAN NATIONAL BANK and TRUST COMPANY of CHICAGO, as Trustee of Trust No. 32488, 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 their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this FEB 27 1991 day of February, 1991.

My Commission Expires:

Anne M. Blarchert
Notary Public



STATE OF ILLINOIS)
)SS:
COUNTY OF COOK)

25 Subscribed and sworn to before me by LEE FLAHERTY, this day of February, 1991.

My Commission Expires: 4/7/93

Peter Taddeo
Notary Public



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EXHIBIT A

Lots 18, 19, 20, 21, 22 and 23 in Block 16 in Newberry's Addition to Chicago, being a subdivision of the East 1/2 of the West 1/2 of the Northeast 1/4 of Section 9, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook county, Illinois.

Address of Property: 228 West Erie, Chicago, Illinois
PINS: 17-09-216-003, 17-09-216-004, 17-09-216-005, 17-09-216-016

Lot 26 in Block 16 in Newberry's Addition to Chicago, a subdivision of the East 1/2 of the West 1/2 of the Northeast 1/4 of Section 9, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Address of Property: 214 West Erie, Chicago, Illinois.
PIN: 17-09-216-009

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