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PRESENTED FOR
REGISTRATION
AND RECORDED BK 1753 P 3120

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L.E. SPEAS
REGISTER OF DEEDS
FORSYTH CO., NC

\$30.00 pd
Vany Pierce

STATE OF NORTH CAROLINA)

COUNTY OF FORSYTH)

MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT made and entered into as of the 1st day of April, 1992, among METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation (the "Lender"); FOX CREEK LIMITED PARTNERSHIP, an Illinois limited partnership (the "Borrower"); and THE FIDELITY COMPANY, Trustee of Forsyth County, North Carolina (the "Trustee");

PRELIMINARY STATEMENTS

A. The Borrower has executed and delivered to the order of Lender that certain Note dated March 3, 1988 in the original principal amount of \$4,300,000.00 (the "Original Note").

B. In order to secure the Original Note, the Borrower executed and delivered, among other security documents, the following:

(i) That certain North Carolina Deed of Trust and Security Agreement dated March 3, 1988 executed by Borrower to the Trustee, for the benefit of Lender and recorded in the Office of the Register of Deeds of Forsyth County, North Carolina in Book 1635, at Page 381 (the "Original Deed of Trust");

(ii) That certain Assignment of Lessor's Interest in Leases dated March 3, 1988 from Borrower to Lender (the "Original Assignment of Leases") and recorded in the Office of the Register of Deeds of Forsyth County, North Carolina in Book 1635, at Page 419;

(iii) That certain UCC Financing Statement executed by the Borrower, as Debtor, in favor of the Lender, as Secured Party, and recorded in File No. 170479 and in Book 1634, at Page 3991, Forsyth County Registry; and

(iv) That certain UCC Financing Statement executed by the Borrower, as Debtor, in favor of the Lender, as Secured Party, and recorded in File No. 0426770 in the Office of the Secretary of State of North Carolina (the UCC Financing Statements referred to in paragraphs (iii) and (iv) being collectively referred to as the "Original UCC Financing Statements").

C. Clive I. Goodson was named as Substitute Trustee under the Original Deed of Trust by Substitution of Trustee recorded in Book 1722, at Page 3517, Forsyth County Registry. Pursuant to a Substitution of Trustee dated of even date herewith executed by the Lender, and recorded in Book 1742, Page 2891, Forsyth County Registry, The Fidelity Company has been named as trustee under the Original Deed of Trust.

D. The Borrower is the subject of that certain Chapter 11 reorganization proceeding filed in the United States Bankruptcy Court for the Middle District of North Carolina, Re: Fox Creek Limited Partnership, Case No. 91-13804C-11W (the "Bankruptcy Proceeding"). Pursuant to a Consent Order Providing for Settlement of the Metropolitan's Claims and Later Dismissal of Case (the "Consent Order"), the parties have agreed to modify the Original Note, the Original Deed of Trust, the Original Assignment of Leases, the UCC Financing Statements and other loan documents in certain respects.

E. The Lender, as holder and owner of the Original Note, the Original Deed of Trust and the Original Assignment of Leases, and the Borrower now desire to modify and amend the provisions of the Original Note, the Original Deed of Trust and the Original Assignment of Leases in the manner hereinafter set forth, it being specifically understood that except as herein modified and amended, the terms and provisions of such documents shall remain unchanged and continue in full force and effect as therein written.

G. The Trustee, at the request of Lender and Borrower, has agreed to join in the execution of this Agreement in order to evidence the Trustee's knowledge of the provisions hereof and the Trustee's consent to the modifications herein made.

AGREEMENT

NOW, THEREFORE, the Lender, Borrower and Trustee, in consideration of the Preliminary Statements and for the purposes stated therein, and for other valuable consideration, receipt of which is hereby acknowledged, do hereby agree as follows:

1. Conditions. This Modification Agreement, the First Amendment to Note (hereinafter defined) and the obligations of the Lender hereunder and thereunder (including, without limitation, the extension of the maturity date of the Original Note) are subject to the following conditions unless the Lender waives any such conditions or extends the time for performance thereof in writing:

(a) The escrow required by paragraph 12(h) of the Consent Order shall be fully funded in compliance with paragraph 5A hereof;

(b) The Lender shall have received the First Amendment to Note duly executed and delivered by the Borrower and in form and substance satisfactory to the Lender;

(c) The Lender shall have received Amendments to the Original UCC Financing Statements in form and substance satisfactory to the Lender; the foregoing described Amendments to the Original UCC Financing Statements shall have been filed with the Office of the Secretary of State of North Carolina and with

the Office of the Register of Deeds of Forsyth County, North Carolina; and the Lender shall have further received Uniform Commercial Code searches of the Office of the Secretary of State of North Carolina and of the Office of the Register of Deeds of Forsyth County, North Carolina, which disclose no matters or filings which cover the collateral of the Lender;

(d) This Modification Agreement shall, subject to paragraph 1(e) following, be recorded in the Office of the Register of Deeds of Forsyth County;

(e) The title to the property described in the Original Deed of Trust shall be updated by Lender's counsel, and the Lender shall have approved in writing (prior to the recording of this Modification Agreement) any additional exceptions to title not currently set forth in that certain title insurance policy issued by Safeco Title Insurance Company (No. 1599-MP-021594), as modified by endorsements dated February 25, 1988, February 26, 1988, and March 15, 1988 (the "Title Policy"). In addition, the Lender shall have received an original title insurance endorsement to the Lender's existing Title Policy which (i) adds this Modification Agreement as an additional insured instrument, (ii) discloses no additional exceptions to title other than those currently set forth in the Lender's existing Title Policy, (iii) changes the effective date of the Title Policy to the date of recording of this Modification Agreement and (iv) increases the amount of the Title Policy to \$4,533,335.00. The premium for the endorsement shall be paid by loans or contributions by the general partners of the Borrower without using any income from the Property. In addition, the Borrower shall execute an Affidavit and Agreement on the title company form regarding mechanics liens as required by the title company to issue the endorsement;

(f) The Borrower shall have paid the 1991 ad valorem taxes (including penalties and interest) on the property described in the Deed of Trust and shall have paid the insurance premium on the property due on May 7, 1992, by using only the following described funds: \$32,980.00 from the tax and insurance escrow account maintained by the Lender; and the remaining amounts from loans or contributions by the general partners of the Borrower without using any income from the Property;

(g) The Lender shall have received the interest installment payments under the First Amendment to Note which are due as of the date of closing of this Modification, and the escrow payments which are due as of the date of closing of this Modification;

(h) The other creditors of the Borrower shall have been paid in full as in the manner provided by paragraph 12(m) of the Consent Order;

(i) The Grantor shall have complied with all other conditions set forth in the Consent Order;

(j) The Bankruptcy Proceeding shall have been dismissed.

2. Modification of Original Note. The parties acknowledge and agree that the Original Note has been modified and amended pursuant to that certain First Amendment to Note dated of even date herewith among Lender and Borrower (the "First Amendment to Note"). The First Amendment to Note, among other things, increases the principal amount of the Original Note from \$4,300,000.00 to \$4,533,335.00. As used in this Modification Agreement, the term "Note" shall mean the Original Note, as amended by the First Amendment to Note.

3. Modification of Original Deed of Trust. The Original Deed of Trust is hereby amended as follows:

(a) Amendment of Description of Secured Obligations. The third full paragraph appearing on page 3 of the Original Deed of Trust (beginning with the phrase "This conveyance is made in trust") is hereby amended and restated in its entirety to read as follows:

"This conveyance is made in trust, however, to secure the full and punctual payment of the debt evidenced by that certain note dated March 3, 1988 made by Borrower to the order of Lender as such note has been amended by that certain First Amendment to Note dated as of April 1, 1992 between the Borrower and the Lender (the aforesaid note, as amended by the First Amendment to Note, is hereinafter referred to as the "Note") in the principal amount of Four Million Five Hundred Thirty-Three Thousand Three Hundred Thirty-Five and No/100 Dollars (\$4,533,335.00) with interest thereon at the rates therein provided, and final maturity being on or before, March 1, 1998, together with any and all renewals, modifications, consolidations and extensions of the indebtedness evidenced by the Note, any and all additional advances made by Lender to protect or preserve the Property or the security interest hereby created in the Property and for the full performance of all of the provisions, agreements, covenants and obligations herein contained and the payment of all other sums herein covenanted to be paid (hereinafter collectively called the "Secured Obligations")."

(b) Inspection. Section 1.16 of the Original Deed of Trust is amended by adding the following:

"In addition, the Lender may, at its option, conduct additional inspections annually for the purposes of determining whether or not the Property is being properly maintained. If the results of any annual inspection disclose that the Property has suffered a material decline in condition, then the Borrower shall commence repairs or corrections to the Property and shall complete such repairs or corrections to the satisfaction of Lender within thirty (30) days of written notice from the Lender to Borrower specifying the needed repairs or corrections; provided, however, with respect to those repairs or corrections that may not reasonably be completed within 30 days, the Borrower shall commence said repairs or corrections within the 30 day period and shall at all times thereafter diligently pursue such repairs or corrections to completion. The failure of the Borrower to complete the needed repairs or

corrections to the Property within the required time period, as aforesaid, shall constitute an Event of Default hereunder without the need for any additional notice or grace period."

(c) Additional Events of Default. The following additional Events of Default are hereby inserted in Section 4.01 of the Deed of Trust:

"(i) The Borrower shall fail to perform any of the terms, conditions or obligations under the Modification Agreement dated as of April 1, 1992 among Lender, Borrower and the Trustee."

4. Modification of Original Assignment of Leases. The Original Assignment of Leases is hereby amended as follows:

(a) The defined term "Deed" is hereby amended to refer to the Original Deed of Trust, as amended by this Modification Agreement, together with any modifications, renewals or extensions hereafter made with respect thereto.

5. Additional Covenants. (a) The Borrower agrees (i) it will make no distributions to or for the benefit of any general or limited partners of the Borrower or other insiders, (ii) it will not make any payments of principal, interest or other indebtedness now or hereafter owed by the Borrower to any general or limited partners of Borrower or other insiders, and (iii) it will not make any payments to existing creditors (i.e., creditors in existence on the date of the filing of the petition in the Bankruptcy Proceeding, it being the intent hereof that the existing creditors shall be paid by loans from the partners of the Borrower or from other funds not constituting income from the Property), until the indebtedness evidenced by the Lender's Note is paid in full; provided, however, that the Borrower shall be authorized to make the following payments to insiders prior to full payment of the Lender's Note if said payments are reasonable and in the ordinary course of business: (i) payment to C. Warren Olanow of a monthly management fee of no more than five percent (5%) of gross collected rents for so long as he manages the property; (ii) payment of repair fees or special services fees to Jerry Oakley for extra work being performed by him based upon the current practice of doing business; and (iii) payment to Jerald F. Richman of a reasonable fee for preparation of the annual tax return for the Borrower.

(b) The Borrower hereby agrees to repair the sign at the entrance to the Property, repair the paving upon the Property and to upgrade the landscaping of the Property to its condition when the loan was originally made (i.e., March 3, 1988), all of which shall be completed to the reasonable satisfaction of Lender on or before thirty (30) days after the recording hereof.

5A. Escrow Account. The Borrower shall establish an escrow account (the "Escrow Account") with third party funds (as hereinafter provided) in the amount of \$25,000.00 with the servicing agent for Lender, or if at any time there is no servicing agent, then with Lender. In the event that the Borrower fails to make any payment of the Obligations, when due, or in the event that the payment made by Borrower is less than the entire amount of Obligations then due, then, at Lender's option, an amount shall be transferred to Lender from the Escrow Account which is sufficient to pay the amount of Obligations then due. The

Borrower shall, on the first day of each Loan Year, pay to the servicing agent (or to the Lender, if there is no servicing agent) only with third party funds (as hereinafter provided) such amount as may be necessary to cause the balance in the Escrow Account as of the first day of the applicable Loan Year to be at least \$25,000.00. Any failure by the Borrower to replenish the Escrow Account with third party funds (as hereinafter provided) as of the first day of an applicable Loan Year shall constitute an event of default under the Note and Deed of Trust, as amended hereby. In addition, if the amount drawn from the Escrow Account shall, at any time, fail to pay the entire amount of Obligations then due, then such circumstance shall constitute an Event of Default under the Deed of Trust, as amended hereby.

The funds required to establish and replenish the Escrow Account hereunder shall come from C. Warren Olanow, Jerald F. Richman, or the general partners of the Borrower, through loans or contributions by such third parties without using any income from the Property, and the use of any income from the Property to establish or replenish the Escrow Account shall constitute an Event of Default under the Deed of Trust, as amended hereby.

As used herein, "Loan Year" shall mean the period commencing on April 1, 1992 and each successive annual period commencing on April 1 of each successive year thereafter.

Also, as used herein, the term "Obligations" shall mean the payment and performance of all obligations of the Borrower under the Note and the Deed of Trust, as amended hereby.

6. Consent to Easements. Reference is hereby made to the following documents (the "Easement Documents"):

(i) Contract of Conveyance and Final Settlement dated March 16, 1990 executed by Fox Creek Limited Partnership and the City of Winston-Salem, acting through the City/County Utility Commission, recorded in Book 1688, at Page 3018, Forsyth County Registry; and

(ii) Easement Agreement executed by Fox Creek Limited Partnership in favor of Duke Power Company dated February 1, 1988, recorded in Book 1635, at Page 2105, Forsyth County Registry.

The Easement Documents benefit the property described in the Original Deed of Trust and the Borrower has requested the Lender and the Trustee to consent to the Easement Documents.

Therefore, the Lender and the Trustee hereby consent to the execution and recording of the Easement Documents and agree that the Easement Documents shall survive the foreclosure of or exercise of power of sale under the Original Deed of Trust, as modified hereby.

7. No Impairment of Security, Etc. It is mutually agreed by and between the parties hereto that this Modification Agreement shall become a part of the Original Deed of Trust and the Original Assignment of Leases by reference and that nothing herein contained

shall impair the security now held for the indebtedness, nor shall waive, annul, vary or affect any provision, condition, covenant or agreement contained in the Original Deed of Trust or the Original Assignment of Leases, except as herein amended, nor affect or impair any rights, powers or remedies under the Original Deed of Trust or the Original Assignment of Leases, as hereby amended, or any of them. Furthermore, the Lender does hereby reserve all rights and remedies it may have as against all parties who may hereafter become secondarily liable for the repayment of the indebtedness evidenced by the Note, as amended by the First Amendment to Note. The Lender acknowledges that the acceleration of the loan evidenced by the Original Note has been rescinded by Lender and that such loan has been reinstated subject to the terms of this Modification Agreement.

8. Reaffirmation of Indebtedness. The Borrower promises and agrees to pay the indebtedness evidenced by the Note, as amended by the First Amendment to Note, in accordance with the terms thereof and agrees to perform all of the requirements, conditions and obligations under the terms of the Original Deed of Trust and the Original Assignment of Leases, as hereby modified and amended, said documents being hereby ratified and affirmed. The execution and delivery hereof shall not constitute a novation or modification of the lien, encumbrance or security title of the Original Deed of Trust, which Original Deed of Trust shall retain its priority as originally filed for record.

9. Trustee's Execution. The Trustee joins in the execution of this Modification Agreement as evidence of its knowledge of the provisions hereof and its consent to the modifications herein made.

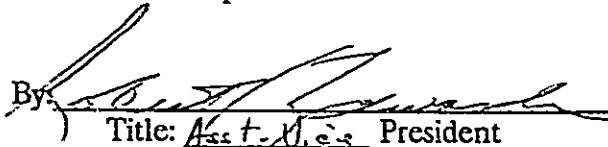
10. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of any assignee or the respective heirs, executors, administrators, successors and assigns of the parties hereto.

11. Counterparts. This Modification Agreement may be executed in multiple counterparts and/or by the use of multiple signature pages, each of which shall constitute an original but all of which, taken together, shall constitute one and the same instrument.

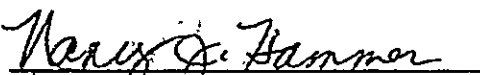
IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto under seal and delivered as of the day and year first above written.

LENDER:

METROPOLITAN LIFE INSURANCE COMPANY,
a New York corporation

By:  Title: Asst. Vice President

Attest:


Assistant Secretary

[Corporate Seal]

BK1753 P3127

BORROWER:

FOX CREEK LIMITED PARTNERSHIP,
an Illinois Limited Partnership (SEAL)

By: O & R Carolina, Inc., an Illinois
Corporation, General Partner

Attest:

By: _____

Title: President

Secretary

[Corporate Seal]

By: _____ (SEAL)
Jerry Oakley, General Partner

TRUSTEE:

THE FIDELITY COMPANY

Ken McNamee

vice President

Attest:

Donna B. Graham

Assistant Secretary

[Corporate Seal]



W#41875

BK1753 P3128

BORROWER:

FOX CREEK LIMITED PARTNERSHIP,
an Illinois Limited Partnership (SEAL)

By: O & R Carolina, Inc., an Illinois
Corporation, General Partner

Attest:

Janeel Huel
Secretary

By:

Title:

Wm. D. [Signature]
President

[Corporate Seal]



By:

Jerry Oakley
Jerry Oakley, General Partner

(SEAL)

TRUSTEE:

THE FIDELITY COMPANY

Attest:

President

Secretary

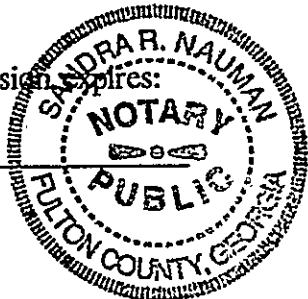
[Corporate Seal]

STATE OF Georgia)
 COUNTY OF DeKalb)

I, Sandra R. Nauman, a Notary Public,
 certify that Nancy J. Hammer personally came
 before me this day and acknowledged that ~~he~~/she is Assistant Secretary of Metropolitan
 Life Insurance Company, a New York corporation, and that, by authority duly given and as
 the act of the corporation, the foregoing instrument was signed in its name by its Assistant
Vice President, sealed with its corporate seal, and attested by ~~himself~~/herself as its
Assistant Secretary.

Witness my hand and official seal, this the 12th day of August, 1992.

My commission expires:



Sandra R. Nauman

Notary Public

[Official Seal]

Notary Public, Georgia, State At-Large.
 My Commission Expires Jan. 29, 1994

STATE OF FLORIDA)
)
~~COUNTY OF~~ XXXXXXXXXXXX)

I, Melissa A. Loy, a Notary Public, ~~XX~~
~~XXXXXXXXXXXXXXXXXXXX~~ County, State of Florida, do hereby certify that
Jerald F. Richman personally came before me this day and
 acknowledged that he/~~she~~ is Secretary of O & R Carolina, Inc. an Illinois
 corporation, and that, by authority duly given and as the act of the corporation acting as a
 General Partner of Fox Creek Limited Partnership, an Illinois limited partnership, the
 foregoing instrument was signed in its name by its President, sealed with
 its corporate seal, and attested by himself/~~herself~~ as its Secretary.

WITNESS my hand and official seal, this the 18th day of August, 1992.

Melissa A. Loy
 Notary Public

My commission expires:

[Official Seal]

BK1753 P3131

STATE OF NORTH CAROLINA)
COUNTY OF FORSYTH)

I, Ann W. Foster, a Notary Public, do hereby certify that Jerry Oakley, General Partner of Fox Creek Limited Partnership, an Illinois limited partnership, personally appeared before me this day and acknowledged the due execution of the foregoing instrument as his act and deed and as the act and deed of the Partnership.

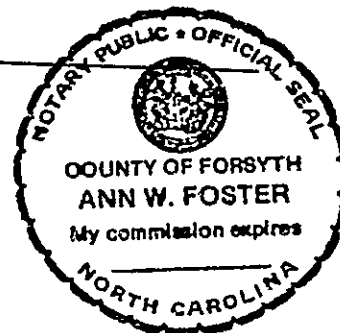
Witness my hand and official seal, this the 21st day of August, 1992.

My commission expires:

August 5, 1996

Ann W. Foster
Notary Public

[Official Seal]



BK1753 P3132

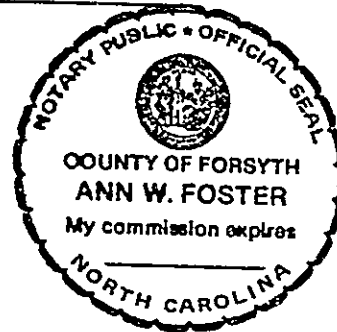
STATE OF NORTH CAROLINA)
COUNTY OF FORSYTH)

I, Ann W. Foster, a Notary Public,
certify that Donna G. Graham personally came
before me this day and acknowledged that he/she is Assistant Secretary of The Fidelity
Company, Trustee, and that, by authority duly given and as the act of the corporation, the
foregoing instrument was signed in its name by its Vice President, sealed with its
corporate seal, and attested by himself/herself as its Assistant Secretary.

Witness my hand and official seal, this the 21st day of August, 1992.

My commission expires:
August 5, 1996

Ann W. Foster
Notary Public
[Official Seal]



STATE OF NORTH CAROLINA—Forsyth County

The foregoing (or annexed) certificate S of Sandra R. Neuman N.P. Fulton G. Gay Melissa
A. Loy N.P. State of N.C. Ann W. Foster N.P. Forsyth Co N.C.
(here give name and official title of the officer signing the certificate passed upon)

is (are) certified to be correct. This the 24 day of Aug 1992

L. E. Speas, Register of Deeds

By Jessie Holden Deputy Assistant

Probate and Filing Fee \$ _____ paid.