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**LOAN MODIFICATION AGREEMENT**

This Loan Modification Agreement ("Agreement") is made this 28th day of December, 2001 by and between First United Bank, an Illinois Banking Corporation ("Lender") and Spies Bros., Inc. ("Borrower").

**Recitals**

WHEREAS, Lender has loaned to Borrower the sum of Six Hundred Fifty Thousand Dollars and no/cents (\$650,000.00) and such indebtedness is evidenced by a Promissory Note (the "Note") executed by Borrower and dated April 24, 2001 (such indebtedness is hereinafter referred to as the "Loan"); and

**This Document is the property of the Lake County Recorder!**

WHEREAS, the unpaid principal balance of the Loan on the date hereof is Three Hundred Twenty Thousand One Hundred Twenty Nine Dollars and 42/cents (\$320,129.42); and

WHEREAS, the Note is secured by a Mortgage (the "Mortgage") dated April 27, 2001 on the property described in Exhibit A attached hereto and incorporated herein by reference, and recorded in the Office of the Recorder of Deeds in Lake County, Indiana as Document Number 2001030979; and

WHEREAS, the Note is secured by a Mortgage (the "Mortgage") dated April 27, 2001 on the property described in Exhibit B attached hereto and incorporated herein by reference, and recorded in the Office of the Recorder of Deeds in Lake County, Indiana as Document Number 2001030984; and

WHEREAS, the Note is secured by an Assignment of Rents (the "Assignment") dated April 27, 2001 on the property described in Exhibit A attached hereto and incorporated herein by reference, and recorded in the Office of the Recorder of Deeds in Lake County, Indiana as Document Number 2001030980; and

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First United Bank  
7626 W. Lincoln Highway  
P.O. Box 632  
Frankfort IL. 60423-0632  
272729

ck # 271657  
3100  
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WHEREAS, the Note is secured by a Loan Modification Agreement (the "Modification") dated July 6, 2001 on the property described in Exhibits A and B attached hereto and incorporated herein by reference, and recorded in the Office of the Recorder of Deeds in Lake County, Indiana as Document Number 2001056275; and

WHEREAS, the Note and the Mortgage, and all other documents securing the Loan or executed by Borrowers in connection with the Loan are collectively referred to herein as the "Loan Documents"; and

WHEREAS, the Lender and Borrower have agreed to modify and amend the Loan Documents.

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

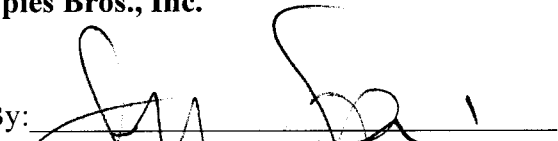
1. The recitals set forth above are incorporated herein by reference as if more fully set forth herein. To the extent that the terms contained herein conflict with the terms of the Loan Documents, the terms of this Loan Modification Agreement shall control.
2. The Note is concurrently being modified pursuant to a Note Allonge ("Note Allonge") and the modified terms are as follows:
  - A. The unpaid principal balance of the Note is ~~Three Hundred Twenty Thousand One Hundred Twenty Nine Dollars and 42/cents~~ (\$320,129.42);
  - B. The interest rate on the unpaid principal balance of the Note is changed from 7.90% fixed per annum to 7.25% fixed per annum;
  - C. The monthly principal and interest payments due under the Note are changed to Three Thousand Seven Hundred Seventy Seven Dollars and 97/cents (\$3,777.97), with payments due on the first day of each month; and
  - D. The final payment of the Note is due on December 1, 2011, at which time any and all remaining unpaid interest, principal and any other amounts due under the Note and any other Loan Documents shall become due and be paid in full.
3. The terms of the Note Allonge are incorporated herein by reference.
4. The Loan Documents are hereby modified to reflect the modifications made to the Note pursuant to this Agreement and by the Note Allonge.

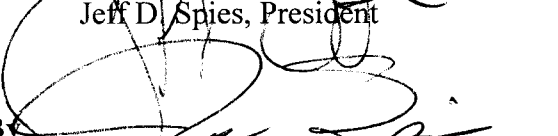
5. All Loan Documents shall remain in full force and effect until final payment of all amounts due under the Note, Mortgage and any other Loan Documents.
6. Except as expressly changed by this Agreement, the terms of the original Note and the Mortgage, and any other Loan Documents shall remain unchanged and in full force and effect in accordance with their respective terms, and the execution and delivery of this Loan Modification Agreement shall not operate to waive any rights or remedies that Lender may have with respect to the Loan Documents to forgive or waive any violation, default or breach under the Loan Documents, or to obligate Lender in any manner to make any further extensions of credit other than as expressly provided for herein.
7. Whenever the context requires or permits, the singular shall include the plural, and vice versa, and the masculine, feminine and neuter shall be freely interchangeable.
8. This Loan Modification Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties.
9. The laws of the State of Illinois shall govern this Loan Modification Agreement.
10. This Loan Modification Agreement may be executed in counterparts each of which shall constitute an original, but all together shall constitute the same Loan Modification Agreement.
11. This Loan Modification Agreement contains and states the entire agreement between the parties. All prior understandings and agreements between the parties, if any, are merged into and with this Loan Modification Agreement, which fully and accurately states their entire understanding and agreement.
12. The parties agree to execute all other documents and agreements to fully effectuate the transaction contemplated herein. Each party acknowledges that they have been represented by counsel of their own choosing and that they have read, understand and intend to be bound by the terms of this Loan Modification Agreement. Each of the parties has participated in the negotiation and drafting of this Loan Modification Agreement. Therefore, in any construction of this Loan Modification Agreement, the same shall not be construed against any party.

In witness whereof, the parties have executed this Loan Modification Agreement as of the day and year first above written.

BORROWER:

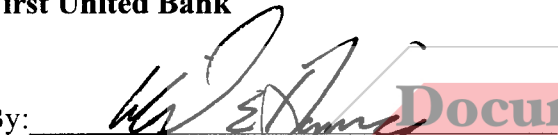
**Spies Bros., Inc.**

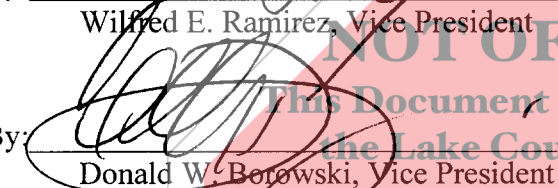
By:   
Jeff D. Spies, President

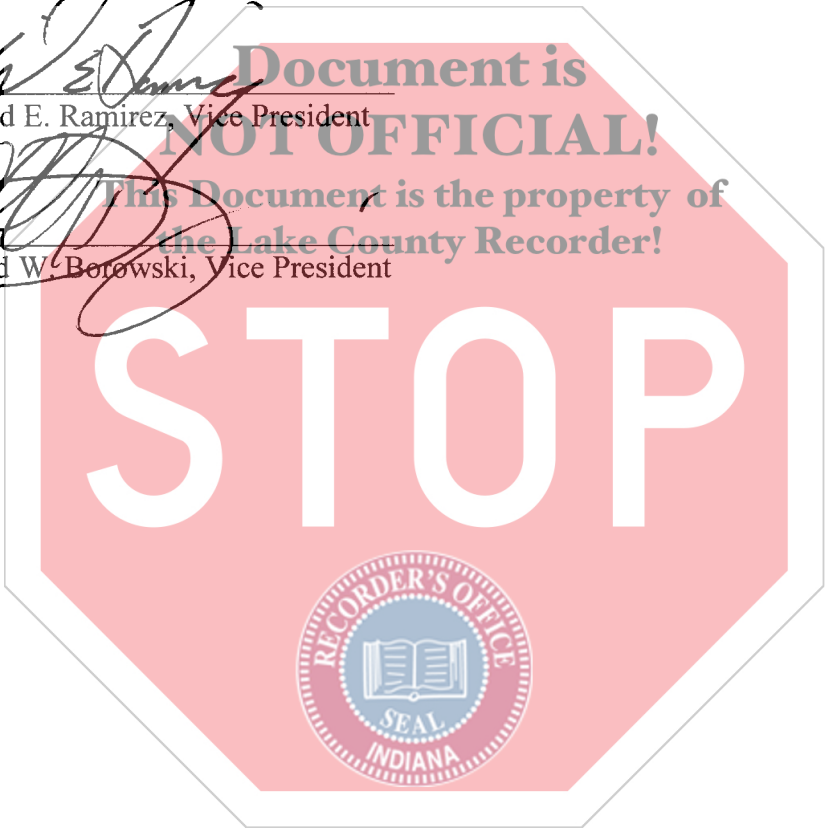
By:   
Joe G. Spies, Secretary

LENDER:

**First United Bank**

By:   
Wilfred E. Ramirez, Vice President

By:   
Donald W. Borowski, Vice President

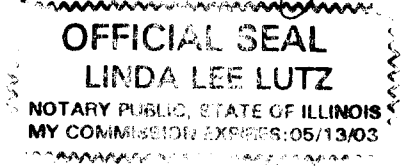


STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF WILL )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Jeff D. Spies, President of Spies Bros., Inc. and Joe G. Spies, Secretary of said Corporation, whose names are subscribed to the foregoing instrument appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their 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 28th day of December, 2001.

*Linda Lee Lutz*  
Notary Public



STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF WILL )

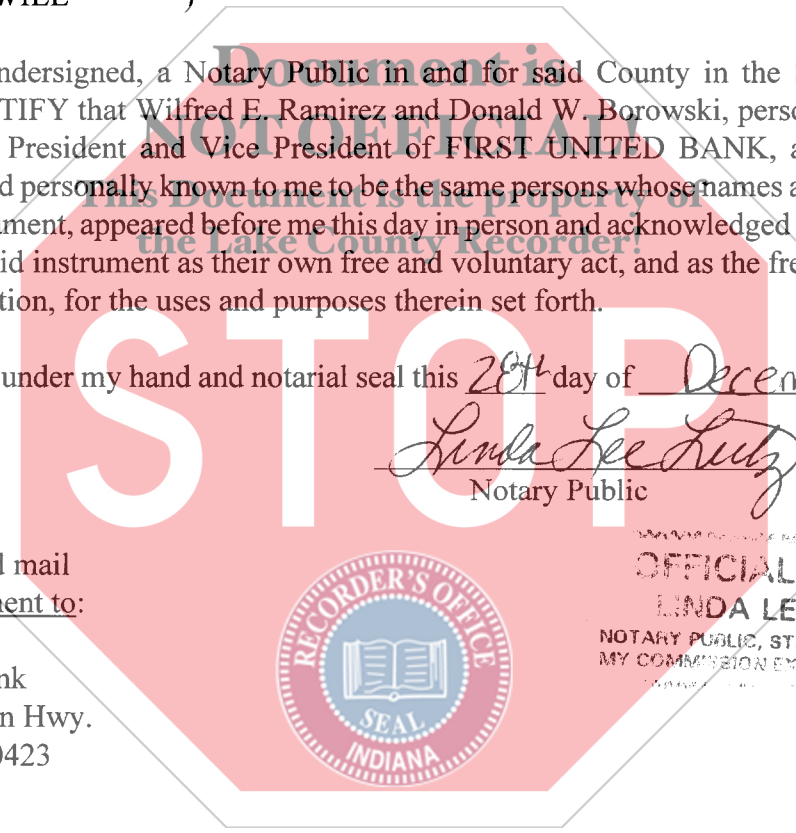
I, the undersigned, a Notary Public in and for said County in the State aforesaid DO HEREBY CERTIFY that Wilfred E. Ramirez and Donald W. Borowski, personally known to me to be the Vice President and Vice President of FIRST UNITED BANK, an Illinois Banking Corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their 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 28th day of December, 2001.

*Linda Lee Lutz*  
Notary Public



Prepared by and mail  
recorded document to:  
✓ Sherri Voss for  
First United Bank  
7626 W. Lincoln Hwy.  
Frankfort, IL 60423



**EXHIBIT A**

**Legal Description:**

Lot 2 in Y2K Park, in the City of Crown Point, as per plat thereof, recorded in Plat Book 88 page 25, in the Office of the Recorder of Lake County, Indiana.

**Property Address:**

1155 E. Troutwine Road, Crown Point, IN 46307

**Permanent Real Estate Index Number:**

9-551-2



**EXHIBIT B**

**Legal Description:**

Lot 2 in Arrowhead Ridge Industrial Park, in the City of Crown Point, as per Plat thereof, recorded in Plat Book 84 page 52, in the Office of the Recorder of Lake County, Indiana, and as amended by Certificate of Correction recorded June 10, 1998 as Document No. 98042909

**Property Address:**

1290 Arrowhead Court, Crown Point, IN 46307

**Permanent Real Estate Index Number:**

9-485-1





**NOTE ALLONGE**

This Note Allonge evidences the modification of the original Note (the "Note") in the face amount of Six Hundred Fifty Thousand Dollars and no/cents (\$650,000.00) dated April 24, 2001 with FIRST UNITED BANK, an Illinois Banking Corporation as Payee and with Spies Bros., Inc. as Maker. The Note is hereby modified as follows:

1. The unpaid principal balance of the Note is Three Hundred Twenty Thousand One Hundred Twenty Nine Dollars and 42/cents (\$320,129.42) as of the date hereof;
2. The interest rate on the unpaid principal balance is changed from 7.90% fixed per annum to 7.25% fixed per annum;
3. The monthly principal and interest payments due under the Note are changed to Three Thousand Seven Hundred Seventy Seven Dollars and 97/cents, with payments due on the first day of each month; and
4. The final payment of the Note is due on December 1, 2011, at which time any and all remaining unpaid interest, principal and any other amounts due under the Note and any other Loan Documents shall become due and be paid in full.

Excepting the foregoing changes, all other terms and conditions contained in the Note not specifically modified herein are incorporated by reference and shall remain in full force and effect.

Date: 11-28-01

MAKER:

Spies Bros., Inc.

By:   
Jeff D. Spies, President

By:   
Joe G. Spies, Secretary

