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Cook County Recorder

This instrument was prepared by, and after recordation should be returned to
CORUS BANK, N A
Peter R. Freund
Counsel
Law Department
Commercial Lending
4800 N. Western Avenue
Chicago, IL 60625

FIRST NOTE AND MORTGAGE MODIFICATION AND ASSUMPTION AGREEMENT

This First Note and Mortgage Modification and Assumption Agreement made this 9th day of February, 1998 (the "Modification Agreement" or "Agreement"), by and between JAMES R. MARTIN, DEBORAH M. MARTIN (the "Martins"), LEAP MANAGEMENT, INCORPORATED, an Illinois corporation (the "Corporation" and together with the Martins, the "Original Borrower"), and ALBANY BANK & TRUST COMPANY, N.A., not personally but as Trustee under Trust Agreement dated January 8, 1998, and known as Trust No. 11-5379, with offices located at 3400 W. Lawrence Avenue, Chicago, Illinois 60625 (referred to herein as "Substitute Borrower"), and CORUS BANK, N.A. (the "Lender")

WHEREAS, the Lender is the owner and holder of a certain Mortgage Note dated August 13, 1997 (hereinafter referred to as the "Note"), in the original principal sum of Six Hundred Five Thousand and No/100 Dollars (\$605,000.00) from Original Borrower, payable to the order of Lender, and

WHEREAS, said Note is due and payable on September 1, 2007 (the "Maturity Date"), and has a present outstanding principal balance of \$602,335.15; and

WHEREAS, Maker (as such term is defined and used in the Note), under the terms of the Note, is required to pay on the first day of each month to the order of the Lender principal and interest on the unpaid balance thereof until the Maturity Date, and

BOX 333-CTI

WHEREAS, the Note is secured *inter alia* by a Mortgage, Assignment of Rents, Security Agreement and Fixture Financing Statement on the real property described in Exhibit "A" hereto (the "Premises") from the Corporation to Lender, recorded on August 28, 1997 in the Cook County Recorder's Office as Document No. 97635872 (the "Mortgage") (the Note and Mortgage, together with certain other documents executed contemporaneously with the Note and Mortgage, shall hereinafter be referred to as the "Loan Documents"), and

WHEREAS, contemporaneous with the execution and delivery of this Modification Agreement, the Original Borrower, in exchange for good and valuable consideration, will transfer its ownership interests in the Premises to Substitute Borrower by a Warranty Deed, to be recorded in the Cook County Recorder's Office, and the Lender has agreed to such transfer of the ownership interests in the Premises, subject to the Mortgage and provided that the Original Borrower and Substitute Borrower execute this Modification Agreement, and

WHEREAS, by the execution of this Modification Agreement, the Substitute Borrower shall replace the Original Borrower as Maker (as such term is defined and used in the Note) under the Note and Substitute Borrower shall replace the Corporation as Mortgagor (as such term is defined and used in the Mortgage) under the Mortgage, and

NOW, THEREFORE, in consideration of Ten and No/100 Dollars (\$10.00), and other good and valuable consideration, receipt of which is hereby acknowledged, and in further consideration of the mutual promises contained herein, Original Borrower, Substitute Borrower and Lender agree as follows

1 Substitute Borrower hereby assumes, agrees, ratifies and consents to all the obligations, liabilities, terms, provisions and conditions of the Note, as modified, and the Mortgage, as modified, and the other Loan Documents, as if the Substitute Borrower had

executed the Note and Mortgage and the other Loan Documents, as of the date of execution of the same by the Original Borrower, August 13, 1997.

2 Lender hereby consents to the execution of this First Note and Mortgage Modification Agreement by the Substitute Borrower and, to the substitution of Substitute Borrower as Maker under the Note and as Mortgagor under the Mortgage

3 Lender, by the execution of this Agreement, releases the Original Borrower from any liability under the Note, the Mortgage and any of the other Loan Documents. Substitute Borrower consents to such release, which shall not impair or affect the liability of the Substitute Borrower under the Note, Mortgage and the other Loan Documents

4 Monthly installments of principal and interest under the Note shall continue to be due and payable on the first day of each month, as further provided in the Note, to and including August 1, 2007, with a final payment of all remaining indebtedness due under the Note, if not sooner paid, on the Maturity Date

5 Subsections (b) and (c) of the first paragraph of the Note are hereby deleted and the following shall be substituted therefor:

(b) during the period commencing on September 1, 1998 (the "First Adjustment Date") and ending on August 31, 1999, on the balance of principal remaining from time to time outstanding at a rate per annum equal to the sum of (i) the weekly average yield on United States Treasury Securities, adjusted to a constant maturity of one year, as published by the Federal Reserve Board most recently prior to the First Adjustment Date, rounded to the nearest one-eighth of one percent (1.25%) plus (ii) two and three-quarters of one percent (2.75%), and (c) on each September 1 ("Subsequent Adjustment Dates") through the following August 31 thereafter, up to and including September 1, 2006 through the Maturity Date, on the balance of principal remaining from time to time at a rate per

annum equal to the sum of (i) weekly average yield on United States Treasury Securities, adjusted to a constant maturity of one year, as published by the Federal Reserve Board most recently prior to the Subsequent Adjustment Dates, rounded to the nearest one-eighth of one percent (1.25%) plus (ii) two and three-quarters of one percent (2.75%) (the "Interest Rate")

6 Substitute Borrower, in order to provide for the payment of real estate taxes, promises to (i) deposit, on the date of this Agreement, the sum of \$22,920.00 into a tax escrow account with the Lender, which amount shall equal two-thirds (2/3) of one hundred ten percent (110%) of the annual real estate taxes as estimated by the Lender, and (ii) pay monthly, commencing with the first installment of principal and interest due subsequent to the date of this Agreement, in addition to the monthly payments of principal and interest as required in the Note, one-twelfth (1/12) of one hundred ten percent (110%) of the annual real estate taxes as estimated by the Lender or holder of this Note in such manner as the Lender or holder of this Note may prescribe, so as to provide for the current year's tax obligation. If the amount estimated to pay said taxes is not sufficient, Substitute Borrower promises to pay the difference upon demand. It shall not be obligatory upon the Lender to inquire into the validity or accuracy of any of said items before making payments of the same and nothing herein contained shall be construed as requiring the Lender to advance other monies for said purposes nor shall the Lender incur any personal liability for anything it may do or omit to do hereunder. It is agreed that all such payments made pursuant to this paragraph shall, at the option of the Lender, either (1) be held in trust by the Lender without earnings for the payment of such items, (2) be carried in a tax account for the benefit of Substitute Borrower and withdrawn by the Lender to pay such items, or (3) be credited to the unpaid balance of said indebtedness as received, provided that the Lender advances upon this obligation sums sufficient to pay said items as the same accrue and become payable. If such items are held in trust or carried in a tax account for the Substitute Borrower, the same are hereby

pledged, together with any other account of the Substitute Borrower or any co-maker or any guarantor held by the Lender to further secure the indebtedness represented by this Note, and any officer of the Lender is authorized to withdraw the same and apply said sum as aforesaid

7. Substitute Borrower and Original Borrower represent to Lender that there is no junior mortgage or subsequent lien now outstanding against the Premises, except for that certain Second Mortgage dated February __, 1998 (the "Junior Mortgage"), by the Corporation in the principal amount of \$176,500.00, which mortgage shall remain subordinate to Lender's Mortgage, as hereby modified. Corporation hereby agrees that it will provide written notice to Lender, in accordance with the notice provisions set forth in the Mortgage, of any default by Substitute Borrower under the Junior Mortgage or any documents related to the financing secured by the Junior Mortgage. Substitute Borrower hereby acknowledges and agrees that upon receipt of notice of a default under the terms of the Junior Mortgage, Lender shall have the right to immediately declare a default under the Mortgage, as hereby modified. Substitute Borrower and Original Borrower also represent that the lien of the Mortgage, as modified, is a valid first and subsisting lien on the Premises.

8. In consideration of the modification of the terms of the Note, Mortgage and the other Loan Documents by Lender, as described above, and for other valuable consideration described in this Agreement, Substitute Borrower covenants and agrees to pay the balance of the indebtedness evidenced by the Note and secured by the Mortgage, as modified, and to perform the covenants contained therein, and in the other Loan Documents. Substitute Borrower further agrees that the prepayment privilege and the prepayment charge now in effect shall remain in full force and effect.

9. Substitute Borrower and Original Borrower acknowledge that they have thoroughly read and reviewed the terms and provisions of this Agreement and are familiar with them. Substitute Borrower and Original Borrower clearly understand the terms and provisions of this Agreement and have fully and unconditionally consented to them. Substitute Borrower and Original Borrower have had the full benefit and advice of counsel of their own selection, or the opportunity to obtain the benefit and advice of counsel of their own selection, in regard to understanding the terms, meaning, and effect of this Agreement, with full knowledge, and without duress. In executing this Agreement, Substitute Borrower and Original Borrower are not relying on any representations, written or oral, express or implied, made to Substitute Borrower and/or Original Borrower by any party to the Agreement. Substitute Borrower and Original Borrower acknowledge that the consideration received or to be received under this Agreement is actual and adequate.

10. As additional consideration for the modification of the terms of the Note, Mortgage and the other Loan Documents by Lender, as described above, Substitute Borrower and Original Borrower release and forever discharge Lender, and its agents, servants, employees, directors, officers, attorneys, branches, affiliates, subsidiaries, successors and assigns, and all persons, firms, corporations and organizations on its behalf, from all damage, loss, claims, demands, liabilities, obligations, actions and causes of action of whatever kind or nature which Substitute Borrower and/or Original Borrower may now have or claim to have against Lender as of the effective date of this Agreement, whether presently known or unknown, on account of or in any way affecting, concerning, arising out of, or founded on the Note, Mortgage, each as modified by this Agreement, or any of the other Loan Documents. This includes, but is not limited to, all such loss or damage of any kind suffered or sustained prior to and including the

effective date of this Agreement, and arising as a consequence of the dealings between the parties. This Agreement and covenant on the part of the Substitute Borrower and Original Borrower is contractual, and not a mere recital. The parties acknowledge and agree that no liability whatsoever is admitted on the part of any party, except Substitute Borrower's indebtedness to Lender under the Note, Mortgage and the other Loan Documents, and that all agreements and understandings between Substitute Borrower, Original Borrower and Lender are expressed and embodied in the Note and Mortgage, as modified by this Agreement, and the other Loan Documents.

11 Nothing contained in this Agreement shall in any manner impair the Note and Mortgage, as modified, or the first lien created, any of the other Loan Documents, or any other documents executed by Substitute Borrower and/or Original Borrower in connection with the modification, or alter, waive, vary or affect any promise, agreement, covenant or condition recited in any of the foregoing documents, except as expressly provided in this Agreement, or affect or impair any rights, powers or remedies of Lender under any of the foregoing documents. Except as otherwise provided, all terms and provisions of the Note, Mortgage, the other Loan Documents and other instruments and documents executed in connection with the mortgage loan shall remain in full force and effect and shall be binding on the parties, their successors and assigns.

IN WITNESS WHEREOF, this Modification Agreement is executed by ALBANY BANK & TRUST COMPANY, N A, not personally, but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said ALBANY BANK & TRUST COMPANY, N A hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein contained shall be construed

as creating any liability on said Trustee or on said ALBANY BANK & TRUST COMPANY, N A personally to pay the Note, as hereby modified, or any interest that may accrue on the Note, as hereby modified, or any indebtedness accruing on the Note, as hereby modified, or to perform any covenant either express or implied contained in any of the Loan Documents, all such liability, if any, being expressly waived by Lender and by every person now or hereafter claiming any right or security hereunder and that so far as said Trustee and said ALBANY BANK & TRUST COMPANY, N A personally are concerned, the legal holder or holders of the Note, as hereby modified, and the owner or owners of any indebtedness accruing pursuant to the Note, as hereby modified, shall look solely to the Premises conveyed by the Mortgage, as hereby modified, for the payment thereof, by enforcement of the lien thereby created, in the manner therein and in the Note, as hereby modified, provided, by action against any other security given to secure the payment of the Note, as hereby modified, and by action to enforce the personal liability of the co-Makers or Guarantors of the Note, as hereby modified, if any

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

SUBSTITUTE BORROWER:

ALBANY BANK & TRUST COMPANY, N.A.,
not personally, but as Trustee under Trust
Agreement dated January 8, 1998, and
known as Trust No. 11-5379

By _____
Its _____
M. J. [Signature]
ATTESIT _____
Its _____

LENDER:

CORUS BANK, N.A.
By _____
Its Commercial Loan Officer

ORIGINAL BORROWER:

LEAP MANAGEMENT, INCORPORATED,
an Illinois corporation

By *Deborah M. Martin*
Its PRES

[Signature]
JAMES R. MARTIN

Deborah M. Martin
DEBORAH M. MARTIN

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 ALBANY BANK & TRUST COMPANY, N.A. and Trust Officer of ALBANY BANK & TRUST COMPANY, N.A., not personally, but as Trustee under Trust Agreement dated JAN. 8, 1978 and known as Trust No 11-5379 and MACDONALD, JAMES C. and WILLIAMS, JAMES H. of said Trust, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Land Trust Officer and WILLIAMS, JAMES H. respectively, appeared before me this day in person and acknowledged that they signed and delivered said instrument as their own free and voluntary acts, and the free and voluntary act of said bank, as Trustee, for the uses and purposes therein set forth

GIVEN under my hand and notarial seal this 16th day of February 1998



Grace E. Stanton
Notary Public

My Commission Expires

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

I, DAVID M. MORTON, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that LEAP MANAGEMENT, INCORPORATED, an Illinois corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such LEAP MANAGEMENT, INCORPORATED, 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 corporation, as aforesaid, for the uses and purposes therein set forth

GIVEN under my hand and notarial seal this 16th day of January, 1998

David M. Morton
Notary Public

My Commission Expires
03/05/00

STATE OF ILLINOIS)

COUNTY OF COOK) ss)

I, Frank A. Campese, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that James R. Martin, who is 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, as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 10 day of January, 1998.

Frank A. Campese
Notary Public

My Commission Expires
1/10/00

STATE OF ILLINOIS))
COUNTY OF COOK) ss)

I, Frank A. Campese, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Deborah M. Martin, who is 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 and delivered the said instrument as her own free and voluntary act, as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 10 day of January, 1998.

Frank A. Campese
Notary Public

My Commission Expires
1/10/00

STATE OF ILLINOIS))
COUNTY OF COOK) ss)

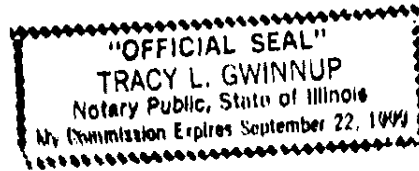
I, Tracy L. Gwinup, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Kevin A. Hood, Branch Manager of CORUS BANK, N.A., who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Kevin A. Hood appeared before me 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 association, as aforesaid, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 16 day of January, 1998

Tracy L. Gwinup
Notary Public

My Commission Expires

09/22/99



Property of Cook County Clerk's Office

EXHIBIT "A"

LEGAL DESCRIPTION

LOT 16 IN BLOCK 41 IN ROGERS PARK, BEING A SUBDIVISION OF SECTION 32,
TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN
COOK COUNTY, ILLINOIS.

PLN 11-32-121-013

Commonly known as 1414 West Pratt, Chicago, Illinois 60626

Property of Cook County Clerk's Office