

# UNOFFICIAL COPY

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**Lease Supplement No. 1**  
(and Memorandum of Lease Supplement,  
Memorandum of Lease and  
Mortgage and Memorandum of Option to Purchase)

This Lease Supplement No. 1 (and Memorandum of Lease Supplement, Memorandum of Lease and Mortgage and Memorandum of Option to Purchase) (this "Lease Supplement") dated as of December 21, 1999, between Brookdale Living Communities of Illinois – Hoffman Estates, LLC, a Delaware limited liability company, having its principal office at c/o Brookdale Living Communities, Inc., 77 West Wacker Drive, Suite 4400, Chicago, Illinois 60601, Attention: Chief Financial Officer, as the Lessee and as mortgagor and DBF Owner II, LLC, an Ohio limited liability company, having its principal office at 723 Electronic Drive, Suite 300, Horsham, Pennsylvania 19044, as the Lessor (the "Lessor") and as mortgagee.

09193054

Witnesseth:

9823/0205 03 001 Page 1 of 15  
1999-12-23 16:32:24  
Cook County Recorder 95.50

WHEREAS, the Lessor is the record owner of the land described on Schedule I attached hereto (the "Land") together with all Improvements currently located or which hereafter may be constructed on the Land (the "Improvements" and, together with the Land, the "Property");

WHEREAS, the Lessor desires to lease the Property to the Lessee and the Lessee wishes to lease the Property from the Lessor;

Now Therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree to enter into this Lease Supplement, as follows:

1. *Certain Terms.* Capitalized terms used but not otherwise defined in this Lease Supplement have the meanings specified in Appendix I to the Lease dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Lease"), and the rules of interpretation specified in Appendix I to the Lease shall apply to this Lease Supplement.

2. *Nature of Transaction.*

(a) It is the intent of the parties hereto that for financial accounting purposes the Lease constitutes an "operating lease" pursuant to Statement of Financial Accounting Standards No. 13, as amended, and for purposes of commercial, real estate, bankruptcy and federal, state and local income tax law, the transaction contemplated hereby is a financing arrangement. The parties further intend that Lessee shall be treated as owner of the Property for income tax purposes and shall be entitled to all deductions for depreciation thereof.

(b) It is the intent of the parties hereto that the obligations of the Lessee under the Lease to pay Basic Rent and Supplemental Rent and Lease Balance in connection with any

DEC. NA26986/RKS

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purchase of the Property pursuant to the Lease shall be treated as payments of interest on and principal of, respectively, loans from the Lessor to the Lessee.

(c) Specifically, without limiting the generality of subsection (b) of this Section 2 the Lessor and the Lessee intend and agree that with respect to the nature of the transactions evidenced by this Lease in the context of the exercise of remedies under the Operative Documents, including, without limitation, in the case of any insolvency or receivership proceedings or a petition under the United States bankruptcy laws or any other applicable insolvency laws or statute of the United States of America or any State or Commonwealth thereof affecting the Lessee and the Lessor, or any enforcement or collection actions, the transactions evidenced by this Lease are loans made by the Lessor as unrelated third party lender to the Lessee.

3. *Property; Memorandum of Lease.* Attached hereto as *Schedule I* is the description of the Land. Effective upon the execution and delivery of this Lease Supplement by the Lessor and the Lessee, the Property shall be subject to the terms and provisions of the Lease. The Lease is incorporated by reference herein as if set forth herein in its entirety. Subject to the terms and conditions of the Lease, the Lessor hereby leases the Property to the Lessee for the Term (as defined below), and the Lessee hereby agrees with the Lessor, to lease the Property from the Lessor for the Term.

4. *Term; Option to Purchase.* The term of the Lease and this Lease Supplement (the "Term") shall begin on the date hereof and shall end on December, 2004 (as the same may be extended by the terms of Section 23 of the Lease, which shall in no event be later than December, 2009, the "Expiration Date"). The Lessee may elect to extend the Term for up to five (5) consecutive additional periods of one (1) year each (each such additional year a "Renewal Term") pursuant to Section 23.1 of the Lease. For and in consideration of good and valuable consideration paid by the Lessee to the Lessor as described in the Lease, the Lessor hereby grants to the Lessee the right to purchase the Property during the Term on the terms and subject to the conditions (including, without limitation, payment of the Equity Balance) set forth in Section 22.1 of the Lease.

5. *Liens and Security Interests; Granting Clauses.*

(a) Specifically, without limiting the generality of Section 2, the Lessor and the Lessee intend and agree that in the event of any insolvency or receivership proceedings or a petition under the United States bankruptcy laws or any other applicable insolvency laws or statute of the United States of America or any State or Commonwealth thereof affecting the Lessee, any lender or any collection actions, the transactions evidenced by the Operative Documents shall be regarded as loans made by the Lessor as an unrelated third party lender to the Lessee secured by the Property (it being understood that the Lessee hereby mortgages and warrants and grants a security interest in the Property (consisting of a fee mortgage with respect to the Property) to the Lessor for the benefit of the Lessor to secure all Advances advanced by the Lessor for the acquisition of the Property, together with Lessor Basic Rent

or Supplemental Rent (to the extent such Supplemental Rent is payable to the Lessor), as applicable, thereon, and all other amounts payable under the Operative Documents in connection therewith, effective on the date hereof).

(b) Specifically, but without limiting the generality of Section 2, the Lessor and the Lessee further intend and agree that, for the purpose of securing the obligation of the Lessee for the repayment of the above-described loans from the Lessor to the Lessee, (i) the Lease and this Lease Supplement shall also be deemed to be a security agreement and financing statement within the meaning of Article 9 of the Uniform Commercial Code and a real property mortgage or deed of trust; (ii) the conveyance provided for hereby shall be deemed to be a grant by the Lessee to the Lessor for the benefit of the Lessor of a mortgage lien and security interest in all of the right, title and interest of the Lessee in and to the Property and all proceeds of the conversion, voluntary or involuntary, of the foregoing into cash, investments, securities or other property (it being understood that the Lessee hereby mortgages and warrants and grants a security interest in the Property) to the Lessor for the benefit of the Lessor to secure all Advances advanced by the Lessor for the acquisition of the Property (the principal amount of which shall not exceed, in the aggregate, \$30,000,000 outstanding at any given time), together with any Supplemental Rent or interest thereon, and all other amounts payable under the Operative Documents in connection therewith constituting the Equity Balance); (iii) the possession by the Lessor or any of its agents of notes and such other items of property as constitute instruments, money, negotiable documents or chattel paper shall be deemed to be "*possession by the secured party*" for purposes of perfecting the security interest pursuant to Section 9305 of the Uniform Commercial Code; and (iv) notifications to Persons holding such property, and acknowledgments, receipts or confirmations from financial intermediaries, bankers or agents (as applicable) of the Lessee shall be deemed to have been given for the purpose of perfecting such security interest under any Requirement of Law. The Lessor and the Lessee shall, to the extent consistent with the Lease and this Lease Supplement, take such actions and execute, deliver, file and record such other documents, financing statements, mortgages and deeds of trust as may be necessary to ensure that, if the Lease was deemed to create a security interest in the Property in accordance with this Section, such security interest would be deemed to be a perfected security interest (subject only to Permitted Liens) and will be maintained as such throughout the Term.

(c) Specifically, but without limiting the foregoing or the generality of Section 2 hereof, Lessee hereby grants, bargains, sells, mortgages, warrants, conveys, aliens, remises, releases, assigns, sets over and confirms to Lessor all of Lessee's right, title, and interest in and to the following (collectively, the "*Mortgaged Property*"): (i) the Property and Appurtenant Rights relating thereto and all proceeds, both cash and noncash thereof; (ii) all easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights, minerals, flowers, shrubs, crops, trees, timber and other emblements now or hereafter located on the Land or under or above the same or any part or parcel thereof, and all estates, rights, titles, interests, tenements,

hereditaments and appurtenances, reversions and remainders whatsoever, in any way belonging, relating or appertaining to the Property or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Lessee; (iii) all right, title and interest of Lessee in all furnishings, furniture, fixtures, machinery, apparatus, Equipment, fittings, appliances, building supplies and materials, vehicles (excluding Lessee's personal automobiles), chattels, goods, consumer goods, warranties, chattel paper, documents, accounts, general intangibles, and goodwill related thereto, and all other articles of personal property of every kind and nature whatsoever, tangible or intangible, now heretofore or hereafter acquired with any proceeds of the Advances and now, heretofore or hereafter (A) arising out of or related to the ownership of the Property, or (B) located in, on or about the Property, or (C) used or intended to be used with or in connection with the construction, use, operation or enjoyment of the Property; (iv) all right, title and interest of Lessee in any and all leases, rental agreements and arrangements of any sort now or hereafter affecting the Property or any portion thereof and providing for or resulting in the payment of money to Lessee for the use of the Property or any portion thereof, whether the user enjoys the Property or any portion thereof as tenant for years, licensee, tenant at sufferance or otherwise, and irrespective of whether such leases, rental agreements and arrangements be oral or written, and including any and all extensions, renewals and modifications thereof (the "Subject Leases") and guaranties of the performance or obligations of any tenants or lessees thereunder, together with all income, rents, issues, profits and revenues from the Subject Leases (including all tenant security deposits and all other tenant deposits, whether held by Lessee or in a trust account, and all other deposits and escrow funds relating to any Subject Leases), and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Lessee of, in and to the same; *provided, however*, that although this instrument contains (and it is hereby agreed that this instrument contains) a present, current, unconditional and absolute assignment of all of said income, rents, issues, profits and revenues, Lessee shall collect and apply such rental payments and revenues as provided in the Lease and the other Operative Documents; (v) to the extent transferable under any Requirement of Law, all right, title and interest of Lessee in, to and under all management contracts, service contracts, utility contracts, leases of equipment, documents and agreements relating to the construction of any Improvements (including any and all construction contracts, architectural contracts, engineering contracts, designs, plans, specifications, drawings, surveys, tests, reports, bonds and governmental approvals) and all other contracts, licenses and permits now or hereafter affecting the Property or any part thereof and all guaranties and warranties with respect to any of the foregoing (the "Subject Contracts"); (vi) all right, title and interest of Lessee in any insurance policies or binders now or hereafter relating to the Property, including any unearned premiums thereon, as further provided in the Lease; (vii) all right, title and interest of Lessee in any and all awards, payments, proceeds and the right to receive the same, either before or after any foreclosure hereunder, as a result of any temporary or permanent injury or damage to, taking of or decrease in the value of the Property by reason of casualty, condemnation or otherwise as further provided in the Lease; (viii) all right, title and interest of Lessee in all utility, escrow and all other deposits (and all

letters of credit, certificates of deposit, negotiable instruments and other rights and evidence of rights to cash) now or hereafter relating to the Property or the purchase, construction or operation thereof; (ix) all claims and causes of action arising from or otherwise related to any of the foregoing, and all rights and judgments related to any legal actions in connection with such claims or causes of action; and (x) all Modifications, extensions, additions, improvements, betterments, renewals and replacements, substitutions, or proceeds of any of the foregoing, and all inventory, chattel paper, documents, instruments, Equipment, fixtures, farm products, consumer goods, general intangibles and other property of any nature constituting proceeds acquired with proceeds of any of the property described hereinabove; all of which foregoing items are hereby declared and shall be deemed to be a portion of the security for the Lease Balance herein described, a portion of the above described collateral being located upon the Land.

6. *Remedies.* Without limiting any other remedies set forth herein, in the event that a court of competent jurisdiction rules that either of the Lease or this Lease Supplement constitutes a mortgage, deed of trust or other secured financing with respect to the Property as is the intent of the parties pursuant to Article XXX of the Lease, then the Lessor and the Lessee agree that (i) the Lessee hereby grants to the Lessor a Lien against the Property (including the fee simple estate therein) and that, upon the occurrence and during the continuance of any Event of Default, the Lessor shall have the power and authority, to the extent provided by law, after proper notice and lapse of such time as may be required by law, to foreclose upon the Property (including the fee simple estate therein) pursuant to the provisions of the Illinois Mortgage Foreclosure Law 735 ILCS 5/15-1101, *et seq.*, either as a whole, or in separate lots or parcels or items and in such order as the Lessor may elect, (ii) upon the occurrence and during the continuance of an Event of Default, the Lessor, in lieu of or in addition to exercising any power of sale hereinabove given, may proceed by a suit or suits in equity or at law, whether for a foreclosure hereunder, or for the sale of the Property, or against the Lessee on a recourse basis for the Equity Balance, or for the specific performance of any covenant or agreement contained herein or in the Lease or any other Lease or in aid of the execution of any power granted herein or in the Lease or in any other Lease, or for the appointment of a receiver pending any foreclosure hereunder or the sale of the Property, or for the enforcement of any other appropriate legal or equitable remedy. Lessee shall have all rights available to a mortgagor under the laws of the State of Illinois.

7. *Business Loan.* Lessee acknowledges and agrees that the obligations hereby secured constitutes a loan in which the debt is incurred primarily for a purpose other than a personal, family or household purpose under 815 ILCS 205/4, as amended for purposes of the exception to the usury laws of the State of Illinois.

8. *Liens and Encumbrances.* Lessor agrees and covenants with Lessee that it will not create any Lessor Liens without the prior written consent of Lessee.

9. *Subordination.* The liens and security interests of the Lease and this Lease Supplement are hereby made subject and subordinate to the liens and security interests of the Credit



Facility Documents, which are more particularly described in *Schedule II* attached hereto. The foregoing provision shall be effective to subordinate the lien of the Lease and this Lease Supplement notwithstanding the order of recording or possession of the Property by the Lessor.

10. *Ratification.* The terms and provisions of the Lease are hereby ratified and confirmed and remain in full force and effect. In the event of any conflict between the terms of the Lease and the terms of this Lease Supplement, the terms of the Lease shall control.

11. *Governing Law.* The Lease and this Lease Supplement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Illinois without regard to principles of conflicts of laws.

12. *Severability.* All rights, powers and remedies provided in this Lease Supplement may be exercised only to the extent that the exercise thereof does not violate Illinois law, and are intended to be limited to the extent necessary that they will not render this Lease Supplement or the mortgage lien and security interests granted hereunder invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of Illinois law. If any term of this Lease Supplement or any application thereof shall be invalid or unenforceable, the remainder of this Lease Supplement and any other application of such term shall not be affected thereby.

13. *Counterpart Execution.* This Lease Supplement may be executed in any number of counterparts and by each of the parties hereto in separate counterparts, all such counterparts together constituting but one and the same instrument.

[Signature Page to Follow]

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In Witness Whereof, the parties hereto have executed and delivered this Lease Supplement as of the date first above written.

Lessee:

Brookdale Living Communities, of Illinois -  
Hoffman Estates, LLC, a Delaware limited  
liability company

By: R. Stanley Young  
Name: R. Stanley Young  
Title: Vice President & Treasurer

Lessor:

DBF Owner II, LLC, an Ohio limited liability  
company, as Lessor

By: DBF MEMBER II, LLC,  
an Ohio limited liability company,  
as its managing member

By: DBF CONSULTING, LLC,  
as its managing member

By: \_\_\_\_\_  
Name: David P. Fenkell  
Title: Manager

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In Witness Whereof, the parties hereto have executed and delivered this Lease Supplement as of the date first above written.

Lessee:

Brookdale Living Communities, of Illinois -  
Hoffman Estates, LLC, a Delaware limited  
liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Lessor:

DBF Owner II, LLC, an Ohio limited liability  
company, as Lessor

By: DBF MEMBER II, LLC,  
an Ohio limited liability company,  
as its managing member

By: DBF CONSULTING, LLC,  
as its managing member

By: \_\_\_\_\_

Name: David B. Fenkell

Title: Manager



State of Illinois )  
 ) ss.:  
County of Cook )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that R. Stanley Young, the ~~V.P. + Treasurer~~ <sup>President</sup> of Brookdale Living Communities of Illinois - Hoffman Estates, LLC, a Delaware limited liability company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such ~~V.P. + Treasurer~~ <sup>President</sup>, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act and deed of said company for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 21st day of December, 1999.

Catherine S. De Nardo  
Notary Public

[NOTARIAL SEAL]

Catherine S. De Nardo  
(TYPE OR PRINT NAME)

(SEAL)

Commission Expires:  
June 1, 2003



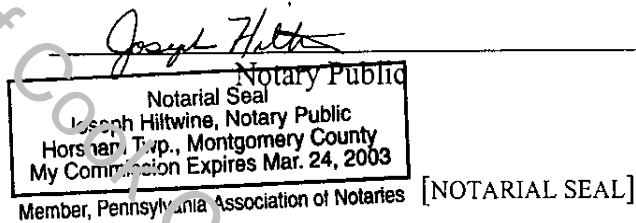
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STATE OF PA )  
 ) ss.:  
COUNTY OF MONTGOMERY )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that David B. Fenkell, the manager of DBF CONSULTING, LLC, which is the sole member of DBF MEMBER II, LLC, an Ohio limited liability company, as the sole member of the DBF OWNER II, LLC, an Ohio limited liability company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such manager, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act and deed of said company for the uses and purposes herein set forth.

Given under my hand and notarial seal, this 21<sup>st</sup> day of December, 1999.



JOSEPH HILTWINE  
(TYPE OR PRINT NAME)

(SEAL)

Commission Expires:

3/24/2003

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Schedule I  
to Lease Supplement No. 1

## Legal Description of Land

Property of Cook County Clerk's Office

## EXHIBIT A

## LAND

PN # 07-07-300-030-0000 and 07-07-300-031-0000

## PARCEL 1:

THAT PART OF THE SOUTHWEST 1/4 OF SECTION 7, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 7, THENCE NORTH 0 DEGREES 02 MINUTES 20 SECONDS EAST ALONG THE WEST LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 7, A DISTANCE OF 48.49 FEET MORE OR LESS, TO THE WESTERLY EXTENSION OF THE NORTH LINE OF GOLD ROAD AS DEDICATED PER DOCUMENT NUMBER 10550563, BEING 100 FEET WIDE; THENCE NORTH 86 DEGREES 29 MINUTES 47 SECONDS EAST ALONG SAID WESTERLY EXTENSION A DISTANCE OF 50.10 FEET, MORE OR LESS, TO A POINT ON THE EAST LINE OF THE WEST 50 FEET, MEASURED PERPENDICULARLY, OF THE SOUTHWEST 1/4 OF SAID SECTION 7, SAID POINT ALSO BEING ON THE EAST LINE OF BARRINGTON ROAD AS DEDICATED PER PLAT THEREOF RECORDED DECEMBER 7, 1932 PER DOCUMENT NUMBER 11172679; THENCE NORTH 0 DEGREES 02 MINUTES 20 SECONDS EAST ALONG SAID EAST LINE, A DISTANCE OF 450.00 FEET TO A POINT; THENCE CONTINUING NORTH 0 DEGREES 02 MINUTES 20 SECONDS EAST, ALONG SAID EAST LINE, A DISTANCE OF 589.33 FEET TO THE PLACE OF BEGINNING; THENCE CONTINUING NORTH 0 DEGREES 02 MINUTES 20 SECONDS EAST ALONG SAID EAST LINE, A DISTANCE OF 855.00 FEET, MORE OR LESS, TO THE MOST WESTERLY CORNER OF LOT 1 IN PETER ROBIN FARMS UNIT FOUR, RECORDED APRIL 30, 1975 PER DOCUMENT NUMBER 23066244; THENCE SOUTH 89 DEGREES 57 MINUTES 40 SECONDS EAST ALONG THE SOUTH LINE OF SAID LOT 1, A DISTANCE OF 342.80 FEET TO A CORNER OF SAID LOT 1, THENCE SOUTH 49 DEGREES 16 MINUTES 32 SECONDS EAST, A DISTANCE OF 351.32 FEET TO THE MOST NORTHERLY CORNER OF PARCEL "B" IN PLAT OF EASEMENT FOR OPEN SPACES, AS PER PLAT THEREOF RECORDED APRIL 24, 1973 PER DOCUMENT NUMBER 22299742; THENCE SOUTH 24 DEGREES 10 MINUTES 09 SECONDS WEST ALONG A WESTERLY LINE OF SAID PARCEL "B" A DISTANCE OF 766.92 FEET; THENCE NORTH 75 DEGREES 55 MINUTES 21 SECONDS WEST, A DISTANCE OF 304.73 FEET, TO THE PLACE OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

(EXCEPTING THEREFROM, THAT PART OF THE SOUTHWEST 1/4 OF SECTION 7, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, CONVEYED FOR ROAD PURPOSES AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 7; THENCE NORTH 0 DEGREES 02 MINUTES 23 SECONDS EAST 48.49 FEET ALONG THE WEST LINE OF SAID SECTION 7 TO THE WESTERLY EXTENSION OF THE OLD NORTH LINE OF GOLF ROAD AS DEDICATED PER DOCUMENT NUMBER 10550563 RECORDED DECEMBER 10, 1929; THENCE NORTH 87 DEGREES 02 MINUTES 23 SECONDS EAST 50.07 FEET ALONG THE WESTERLY EXTENSION OF SAID OLD NORTH LINE OF GOLF ROAD TO THE EXISTING EAST LINE OF BARRINGTON ROAD EXTENDED; THENCE NORTH 0 DEGREES 02 MINUTES 23 SECONDS EAST 450.00 FEET ALONG THE EXISTING EAST LINE OF BARRINGTON ROAD PER DOCUMENT 11172679, RECORDED DECEMBER 7, 1932, TO THE POINT OF BEGINNING, A POINT ON A LINE PARALLEL WITH THE SAID OLD NORTH LINE OF GOLF ROAD AND 450 FEET DISTANCE FROM SAID OLD NORTH LINE OF GOLF ROAD; THENCE CONTINUING NORTH 0 DEGREES 02 MINUTES 23 SECONDS EAST 1444.70 FEET ALONG THE EXISTING EAST LINE OF BARRINGTON ROAD TO THE SOUTH LINE OF LOT 1 OF PETER ROBIN FARMS UNIT 4, RECORDED AS DOCUMENT NUMBER 23066244 ON APRIL 30, 1975; THENCE SOUTH 89 DEGREES 57 MINUTES 37 SECONDS EAST (SOUTH 89 DEGREES 57 MINUTES 40 SECONDS EAST RECORD BEARING) 20.00 FEET ALONG SAID SOUTH LINE; THENCE SOUTH 0 DEGREES 02 MINUTES 23 SECONDS WEST 187.71 FEET TO A 3-1/4 INCH METAL DISK; THENCE NORTH 89 DEGREES 57 MINUTES 37 SECONDS WEST 5.00 FEET TO A 3-1/4 INCH METAL DISK; THENCE SOUTH 0

EXHIBIT A

LAND

DEGREES 02 MINUTES 23 SECONDS WEST 160 FEET TO A 3-1/4

INCH METAL DISK; THENCE SOUTH 89 DEGREES 57 MINUTES 37 SECONDS EAST 5.00 FEET TO A 3-1/4 INCH METAL DISK; THENCE SOUTH 0 DEGREES 02 MINUTES 23 SECONDS WEST 540.00 FEET TO A 3-1/4 INCH METAL DISK; THENCE NORTH 89 DEGREES 57 MINUTES 37 SECONDS WEST 10.00 FEET TO A 3-1/4 INCH METAL DISK; THENCE SOUTH 0 DEGREES 02 MINUTES 23 SECONDS WEST 410.00 FEET TO A 3-1/4 INCH METAL DISK; THENCE NORTH 89 DEGREES 57 MINUTES 37 SECONDS WEST 5.00 FEET TO A 3-1/4 INCH METAL DISK; THENCE SOUTH 0 DEGREES 02 MINUTES 23 SECONDS WEST 146.71 FEET TO A LINE PARALLEL WITH THE SAID OLD NORTH LINE OF GOLF ROAD AND 450 FEET DISTANT FROM SAID OLD NORTH LINE OF GOLF ROAD; THENCE SOUTH 87 DEGREES 02 MINUTES 23 SECONDS WEST 5.01 FEET ALONG SAID LINE TO THE POINT OF BEGINNING; ALL IN COOK COUNTY ILLINOIS.

PARCEL 2:

EASEMENT FOR THE BENEFIT OF PARCEL 1 FOR INGRESS AND EGRESS, AS CREATED IN THE GRANTS OF EASEMENTS AND AGREEMENT RECORDED SEPTEMBER 16, 1987 AS DOCUMENT 87506866, AS AMENDED BY FIRST AMENDMENT TO GRANTS OF EASEMENT AND AGREEMENT RECORDED APRIL 8, 1991 AS DOCUMENT 91156362, OVER, UPON AND ACROSS THE FOLLOWING DESCRIBED LAND:

THAT PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 7, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 1 IN PETER ROBIN FARMS, UNIT 4, ACCORDING TO THE PLAT THEREOF, RECORDED APRIL 30, 1975 AS DOCUMENT 23066244, SAID POINT BEING ON THE EAST LINE OF BARRINGTON ROAD, ACCORDING TO THE PLAT OF DEDICATION THEREOF, RECORDED DECEMBER 7, 1932 AS DOCUMENT NUMBER 11172679; THENCE NORTH 0 DEGREES 02 MINUTES 20 SECONDS EAST, ALONG THE WEST LINE OF SAID LOT 1, AND ALONG THE EAST LINE OF BARRINGTON ROAD, A DISTANCE OF 35 FEET; THENCE SOUTH 89 DEGREES 57 MINUTES 40 SECONDS EAST, A DISTANCE OF 342.80 FEET; THENCE SOUTH 00 DEGREES 02 MINUTES 40 SECONDS WEST, A DISTANCE OF 70.00 FEET, TO AN ANGLE POINT ON THE SOUTH LINE OF SAID LOT 1; THENCE NORTH 89 DEGREES 57 MINUTES 40 SECONDS WEST, ALONG THE SOUTH LINE OF SAID LOT 1, A DISTANCE OF 342.80 FEET, TO THE MOST WESTERLY CORNER OF SAID LOT 1 AND TO THE EAST LINE OF BARRINGTON ROAD; THENCE NORTH 00 DEGREES 02 MINUTES 20 SECONDS EAST, ALONG THE WEST LINE OF SAID LOT 1 AND ALONG THE EAST LINE OF SAID BARRINGTON ROAD, A DISTANCE OF 35.00 FEET, TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

EASEMENT FOR THE BENEFIT OF PARCEL 1 FOR PERMANENT SANITARY SEWER AS CREATED BY AGREEMENT AND DECLARATION OF GRANT OF PERMANENT SANITARY SEWER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT RECORDED SEPTEMBER 1, 1987 AS DOCUMENT NUMBER 87481947 OVER THE FOLLOWING LAND:

A STRIP OF LAND 20 FEET IN WIDTH, 10 FEET EACH SIDE OF THE CENTERLINE, IN THE SOUTH HALF OF SECTION 7, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID CENTERLINE DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 7, THENCE NORTH 85 DEGREES 15 MINUTES 10 SECONDS EAST, ALONG THE SOUTH LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 7, A DISTANCE OF 1560.85 FEET, TO THE SOUTHEAST CORNER OF THE SOUTHWEST 1/4 OF SAID

EXHIBIT ALAND

SECTION 7, THENCE NORTH 8 DEGREES 15 MINUTES 58 SECONDS WEST, A DISTANCE OF 100.05 FEET TO THE CENTER OF AN EXISTING SANITARY SEWER MANHOLE FOR THE POINT OF BEGINNING; THENCE NORTH 43 DEGREES 19 MINUTES 13 SECONDS WEST, A DISTANCE OF 50.00 FEET; THENCE NORTH 25 DEGREES 51 MINUTES 23 SECONDS WEST, A DISTANCE OF 107.44 FEET; THENCE NORTH 65 DEGREES 9 MINUTES 27 SECONDS WEST, A DISTANCE OF 138.44 FEET; THENCE NORTH 86 DEGREES 42 MINUTES 25 SECONDS WEST, A DISTANCE OF 75 FEET, TO AN ANGLE POINT IN THE SOUTHERLY LINE OF PARCEL B IN THE PLAT OF EASEMENTS FOR OPEN SPACES, RECORDED APRIL 24, 1973 AS DOCUMENT NO. 22299742; THENCE CONTINUING NORTH 86 DEGREES 42 MINUTES 25 SECONDS WEST, ALONG THE SOUTHERLY LINE OF SAID PARCEL B, A DISTANCE OF 580.48 FEET THENCE NORTH 75 DEGREES 48 MINUTES 45 SECONDS WEST, A DISTANCE OF 305.00 FEET TO A POINT ON THE WESTERLY LINE OF SAID PARCEL B; THENCE NORTH 6 DEGREES 6 MINUTES 29 SECONDS WEST, ALONG THE WESTERLY LINE OF SAID PARCEL B, A DISTANCE OF 305.13 FEET; THENCE NORTH 3 DEGREES 57 MINUTES 50 SECONDS EAST, A DISTANCE OF 350 FEET, TO A POINT ON THE WESTERLY LINE OF SAID PARCEL B, THENCE NORTH 24 DEGREES 10 MINUTES 9 SECONDS WEST, ALONG THE WESTERLY LINE OF SAID PARCEL B, A DISTANCE OF 410 FEET, TO THE POINT OF TERMINATION OF THE CENTERLINE OF SAID STRIP OF LAND, 20 FEET IN WIDTH, ALL IN COOK COUNTY, ILLINOIS, AS SHOWN AS DOCUMENT 87481947 RECORDED SEPTEMBER 1, 1987.

EXCEPTING THAT PART THEREOF FALLING IN PARCEL 1 AFORESAID

Cook County Clerk's Office



## Schedule II

### CREDIT FACILITY DOCUMENTS

1. Assumption and Modification Agreement between LaSalle and Owner
2. Amendment to Mortgage and to Assignment of Rents and Subordination Agreement between LaSalle and Owner
3. Leasehold Mortgage and Security Agreement by BLC-IL \*
4. Leasehold Assignment of Rents and Leases by BLC-IL \*
5. Security Agreement by Owner
6. Security Agreement by BLC-IL
7. Guaranty of Payment and Performance by BLC-IL
8. Environmental Indemnity Agreement by BLC-IL
9. UCC Financing Statements by Owner \*
10. UCC Financing Statements by BLC-IL\*

\*Documents to be recorded or filed