

**EXTENSION/MODIFICATION AGREEMENT**

Note No. 87640/33645

REF TITLE SERVICES # 524530

This AGREEMENT, made this 13th day of March, 1997 by and between First National Bank (hereinafter called "Bank") and John M. Zarlengo, Sr. and Thomas A. Zarlengo (hereinafter called "Mortgagor" and/or "Borrower"),

**WITNESSETH:**

WHEREAS, the Borrower executed and delivered to Bank a Promissory Note dated March 13, 1992 in the original principal amount of EIGHTY-FIVE THOUSAND AND 00/100 DOLLARS (\$85,000.00); and,

WHEREAS, said Note is secured by a certain Mortgage and Assignment of Rents dated March 13, 1992 and recorded with the Office of the Recorder of Deeds of Cook County, Illinois, on March 16, 1992, as Document Nos. 92167207, and 92167208, respectively, all on premises described as follows:

THE EAST 65.77 FEET OF THE SOUTH 1/2 OF LOT 72 IN DIXIE GARDENS BEING A SUBDIVISION OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 17, AND THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 AND THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 18, TOWNSHIP 35 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

THE SOUTH 1/2 OF LOT 72 (EXCEPT THE WEST 66.23 FEET) IN DIXIE GARDENS BEING A SUBDIVISION OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 17 AND THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 AND THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 18, TOWNSHIP 35 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 257 Joe Orr Road, Chicago Heights, IL 60411  
Permanent Index No. 32-17-115-038

WHEREAS, the Bank is the owner and holder of the said Note and Mortgage and Assignment of Rents, and the Mortgagor is the owner of the mortgaged premises; and,

WHEREAS, the Note matured on March 13, 1997; and,

WHEREAS, the Mortgagor and Borrower have requested that the Bank extend the maturity date for the payment of all amounts due under the Note, and the Bank is willing to extend the maturity date upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows.

1. Acknowledgment of Balance. The Mortgagor and Borrower acknowledge that as of the date hereof, the unpaid balance due and owing on said note is FIFTY-TWO THOUSAND ONE HUNDRED EIGHTY-SIX AND 86/100 DOLLARS (\$52,186.86) of principal and THREE HUNDRED FORTY-FIVE AND 18/100 DOLLARS (\$345.18) of interest, and that said Note is not subject to any defenses or offsets whatsoever.
2. Modification of Terms. That the repayment of the Note is hereby modified as follows:
  - (a) The maturity date of the Note is hereby extended from March 13, 1997 to March 13, 2002; and,
  - (b) That interest shall be payable at the rate of Eight and One Half (8.50%) percent per annum from the date hereof; and,
  - (c) That the Note shall be repaid in 60 installments of ONE THOUSAND FIFTY-NINE AND 31/100 DOLLARS (\$1,059.31) to be applied first to accrued interest, next to unpaid fees and charges (if any) with the remaining balance applied to principal, beginning on April 13, 1997 and on the same day of each successive month thereafter, until the maturity date at which time all unpaid amounts due and owing on the Note shall be payable in full; and,
3. Fees and Costs. Borrower agrees to pay all attorney's fees, title charges, recording charges and any other costs outlined in this Agreement.
4. Late Payment Fee. Borrower shall pay to the Bank a late charge of five percent (5%) of any monthly installment not received by the Bank within fifteen (15) days after the installment is due.
5. Financial Reporting Requirements. Bank shall be provided with annual personal financial statements and tax returns for John M. Zarlengo, Sr. and Thomas A. Zarlengo.
6. Reaffirmation of Representations / Continuation of Documents. Mortgagor and Borrower further agree that all of the stipulations, provisions, conditions and covenants of the above described Note and Mortgage and Assignment of Rents and other documents shall remain in full force and effect, except as herein extended and/or modified, and nothing herein shall be construed to impair the security or lien of the Bank in and to the subject premises nor to affect nor impair any rights or powers which Bank may have under said note, mortgage and/or trust deed in any other instrument or document delivered to the Bank by the Mortgagor or Borrower.

7 MORTGAGOR HEREBY AGREES THAT, IN THE EVENT MORTGAGOR SHALL (i) FILE WITH ANY BANKRUPTCY COURT OF COMPETENT JURISDICTION OR BE THE SUBJECT OF ANY PETITION UNDER TITLE 11 OF THE U.S. CODE, AS AMENDED, (ii) BE THE SUBJECT OF ANY ORDER FOR RELIEF ISSUED UNDER SUCH TITLE 11 OF THE U.S. CODE, AS AMENDED, (iii) FILE OR BE THE SUBJECT OF ANY PETITION SEEKING ANY REORGANIZATION ARRANGEMENT, COMPOSITION, READJUSTMENT, LIQUIDATION, DISSOLUTION, OR SIMILAR RELIEF UNDER ANY PRESENT OR FUTURE FEDERAL OR STATE ACT OR LAW RELATING TO BANKRUPTCY, INSOLVENCY, OR OTHER RELIEF FOR DEBTORS, (iv) HAVE SOUGHT OR CONSENTED TO OR ACQUIESCED IN THE APPOINTMENT OF ANY TRUSTEE, RECEIVER, CONSERVATOR, OR LIQUIDATOR, (v) BE THE SUBJECT OF ANY ORDER, JUDGMENT, OR DECREE ENTERED BY ANY COURT OF COMPETENT JURISDICTION APPROVING A PETITION FILED AGAINST SUCH PARTY FOR ANY REORGANIZATION ARRANGEMENT, COMPOSITION, READJUSTMENT, LIQUIDATION, DISSOLUTION, OR SIMILAR RELIEF UNDER ANY PRESENT OR FUTURE FEDERAL OR STATE ACT OR LAW RELATING TO BANKRUPTCY, INSOLVENCY, OR RELIEF FOR DEBTORS, BANK SHALL THEREUPON BE ENTITLED TO RELIEF FROM ANY AUTOMATIC STAY IMPOSED BY SECTION 362 OF TITLE 11 OF THE U.S. CODE, AS AMENDED, OR OTHERWISE, ON OR AGAINST THE EXERCISE OF THE RIGHT AND REMEDIES OTHERWISE AVAILABLE TO BANK AS PROVIDED IN THE MORTGAGE

IN WITNESS WHEREOF, the parties have set their hands and seals this day and year first above written.

BANK:  
First National Bank

By: [Signature]  
Brent E. Frank, Executive Vice President

By: [Signature]  
Mark D. Urbaniak, Comm. Lending Officer

MORTGAGOR.

By: [Signature]  
John M. Zarlengo, Sr.

By: [Signature]  
Thomas A. Zarlengo

BORROWER:

By: [Signature]  
John M. Zarlengo, Sr.

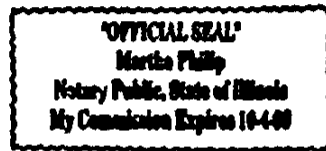
By: [Signature]  
Thomas A. Zarlengo

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 John M. Zarlengo, Sr. and Thomas A. Zarlengo, 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 they signed, sealed, and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and notarial seal this 14th day of April, 1997.

*Martha Philip*  
\_\_\_\_\_  
Notary Public

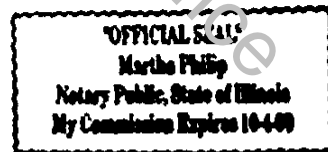



State of Illinois )  
                          ) ss.  
County of Cook )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Brent E. Frank and Mark D. Urbania, 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 they signed, sealed, and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and notarial seal this 14th day of April, 1997.

*Martha Philip*  
\_\_\_\_\_  
Notary Public



Prepared by and MAIL TO  
  
First National Bank  
101 Dooe Highway  
Chicago Heights, IL 60202  
Attn: Business Banking Department