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Metro Resource Implementations  
210 W 22nd St Suite 137  
Oak Brook Ill

This Document was  
Prepared By and After  
Recording Return to:

Douglas E. Wambach  
Burke, Wilson & McIlvaine  
500 W. Madison Street  
Suite 3700  
Chicago, Illinois 60606

**LOAN MODIFICATION AGREEMENT**

THIS LOAN MODIFICATION AGREEMENT (this "Agreement") is made and entered into as of this 27th day of February, 1991, by and among (i) **TEXTRON FINANCIAL CORPORATION**, a Delaware corporation ("Lender"), (ii) **CFMS-I GENERAL PARTNERSHIP**, an Illinois general partnership ("Borrower") and (iii) **MARK S. MARINELLO** of Oak Brook, Illinois, **CARL M. DE FARIA** of Montvale, New Jersey, **FRANKLYN W. ROBBINS** of Chicago, Illinois and **SHELI Z. ROSENBERG** of Chicago, Illinois (individually or collectively, as the context may require, "Guarantors").

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**RECITALS**

A. Pursuant to a letter dated February 3, 1988, and amended April 8, 1988 (collectively, the "Commitment"), Signal Capital Corporation ("Signal") made a loan (the "Loan") in the amount of Five Million Two Hundred Thousand and No/100 Dollars (\$5,200,000.00) to Borrower.

B. The Loan is evidenced by a Secured Promissory Note (the "Note") dated April 25, 1988, made by Borrower in favor of Signal, which Note is (i) secured by (a) a Mortgage, Assignment of Rents, Security Agreement and Fixture Filing (the "Mortgage") of even date, encumbering certain parcels of real property described therein located in Lake County, Indiana (the "Secured Property"), and (b) a letter of credit dated April 26, 1988, as amended pursuant to letters dated April 27, 1988, May 18, 1989, Amendment No. 3 -Undated, May 23, 1989, May 24, 1990 and May 29, 1990, in the original amount of Four Hundred Thousand and No/100 Dollars (\$400,000.00) issued by The Exchange National Bank of Chicago in favor of Signal (as amended, the "LOC") and (ii) partially guaranteed by a Guaranty (the "Guaranty") of even date made by Guarantors in favor of Signal.

\*\*recorded as Documents Nos. 983734 and 983735 and 974400

C. Signal assigned, transferred, conveyed and set over to Lender all of Signal's right, title and interest in the Loan, including, without limitation, the Commitment, the Note, the Mortgage, the LOC and the Guaranty, and all other documents and instruments given to evidence, secure or guarantee the payment of, or made in connection with, the Loan (all of the foregoing are sometimes herein collectively referred to as the "Loan Documents").

SECURED TITLE INSURANCE COMPANY  
INDIANA DIVISION  
STATE OF INDIANA/S.S. NO.  
LAKE COUNTY

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D. Borrower has requested that a certain portion of the Secured Property be released from the lien and security interests of the Loan Documents and Lender has agreed to such release on the terms and conditions herein contained.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants and agreements contained herein and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Partial Release.

(a) Upon the execution and delivery of this Agreement by Borrower and Guarantors, the payment of sums due under this paragraph 1 and the fulfillment of all of the other conditions of this Agreement, Lender shall deliver an executed instrument in recordable form, releasing the lien of the Mortgage from that portion of the Secured Property described on Exhibit A attached hereto and amendments to UCC financing statements releasing the security interests held by Lender in such portion of the Secured Property.

(b) Borrower shall pay to Lender the sum of Four Hundred Thousand and No/100 Dollars (\$400,000.00), which shall be applied to the principal balance of the Note. On the first day of the month following the date of such payment, or if such payment is made on the first day of a calendar month then on such date, the Borrower shall pay a monthly installment to Lender as set forth in paragraph 2 of the Note (assuming no such principal payment) but as of such date the installment payments thereafter due under the Note shall be recalculated for the reduced principal balance of the Note, assuming a 234 month amortization at the Interest Rate then applicable under the Note.

(c) Borrower shall pay to Lender a prepayment fee of Eight Thousand and No/100 Dollars (\$8,000.00).

(d) Nothing contained herein shall be construed to modify, amend or waive the provisions of paragraph 4 of the Note except as specifically provided in this paragraph and Lender shall not be obligated to accept any other prepayment except in accordance with and as provided in paragraph 4 of the Note.

2. Amendment to Note.

(a) The second sentence in the first full grammatical paragraph of the Note is deleted in its entirety and the following substituted in lieu thereof: "On May 1, 1989, and on each May 1 thereafter during the term of this Note, the Interest Rate shall be adjusted and fixed for the following year at a rate equal to the average of the five (5) year U.S. Treasury Note rate over the four weeks preceding such date plus 2.5%."

(b) In addition to the Mortgage, the payment and performance of Borrower's obligations under the Note shall be secured by a Junior Mortgage, Assignment of Rents, Security Agreement and Fixture Filing dated of even date herewith made by Calumet National Bank, as Trustee (the "Trustee") under Trust Agreement dated November 27, 1987, and known as Trust No. P-3469 in favor of Lender (the "Junior Mortgage"), creating a third lien and security interest on certain real property located in St. Joseph County, Indiana, as more particularly described on Exhibit B attached hereto and made a part hereof.

(c) An allonge to the Note shall be executed by Borrower and Lender and attached to the original Note to reflect this amendment and the recalculated installment payments pursuant to paragraph 1(b).

3. Letter of Credit.

(a) As a condition to the release as provided in paragraph 1 of this Agreement, Borrower shall cause The Exchange National Bank of Chicago to deliver to Lender an amendment to the LOC restating the LOC in its entirety and increasing the amount thereof to One Hundred Sixty Five Thousand and No/100 Dollars (\$165,000.00).

(b) Notwithstanding anything in the Loan Documents to the contrary, the LOC shall not be released by Lender until the Loan is fully paid and satisfied. At least thirty (30) days prior to the current or any extended expiry date, Borrower shall cause (i) the expiry date of the LOC to be extended for a period of one (1) year, or (ii) the LOC to be replaced with a new LOC issued by a state or national bank reasonably acceptable to Lender, upon the same terms as the LOC then held by Lender, with an expiry date of at least one (1) year after the expiry date of the then current LOC. If Borrower fails to timely so extend the expiry date of the LOC or replace the LOC, Borrower may draw upon the LOC and apply the proceeds as a prepayment of the Loan and the proportional prepayment fee as provided in the Note.

(c) The amount of the LOC may be reduced to One Hundred Thousand and No/100 Dollars (\$100,000.00) at such time as Lender has received written evidence satisfactory to it, in its sole discretion, that the "net operating income" (as defined below) from the Secured Property is greater than one hundred ten percent (110%) of the required payments of principal and interest on the Loan pursuant to the Note, as herein amended, for any period of twelve (12) consecutive months. "Net operating income" shall be equal to gross revenues from the Secured Property for such 12-month period less operating expenses from the Secured Property for such 12-month period, including, without limitation, real estate taxes, utilities, insurance, maintenance and repairs and management fees,

and shall be based on financial statements for such 12-month period prepared in accordance with generally accepted accounting principles applied on a basis consistent with prior accounting periods and prepared by an independent certified public accountant acceptable to Lender and certified to be true and correct by the Borrower.

(d) Lender shall have the right, at its option, to draw upon the LOC upon the occurrence of an "Event of Default" (as such term is defined in the Mortgage) and apply the proceeds thereof in accordance with the provisions of Section 2.02(b) of the Mortgage.

#### 4. Junior Mortgage.

(a) Borrower shall grant or cause the Trustee to grant the Junior Mortgage as additional security for the payment and performance of Borrower under the Loan Documents within fifteen (15) days of the date hereof.

(b) Any failure to execute and deliver the Junior Mortgage in form and content acceptable to Lender, in its sole discretion, shall constitute a default or Event of Default under the Loan Documents.

(c) Any defaults or Event of Default under the Junior Mortgage shall constitute a default or Event of Default under the Loan Documents and any default or Event of Default under the Loan Documents shall constitute a default or Event of Default under the Junior Mortgage.

(d) Lender shall release the Junior Mortgage at such time as the 1989 real estate taxes on the Secured Property are paid in full and Borrower is otherwise not in default under the Loan Documents.

5. Guaranty. The last paragraph of the Guaranty is deleted in its entirety and the following substituted in lieu thereof:

"The liability of the undersigned hereunder shall be limited to fifty percent (50%) of the principal balance outstanding at the time of any default under the above-referenced note and mortgage giving rise to the Liabilities of Debtor plus 100% of all accrued and unpaid interest and all costs, expenses and advances made or incurred by Lender under the Loan Documents."

#### 6. Representation and Warranties.

(a) Borrower and Guarantors hereby represent and warrant to, and covenant with Lender that:

(i) Borrower is a validly existing general partnership, organized and in good standing under the laws of the State of

Illinois and authorized to do business and in good standing under the laws of the State of Indiana;

(ii) The partner or partners executing this Agreement on behalf of Borrower have been duly authorized and empowered by Borrower to execute this Agreement and the Junior Mortgage and attached hereto as Exhibit C is a true and complete copy of Borrower's current partnership agreement together with all amendments thereto;

(iii) At the date hereof, the Loan Documents are in full force and effect, and Borrower is not in default in the payment of any sums, charges or obligations under the Loan Documents or in the payment or performance of any covenants, agreements or conditions of Borrower contained in the Loan Documents, except for the payment of 1989 real estate taxes in respect of the Secured Property which Borrower shall pay on or before May 31, 1991;

(iv) At the date hereof, Borrower has no any right or claim of set-off, discount, deduction, defense or counterclaim which could be asserted in any action brought to enforce the Loan Documents;

(v) At the date hereof, the Guaranty is in full force and effect and Guarantors have no right or claim of set-off, discount, deduction, defense or counterclaim which could be asserted in any action brought to enforce the Guaranty;

(vi) Lender is not in default in the performance or observance of any of its covenants, agreements and obligations under the Loan Documents;

(vii) There are no actions, suits or proceedings (including, without limitation, proceedings before any court, arbitrator or governmental authority or agency) pending or threatened against Borrower, Guarantors, or the Secured Property (or to the knowledge of Borrower or Guarantors, any basis for any such action, suit or proceeding), which if adversely determined, might individually, or in the aggregate, materially adversely:

(1) impair the ability of Borrower or Guarantors to pay or perform their respective obligations under the Loan Documents and the Guaranty; or

(2) affect the Secured Property or the use, manner of use, or operation thereof;

(viii) There is no presently known fact which affects, or may affect in the future (so far as Borrower or Guarantors can foresee), materially and adversely the condition (financial

or other) of Borrower or Guarantors, the operation, use or manner of use of the Secured Property or the ability of Borrower or Guarantors to pay or perform their respective obligations under the Loan Documents and the Guaranty;

(ix) Neither the Loan Documents, the Junior Mortgage, the Guaranty nor any other document or written materials delivered or made, and no other communication made to Lender or any employee or agent of Lender contains any untrue statement of a material fact or fails to state a material fact necessary in order to make any statement contained therein not misleading in light of the circumstances in which such statement was made; and

(x) The Junior Mortgage will constitute a legal, valid and binding obligation of the Trustee, enforceable in accordance with its terms and creating a third lien and security interest on the property described therein.

(b) The representations, warranties and covenants of Borrower and Guarantors are, as of the date hereof, and shall be, at all times, true and correct in all material respects, and are and shall be of continuing force and effect until all indebtedness and obligations of Borrower under the Loan Documents have been fully and finally paid and performed.

7. Guarantors' Consent. Guarantors hereby acknowledge and consent to the modifications of the Loan Documents as herein provided and hereby agree that:

(i) The modification to the Loan Documents as herein provided does not and shall not in any way limit, prejudice or impair the obligations of Guarantors under the Guaranty, or the rights, powers, privileges, benefits and remedies of Lender under the Guaranty;

(ii) The Guaranty and all the provisions thereof, as hereby amended, are hereby reaffirmed and ratified and remain in full force and effect;

(iii) The Guaranty, when made, constituted and, at the date hereof, continues to constitute a valid and binding obligation of Guarantors to pay unconditionally and absolutely the obligations as set forth in the Guaranty, as hereby amended; and

(iv) Guarantors hereby waive all errors and imperfections, if any, in the Guaranty and all defenses, if any, on account thereof in case of any subsequent action to enforce the Guaranty.

8. Costs and Expenses. Borrower hereby agrees to pay all costs and expenses, including, without limitation, title and recording charges and fees, reasonable attorneys' fees and expenses, and other fees and charges incurred, suffered or sustained by Lender in connection with the negotiation, execution and delivery of this Agreement.

9. Miscellaneous.

(a) Time is of the essence with respect to the payments, performance and observance of each and every covenant, agreement, condition, representation, warranty and obligation of Borrower under the Loan Documents and of Guarantors under the Guaranty.

(b) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute and be taken as one and the same instrument.

(c) None of the covenants, terms or conditions of this Agreement shall in any manner be altered, waived, modified, changed or abandoned, except by written instrument, duly signed and delivered by all the parties hereto.

(d) This Agreement contains the whole agreement between the parties hereto as to the subject matter hereof and there are no other terms, obligations, covenants, representations, warranties, statements or conditions, oral or otherwise, of any kind.

(e) This Agreement shall extend to, be obligatory upon and inure to the benefit of the respective successors and assigns of Borrower, Lender and Guarantors.

(f) The recitals to this Agreement are hereby incorporated into and made a part of this Agreement, and shall constitute covenants, representations and warranties of Borrower and Guarantors which shall be binding upon and enforceable against Borrower and each of Guarantors respectively.

(g) Except as herein expressly modified, all of the Loan Documents and the terms and provisions thereof are hereby reaffirmed and ratified and remain in full force and effect, and unchanged, in all respects.

(h) The paragraph headings of this Agreement are for convenience only and are not intended, and shall not be construed to alter, limit or enlarge the scope or meaning of the language contained in this Agreement.

(i) Any use herein of the singular shall include the plural and the plural the singular; and the pronoun of any gender shall the other gender.

IN WITNESS WHEREOF, Borrower, Lender and Guarantors have executed or caused this Agreement to be executed as of the day and year first above written.

**LENDER:**

TEXTRON FINANCIAL CORPORATION, a Delaware corporation

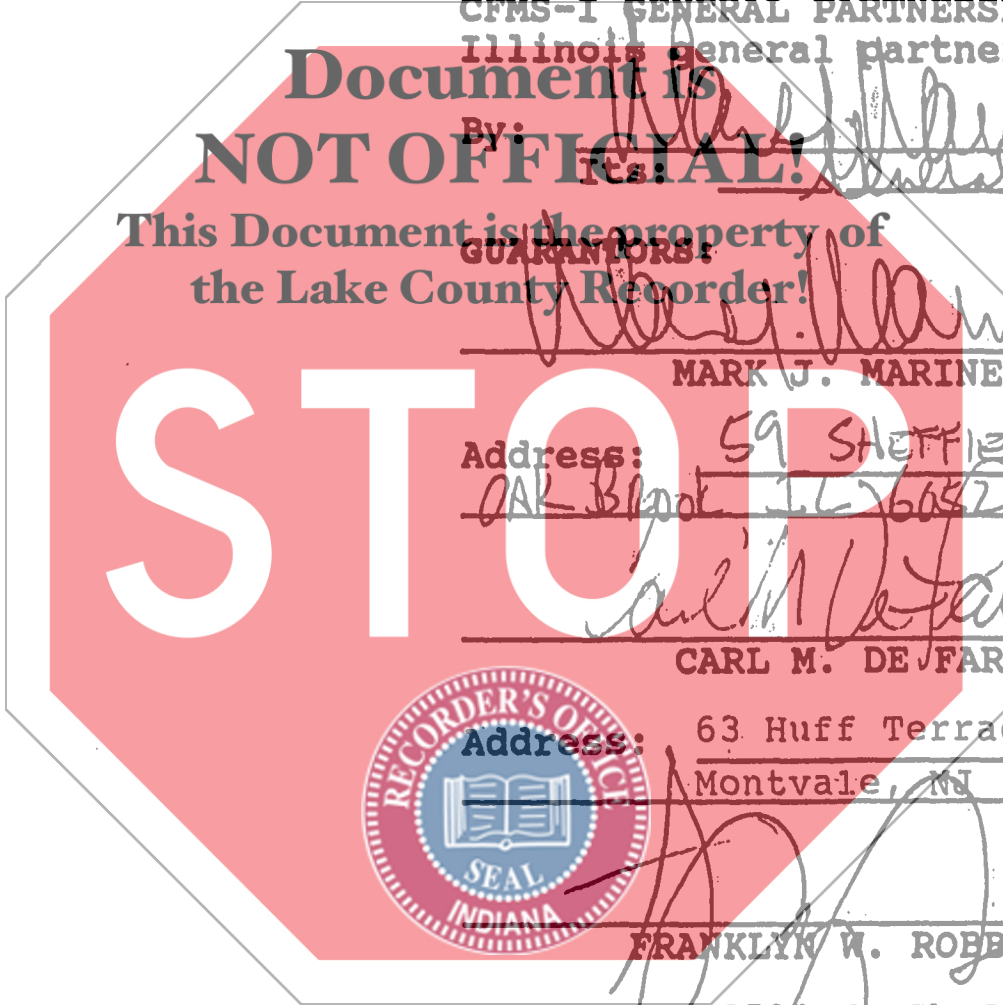
By: [Signature]  
Its: [Signature]

**BORROWER:**

CFMS-I GENERAL PARTNERSHIP, an Illinois general partnership

By: [Signature]  
Its: [Signature]

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**GUARANTORS:**  
[Signature]  
MARK J. MARINELLO

Address: 59 SHEFFIELD LN.  
OAK Brook, IL 60521

[Signature]  
CARL M. DE FARIA

Address: 63 Huff Terrace  
Montvale, NJ 07645



[Signature]  
FRANKLYN W. ROBBINS  
Address: 2520 N. Sheffield  
Chicago, IL 60614

[Signature]  
SHELI Z. ROSENBERG

Address: 406 Northwood Dr.  
Glencoe, IL 60622





STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

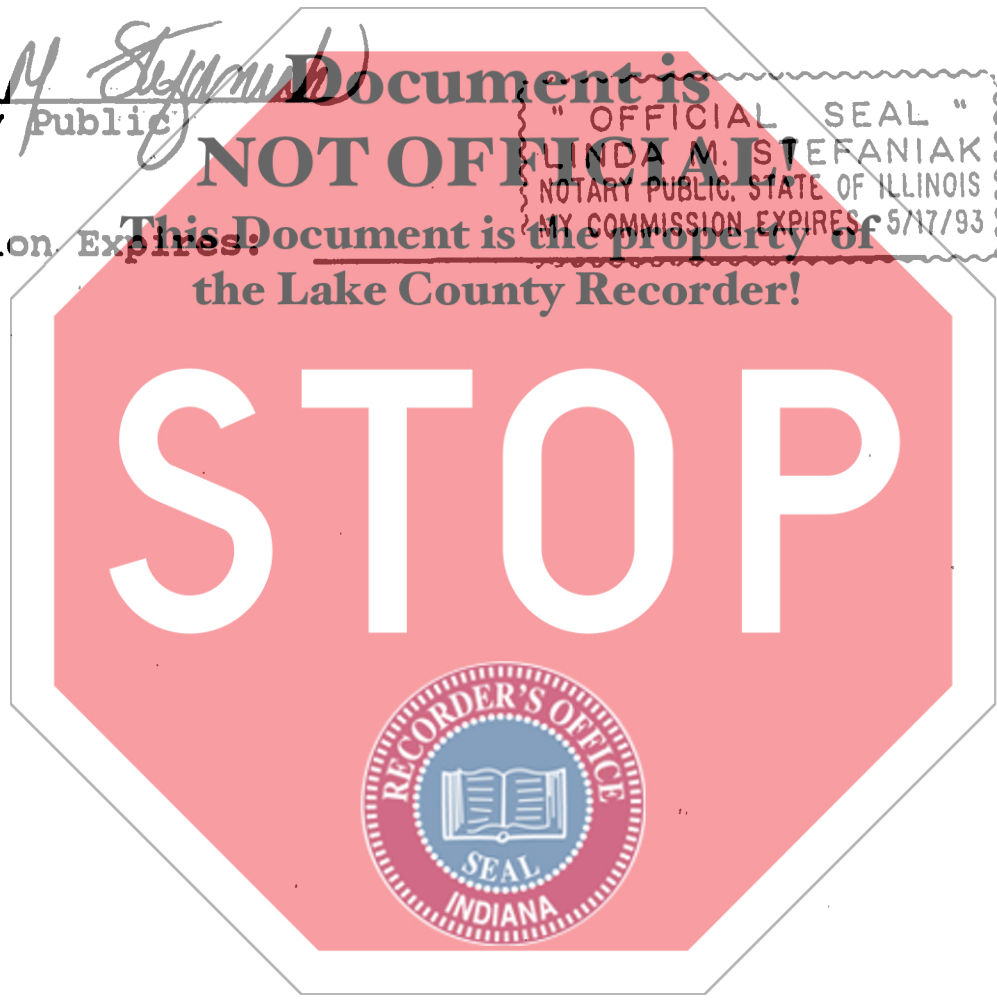
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, MARK MARINELLO personally appeared and well known to me to be the general partner of CFMS-I General Partnership and that he acknowledged executing the same freely and voluntarily under authority duly vested in him by said partnership.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day of MARCH, A.D. 1991.

Linda M. Stefaniak  
Notary Public

Document is  
**NOT OFFICIAL**  
" OFFICIAL SEAL "  
LINDA M. STEFANIAK  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 5/17/93

My Commission Expires: 5/17/93  
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the Lake County Recorder!



STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, Mark J. Marinello personally appeared and that he acknowledged executing the same freely and voluntarily.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day of MARCH, A.D. 1991.

Linda M. Stefaniak  
Notary Public

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" OFFICIAL SEAL "  
LINDA M. STEFANIAK  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 5/17/93

My Commission Expires:

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the Lake County Recorder!



STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, Carl M. DeFaria personally appeared and that he acknowledged executing the same freely and voluntarily.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day of MARCH, A.D. 1991.

Linda M. Stefaniak  
Notary Public

My Commission Expires:

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" OFFICIAL SEAL "  
LINDA M. STEFANIAK  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 5/17/93

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**STOP**



STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, Franklyn W. Robbins personally appeared and that he acknowledged executing the same freely and voluntarily.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day of MARCH, A.D. 1991.

Linda M. Stefaniak  
Notary Public

" OFFICIAL SEAL "  
LINDA M. STEFANIAK  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 5/17/93

My Commission Expires:

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STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, Sheli K. Rosenberg personally appeared and that she acknowledged executing the same freely and voluntarily.

WITNESS my hand and official seal in the County and State last aforesaid this 5th day of MARCH, A.D. 1991.

Linda M. Stefaniak  
Notary Public

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NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 5/17/93

My Commission Expires:

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STOP



**EXHIBIT A**

**Secured Property**

The North half of Lot 6 described as follows: Starting at the Northwest corner of Lot 6 proceed South 55 degrees 36 minutes 48 seconds East along the Northerly line of said Lot 6 a distance of 227.43 Feet; thence proceed South 21 degrees 57 minutes 54 seconds West a distance of 528.458 Feet; thence proceed North 68 degrees 2 minutes 6 seconds West at right angles to this line, a distance of 249.73 Feet, more or less to the West line of said Lot 6; thence proceed North 24 degrees 42 minutes 13 seconds East a distance of 578.16 Feet more or less to the Place of Beginning, all in Kennedy Industrial Park Addition to the City of Hammond as marked and laid down in Plat Book 38, page 55, in the Office of the Recorder of Lake County, Indiana.



**EXHIBIT B**

A parcel of land being a part of the Northeast Quarter of the Southeast Quarter of Section Thirty-three (33), Township Thirty-eight (38) North, Range Two (2) East, in the City of South Bend, Portage Township, St. Joseph County, Indiana, and being more particularly described as follows, viz: Commencing at the Northeast corner of the Southeast Quarter of said Section 33; thence South  $0^{\circ}-07'-29''$  West, along the East line of said Southeast Quarter, a distance of 815.52 feet; thence North  $89^{\circ}-40'-09''$  West, a distance of 40.00 feet to a point on the West right-of-way line of Bendix Drive, said point being the place of beginning for this description; thence continuing North  $89^{\circ}-40'-09''$  West, along the North right-of-way line of Voorde Drive, a distance of 961.09 feet; thence North  $0^{\circ}-19'-51''$  East, a distance of 455.00 feet to the South line of a 40 foot wide right-of-way granted to the Chicago, South Shore and South Bend Railroad in Deed Record 664, pages 140-143 in the Office of the Recorder of St. Joseph County, Indiana; thence South  $89^{\circ}-40'-09''$  East, along said South line and the projection of said line, a distance of 959.45 feet to said West line of Bendix Drive; thence South  $0^{\circ}-07'-29''$  West along said West line, a distance of 455.00 feet to the point of beginning.





CFMS-I GENERAL PARTNERSHIP

THIS AGREEMENT is made as of the 1st day of March, 1984, by and among Carl DeFaria, Franklyn Robbins, Mark Marinello and Sheli Z. Rosenberg (each a "Partner" and collectively the "Partners").

WITNESSETH :

The Partners desire to purchase, own, hold, lease, finance, refinance and sell the real estate described in Exhibit A attached hereto and made a part hereof, or interests therein (collectively the "Property"). The Partners desire to form and participate in a general partnership for the purchase, ownership, investment, leasing, financing and sale of the Property.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth, the parties agree as follows:

1. ORGANIZATION1.1 Formation of the General Partnership.

A. The Partners hereby enter into and form a partnership (the "Partnership") for the limited purposes and scope set forth herein.

B. Except as expressly provided to the contrary to this Agreement, the rights and obligations of the Partners shall be governed by the Illinois Uniform Partnership Act. A Partner's interest in the Partnership shall be deemed personal property for all purposes. All real and other property owned by the Partnership shall be deemed owned by the Partnership as an entity, and no Partner, individually, shall have any ownership interest in such property.

1.2 Purposes and Scope of Partnership.

A. The purposes of the Partnership shall be limited strictly to the purchase, ownership, investment, leasing, financing and sale of the Property. These purposes shall not be

extended by implication or otherwise except by a written agreement signed by all the Partners.

B. Except as expressly provided herein, nothing in this Agreement shall be deemed to restrict in any way the freedom of any Partner to conduct any other business or activity whatsoever, including, without limitation, the acquisition, development, investment, lease or sale of other real or personal property without any accountability to the Partnership or to the other Partners, even if such business or activity competes with the business of the Partnership.

1.3 Name of Partnership. The name of the Partnership shall be, and the business and affairs of the Partnership shall be, conducted solely under the name CFIS-I, or such other name as the Partners may, from time to time, decide.

1.4 Assumed Name Certificate. The Partners shall duly sign, and cause to be filed and published as required by applicable law, an application for fictitious or assumed name certificate on behalf of the Partnership.

1.5 Scope of Partners' Authority. Except as expressly provided for herein, no Partner shall have authority to act for, or to assume or agree to any obligation or responsibility on behalf of, the Partnership or the other Partners. Upon the agreement of the Partners as provided in Paragraph 2.1, any one of the Partners shall have the authority to bind the Partnership and the Partners.

1.6 Principal Place of Business. The principal place of business of the Partnership shall be at Suite 8, 15 Spinning Wheel Drive, Hinsdale, Illinois 60521, or at such other address as the Partners may decide.

## 2. MANAGEMENT

2.1 Management of Partnership Business. The operations and affairs of the Partnership shall be managed by Partners and the agreement of the Partners holding, in the aggregate, not less than seventy-five (75%) percent of the interest in the profits and losses of the Partnership shall bind the Partnership.

Each Partner shall be entitled to reimbursement of reasonable costs and expenses paid by him from his own funds and advances made for the Partnership's account in furtherance of the Partnership's business.

### 3. CAPITAL AND DISTRIBUTIONS

3.1 Capital Contributions. Except as herein otherwise provided to the contrary, each Partner shall be responsible for twenty-five (25%) percent of all capital required by the Partnership ("Ownership Percentage Interest").

### 4. ALLOCATIONS AND REPORTS

4.1 Tax Returns. All tax returns and statements which must be filed on behalf of the Partnership with any taxing authority shall be timely prepared and filed, and copies of such returns and statements shall be submitted to all Partners.

4.2 Allocations. If the Partnership has a net profit or net loss for any fiscal year, then, for accounting and federal and state income tax purposes, such profit and all items of income, deduction, credit, gain and loss for such year, or such loss and all items of income, deduction, credit, gain and loss for such year shall be allocated to the Partners in accordance with their respective Ownership Percentage Interests.

4.3 Accounting. The Partnership shall cause to be maintained complete and accurate books of account of the Partnership reflecting all of the Partnership's assets, liabilities, operations, transactions and financial condition. Each Partner shall each have the right, at all reasonable times during usual business hours, to audit, examine and make copies of the books of account of the Partnership, at his expense. Such rights may be exercised through any agent or employee of such Partner designated by him or by an independent public accountant designated by him.

### 5. FISCAL YEAR

5.1 Fiscal Year. The fiscal year of the Partnership shall end as of December 31 of each year.

## 6. TERM, DISSOLUTION AND TERMINATION

6.1 Term and Events of Dissolution. The Partnership shall begin on the date of this Agreement first above written and shall be dissolved and its affairs wound up upon the first to occur of any of the following events ("Events of Dissolution"): (a) the expiration of 99 years from the date hereof, (b) the conversion of all of the Partnership assets to cash, (c) the mutual election of the Partners to terminate the Partnership, (d) one Partner acquiring the entire Partnership Interests of the other Partners, or (e) an Event of Default occurring under Paragraph 7.1 which causes the dissolution of the Partnership by operation of law.

### 6.2 Winding-Up and Termination.

A. Upon the happening of an Event of Default, any Partner may elect to terminate the Partnership by written notice to the other Partners (the "Termination Notice"), which Notice shall describe the Event of Default and the manner in which the debts of the Partnership are to be paid.

B. Upon an Event of Default and receipt by the Partners of a Termination Notice, the affairs of the Partnership shall be wound up. The Partnership shall engage in no further business other than as may be necessary to wind up the business and distribute the Partnership assets. The liquidation of any real property owned by the Partnership shall be carried on in an orderly fashion over a reasonable period of time according to established real estate practices.

C. Distributions in liquidation may be made in cash or in kind, or partly in cash and partly in kind.

D. The income, deductions, gains, credits, and losses of the business during the period of dissolution shall be divided among or borne by the Partners in accordance with the provisions of Paragraph 4.2.

E. The proceeds from the liquidation of the Partnership assets shall be applied and distributed in the following order or priority:

(1) The expenses of liquidation and the debts of the Partnership, other than those to be assumed or taken subject to by any recipient of a Partnership asset, shall be paid;

(2) Any reserves which may be reasonably deemed necessary for any contingent or unforeseen liabilities or obligations of the Partnership; and

(3) The remaining proceeds shall be distributed to the Partners in accordance with their respective Ownership Percentage Interests at the time of such distribution.

F. After the liquidation proceeds have been distributed in accordance with subparagraph E, it shall be deemed that the Partnership has been dissolved and wound up, and this Agreement shall terminate.

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**7. DEFAULT**  
**STOP**  
7.1 Events of Default. Any of the following events shall constitute an event of default (each an "Event of Default") and the Partner causing such event shall be deemed the "Defaulting Party":

A. If a Partner shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief for himself under the present or any future federal bankruptcy act or any other present or future applicable federal or state law relative to bankruptcy, insolvency or other relief for debtors, or shall seek or consent to or acquiesce (as described below) in the appointment of any trustee, custodian, receiver, conservator or liquidator for himself or of all of any substantial part of his properties or his Partnership interest;

B. If a court of competent jurisdiction shall enter an order, judgment or decree appointing a trustee or receiver for a Partner or approving a petition or a case is filed against a Partner seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under

the present or any future bankruptcy act, or any other present or future applicable federal, state or other statute or law relating to bankruptcy, insolvency or other relief for debtors, and that Partner shall acquiesce in the entry of such order, judgment or decree (the term "acquiesce" includes, but is not limited to, failure to file a petition or decree within 10 days after the entry of the order, judgment or decree) or such order, judgment or decree shall remain unvacated and unstayed for an aggregate 90 days (whether or not consecutive) from the date of entry thereof, or any trustee, custodian, receiver, conservator, or liquidator of such Partner or of all or any substantial part of his property or his Partnership Interest shall be appointed without the consent of acquiescence of such Partner and such appointment shall remain unvacated and unstayed for an aggregate of 60 days (whether or not consecutive);

C. If a Partner shall admit in writing his inability to pay his debts as they mature, shall give notice to any governmental body of insolvency or pending insolvency, shall make an assignment for the benefit of creditors or take any other similar action for the protection or benefit of creditors;

D. Upon the death or mental incapacity of any Partner; or

E. Upon any purported sale, transfer, assignment or other disposition by a Partner of any part or all of his Partnership interest or an interest in the Property, except as the same may be permitted by this Agreement.

#### 7.2 Remedies of Nondefaulting Parties.

A. If an Event of Default occurs, the Partners not responsible for such Event of Default (the "Nondefaulting Parties") may, but need not, elect either of the following alternatives, which election shall be made by giving written notice thereof to the Defaulting Party within 90 days after they receive written notice of such Event of Default:

(1) Purchase the Partnership interest of the Defaulting Party; or

(2) With respect to those Events of Default that do not cause the dissolution of the Partnership by operation of law, dissolve the Partnership.

The foregoing rights of the Nondefaulting Parties shall not be the exclusive remedies of the Nondefaulting Parties, but shall be in addition to all other rights and remedies, if any, available to the Nondefaulting Parties at law or in equity.

B. If the Nondefaulting Parties elect to proceed under subparagraph A(1), 20% of any amount due the Defaulting Party shall be paid to the Defaulting Party on the Closing Date (as hereinafter defined), with the balance payable in four equal, annual installments thereafter, beginning one year after the Closing Date, with interest on the unpaid balance thereof at the lowest rate necessary to avoid the imputation of interest under the then applicable provisions of the federal income tax law.

## 8. TRANSFERS

### 8.1 No Right to Sell or Assign.

A. Except as specifically provided herein, no Partner shall sell, assign, mortgage, pledge, hypothecate or otherwise encumber or permit or suffer any encumbrance of all or any part of his Partnership interest or his profits interest in the Partnership unless approved in writing by the other Partners. Any attempt to so transfer or encumber any such interest shall be void.

B. Each Partner waives any right to bring any action for partition of all or part of the Partnership's assets, to withdraw from the Partnership or take any act causing the dissolution of the Partnership, except as expressly permitted under the provisions of this Agreement.

### 8.2 Permitted Transfers.

A. Each Partner shall have the right, without the consent of the other Partners, to transfer all or any part of his Partnership interest to an Affiliated Party. As used herein, "Affiliated Party" shall mean any corporation, partner

ship or trust, 51% or more of the equity interest of which is owned by a Partner. After the transfer by a Partner to an Affiliated Party of all or any portion of his Partnership interest, all references to such Partner in this Agreement shall be deemed to be references to such Partner and/or the Affiliated Party.

B. In the event of any transfer permitted under this Paragraph, the interest so transferred shall be and remain subject to all of the terms and provisions of this Agreement, and the transferee shall be deemed to have assumed all of the obligations hereunder relating to such interest, in which event the transferor shall be relieved of all further obligations hereunder with respect to such interest. No change in ownership of any Partnership interest shall be binding upon the Partnership or the other Partners until a duplicate original copy of all instruments executed and delivered in connection with such transfer shall have been delivered to the other Partners.

## 9. GENERAL

9.1 Notices. All notices, demands or requests required or permitted to be given to any Partner pursuant to this Agreement must be in writing and given by personal delivery or by depositing the same in the United States mail, by registered or certified mail, postage prepaid, return receipt requested, and addressed to each of the Partners as set forth in Exhibit B attached hereto and made a part hereof. All notices, demands and requests shall be effective and deemed given and received upon actual receipt if given by personal delivery, or three days after mailing if mailed in the manner specified above. Any Partner may change his address for notice purposes by giving the other Partners notice thereof in the foregoing manner.

9.2 Governing Law. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Illinois.

9.3 Entire Agreement. The terms of this Agreement are intended by the Partners as a final expression of their agree-



ment with respect to such terms as are included herein and may not be contradicted by evidence of any prior or contemporaneous agreement. The Partners further intend that this Agreement constitutes the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial proceeding, if any, involving this Agreement. No variations, modifications or changes herein or hereof shall be binding upon any Partner unless set forth in a document duly executed by or on behalf of such Partner.

9.4 Waiver. No consent or waiver, express or implied, by any Partner to or of any breach or default by any other Partner in the performance by such other Partner of his obligations hereunder shall be deemed or construed to be a consent to or waiver of any other breach or default in the performance by such other Partner of the same or any other obligations of such Partner hereunder. Failure on the part of any Partner to complain of any act or failure to act on the part of any other Partner or to declare any other Partner in default, irrespective of how long such failure continues, shall not constitute a waiver by such Partner of its rights hereunder.

9.5 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

9.6 Successors and Assigns. Subject to the restrictions on transfer and encumbrances set forth herein, this Agreement shall inure to the benefit of and be binding upon the Partners and their respective heirs, successors and assigns. Whenever in this instrument a reference to any Partner is made, such reference shall be deemed to include a reference to the heirs, successors and assigns of such Partner.

9.7 Time of Essence. Time is hereby expressly made of the essence with respect to the performance by the parties of their respective obligations under this Agreement.

9.8 Further Assurances. Each Partner agrees to execute such other and further instruments and documents as may be necessary or proper in order to complete the transactions contemplated by this Agreement.

9.9 Construction. This Agreement shall be construed according to the fair meaning of its terms and neither strictly for nor against any Partner. Any reference to the masculine gender shall include the feminine and the singular shall include the plural.

9.10 Headings. Headings at the beginning of each paragraph are solely for convenience and are not part of this Agreement.

9.11 Counterparts. This Agreement may be executed in one or more counterparts, which when taken together, shall constitute but one original.

IN WITNESS WHEREOF, each Partner has caused this Agreement to be executed on its behalf as of the date first set forth above.



*Carl De Faria*  
Carl De Faria

*Franklyn Robbins*  
Franklyn Robbins

*Mark Marinello*  
Mark Marinello

*Sheli Z. Rosenberg*  
Sheli Z. Rosenberg

SCHEDULE A (amended 8/90)

Assets:

1. Metro Resource Investments, Inc.
2. Central Park Apts., Oak Forest, IL.
3. Chapel View East Apts., Valparaiso, IN.
4. Chapel View West Apts., Valparaiso, IN.
5. Colonial Manor Apts., Darien, IL. (Heritage House General Partnership)
6. Dearborn Plaza Apts., Chicago, IL.
7. Kedzie Ave. Apts., Chicago, IL.
  
8. Alsip Industrial Buildings, Alsip, IL.
9. American Plaza, South Chicago Heights, IL.
10. Dolton Plaza, Dolton, IL.
11. Hillside Shopping Center, Hillside, IL.
12. Hickory Hills, Hickory Hills, IL.
13. Lemont Plaza, Lemont, IL.
14. Kennedy Industrial Park, Hammond, IN.
15. Kennedy Shopping Center, Hammond, IN.
16. South Bend Property, South Bend, IL.
17. Westgate Shopping Center, Arlington Heights, IL.
  
18. Commons Apts., La Porte, IN.

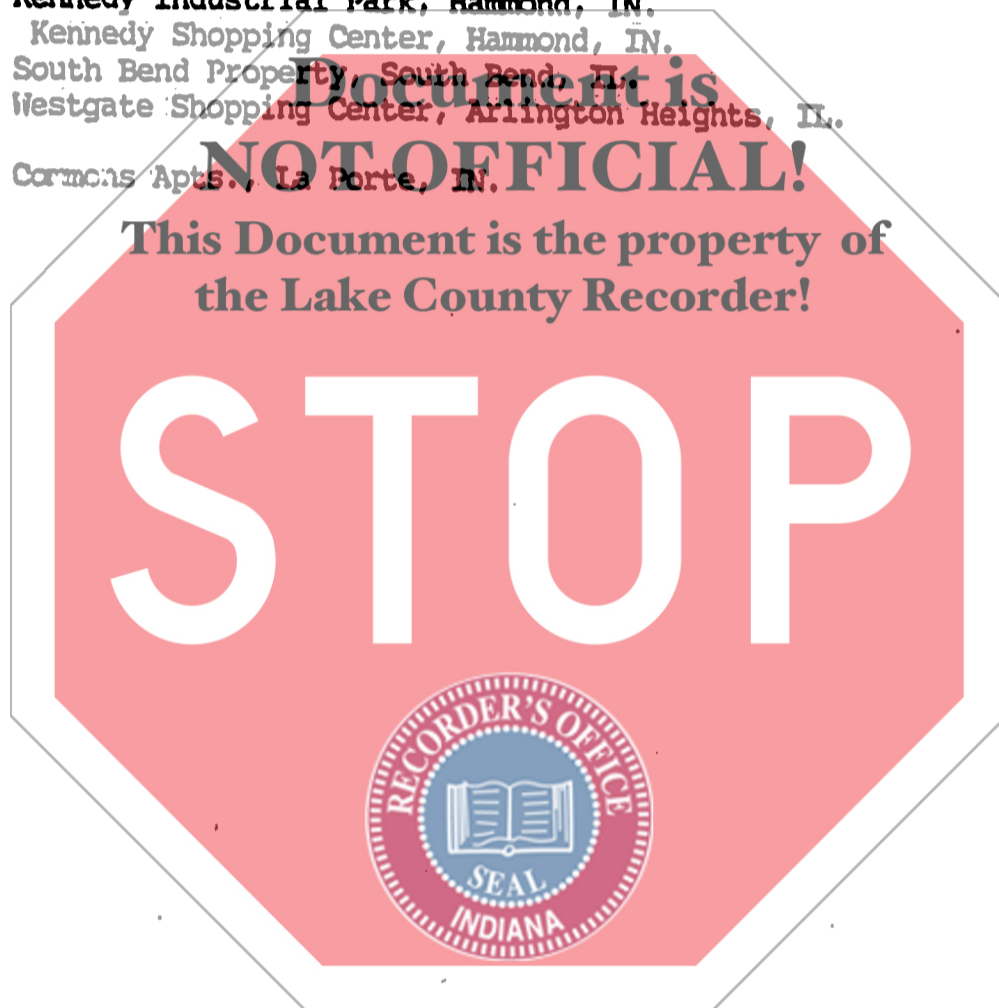


EXHIBIT B

<u>NAME</u>	<u>ADDRESS</u>
Carl DeFaria	210 W. 22nd Street, Suite 137 Oak Brook, IL 60521
Franklyn Robbins	210 W. 22nd Street, Suite 137 Oak Brook, IL 60521
Mark Marinello	210 W. 22nd Street, Suite 137 Oak Brook, IL 60521
Sheli Z. Rosenberg	210 W. 22nd Street, Suite 137 Oak Brook, IL 60521



**CONSENT BY MORTGAGEE**

LaSalle National Bank, previously known as The Exchange National Bank of Chicago, as holder of a Junior Mortgage and Security Agreement with Assignment of Rents dated as of April 26, 1988, and recorded as Document No. 983735 in the Lake County, Indiana Recorder's Office, as modified, (the "Mortgage") hereby consents to and subordinates the lien and operation of the Mortgage to the foregoing Loan Modification Agreement dated as of February 27, 1991, between CFMS-I General Partnership and Textron Financial Corporation.

\*\*983734

Dated: March 29th, 1991

LaSalle National Bank

Document No. 983735  
Its: Asst Vice Pres.  
**NOT OFFICIAL!**

This Document is the property of  
the Lake County Recorder!

County of Cook )  
State of Illinois )

Before me, a notary public in and for said County and State personally appeared Roselee A. Zylber a Asst Vice Pres. of LaSalle National Bank, and executed the foregoing as his free and voluntary act and as the free and voluntary act of said Bank on this 29 day of March, 1991.



Rae Rivero  
Notary Public