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THIRD AMENDMENT TO LEASEHOLD MORTGAGE

THIS THIRD AMENDMENT TO LEASEHOLD MORTGAGE (this "Third Amendment") is made this 1st day of April, 1998, by and between Cole Taylor Bank ("Mortgagee") and Pal-Waukee Aviation, Inc. ("Mortgagor").

WITNESSETH

WHEREAS, Mortgagee and Mortgagor are parties to that certain Loan and Construction Agreement dated December 15, 1995, as amended by that certain First Amendment to Loan and Construction Agreement dated as of October 23, 1996, that certain Second Amendment to Loan and Construction Agreement dated as of January 10, 1997 and that certain Third Amendment to Loan and Construction Agreement of even date herewith (collectively the "Loan Agreement");

THIS INSTRUMENT PREPARED BY AND AFTER RECORDING SHOULD BE RETURNED TO:

Carole A. Morey, Esq.
Fagel & Haber
140 South Dearborn Street
Suite 1400
Chicago, Illinois 60603

Common Address:
Pal-Waukee Municipal Airport
Wheeling, Illinois 60090

PIN Number: 03-13-102-039 and
03-13-200-011

BOX 333-CTI

WHEREAS, in connection with the Loan Agreement, Mortgagor executed and delivered to Mortgagee that certain First Leasehold Mortgage, Security Agreement, Assignment of Leases and Rents and Financing Statement dated December 15, 1995, and recorded on December 27, 1995, with the Cook County, Illinois Recorder as Document No. 95896862, as amended by that certain First Amendment to Leasehold Mortgage, Security Agreement, Assignment of Leases and Rents and Financing Statement dated as of October 23, 1996, by and between Mortgagor and Mortgagee and recorded on November 1, 1996, with the Cook County, Illinois Recorder as Document No. 96-836537 and that certain Second Amendment to Leasehold Mortgage dated as of January 10, 1997, by and between Mortgagor and Mortgagee and recorded on _____ with the Cook County, Illinois Recorder as Document No. _____ with respect to the real property more particularly described on Exhibit "A" hereto (collectively the "Mortgage"); and

WHEREAS, in connection with the execution and delivery by Mortgagee and Mortgagor of a second Loan and Construction Agreement providing for a construction loan in the amount of \$1,360,000.00 to finance the construction of an additional airplane hangar, Mortgagee has required that Mortgagor execute and deliver this Third Amendment.

NOW THEREFORE, Mortgagor and Mortgagee hereby agree as follows:

1. Definitions. Capitalized terms used in this Third Amendment without definition shall have the meanings set forth in the Mortgage.

2. Amendments to the Mortgage.

(A) The Leasehold Mortgage is hereby amended to add the following definition to Section 1.1 thereof:

"(M) "Second Construction Loan Documents": shall mean all of the following: that certain Loan and Construction Agreement dated as of March __, 1998 by and between Mortgagor and Mortgagee, as amended; that certain Construction Loan Note dated as of March __, 1998 in the original principal amount of \$1,360,000.00 executed by Mortgagor and made payable to Mortgagee; that certain First Leasehold Mortgage, Security Agreement, Assignment of Leases and Rents and Financing Statement dated as of March __, 1998, executed by Mortgagor in favor of Mortgagee; and all reaffirmations, amendments, supplements and modifications thereto and substitutions therefor and any other documents and instruments executed and delivered in connection therewith or with respect to the transactions described therein."

(B) The Mortgage is hereby amended to insert the phrase "the Second Construction Loan Documents" in the ninth line of the definition of "Liabilities" contained in Section 1.1(G) immediately following the phrase "the Revolving Credit Agreements".

(C) The Mortgage is hereby further amended to insert the phrase "the Second Construction Loan Documents" in the third line of Section 6.1 thereof immediately following the phrase "the Revolving Credit Agreements".

IN WITNESS WHEREOF, Mortgagor and Mortgagee have caused this Third Amendment to be executed and delivered by their duly authorized officers as of the date first set forth above.

COLE TAYLOR BANK

PAL-WAUKEE AVIATION, INC.,
an Illinois corporation

By: [Signature]
Title: Senior Vice President

By: _____
Title: _____

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(C) The Mortgage is hereby further amended to insert the phrase "the Second Construction Loan Documents" in the third line of Section 6.1 thereof immediately following the phrase "the Revolving Credit Agreements".

IN WITNESS WHEREOF, Mortgagor and Mortgagee have caused this Third Amendment to be executed and delivered by their duly authorized officers as of the date first set forth above.

COLE TAYLOR BANK

PAL-WAUKEE AVIATION, INC.,
an Illinois corporation

By: _____
Title: _____

By: Charles E. Smith
Title: President & CEO

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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 Peter D. Horne, a Senior Vice President of Cole Taylor Bank who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Senior Vice President, appeared before me this day in person and acknowledged that he signed and delivered 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 15th day of April, 1998.

Merle Gallagher

Notary Public

My Commission Expires:



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 Charles E. Priester of Pal-Waukee Aviation, Inc., an Illinois corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Priester, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 1st day of April, 1998.

Shirley Peters

Notary Public

My Commission Expires:

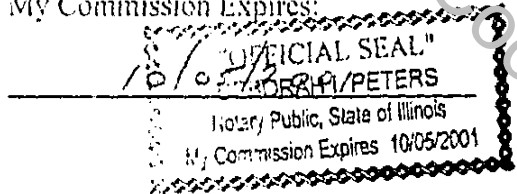


EXHIBIT "A"

LEGAL DESCRIPTION

Doc ID: 66476-1

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EXHIBIT "A"

PARCEL 1:

THAT PART OF THE NORTH 1/2 OF SECTION 13, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID TRACT OF LAND DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST 1/4 OF SAID SECTION 13; THENCE SOUTH ALONG THE EAST LINE OF SAID NORTHWEST 1/4, A DISTANCE OF 1981.20 FEET FOR THE POINT OF BEGINNING; THENCE SOUTH 89 DEGREES 07 MINUTES 49 SECONDS EAST, A DISTANCE OF 238.36 FEET; THENCE SOUTH 00 DEGREE 53 MINUTES 29 SECONDS WEST, A DISTANCE OF 297.44 FEET; THENCE N 89 DEGREES 06 MINUTES 31 SECONDS WEST, A DISTANCE OF 317.81 FEET, THENCE NORTH 00 DEGREE 12 MINUTES 29 SECONDS EAST, A DISTANCE OF 297.29 FEET; THENCE SOUTH 89 DEGREES 10 MINUTES 00 SECOND EAST, A DISTANCE OF 81.99 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

EASEMENT APPURTENANT TO AND FOR THE BENEFIT OF PARCEL 1 AS SET FORTH IN THE DECLARATION OF EASEMENTS, FILED AS DOCUMENT NUMBER LR 3140402, AND RECORDED AS DOCUMENT NUMBER 25317362, FROM WHEELING TRUST AND SAVING BANK, AS TRUSTEE UNDER TRUST NUMBER 78-179 AND TRUST NUMBER 73-252 TO ALLSTATE INSURANCE COMPANY FOR THE PURPOSE OF INGRESS AND EGRESS, OVER THE FOLLOWING LAND:

PARCEL 2-"B":

EASEMENT PARCEL: (FOR EASEMENT OVER THAT PART OF PARCEL 'A'-NEAR MILWAUKEE AVENUE) THE SOUTH 68.0 FEET (AS MEASURED AT RIGHT ANGLES) OF THE FOLLOWING DESCRIBED PROPERTY: THAT PART OF THE NORTH 528.0 FEET OF THE SOUTH 1188.0 FEET OF THE NORTH 1/2 OF SECTION 13, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTER LINE OF MILWAUKEE AVENUE AND THE NORTH LINE OF THE SOUTH 1188.0 FEET OF SAID NORTH 1/2 OF SAID SECTION 13; THENCE WEST ALONG SAID NORTH LINE, 831.35 FEET; THENCE SOUTH PERPENDICULAR TO THE LAST DESCRIBED LINE, 460.0 FEET TO A POINT OF BEGINNING OF THE PROPERTY INTENDED TO BE DESCRIBED; THENCE EAST PERPENDICULAR TO THE LAST DESCRIBED LINE, 581.35 FEET; THENCE NORTH PERPENDICULAR TO THE LAST DESCRIBED LINE, 310.0 FEET; THENCE EAST PERPENDICULAR TO THE LAST DESCRIBED LINE, 285.14 FEET TO THE CENTER LINE OF MILWAUKEE AVENUE; THENCE SOUTHERLY ALONG SAID CENTER LINE, 388.12 FEET TO ITS INTERSECTION WITH THE SOUTH LINE OF THE NORTH 528.0 FEET OF THE SOUTH 1188.0 FEET OF THE NORTH 1/2 OF SAID SECTION 13; THENCE WEST ALONG SAID SOUTH LINE, 953.0 FEET TO A POINT ON A LINE, SAID LINE BEING DRAWN PERPENDICULAR TO THE NORTH LINE OF THE SOUTH 1188.0 FEET OF THE NORTH 1/2 OF SAID SECTION 13, FROM A POINT IN SAID LINE, SAID BEING BEING 831.35 FEET WEST OF THE INTERSECTION OF THE NORTH LINE OF SAID SOUTH 1188.0 FEET AND THE CENTER LINE OF MILWAUKEE AVENUE; THENCE NORTH ALONG SAID PERPENDICULAR LINE, 68.0 FEET, TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS