



**MODIFICATION OF
PROMISSORY NOTE,
MORTGAGE,
ASSIGNMENT OF
RENTS, AND RELATED
LOAN DOCUMENTS**

Space Above This Line For Recording Data

This Modification of Promissory Note, Mortgage, Assignment of Rents and Related Loan Documents (hereinafter referred to as this "Agreement") is made as of January 14, 1999 by and among Krishan L. Agarwal and Tripta Agarwal (hereinafter collectively referred to alternatively as "Agarwal" or "Obligor") and Banco Popular de Puerto Rico n/k/a Banco Popular North America (hereinafter referred to as "Lender").

WITNESSETH:

WHEREAS, Obligor executed and delivered to Lender a certain Promissory Note dated February 14, 1989 payable to the order of Lender in the principal amount of One Hundred Seventy Thousand and No/100 Dollars (\$170,000.00), (hereinafter referred to as the "Existing Note"); and

WHEREAS, the Existing Note is secured, inter alia, by (i) that certain Real Estate Mortgage dated February 14, 1989, made by Agarwal, as mortgagor, to Lender, as mortgagee, recorded in the Office of the Recorder of Deeds of Cook County, Illinois on July 19, 1989 as Document No. 89327955 (hereinafter referred to as the "Mortgage") and encumbering the property (hereinafter referred to as the "Mortgaged Property") legally described on Exhibit A, which is attached hereto and made a part hereof, (ii) that certain Assignment of Rents made by Agarwal, as assignor, to Lender, as assignee; recorded in the Office of the Recorder of Deeds of Cook County, Illinois on July 19, 1989, as Document No. 89327956 (the Existing Note, Mortgage, Assignment of Rents, and any and all other loan and/or security documents executed in connection therewith or herewith are hereinafter referred to as the

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"Loan Documents"); and

WHEREAS, the parties hereto desire to amend the Loan Documents to, among other things provide for a change in the interest rate, maturity date and amortization schedule applicable to the indebtedness evidenced by the Existing Note;

NOW, THEREFORE, for and in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Obligors and Lender do hereby agree as follows:

1. **AFFIRMATION OF RECITALS.** The recitals set forth above are true and correct and are incorporated herein by this reference.

2. **AMENDMENT OF EXISTING NOTE.** The Existing Note is hereby amended as follows:

2.1. The terms of the Existing Note shall be modified by replacing the terms of the Existing Note with the terms as set forth in a Replacement Note in the form and content attached hereto as Exhibit B.

2.2 The replacement of the terms of the Existing Note by the terms of the Replacement Note is for the purpose of amending the Existing Note and shall not be construed as any form of cancellation, release, waiver, or satisfaction of the outstanding debt evidenced by the Existing Note, all of such sums currently due in accordance with the terms of the Existing Note being reflected in and remaining due and payable to Lender under and pursuant to the terms of the Replacement Note.

3. **AMENDMENT OF MORTGAGE.** The Mortgage is hereby amended as follows:

3.1 All references in the Mortgage to the Note shall be deemed to be references collectively to the Replacement Note as described herein.

3.2 All references in the Mortgage to the sum of \$170,000.00, whether in words or in Arabic Script, are hereby deleted and substituted in lieu thereof are corresponding references to the sum of \$78,044.79.

3.3 All references in the Mortgage to February 14, 1999 as the date upon which final payment shall be made of all sums due and payable under the Existing Note (the "Maturity Date")

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are hereby deleted and substituted in lieu therefor are corresponding references to January 14, 2004 as and for the Maturity Date.

3.4 All references in the Mortgage to Pioneer Bank & Trust Company are hereby deleted and substituted in lieu thereof are corresponding references to Banco Popular North America.

3.5 Except as specifically set forth to the contrary hereinabove, the Mortgage remains unmodified and in full force and effect.

4. **AMENDMENT OF ASSIGNMENT OF RENTS.** The Assignment of Rents is hereby amended as follows:

4.1 All references in the Assignment of Rents to the Note shall be deemed to be references collectively to the Replacement Note as described herein.

4.2 All references in the Assignment of Rents to the Mortgage shall be deemed to be references collectively to the Mortgage as modified hereby.

4.3 All references in the Assignment of Rents to the sum of \$170,000.00, whether in words or in Arabic Script, are hereby deleted and substituted in lieu thereof are corresponding references to the sum of \$78,044.79.

4.4 All references in the Assignment of Rents to Pioneer Bank & Trust Company are hereby deleted and substituted in lieu thereof are corresponding references to Banco Popular North America.

4.5 Except as specifically set forth to the contrary hereinabove, the Assignment of Rents remains unmodified and in full force and effect.

5. **AMENDMENT OF ADDITIONAL LOAN DOCUMENTS.** All remaining loan documents not specifically set forth above are hereby amended as follows:

5.1 All references therein to the Note, Mortgage and Assignment of Rents shall be deemed to be references to the Note, Mortgage and Assignment of Rents as modified and described herein.

5.2 All references therein to the sum of \$170,000.00, whether in words or in Arabic

Script, are hereby deleted and substituted in lieu thereof are corresponding references to the sum of \$78,044.79.

5.3 All references therein to Pioneer Bank & Trust Company are hereby deleted and substituted in lieu thereof are corresponding references to Banco Popular North America.

5.4 Except as specifically set forth to the contrary hereinabove, the Loan Documents remain unmodified and in full force and effect.

6. **REPRESENTATIONS AND WARRANTIES.** Agarwal hereby confirm and remake all representations and warranties set forth in the Loan Documents.

7. **ADDITIONAL PROVISIONS.** This Agreement shall be effective only upon:

(a) Delivery by Agarwal to Lender of satisfactory evidence insuring the continued validity and priority of the Loan Documents, as herein amended, and the continued validity and priority of the Security Interests created thereby including, but not limited to delivery by Agarwal to Lender of a satisfactory Late Down Endorsement to the existing Mortgagee's title insurance policy issued by Chicago Title Insurance Company with respect to the Mortgage, insuring the continued validity and priority of the Loan Documents, as herein amended, following the recording of this Agreement (subject only to the matters set forth on Schedule B of said policies and such matters as are approved by Lender), confirming all previous endorsements thereto, if any, and adjusting the amount of the insurance to \$78,044.79 and extending the effective date of the policies through the date of recording of this Agreement.

(b) Execution by Agarwal of any and all Certificates, Financing Statements, Instruments, Assignments, Notices and documents as may be required or as may be deemed and determined by the Bank, in its sole discretion, to be necessary in order to perfect and complete the Bank's Security Interest in accordance with the Loan Documents as amended hereby.

(c) Payment by Agarwal to Lender, immediately upon the submission of bills and invoices therefor, of all amounts incurred by or on behalf of Lender for attorneys' fees,

recording expenses, filing fees, title expenses, title insurance fees, title insurance endorsement fees, and all other costs incurred or to be incurred by or on behalf of Lender by reason of the matters specified herein and the preparation of this Agreement and all other documents necessary and required to effectuate the provisions hereof, including, without limitation, all costs and expenses with respect to compliance by Borrower with the terms and conditions hereof and Lender's enforcement thereof. The rights and remedies of Lender contained in this Paragraph 7 shall be in addition to, and not in lieu of, the rights and remedies contained in the Loan Documents, as herein amended, and as otherwise provided by law.

(d) The recording of a counterpart of this Agreement in the Office of the Recorder of Deeds of Cook County, Illinois.

(e) Payment by Obligors to Lender of a closing fee in the amount of \$780.45.

(f) Payment by Obligors to Lender of the sum of \$433.59 plus accrued interest as and for the February 14, 1999 payment as provided in the Replacement Note.

8. **REMAINING PROVISIONS IN EFFECT.** Except as amended by this Agreement, the terms and conditions of the Loan Documents remain in full force and effect.

9. **EFFECTIVENESS.** This Agreement shall be effective as of the date hereof subject to the provisions of Paragraph 7 hereof.

10. **GOVERNING LAW.** This Agreement shall be construed in accordance with the laws of the State of Illinois, without regard to its conflict of laws principles.

11. **CONSTRUCTION.** This Agreement shall not be construed more strictly against Lender merely by virtue of the fact that the same has been prepared by Lender or its counsel, it being recognized that Obligor and Lender have contributed substantially and materially to the preparation of this Agreement.

12. **GENDER.** All words herein which are expressed in the neuter gender shall be deemed to include the masculine, feminine and neuter genders and any word herein which is expressed in the singular or plural shall be deemed, whenever appropriate in the context, to include the plural and the

singular.

13. **ENTIRE AGREEMENT.** Obligor and Lender acknowledge that there are no other agreements or representations, either oral or written, express or implied, that are not embodied in this Agreement and the Loan Documents. This Agreement and the Loan Documents together represent a complete integration of all prior and contemporaneous agreements and understandings of Agarwal and Lender.

14. **BENEFIT.** This Agreement shall be binding upon and shall inure to the benefit of Obligor and Lender, and their respective successors, assigns, grantees, heirs, executors, personal representatives and administrators.

15. **RATIFICATION; AUTHORITY.** Except as herein amended, the Loan Documents shall remain in full force and effect, and all of the terms and provisions of the Loan Documents, as herein amended, are hereby ratified and reaffirmed. Obligors represent to Lender that there is no other ownership interest, lien, or other interest, now outstanding against the Mortgaged Property other than the lien of the Loan Documents; and that the lien of Lender on the Mortgaged Property is previously subsisting and, as herein amended, has been, is and shall remain a valid first, prior and paramount lien on said Mortgaged Property, enjoying the same or superior priority with respect to other claims upon said Mortgaged Property as prevailed prior to the execution of this Agreement. Obligors have duly authorized, executed and delivered this Agreement, and acknowledges that the Loan Documents are valid and enforceable in accordance with their terms against Obligors.

16. **DEFAULTS.** The occurrence of any one or more of the following shall constitute a Default under this Agreement.

(a) the untruthfulness of any representation or warranty contained in this Agreement, or the existence of any misrepresentation of fact or fraud contained in any document or information heretofore or hereafter submitted or communicated to Lender in support of this Agreement;

(b) the breach or violation of any term, covenant, or condition contained in this

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Agreement; or

(c) any other default, not timely cured within any applicable cure or grace period, under any of the Loan Documents. Any Default hereunder shall constitute a default or event of default, as applicable, under each of the Loan Documents.

17. **TERMINATION.** Immediately following the occurrence of any Default under this Agreement, Lender may, at its option (a) exercise any or all of its rights and remedies under the Loan Documents and/or (b) pursue any other remedies available to it.

18. **PRIORITY OF MORTGAGE.** The Mortgaged Property shall remain in all respects subject to the lien, charges and encumbrance of the Mortgage, as herein amended, and nothing herein contained and nothing done pursuant hereto, shall affect the liens, charges or encumbrances of the Mortgage, as herein amended, or the priority thereof with respect to other liens, charges, encumbrances or conveyances, or release or affect the liability of any party or parties whomsoever who may now or hereafter be liable under or on account of the Loan Documents as herein amended.

19. **CONSENT TO AMENDMENT.** Obligors acknowledge that they have thoroughly read and reviewed the terms and provisions of this Agreement and are familiar with same, that the terms and provisions contained herein are clearly understood by them and have been fully and unconditionally consented to by them and that they have had full benefit and advice of counsel of their own selection in regard to understanding the terms, meaning and effect of this Agreement, and that this Agreement has been entered into by them freely, voluntarily, with full knowledge, and without duress, and that in executing this Agreement, it is relying on no other representations, either written or oral, or express or implied, made to them.


20. **NO DEFENSES; RELEASE.** As of the date of this Agreement, Obligors acknowledge that they have no defense, offset, or counterclaim to any of their obligations under the Loan Documents. In addition to the foregoing (and to the extent of any such defense, offset or counterclaim), and as additional consideration for the amendment of the Loan Documents by Lender as herein set forth, Obligors hereby release and forever discharge Lender, its agents, servants, employees, directors,

officers, attorneys, branches, affiliates, subsidiaries, successors and assigns and all persons, firms, corporations, and organizations in its behalf of and from all damages, losses, claims, demands, liabilities, obligations, actions and causes of action whatsoever which Obligors may now have or claim to have against Lender, as of the date hereof, whether presently known or unknown, and of every nature and extent whatsoever on account of or in any way relating to, concerning, arising out of or founded upon the Loan Documents, as herein amended, including, but not limited to, all such loss or damage of any kind heretofore sustained, or that may arise, as a consequence of the dealings between the parties up to and including the date hereof.

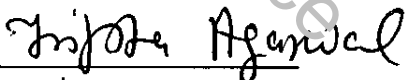
21. **COUNTERPARTS.** It is understood and agreed that this Agreement may be executed in several counterparts, each of which shall, for all purposes, be deemed an original and all of such counterparts taken together, shall constitute one and the same Agreement, even though all of the parties hereto may not have executed the same counterpart of this Agreement.

22. **DEFINITION OF TERMS.** All initial-capitalized terms not expressly defined in this Agreement shall bear the same respective definitions herein as they bear in the Loan Documents, as herein amended.

IN WITNESS WHEREOF, this instrument has been executed by the parties hereto in manner and form sufficient to bind them, as of the day and year first above written.

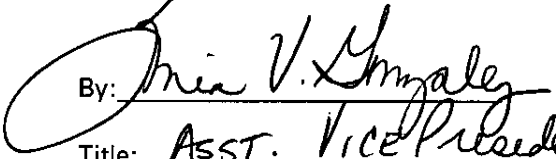


Krishan L. Agarwal



Tripta Agarwal

Banco Popular de Puerto Rico n/k/a BANCO POPULAR NORTH AMERICA

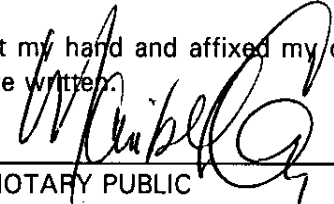
By: 
Title: ASST. Vice President

ACKNOWLEDGEMENT

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

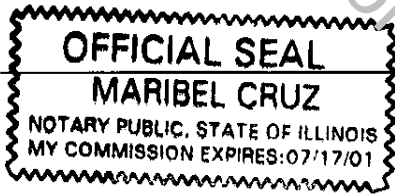
On this 10th day of February, 1999 before me, a Notary Public in and for said County and State, appeared KRISHAN L. AGARWAL to me personally known, who being by me duly sworn, did say that the foregoing instrument was signed and delivered by him as his own free and voluntary act for the uses and purposes therein set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.



NOTARY PUBLIC

My Commission Expires:

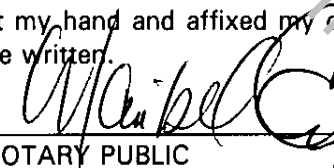


ACKNOWLEDGEMENT

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

On this 10th day of February, 1999 before me, a Notary Public in and for said County and State, appeared TRIPTA AGARWAL to me personally known, who being by me duly sworn, did say that the foregoing instrument was signed and delivered by him as his own free and voluntary act for the uses and purposes therein set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.



NOTARY PUBLIC

My Commission Expires:

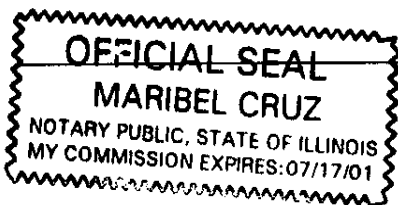


EXHIBIT "A"
THE MORTGAGED PROPERTY

LEGAL DESCRIPTION

LOT 9 IN E. VOGT'S SUBDIVISION OF LOT 1 AND THAT PART OF LOT 2 LYING EAST OF THE EAST LINE OF NORTH ROCKWELL STREET IN THE RESUBDIVISION OF LOTS 45 AND 50 IN SCHACKFORD'S SUBDIVISION OF THE SOUTH WEST 1/4 OF THE SOUTH EAST 1/4 ALSO THE WEST 163.5 FEET OF LOT 44 IN BOWMANVILLE, BEING BOWMAN'S SECOND SUBDIVISION OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 12, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NOS.:

13-12-425-031-0000

COMMONLY KNOWN AS: 2514 West Lawrence Avenue, Chicago, Illinois 60625

Principal \$78,044.79	Loan Date 01-14-1999	Maturity 01-14-2004	Loan No 9001	Call	Collateral 3210	Account 45	Officer SVG	Initials [Signature]
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References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item.

Borrower: Krishan L. Agarwal (SSN:)
 Tripta Agarwal (SSN:)
 2554 W. Lawrence
 Chicago, IL 60625

Lender: Banco Popular North America
 Cicero Avenue
 4801 W. Fullerton Avenue
 Chicago, IL 60639

Principal Amount: \$78,044.79 **Initial Rate:** 8.750% **Date of Note:** January 14, 1999

PROMISE TO PAY. Krishan L. Agarwal and Tripta Agarwal ("Borrower") promise to pay to Banco Popular North America ("Lender"), or order, in lawful money of the United States of America, the principal amount of Seventy Eight Thousand Forty Four & 79/100 Dollars (\$78,044.79), together with interest on the unpaid principal balance from January 14, 1999, until paid in full.

PAYMENT. Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in 59 principal payments of \$454.28 each and one final principal and interest payment of \$51,628.37. Borrower's first principal payment is due February 14, 1999, and all subsequent principal payments are due on the same day of each month after that. In addition, Borrower will pay regular monthly payments of all accrued unpaid interest due as of each payment date. Borrower's first interest payment is due February 14, 1999, and all subsequent interest payments are due on the same day of each month after that. Borrower's final payment due January 14, 2004, will be for all principal and accrued interest not yet paid. The annual interest rate for this Note is computed on a 365/360 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing. Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs and any late charges, then to any unpaid interest, and any remaining amount to principal.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the Banco Popular, Illinois (the "Index"). The Index is not necessarily the lowest rate charged by Lender on its loans. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notice to Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. Borrower understands that Lender may make loans based on other rates as well. The interest rate change will not occur more often than each day. The Index currently is 7.50% per annum. The interest rate to be applied to the unpaid principal balance of this Note will be at a rate of 1.000 percentage point over the Index, resulting in an initial rate of 8.750% per annum. NOTICE: Under no circumstances will the interest rate on this Note be more than the maximum rate allowed by applicable law.

PREPAYMENT. Borrower agrees that all loan fees and other pre-paid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, they will reduce the principal balance due and may result in Borrower making fewer payments.

LATE CHARGE. If a payment is 10 days or more late, Borrower will be charged 5.000% of the regularly scheduled payment.

DEFAULT. Borrower will be in default if any of the following happens: (a) Borrower fails to make any payment when due. (b) Borrower breaks any promise Borrower has made to Lender, or Borrower fails to comply with or to perform when due any other term, obligation, covenant, or condition contained in this Note or any agreement related to this Note, or in any other agreement or loan Borrower has with Lender. (c) Borrower defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the Related Documents. (d) Any representation or statement made or furnished to Lender by Borrower or on Borrower's behalf is false or misleading in any material respect either now or at the time made or furnished. (e) Borrower dies or becomes insolvent, a receiver is appointed for any part of Borrower's property, Borrower makes an assignment for the benefit of creditors, or any proceeding is commenced either by Borrower or against Borrower under any bankruptcy or insolvency laws. (f) Any creditor tries to take any of Borrower's property on or in which Lender has a lien or security interest. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. (g) Any of the events described in this default section occurs with respect to any guarantor of this Note. (h) A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired. (i) Lender in good faith deems itself insecure.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, without notice, and then Borrower will pay that amount. Upon default, including failure to pay upon final maturity, Lender, at its option, may also, if permitted under applicable law, increase the variable interest rate on this Note to 6.000 percentage points over the Index. The interest rate will not exceed the maximum rate permitted by applicable law. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower also will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law. This Note has been delivered to Lender and accepted by Lender in the State of Illinois. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of Cook County, the State of Illinois. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other. This Note shall be governed by and construed in accordance with the laws of the State of Illinois.

DISHONORED ITEM FEE. Borrower will pay a fee to Lender of \$25.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower pays is later dishonored.

RIGHT OF SETOFF. Borrower grants to Lender a contractual security interest in, and hereby assigns, conveys, delivers, pledges, and transfers to Lender all Borrower's right, title and interest in and to, Borrower's accounts with Lender (whether checking, savings, or some other account), including without limitation all accounts held jointly with someone else and all accounts Borrower may open in the future, excluding however all IRA and Keogh accounts, and all trust accounts for which the grant of a security interest would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on this Note against any and all such accounts.

COLLATERAL. This Note is secured by a first Mortgage and Assignment of Rents on property located at 2554 W. Lawrence, Chicago, Illinois.

