2.4 Performance by the Lender of Defaults. If default shall occur in the payment, performance or observance of any term, representation, warranty, covenant or condition of this Mortgage (whether or not the same shall constitute an Event of Default), the Lender may, at its option, pay, perform or observe the same or take any action necessary to cause any representation or warranty to be true, and all payments made or costs or expenses incurred by the Lender in connection therewith, shall be secured hereby and shall be, without demand, immediately repaid by the Borrower to the Lender with interest thereon at the Default Rate. The Lender shall be the sole judge of the necessity for any such actions and of the amounts to be paid. The Lender is hereby empowered to enter and to authorize others to enter upon the Mortgaged Property or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to the Borrower or any person in possession holding under the Borrower for any action or omission by Lender or its representatives which was taken or omitted in good faith.

2.5 Receiver. If an Event of Default shall have occurred and be continuing, the Lender, upon application to a court of competent jurisdiction, shall be entitled as a matter of strict right without notice and without regard to the occupancy or value of any security for the indebtedness or the insolvency of any party bound for its payment to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect and apply the rents, issues, profits and revenues thereof. The receiver shall have all of the rights and powers to the fullest extent permitted by law. The Borrower will pay to the Lender upon demand (with interest thereon at the Default Rate) all expenses, including receiver's fees, attorney's fees, costs and agent's compensations, incurred pursuant to the provisions of this Paragraph 2.5; and all such expenses shall be secured by this Mortgage and shall bear interest at the Default Rate.

2.6 The Lender's Power of Enforcement. If an Event of Default shall have occurred and be continuing, the Lender may, either with or without entry or taking possession as herein provided or otherwise, proceed by suit or suits at law or in equity or by any other appropriate proceeding or remedy (a) to enforce payment of the Note or the performance of any term, covenant, condition or agreement of this Mortgage or any other right, (b) to foreclose this Mortgage and to sell the Mortgaged Property as an entirety or otherwise, as the Lender may determine, and/or (c) to pursue any other remedy available to it, all as the Lender shall deem most effectual for such purposes. The Lender may take action either by such proceedings or by the exercise of its powers with respect to entry or taking possession, as the Lender may determine. The Lender may elect to pursue any one or more or all of the foregoing.

2.7 Purchase by the Lender. Upon any foreclosure sale the Lender may bid for and purchase the Mortgaged Property and shall be entitled to apply all or any part of the indebtedness secured hereby as a credit to the purchase price.

2.8 Fees and Expenses; Application of Proceeds of Sale. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness secured hereby in the decree for sale all reasonable costs and expenses which may be paid or incurred by or on behalf of the Lender or holders of the Note for attorneys' fees, appraiser's fees, receiver's costs and expenses,

insurance, taxes, outlays for documentary and expert evidence, costs for preservation of the Mortgaged Property, stenographer's charges, publication cost and costs of procuring all abstracts of title, title searches and examinations, guarantee policies, Certificates of Title issued by the Registrar of Titles (Torrens certificates), and similar data and assurances with respect to title as the Lender or holders of the Note may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or value of the Mortgaged Property or for any other reasonable purpose. The amount of any such costs and expenses which may be paid or incurred after the decree for sale is entered may be estimated and the amount of such estimate may be allowed and included as additional indebtedness secured hereby in the decree for sale. In the event of a foreclosure sale of the Mortgaged Property, the proceeds of said sale shall be applied, first, to the expenses of such sale and of all proceedings in connection therewith, including attorneys' fees, then to insurance premiums, liens, assessments, taxes and charges, including utility charges, then to payment of the outstanding principal balance of the indebtedness secured hereby, then to the accrued interest on all of the foregoing, and finally the remainder, if any, shall be paid to the Borrower.

2.9 Waiver of Appraisement, Valuation, Stay, Extension and Redemption Laws. The Borrower agrees to the full extent permitted by law, that if an Event of Default occurs hereunder, neither the Borrower nor anyone claiming through or under it shall or will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension, homestead or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, or the absolute sale of the property hereby conveyed, or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers thereat, and the Borrower, for itself and all who may at any time claim through or under it, hereby waives and releases to the full extent that it may lawfully so do, the benefit of all such laws (including, without limitation, all rights under and by virtue of the homestead exemption laws and redemption laws of the State of Illinois) and any and all rights to have the assets comprised in the security intended to be created hereby marshalled upon any foreclosure of the lien hereof. The Borrower represents that it is duly authorized and empowered to execute this Mortgage, including the foregoing agreements, waivers and releases.

2.10 Waiver of Marshalling of Security. Borrower and all parties who may claim through or under Borrower hereby waive and release any right to require the marshalling of security for the payment of the indebtedness hereby secured.

2.11 Leases. The Lender, at its option, is authorized to foreclose this Mortgage subject to the rights of any tenants of the Mortgaged Property, and the failure to make such tenants parties to any such foreclosure proceedings and to foreclose their rights will not be, nor be asserted to be by the Borrower, a defense to any proceedings instituted by the Lender to collect the sums secured hereby, or any deficiency remaining unpaid after the foreclosure sale of the Mortgaged Property.

2.12 Discontinuance of Proceedings and Restoration of the Parties. In case the Lender shall have proceeded to enforce any right, power or remedy under this Mortgage by foreclosure, entry

or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Lender, then and in every such case the Borrower and the Lender shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of the Lender shall continue as if no such proceeding had been taken.

2.13 Remedies Cumulative. No right, power or remedy conferred upon or reserved to the Lender by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent to the extent that the exercise of such remedy is not sufficient to satisfy any obligation or indebtedness of the Borrower, and shall be in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

2.14 Waiver. No delay or omission of the Lender or of any holder of the Note to exercise any right, power or remedy accruing upon any default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such default, or acquiescence therein; and every right, power and remedy given by this Mortgage to the Lender may be exercised from time to time and as often as may be deemed expedient by the Lender. No consent or waiver, expressed or implied, by the Lender to or of any breach or default by the Borrower in the performance of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of the same or any other obligations of the Borrower hereunder. Failure on the part of the Lender to complain of any acts or failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by the Lender of its rights hereunder or impair any rights, powers or remedies on account of any breach or default by the Borrower.

If the Lender (a) grants forbearance or an extension of time for the payment of any sums secured hereby; (b) takes other or additional security for the payment of any sums secured hereby; (c) waives or does not exercise any right granted herein or in the Note or in any other document or instrument securing the Note; (d) releases with or without consideration any of the Mortgaged Property from the lien of this Mortgage or any other security for the payment of the indebtedness accrued hereby; (e) changes any of the terms, covenants, conditions or agreements of the Note or this Mortgage or in any other document or instrument securing the Note; (f) consents to the filing of any map, plat or replat or condominium declaration affecting the Mortgaged Property; (g) consents to the granting of any easement or other right affecting the Mortgaged Property; or (h) makes or consents to any agreement subordinating the lien hereof; any such act or omission shall not release, discharge, modify, change or affect [except to the extent of the changes referred to in clause (e) above] the original liability under the Note, this Mortgage or any other obligation of the Borrower or any subsequent purchaser of the Mortgaged Property or any part thereof, or any maker, co-signer, endorser, surety or guarantor; nor shall any such act or omission preclude the Lender from exercising any right, power or privilege herein granted or intended to be granted in the event of any default then made or of any subsequent default, nor, except as otherwise expressly provided in an instrument or instruments executed by the Lender, shall the lien of this Mortgage or the priority thereof be altered thereby, whether or not there are junior lienors and whether or

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not they consent to any of the foregoing. In the event of the sale or transfer, by operation of law or otherwise, of all or any part of the Mortgaged Property, the Lender, without notice, is hereby authorized and empowered to deal with any such vendee or transferee with reference to the Mortgaged Property or the indebtedness secured hereby, or with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any liabilities, obligations or undertakings.

Without limitation of the foregoing, the right is hereby reserved by the Lender to make partial release or releases of the Mortgaged Property, or of any other security held by the Lender with respect to all or any part of the indebtedness secured hereby, without notice to, or the consent, approval or agreements of, other parties in interest, including junior lienors, which partial release or releases shall not impair in any manner the validity or priority of this Mortgage on the portion of said property not so released.

ARTICLE III

3.1 Suits to Protect the Mortgaged Property. The Lender shall have the power (a) to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Mortgaged Property by any acts which may be unlawful or in violation of this Mortgage; (b) to preserve or protect its interest in the Mortgaged Property and in the rents, issues, profits and revenues arising therefrom; and (c) to restrain the enforcement of or compliance with any legislation or other governmental enactment, regulation, rule, order or other requirement that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, regulation, rule, order or other requirement would impair the security hereunder or be prejudicial to the interest of the Lender, and all costs and expenses incurred by the Lender in connection therewith (including, without limitation, attorneys' fees) shall be paid by the Borrower to the Lender on demand (with interest at the Default Rate) and shall be additional indebtedness secured hereby.

3.2 The Lender May File Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting the Borrower, its creditors or its property, the Lender, to the extent permitted by law, shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of the Lender allowed in such proceedings for the entire amount due and payable by the Borrower under this Mortgage at the date of the institution of such proceedings and for any additional amount which may become due and payable by the Borrower hereunder after such date.

3.3 Successors and Assigns. This Mortgage shall inure to the benefit of and be binding upon the Borrower and the Lender and their respective heirs, executors, legal representatives, successors and assigns. Whenever a reference is made in this Mortgage to the Borrower or the Lender, such reference shall be deemed to include a reference to the heirs, executors, legal representatives, successors and assigns of the Borrower or the Lender, as the case may be.

3.4 Notices. All notices, demands and requests given or required to be given by either party hereto to the other party shall be in writing. All such notices, demands and requests by the Lender to the Borrower shall be deemed to have been properly given if served in person or if sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to the Borrower and the Beneficiary at:

Kennedy Development Group
3800 North Wilke Road
Suite 250
Arlington Heights, Illinois 60004
Attn: Mr. Michael Galey, Vice President

with a copy to:

Rudnick & Wolfe
30 North La Salle
Chicago, Illinois 60602
Attn: Ms. Laura Gerard Hassan

or to such other address as the Borrower and the Beneficiary may from time to time designate by written notice to the Lender given as herein required. All notices, demands and requests by the Borrower to the Lender shall be deemed to have been properly given if served in person or if sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to the Lender at:

Land of Lincoln Savings and Loan Association
1400 North Gannon
Hoffman Estates, Illinois
Attn: Gerald J. Eberhardt, Vice President

or to such other address as the Lender may from time to time designate by written notice to the Borrower given as herein required. Notices, demands and requests given by mail in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder two (2) business days after the time such notice, demand or request shall be deposited in the mails.

3.5 Terminology. All personal pronouns used in this Mortgage, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles and sections are for convenience only and neither limit nor amplify the provisions of this Mortgage itself, and all references herein to Articles, Sections or Paragraphs shall refer to the corresponding Articles, Sections or Paragraphs of this Mortgage unless specific reference is made to such Articles, Sections or Paragraphs of another document or instrument.

3.6 Severability. If any provision of this Mortgage or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Mortgage 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.

3.7 Applicable Law. This Mortgage shall be interpreted, construed and enforced according to the laws of the State of Illinois.

3.8 Security Agreement. This Mortgage shall be construed as a "Security Agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the State of Illinois with respect to any part of the Mortgaged Property which constitutes fixtures or personal property. The Lender shall have the rights with respect to such fixtures and personal property afforded to it by said Uniform Commercial Code in addition to, but not in limitation of, the other rights afforded the Lender by this Mortgage or any other agreement.

3.9 Modification. No change, amendment, modification, cancellation or discharge hereof, or any part hereof, shall be valid unless in writing and signed by the parties hereto or their respective successors and assigns.

3.10 No Merger. It being the desire and the intention of the parties hereto that this Mortgage and the lien hereof do not merge in fee simple title to the Mortgaged Property, it is hereby understood and agreed that should the Lender acquire any additional or other interests in or to said property or the ownership thereof, then, unless a contrary interest is manifested by the Lender as evidenced by an appropriate document duly recorded, this Mortgage and the lien hereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

3.11 Inconsistent Terms. In the event of any conflict or material inconsistency between any term or terms contained in the Commitment and any term or terms contained in the Note, this Mortgage or any other documents executed pursuant to the Loan, the term or terms contained in any of the latter documents shall govern.

3.12 Delivery of Summons, Etc. If any action or proceeding shall be instituted to evict the Borrower or recover possession of the Mortgaged Property or any part thereof or otherwise affecting the Mortgaged Property or this Mortgage, the Borrower will immediately, upon service thereof on or by the Borrower, deliver to the Lender a true copy of each precipe, petition, summons, complaint, notice of motion, order to show cause and all other process, pleadings and papers, however designated, served in any such action or proceeding.

3.13 Exculpation. No covenant, agreement or obligation undertaken in this Mortgage or in any other document securing the payment of the Note shall be enforced against Beneficiary or any partner of Beneficiary except out of the Mortgaged Property and the other documents securing the Note, provided, however, that the foregoing limitation on liability shall not apply if and to the extent that (i) Beneficiary misapplies or misappropriates any condemnation or insurance proceeds or any income attributable to the Mortgaged Property, or (ii) Beneficiary commits fraud; (iii) Beneficiary collects income attributable to the Mortgaged Property after an Event of Default which is not cured during any grace or cure period; provided further that the provisions of this paragraph shall not affect any other remedy available to the holder of this Mortgage in the Mortgaged Property and the other documents securing the Note, or Lender's right to name Beneficiary

as a defendant in a foreclosure or other action so long as no deficiency judgment is asserted against Beneficiary except as aforesaid.

This Mortgage is executed by the Borrower, not personally, but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said Trustee, in its personal and individual capacity, hereby warrants that it as Trustee possesses full power and authority to execute this instrument), and it is expressly understood and agreed by the Lender and by every person now or hereafter claiming any right or security hereunder that nothing contained herein or in the Note secured by this Mortgage shall be construed as creating any liability on said Trustee in its individual capacity to personally to pay the Note or any interest that may accrue thereon, or any indebtedness accruing hereunder or to perform any covenant, either express or implied, herein contained, all such liability, if any being expressly waived.

3.14 No Partnership. Borrower acknowledges and agrees that in no event shall Lender be deemed to be a partner or joint venturer with Borrower. Without limitation of the foregoing, Lender shall not be deemed to be such a partner of joint venturer on account of its becoming a mortgagee in possession or exercising any rights pursuant to this Mortgage or pursuant to any other instrument or document securing any portion of the indebtedness secured hereby or on account of receiving contingent interest, if any, or any release fee for partial releases of this Mortgage, or otherwise.

IN WITNESS WHEREOF, Borrower and Beneficiary have caused these presents to be signed by their duly authorized representatives as of the day and year first above written.

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but as trustee as aforesaid

By: _____ Vice President

ATTEST:

_____ Secretary

SCHAUMBURG CENTER LTD., an Illinois limited partnership

By: RNK, Inc., an Illinois corporation, its general partner

By: _____

Its: Vice President

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COOK COUNTY, ILLINOIS
FILED FOR RECORD

1987 MAR 19 PM 2:38

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STATE OF ILLINOIS)
) SS:
COUNTY OF Cook)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that the above named Rick Kennedy, personally known to me to be the Vice President of RNK, Inc. an Illinois corporation, general partner of SCHAUMBURG CENTER LTD, an Illinois limited partnership and the same person whose name is subscribed to the foregoing instrument as such Vice President of such corporation, 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 a free and voluntary act of such corporation as general partner of such partnership for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of March, 1987.

" OFFICIAL SEAL "
LOUISE M. KOCLANIS
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 7/17/90

Louise M. Koclanis
Notary Public

My Commission Expires:

_____

STATE OF ILLINOIS) SS:
COUNTY OF _____)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that the above named [illegible] and SUZANNE G. BAKER personally known to me to be the _____ Vice President and _____ Secretary of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as trustee as aforesaid, and the same persons whose names are subscribed to the foregoing instrument as such _____ Vice President and _____ Secretary, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, as trustee, as aforesaid, and as the free and voluntary act of AMERICAN NATIONAL BANK AND TRUST COMPANY, as trustee as aforesaid. for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ___ day of March, 1987.

Ruth Davidson
Notary Public

My Commission Expires:

_____

"OFFICIAL SEAL"
Ruth Davidson
Notary Public, State of Illinois
My Commission Expires 12/26/90

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EXHIBIT A

THE LAND

LOTS 1 AND 2 IN MEINEKE'S HONEYDALE UNIT NO. 2, A SUBDIVISION OF PART OF THE NORTH EAST 1/4 OF THE NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

DBO

07-14-101-013-2 Lots
07-14-101-014-1

681 to 697 E. Golf Road
Schaumburg IL

Prepared by & mail to:

Marcia W. Sullivan
Katten Muchin Zavis Pearl
Greenberger & Galler
Suite 1600
525 West Monroe St.
Chicago IL 60606

BOX 333-HV
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EXHIBIT B

PERMITTED EXCEPTIONS

1. General real estate taxes for the year 1986 and subsequent years not yet due and payable.

2. A 28 foot building line over the North line of the land as shown of plat of Meineke's Honeydale Unit No. 2 Subdivision recorded March 1, 1976 as Document 23402690.

3. Grant of easement to Commonwealth Edison and Illinois Bell recorded September 11, 1986 as Document 86409191.