

DECLARATION OF CONDOMINIUM OWNERSHIP

for

SAN TROPAI CONDOMINIUM BUILDING TWO

THIS DECLARATION made and entered into by MIDWEST BANK AND TRUST COMPANY AS TRUSTEE UNDER TRUST AGREEMENT DATED SEPTEMBER 19, 1978 AND KNOWN AS TRUST NUMBER 78-09-2714 (hereinafter referred to as the "Declarant").

W I T N E S S E T H :

WHEREAS, the Declarant is the record owner of a certain parcel of real estate in the County of Cook, State of Illinois, legally described on Exhibit E which is attached hereto and made a part hereof; and

WHEREAS, Declarant intends to and does hereby submit the above-described real estate together with all buildings, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in anywise pertaining thereto, to the provisions of the Condominium Property Act of the State of Illinois, and,

WHEREAS, Declarant is further desirous of establishing for its own benefit and for the mutual benefit of all future owners or occupants of the Property or any part thereof, certain easements and rights in, over and upon said Property and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and,


WHEREAS, Declarant desires and intends that the several owners, mortgagees, occupants, and any other persons hereafter acquiring any interest in said Property shall, at all times, enjoy the benefits of, and shall hold their interests subject to the rights, easements, privileges and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the co-operative aspect of such property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness thereof.

NOW, THEREFORE, the Declarant, as the record owner of the above-described real estate and for the purposes above set forth, hereby declares as follows:

ARTICLE I

DEFINITIONS

1. Definitions, as used herein, unless the context otherwise requires:
 - (a) "Act" means the "Condominium Property Act" of the State of Illinois.
 - (b) "Declaration" means this instrument by which the Property is submitted to the provisions of the Act, as hereinafter provided, and such Declaration as from time to time amended.
 - (c) "Parcel" means the parcel or tract of real estate described above in this Declaration.

2. 

- (d) "Property" means all the land, property and space comprising the Parcel, and all improvements and structures erected, constructed or contained therein or thereon, including buildings and all easements, rights and appurtenances belonging thereto, and all fixtures, equipment and furnishings intended for the mutual use, benefit or enjoyment of the Unit Owners.
- (e) "Unit" means a part of the Property, designed or intended for any type of independent use, as set forth on the Plat attached hereto as Exhibit A, which Plat is being recorded simultaneously with the recording of this Declaration. Each Unit shall consist of the space enclosed and bounded by the horizontal and vertical planes constituting the boundaries of such Unit as shown on the Plat; provided, however, that no structural components of a Building, and no pipes, wires, conduits, ducts, flues, shafts, or public utility lines situated within a Unit and forming a part of any system serving one or more other Units or the Common Elements shall be deemed to be a part of said Unit.
- (f) "Common Elements" means all of the Property, except the Units, including the Limited Common Elements, unless otherwise specified and shall include, but shall not be limited to, the land, foundations, hallways, stairways, entrances and exits, storage areas, roof, incinerator, pipes, ducts, electrical wiring and conduits (except pipes, ducts, electrical wiring and conduits situated entirely within a Unit and serving only said Unit), central heating and air-conditioning system, public utility lines, floors, ceilings and perimeter walls of Units (other than such portions thereof included within Unit boundaries as shown on the Plat), structural components of the Building, outside walks and driveways, landscaping, and all other portions of the Property except the individual Units. Structural components located within the boundaries of a Unit shall be part of the Common Elements.
- (g) "Limited Common Elements" means a portion of the Common Elements so designated in the Declaration as being reserved for the use of a certain Unit or Units to the exclusion of other Units including specifically, but not by way of limitation, balconies, patios, terraces and such portions of the perimeter walls, floors and ceilings, doors, vestibules, windows and entryways, and of all associated fixtures and structures therein as lie outside the Unit boundaries.
- (h) "Plat" means a Plat or Plats of survey of the Parcel and of all Units in the Property submitted to the provisions of the Act, which may consist of a three-dimensional horizontal and vertical delineation of all such Units, and which is attached hereto as Exhibit A.
- (i) "Person" means a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.
- (j) "Condominium Instruments" means all documents and authorized amendments thereto recorded pursuant to the provisions of the Act, including the Declaration, By-Laws and Plat.
- (k) "Common Expenses" means the proposed or actual expenses affecting the Property, including Reserves, if any, lawfully assessed by the Board of Managers of the Unit Owner's Association.
- (l) "Reserves" means those sums paid by Unit Owners which are separately maintained by the Board of Managers for purposes specified by the Board of Managers or the Condominium Instruments.
- (m) "Unit Owners' Association" or "Association" means the Association of all the Unit Owners, acting pursuant to By-Laws through its duly elected Board of Managers.
- (n) "Purchaser" means any person or persons other than the Developer who purchases a Unit in a bona fide transaction for value.

- (b) "Unit Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit.
- (p) "Majority" or "Majority of the Unit Owners" means the owners of more than one-half (1/2) in the aggregate in interest of the undivided ownership of the Common Elements. Any specified percentage of the Unit Owners means such percentage in the aggregate in interest of such undivided ownership of the Common Elements.
- (q) "Unit Ownership" means a part of the Property consisting of one Unit and the undivided interest in the Common Elements appurtenant thereto.
- (r) "Building" means all structures, attached or unattached, containing one or more Units.
- (s) "Developer" means Al-Dor Associates, Inc.
- (t) "Occupant" means a person, or persons, other than a Unit Owner, in possession of one or more Units.
- (u) "Voting Member" means the person entitled to exercise all voting power in respect to each Unit Ownership.
- (v) "Master Declaration" means that certain Declaration of Easements, Covenants, and Restrictions respecting the San Trojai Planned Residential Development executed by Declarant and recorded with the Recorder of Deeds of Cook County, Illinois on March 20, 1976 as Document Number 23448134 as amended from time to time and any Supplemental Declarations adopted pursuant thereto.

2. Submission of Property to the Act. The Declarant, as the owner in fee simple of the Parcel, expressly intends to and, by recording this Declaration, does hereby submit the Parcel and the Property to the provisions of the Condominium Property Act of the State of Illinois.

3. Plat. The Plat attached hereto as Exhibit A, and by this reference made a part hereof, sets forth the measurements, elevations, locations and other data, as required by the Act, including (1) the Parcel and its exterior boundaries; (2) the Building and each floor thereof and all improvements and structures located on the Parcel; and (3) each Unit of the Building.

ARTICLE II

UNIT IDENTIFICATION

4. Unit Identification. All Units are delineated on the Plat attached hereto as Exhibit A and made a part of this Declaration. The legal description of each Unit shall consist of the identifying number or letter of such unit as shown on the Plat, which units are legally described as shown in Exhibit D, which is attached hereto and by this reference made a part of this Declaration. Except as provided by the Act, no Unit Owner shall, by deed, Plat or otherwise subdivide or in any other manner cause the Unit to be separated into any tracts or parcels different from the whole Unit as shown on Exhibit A.

ARTICLE III

ADMINISTRATION AND OPERATION

5. Administration and Operation of the Property. The governing body for all of the Unit Owners for the administration and operation of the Property, as provided in the Act and in this Declaration and in the By-laws, shall be the Board of Managers who shall be elected in the manner provided in the By-

laws. The Board of Managers, when authorized by a majority of the Unit Owners, shall cause to be incorporated a not-for-profit corporation as provided by the Act, and in such event, or in the event Declarant has heretofore caused such corporation to be organized, then such corporation (hereinafter referred to as the "Corporation") shall be the governing body for all of the Unit Owners for the administration and operation of the Property as provided in the Act and in this Declaration and in the By-laws. The Board of Directors of such Corporation shall constitute the Board of Managers provided for in the Act, and all rights, titles, powers, privileges and obligations vested in or imposed upon the Board of Managers in the Act and in this Declaration and in the By-laws shall be held or performed by the Corporation or by the duly elected members of the Board of Directors thereof and their successors in office. The By-laws for the governing body shall be the By-laws appended hereto as Exhibit C and made a part hereof.

Whenever the word "Board" is used in this Declaration or in the By-laws, it shall mean and refer to the Board of Managers if there is no Corporation, or if there is a Corporation, it shall mean and refer to said Corporation, acting through its Board of Directors. The Board shall be elected by the Unit Owners in accordance with the By-laws. Neither the Board, the Corporation nor the Unit Owners shall be deemed to be conducting a business of any kind. All funds collected by the Board shall be held and expended for the purposes designated in the Declaration and By-laws and (except for such adjustments as the Board may require to reflect delinquent, prepaid and special assessments) shall be deemed to be held for the benefit, use and account of all the Unit Owners in the percentages set forth in Exhibit B, and shall be administered in accordance with the provisions of the Declaration and By-laws. Each Unit Owner shall be a member of the Association so long as he shall be a Unit Owner, and such membership shall automatically terminate when he ceases to be a Unit Owner, and upon transfer of his ownership interest, the new Unit Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association.

6. Administration of Property Prior to Election of Initial Board of Managers. Until the election of the initial Board of Managers, the same rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Board of Managers by the Act and in the Declaration and By-laws shall be held and performed by the Developer. The election of the initial Board of Managers shall be held not later than sixty (60) days after the conveyance by the Developer of three-fourths (3/4) of the Units or three (3) years after the recording of the Declaration, whichever is earlier. If the initial Board of Managers is not elected by the Unit Owners at the time so established, the Developer shall continue in office for a period of thirty (30) days whereupon written notice of his resignation shall be sent to all of the Unit Owners entitled to vote at such election.

Within sixty (60) days following the election of a majority of the Board of Managers other than the Developer, the Developer shall deliver to the Board of Managers:

- (a) All original documents pertaining to the Property and its administration such as the Declaration, By-laws, Articles of Incorporation, Condominium Instruments, minutes and code of regulations;
- (b) A detailed accounting by the Developer, setting forth the source and nature of receipts and expenditures in connection with the management, maintenance and operation of the Property;
- (c) Association funds, which shall have been at all times segregated from any other moneys of the Developer;
- (d) A schedule of all personal property, equipment and fixtures belonging to the Association, including documents transferring the Property;
- (e) Any contract, lease, or other agreement made prior to the election of a majority of the Board of Managers other than the Developer by or on behalf of Unit Owners.

7. Indemnity. The members of the Board and the officers thereof or of the Corporation shall not be liable to the Unit Owners for any mistake of judgment, or any acts or omissions made in good faith as such members or officers on behalf of the Unit Owners or the Association unless any such contract shall have been made in bad faith or contrary to the provisions of this Declaration. The liability of any Unit Owner arising out of any contract made by such members or officers or out of the aforesaid indemnity shall be limited to such proportion of the total liability thereunder as his percentage interest in the Common Elements bears to the total percentage interest of all

the Unit Owners in the Common Elements. Each agreement made by such members or officers or by the managing agent on behalf of the Unit Owners or the Association shall be executed by such members or officers or the managing agent, as the case may be, as agents for the Unit Owners or for the Association

8. Board's Determination Binding. In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any question of interpretation or application of the provisions of the Declaration or By-laws, the determination thereof by the Board shall be final and binding on each and all of such Unit Owners.

ARTICLE IV

OWNERSHIP OF COMMON ELEMENTS

9. Ownership of the Common Elements. Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, as set forth in the schedule attached hereto as Exhibit B and by this reference made a part hereof as though fully set forth herein, and which allocation each Unit Owner accepts. The aforesaid percentages of ownership interest have been computed and determined in accordance with the Act, and shall remain constant unless hereafter changed by recorded Amendment to this Declaration consented to in writing by all Unit Owners. Said ownership interests in the Common Elements shall be undivided interests, and the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with their respective percentages of ownership as set forth in Exhibit B. The ownership of each Unit and of the Unit Owner's corresponding percentage of ownership in the Common Elements shall not be separated.

10. Use of the Common Elements. Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements) in common with all other Unit Owners, as may be required for the purposes of access and ingress and egress to and use and occupancy and enjoyment of the respective Unit owned by such Unit Owner. Such right to use the Common Elements shall extend to each Unit Owner, and the agents, servants, tenants, family members and invitees of each Unit Owner. Each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements serving exclusively his Unit. Such rights to use and possess the Common Elements, including the Limited Common Elements, shall be subject to and governed by the provisions of the Act and of this Declaration and the By-laws herein and the rules and regulations of the Board. The Board shall have the exclusive authority from time to time to adopt or amend administrative rules and regulations governing the use, occupancy and control of the Common Elements as more particularly provided in the By-laws. The Board shall have the authority to lease or to grant licenses or concessions with respect to parts of the Common Elements, subject to the provisions of the Declaration and By-laws, including specifically, but not by way of limitation, laundry areas, storage areas, and commercial and recreational areas. The use of Limited Common Elements may be transferred between Unit Owners at their expense, provided that the transfer may be made only in accordance with the Condominium Instruments and the provisions of this Declaration. Each transfer shall be made by an Amendment to the Declaration executed by all Unit Owners who are parties to the transfer and consented to by all other Unit Owners who have any right to use the Limited Common Elements affected. The Amendment shall contain a certificate showing that a copy of the Amendment has been delivered to the Board of Managers. The Amendment shall contain a statement from the parties involved in the transfer which sets forth any changes in the parties' proportionate shares. If the parties cannot agree upon a reapportionment of their respective shares, the Board of Managers shall decide such reapportionment. No transfer shall become effective until the Amendment has been recorded.

ARTICLE V

EXPENSES, MORTGAGES, TAXES

11. Common Expenses. Each Unit Owner shall pay his proportionate share of the expenses of administration, maintenance and repair of the Common

Elements and of any other expenses incurred in conformance with the Declaration and By-laws or otherwise lawfully agreed upon. Such proportionate share of the common expenses for each Unit Owner shall be in the same ratio as his percentage of ownership in the Common Elements. Payment thereof shall be in such amounts and at such times as determined in the manner provided in the By-laws. If any Unit Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof shall constitute a lien on the interest of such Unit Owner in the Property as provided in the Act.

The Board shall collect any assessments against Units or Unit Owners provided for in the Master Declaration upon receiving due notice of such assessments and shall remit the amounts collected each month to the assessing entity or its authorized agent. In the event a Unit Owner does not pay his assessments, the Board shall nevertheless remit the amount thereof to the assessing entity out of the funds at its disposal as payment of a Common Expense. The Board shall have all of the powers granted to it herein to collect said assessments from Unit Owners, which assessments are and shall constitute Common Expenses lawfully agreed upon as set forth in the Act of the specific Units or Unit Owners against which said assessments have been levied.

12. **Separate Mortgages.** Each Unit Owner shall have the right, subject to the provisions herein, to make a separate mortgage or encumbrance on his respective Unit together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to make or create or cause to be made or created any mortgage or encumbrance or other lien on or affecting the Property or any part thereof, except only to the extent of his Unit and his respective ownership interest in the Common Elements.

13. **Separate Real Estate Taxes.** It is understood that real estate taxes are to be separately taxed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements.

ARTICLE VI

INSURANCE

14. Insurance.

(a) The Board of Managers shall acquire as a common expense, a policy or policies of insurance insuring the Common Elements and the Units against loss or damage from fire, lightning and other hazards contained in the customary fire and extended coverage, vandalism and malicious mischief endorsements for the full insurable replacement value of the Common Elements and the Units written in the name of and to require a provision in such policy that the proceeds thereof shall be payable to the members of the Board, as trustees for each of the Unit Owners in the percentages established in Exhibit B.

All said policies of insurance (1) shall contain standard mortgage clause endorsements in favor of the mortgagee or mortgagees of each Unit, if any, as their respective interest may appear, (2) shall provide that the insurance as to the interest of the Board, shall not be invalidated by any act or neglect of any Unit Owner, (3) shall provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash settlement therefor, such option shall not be exercisable in the event the Unit Owners elect to sell the Property or remove the Property from the provisions of the Act, (4) shall contain an endorsement to the effect that such policy shall not be terminated for nonpayment of premiums without at least ten (10) days' prior written notice to the mortgagee of each Unit, (5) shall contain a clause or endorsement whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, members of the Board, the Trustee, the Developer, the managing agent, if any, their respective employees and agents and the Unit Owners and Occupants, and (6) shall contain a "Replacement Cost Endorsement." The proceeds of such insurance shall be applied by the Board or by the corporate trustee or agent on behalf of the Board for the reconstruction of the Building or shall be

otherwise disposed of, in accordance with the provisions of this Declaration and the Act; and the rights of the mortgagee of any Unit under any standard mortgage clause endorsement to such policies shall, notwithstanding anything to the contrary therein contained, at all times be subject to the provisions of the Act with respect to the application of insurance proceeds to reconstruction of the Building. The Board may engage the services of and such insurance may be payable to a bank or trust company authorized to do, execute and accept trusts in Illinois to act as Insurance Trustee, or as agent or depository as an alternative to acting as Trustee, and to receive and disburse the insurance proceeds resulting from any loss upon such terms as the Board shall determine consistent with the provisions of this Declaration. The fees of such bank or trust company shall be common expenses.

In the event of any loss in excess of \$20,000.00 in the aggregate, at the Board's discretion or request of any Unit Owner, the Board shall solicit bids from reputable contractors.

Payment by an insurance company to the Board or to such corporate trustee or agent of the proceeds of any policy, and the receipt of release from the Board or such corporate trustee or agent of the company's liability under such policy, shall constitute a full discharge of such insurance company, and such company shall be under no obligation to inquire into the terms of any trust or agency agreement under which proceeds may be held pursuant hereto, or to take notice of any standard mortgage clause endorsement inconsistent with the provisions hereof, or see to the application of any payments of the proceeds of any policy by the Board or the corporate trustee.

Each Unit Owner shall inform the Board in writing of additions, alterations or improvements made by said Unit Owner to his Unit and the value thereof which value shall be included in the full replacement insurable cost for insurance purposes. If a Unit Owner fails to inform the Board as provided above and a penalty is assessed in the adjustment of loss settlement, the Unit Owner shall be responsible for such penalty. ✓

(b) The full, insurable replacement cost of the Property, including the Units and Common Elements shall be determined from time to time (but not less frequently than once in any twelve-month period) by the Board. The Board shall have the authority to obtain an appraisal by a reputable appraisal company as selected by the Board. The cost of such appraisal shall be a common expense.

(c) The Board of Managers shall acquire, as a common expense, the authority and duty to obtain, comprehensive public liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Property in amounts deemed sufficient in the judgment of the Board of Managers, insuring the Developer (but only in its capacity as a Member of the Board or a Unit Owner) and Unit Owners (but only with respect to that portion of the Property not reserved to the exclusive use of any Unit Owner), individually and severally, the Board of Managers, the Unit Owners Association, the Management Agent, and their respective employees, agents and all persons acting as agents. The insurance shall cover claims of one or more insured parties against other insured parties. The insurance shall contain a waiver of any rights to subrogation by the insuring company against any of the above-named insured persons.

(d) The Board of Managers shall acquire, as a common expense, workmen's compensation insurance as may be necessary to comply with applicable laws and such other forms of insurance as the Board, in its judgment, shall elect to obtain, including, but not limited to insurance for the Association, its officers and manager against liability from good faith actions allegedly beyond the scope of their authority.

(e) Each Unit Owner hereby waives and releases any and all claims which he may have against any other Unit Owner, Occupant, the Association, the Trustee, the Developer, its officers, members of the Board, the Declarant, the manager and managing agent of the Building, if any, and their respective employees and agents, for damage to the Common Elements, the Units, or to any personal property located in the Units or Common Elements, caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance.

(f) The Board of Managers shall notify insured persons concerning the cancellation of insurance obtained pursuant to the terms of this Article.

ARTICLE VII

MAINTENANCE, ALTERATIONS, DECORATING

15. Maintenance, Repairs and Replacements. Each Unit Owner shall furnish and be responsible for, at his own expense, all of the maintenance, repairs and replacements within his own Unit. Maintenance, repairs and replacements of the Common Elements shall be furnished by the Board as part of the common expenses, subject to the rules and regulations of the Board; provided, that at the discretion of the Board, maintenance, repairs and replacements of the Limited Common Elements may be assessed in whole or in part to Unit Owners benefited thereby and further, at the discretion of the Board, it may direct such Unit Owners in the name and for the account of such Unit Owners to arrange for such maintenance, repairs and replacements, to pay the cost thereof, and to procure and deliver to the Board such lien waivers and contractor's and sub-contractor's sworn statements as may be required to protect the Property from all mechanics' or materialmen's lien claims that may arise therefrom.

The Board may cause to be discharged any mechanic's lien or other encumbrance which, in the opinion of the Board, may constitute a lien against the Property or Common Elements, rather than against a particular Unit and its corresponding percentage of ownership in the Common Elements. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses (including attorney's fees) incurred by reason of such lien.

Whenever the Board shall determine, in its discretion, that any maintenance or repair of any Unit is necessary to protect the Common Elements or any other portion of the Building, the Board may cause a written notice of the necessity for such maintenance or repair to be served upon such Unit Owner, which notice may be served by delivering a copy thereof to any occupant of such Unit, or by mailing the same by certified or registered mail addressed to the owner at the Unit. If such Unit Owner fails or refuses to perform any such maintenance or repair within a reasonable time stated in the notice (or any extension thereof approved by the Board), the Board may cause such maintenance and repair to be performed at the expense of such Unit Owner.

If, due to the act or neglect of a Unit Owner, or of a member of his family or household pet or of a guest or other authorized occupant or visitor of such Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be at the common expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Board, to the extent not covered by insurance.

The Board shall have exclusive authority to take, or refrain from taking, any action pursuant to this Paragraph 15. All expenses which, pursuant to this Paragraph 15 are chargeable to any Unit Owner, may be specifically assessed to such Unit Owner and shall be payable by such Unit Owner as prescribed by the Board.

16. Alterations, Additions or Improvements. Except as constructed or altered by or with the permission of the Developer at his sole discretion, at any time until construction of all buildings and Units are completed, nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board. The Board may authorize and charge as common expenses (or in the case of Limited Common Elements may charge to the Unit Owner benefited thereby) alterations and improvements of, and additions to, the Common Elements; provided, however, that in the event the costs thereof are to be charged as common expenses the Board shall not approve such alterations, improvements or additions requiring an expenditure in excess of \$10,000.00 without the approval of Unit Owners owning not less than seventy-five percent (75%) in the aggregate in interest of the undivided ownership of the Common Elements. Any Unit Owner may make alterations, additions or improvements within his Unit without the prior written approval of the Board, but in any event such Unit Owner shall be responsible for any

damage to other Units, the Common Elements, or the Property as a result of such alterations, additions or improvements.

17. Decorating. Each Unit Owner shall furnish and be responsible for, at his own expense, all of the decorating within his own Unit from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating; each Unit Owner shall be obligated to maintain and keep his own Unit and its interior surfaces, windows and doors, in good, clean order and repair, and each Unit Owner shall also keep the patio or balcony which he has the exclusive right to use and occupy free and clear of snow, ice and accumulation of water. Such Unit Owner shall also make all repairs to such balcony or patio caused or permitted by his negligence, misuse or neglect, but all other repairs thereto shall be made by the Board at the common expense. The Board may, but need not, decorate or paint said patios or balconies, or any of them, at the common expense or at the expense of the Unit Owner to whose Unit such Limited Common Element is assigned. In the event the boundaries of any Unit, as shown on the Plat, are the finished undecorated interior surfaces of the perimeter walls, floors and ceilings thereof, the owner of such Unit shall be entitled to the exclusive use of such surfaces, and such Unit Owner shall maintain such surfaces in good condition at his sole expense as may be required from time to time, which said maintenance and use shall be subject to the rules and regulations of the Board, and each such Unit Owner shall have the right to decorate such surfaces from time to time in such manner as he may see fit and at his sole expense. The use of and the covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the Building, shall be subject to the rules and regulations of the Board. Decorating of the Common Elements (other than interior surfaces within the Units as above provided), and any redecorating of Units to the extent made necessary by any damage to existing decorating of such Units caused by maintenance, repair or replacement work on the Common Elements by the Board, shall be furnished by the Board as part of the common expenses. There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior written consent of the Board except as herein expressly provided.

ARTICLE VIII

EASEMENTS AND ENCROACHMENTS

18. Encroachments and Easements.

(a) In the event that by reason of the construction, repair, reconstruction, settlement, or shifting of any building, or the design or construction of any Unit, any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements, or any portion of any Unit encroaches upon any part of any other Unit, valid easements for the maintenance of such encroachment are hereby established and shall exist for the benefit of such Unit or Common Elements so encroaching so long as all or any part of the Building containing such Unit or Common Elements so encroaching shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of the owner of any Unit or in favor of the owners of the Common Elements if such encroachment occurred due to the intentional, willful or negligent conduct of said owner or owners.

(b) Easements are hereby declared and granted for utility purposes, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, and electrical conduits, wires and equipment over, under, along and on any part of the Common Elements, as they exist on the date of the recording hereof.

(c) All easements and rights described herein are easements appurtenant, running with the land, and shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any owner, purchaser, mortgagee and other person having an interest in said land, or any part or portion thereof.

(d) Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Declaration, shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of such parcels as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

ARTICLE IX

SALE, LEASING OR OTHER ALIENATION

19. Sale, Leasing or Other Alienation.

(a) Any Unit Owner other than the Developer or the Trustee who desires to sell or lease his Unit (or any lessee of any Unit wishing to assign his lease or sublease such Unit) or any interest therein to any person shall first obtain from the proposed purchaser, lessee or assignee a bona fide offer in writing, setting forth all the terms and conditions of said proposed transaction. If any Unit Owner other than the Developer or the Trustee receives such an offer which he intends to accept, he shall give written notice to the Board of such offer and such intention, stating the name and address of such proposed purchaser, lessee, assignee or sublessee, the terms of the proposed transaction, and such other information as the Board may reasonably require. Said notice shall contain an executed copy of such offer. The giving of such notice shall constitute a warranty and representation by the giver thereof that he believes such offer, and all information contained in such notice, to be bona fide, true and correct in all respects. During the period of twenty-one (21) days following receipt by the Board of such written notice, the Board shall have the first right and option to purchase or lease such Unit (or to cause the same to be purchased or leased by the designee or designees, corporate or otherwise, of the Board) upon the same terms and conditions as stated in the aforesaid notice received by the Board. If the Board shall give written notice to the Unit Owner or lessor within said twenty-one (21) day period, of its election to purchase or lease the Unit (or to cause the same to be purchased or leased by its designee, as aforesaid), then such purchase or lease by the Board, or its designee, shall be closed upon the same terms as such proposed sale or lease.

If the Board shall give written notice to the seller or lessor within said twenty-one (21) day period that it has elected not to exercise such option, or if the Board shall fail to give notice within said twenty-one (21) day period that it does not elect to purchase or lease as herein provided, then the proposed sale or lease transaction as described and set forth in the notice to the Board may be contracted for within sixty (60) days after the expiration of said twenty-one (21) day period. If the seller or lessor fails to contract for such sale or lease within such sixty (60) day period, or if he shall so contract but such sale or lease shall not be consummated pursuant to such contract, then such Unit and all rights with respect thereto shall again become subject to the Board's right of first refusal and option as herein provided.

(b) Any Unit Owner other than the Developer or the Trustee who wishes to make a gift of his Unit or any interest therein, or who wishes to transfer his Unit or any interest therein for a consideration other than cash, or notes (secured or unsecured) of such transferee, or the assumption of an existing indebtedness, to any person or persons who would not be heirs at law of the Unit Owner under the Rules of Descent of the State of Illinois were he or she to die within sixty (60) days prior to the contemplated date of such gift or other transfer, shall give to the Board not less than sixty (60) days' written notice of his or her intent to make such gift or other transfer prior to the contemplated date thereof. Said notice shall state the contemplate date of said gift or other transfer, the intended donee or transferee, and the terms in detail of such proposed other transfer and such other information as the Board shall reasonably require. The members of the Board and their successors in office shall have the first right and option to purchase (or to cause the same to be purchased by the designee or designees, corporate or otherwise, of the Board) said Unit or interest therein for cash at fair market value which shall be determined by arbitration as hereinafter provided in sub-paragraph (d).

(c) In the event that any Unit Owner dies leaving a will devising his or her Unit, or any interest therein, to any person or persons not heirs at law of the deceased Unit Owner under the Rules of Descent of the State of Illinois, and said will is admitted to probate, the members of the Board and their successors in office shall have an option to purchase (or to cause the same to be purchased by the designee or designees, corporate or otherwise, of the Board) said Unit or interest therein from the estate of the deceased Unit Owner, or from the devisee or devisees named in such will if no power of sale is conferred by said will upon the personal representative named therein, for cash at fair market value which shall be determined by arbitration as hereinafter provided in sub-paragraph (d).

(d) Within thirty (30) days after the appointment of a personal representative for the estate of the deceased Unit Owner, or the receipt by the Board of the written notice referred to in sub-paragraph (b) hereof, as the case may be, the Board shall (unless it waives its rights pursuant to subparagraph (n) of Paragraph 19) appoint a qualified real estate appraiser to act as an arbitrator and shall give written notice of such appointment to the owner of the Unit to be purchased, or said devisee or devisees, or personal representative, as the case may be. Within ten (10) days thereafter, said owner, or devisee or devisees, or the personal representative, as the case may be, shall appoint a qualified real estate appraiser to act as an arbitrator. Within ten (10) days after the appointment of said arbitrators, the two so appointed shall appoint another qualified real estate appraiser to act as the third arbitrator. Within fifteen (15) days thereafter, the three arbitrators shall determine, by majority vote, the fair market value of the Unit or interest therein and shall thereupon give written notice of such determination to the Board and said owner or devisee or devisees, or personal representative, as the case may be. The Board's right to purchase the Unit or interest therein at the price determined by the three arbitrators shall expire sixty (60) days after the date of receipt by it of such notice; provided, however, that such right to purchase shall expire seven (7) months after the appointment of a personal representative of a deceased Unit Owner who is not empowered to sell. The Board shall be deemed to have exercised its option if it tenders the required sum of money to said owner or said devisee or devisees or to said personal representative, as the case may be, within said option periods.

(e) In the event any Unit or interest therein is sold at a judicial or execution sale (other than a mortgage foreclosure sale), the person acquiring title through such sale shall, before taking possession of the Unit so sold, give thirty (30) days' written notice to the Board of his intention so to do, whereupon the members of the Board and their successors in office shall have an irrevocable option to purchase such Unit or interest therein at the same price for which it was sold at said sale. If said option is not exercised by the Board within said thirty (30) days after receipt of such notice, it shall thereupon expire and said purchaser may thereafter take possession of said Unit. The Board shall be deemed to have exercised its option if it tenders the required sum of money to the purchaser within said thirty (30) day period.

(f) In the event any Unit Owner shall default in the payment of any monies required to be paid under the provisions of any mortgage or trust deed against his Unit, the Board shall have the right to cure such default by paying the amount so owing to the party entitled thereto and shall thereupon have a lien therefore against such Unit ownership, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Condominium Property Act with respect to liens for failure to pay a share of the common expenses.

(g) If a proposed lease or sublease of any Unit is made after compliance with the foregoing provisions, a copy of the lease or sublease as and when executed shall be furnished by such lessor or sublessor to the Board, and the lessee or sublessee thereunder shall be bound by and be subject to all of the obligations of the owner with respect to such Unit as provided in this Declaration, and the lease or sublease shall expressly so provide. The person making any such lease or sublease shall not be relieved thereby from any of his obligations hereunder. Upon the expiration or termination of such lease, or in the event of any attempted subleasing thereunder, the provisions hereof with respect to the Board's right of first option shall apply to such Unit.

(h) The Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the affirmative vote of not less than two-thirds (2/3) of the votes of Unit Owners. The members of the Board or their

July authorized representatives may bid to purchase at any auction or sale of the Unit or interest therein of any Unit Owner, deceased or living, which said sale is held pursuant to any order or direction of a court upon the affirmative vote of not less than two-thirds (2/3) of the votes of Unit Owners which said vote shall set forth a maximum price which the Board is authorized to bid and pay for said Unit or interest therein.

(i) Where title to any Unit is held by a trust, the bequest, assignment, sale, conveyance or other transfer by a beneficiary of such trust of his or her beneficial interest in such trust (other than as security for a bona fide indebtedness) shall be deemed an assignment, sale, conveyance, devise, or other transfer of the Unit Owner by such a trust.

(j) Where title to any Unit is held by a corporation, or a partnership, the transfer or bequest of fifty percent (50%) or more of the issued and outstanding shares of such corporation, or fifty percent (50%) or more of the interest in such partnership, shall be deemed a transfer or devise of the Unit owned by such corporation or partnership.

(k) The terms of this Paragraph 19 and the rights of first refusal herein provided for shall not be applicable to:

(i) the transfer or conveyance, by operation of law or otherwise, of the interest of a co-owner of any Unit, to any other co-owner of the same Unit, where such co-owners hold title to such Unit as tenants in common or as joint tenants.

(ii) the transfer by sale, lease, gift, devise or otherwise of any Unit or interest therein to or for the sole benefit of any spouse, descendant, ancestor or sibling (or the spouse of any such person) of the transferor.

(iii) the execution of a bona fide trust deed, mortgage, or other security instruments.

(iv) the sale, conveyance or leasing of a Unit by the holder of a mortgage or trust deed who has acquired title to such Unit by foreclosure of a mortgage or trust deed on the Property, or any Unit, existing on the date of this Declaration or in which the mortgagor is the Trustee.

(v) any sale, conveyance, lease or transfer of a Unit by the Trustee, or any beneficiary of the Trustee, or the Developer.

(l) Acquisitions or leasing of Units or interests therein under the provisions of this paragraph shall be made from the maintenance fund. If said fund is insufficient, the Board shall levy a special assessment against each owner in the ratio that his percentage of ownership in the Common Elements bears to the total of all such percentages applicable to Units subject to said special assessment, which assessment shall become a lien and may be perfected and foreclosed in the manner provided in Section 9 of the Condominium Property Act with respect to liens for failure to pay a share of the common expenses. The Board, in its discretion, may borrow money to finance the acquisition of a Unit or interest therein which said acquisition is authorized by this paragraph; provided, however, that no financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit or interest to be acquired.

(m) Units or interests therein acquired pursuant to the terms of this paragraph shall be held of record in the names of the members of the Board and their successors in office or such nominee or entity as the Board shall designate, for the use and benefit of all the Unit Owners in the same proportions that the Board could levy a special assessment under the terms of subparagraph (l) hereof. Said units or interest therein shall be sold or leased by the Board for the benefit of the Unit Owners upon such price and terms as the Board shall determine. All proceeds of such sale and/or leasing shall be deposited in the maintenance fund and may thereafter be disbursed at such time and in such manner as the Board shall determine.

(n) Upon the written consent of all the members of the Board, any of the rights or options contained in this Paragraph 19 may be released or waived and the Unit or interest therein which is subject to right of first refusal set forth in this paragraph may be sold, conveyed, leased, given or devised free and clear of the provisions of this paragraph.

(o) Upon the written request of any prospective transferor, purchaser, tenant or mortgagee of a Unit, the Board, by its Secretary, shall issue a written and acknowledged certificate evidencing that:

(i) with respect to a proposed sale or lease hereunder, that the provisions of this Paragraph 19 have been complied with or duly waived by the Board and that the rights of first refusal of the Board have been terminated, if such is the fact;

(ii) that any conveyance, deed or lease is, by the terms hereof, not subject to the provisions of this Paragraph 19, if such is the fact;

and such a certificate shall be conclusive evidence of the facts contained therein.

ARTICLE X

USE AND OCCUPANCY

20. Use and Occupancy of Units and Common Elements. The Units and Common Elements shall be occupied and used as follows:

(a) No part of the Property shall be used for other than housing and the related common purposes for which the Property was designed. Each Unit or any two or more adjoining Units used together shall be used as a residence for a single family or such other uses permitted by this Declaration and for no other purposes. That part of the Common Elements separating any two or more adjoining Units used together may be altered to afford ingress and egress to and from such adjoining Units in such manner and upon such conditions as shall reasonably be determined by the Board. The Unit Owner shall notify the Board of the nature of the alteration at least ten (10) days prior to commencing work.

(b) No industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, shall be conducted, maintained or permitted on any part of the Property. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the Property except at such location and in such form as shall be determined by the Board. The right is reserved by the Trustee and the Developer or their agent or agents, to place "For Sale" or "For Rent" signs on any unsold or unoccupied Units, and on any part of the Common Elements, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place signs on any Unit owned by such mortgagee. Until all Units are sold, the Trustee and the Developer and their agents, assigns, successors, in interest and employees shall be entitled to access, ingress and egress to the building and the Property as they shall deem necessary in connection with the construction or sale of any building or any Unit. The Developer and the Trustee shall have the right to use any unsold Unit or Units as a model apartment or for sales or display purposes and to maintain on the Property, until the sale of the last Unit, all models, sales offices and advertising signs or banners, if any, and lighting in connection therewith.

(c) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Building, or contents thereof, applicable for residential use, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the building, or contents thereof, or which would be in violation of any law. No waste shall be committed in the Common Elements.

(d) Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the Building and no sign, awning, canopy, shutter, radio or television antenna (except as exists on the date of the recording hereof, or otherwise constructed by the Developer) shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior written consent of the Board.

(e) No animals of any kind shall be raised, bred, or kept in any Unit or in the Common Elements, except that cats, or other household pets, except dogs, may be kept in Units, subject to rules and regulations adopted by the

Board, provided that they are not kept, bred, or maintained for any commercial purpose; and provided further that all pets of any kind must be kept on a leash when outside the Unit; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or being outside the Unit without being on a leash shall be permanently removed from the Property upon three (3) days' written notice from the Board.

(f) No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit owners or occupants.

(g) Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity of the Building or which would structurally change the Building except as otherwise provided herein, and except that the Developer and his agents, assigns, successors in interest and employees may make any and all structural changes and additions they deem appropriate in completing construction of any building or any Unit, or any other improvement.

(h) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(i) There shall be no playing, lounging, parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches, chairs or other personal property on any part of the Common Elements without the prior written consent of, and subject to any regulations of, the Board.

(j) Each Unit Owner and the Board hereby waives and releases any and all claims which he or it may have against any other Unit Owner, the officers and members of the Board, the Developer, the Trustee, and the beneficiaries of the Trustee, and their respective employees and agents, for damage to the Common Elements, the Units, or to any personal property located in the Units or Common Elements, caused by fire or other casualty or any act or neglect referred to in Paragraph 20(k), to the extent that such damage is covered by fire or other form of hazard insurance.

(k) If, due to the act or neglect of a Unit Owner, or of a member of the family or household pet or of a guest or other authorized occupant or visitor of such Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be at the common expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Board, to the extent such payment is not waived or released under the provisions of Paragraph 20(j).

(l) Any release or waiver referred to in Paragraph 20(j) and 20(k) hereof shall be valid only if such release or waiver does not affect the right of the insured under the applicable insurance policy to recover thereunder.

(m) No Unit Owner shall overload the electric wiring in any building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating system or plumbing system, without the prior written consent of the Board.

(n) Nothing in this Paragraph 20 shall be construed to prevent or prohibit a Unit Owner from maintaining his professional personal library, or keeping his personal business or professional records or accounts, or handling his personal business or professional telephone calls, or conferring with business or professional associates, clients or customers, in his Unit, subject to the regulations of the Board.

(o) Each Unit Owner shall be responsible for his own insurance on his personal property in his own Unit, his personal property stored elsewhere on the Property and his personal liability to the extent not covered by the liability insurance for all the Unit Owners obtained by the Board as hereinbefore provided.

ARTICLE XI

STORAGE

21. Storage. The Board or the Developer may number and assign to any Unit Owner the exclusive privilege to use for storage purposes any portion of the Common Elements of the Building designated for such purposes. Any such designation by the Board or the Developer shall not thereafter be changed except upon the affirmative vote of a majority of the Unit Owners. All property stored in any storage area shall be at the sole risk of the respective Unit Owner who has the privilege to use the same and neither the Board nor any other Unit Owner shall be considered a bailee or otherwise responsible therefor.

ARTICLE XII

DAMAGE OR DESTRUCTION AND RESTORATION OF BUILDING

22. Sufficient Insurance. In the event the improvements forming a part of the Property, or any portion thereof, including any Units, shall suffer damage or destruction from any cause and the proceeds of any policy or policies insuring against such loss or damage, and payable by reason thereof, shall be sufficient to pay the cost of repair or restoration or reconstruction, then such repair, restoration or reconstruction shall be undertaken and the insurance proceeds shall be applied by the Board or the payee of such insurance proceeds in payment therefor; provided, however, that in the event within one-hundred and eighty (180) days after said damage or destruction, the Unit Owners shall elect either to sell the Property as hereinafter provided in Article XIV hereof or to withdraw the Property from the provisions of this Declaration, and from the provisions of the Act as therein provided, then such repair, restoration or reconstruction shall not be undertaken. In the event such repair, restoration or reconstruction is not undertaken the net proceeds of insurance policies shall be divided by the Board or the payee of such insurance proceeds among all Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit B, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

23. Insufficient Insurance.

(a) If the insurance proceeds are insufficient to reconstruct the Building and the Unit Owners and all other parties in interest do not voluntarily make provision for reconstruction of the Building within one-hundred and eighty (180) days from the date of damage or destruction, the Board of Managers may record a notice setting forth such facts and upon the recording of such notice:

(i) The Property shall be deemed to be owned in common by the Unit Owners;

(ii) The undivided interest in the Property owned in common which shall appertain to each Unit Owner shall be the percentage of undivided interest previously owned by such owner in the Common Elements;

(iii) Any liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Unit Owner in the Property as provided herein; and

(iv) The Property shall be subject to an action, for partition at the suit of any Unit Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the Property, if any, shall be considered as one fund and shall be divided among all the Unit Owners in a percentage equal to the percentage of undivided interest owned by each owner in the Property, after first paying out of the respective shares of the Unit Owners, to the extent sufficient for the purpose, all liens on the undivided interest in the Property owned by each Unit Owner.

(b) In the case of damage or other destruction in which fewer than one-half (1/2) of the Units are rendered uninhabitable, upon the affirmative vote of not fewer than three-fourths (3/4) of the Unit Owners voting at a meeting

called for that purpose, the Building or other portion of the Property shall be reconstructed. The meeting shall be held within thirty (30) days following the final adjustment of insurance claims, if any. Otherwise, such meeting shall be held within ninety (90) days of the occurrence. At such meeting the Board of Managers, or its representative, shall present to the members present an estimate of the cost of repair or reconstruction, and the estimated amount of necessary assessments against each Unit Owner.

(c) In the case of damage or other destruction, upon the affirmative vote of not fewer than three-fourths (3/4) of the Unit Owners voting at a meeting called for that purpose, any portion of the Property affected by such damage or destruction may be withdrawn from the Act. Upon the withdrawal of any Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board of Managers. The payment of just compensation, or the allocation of any insurance or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest. Any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage interest therein. Any proceeds available from the withdrawal of any Limited Common Elements, will be distributed in accordance with the interest of those entitled to their use.

24. Cessation of Common Expenses. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof by the Unit Owner shall cease.

ARTICLE XIII

EMINENT DOMAIN

25. Reallocation of Common Elements and Condemnation Award. Upon the withdrawal of any Unit or portion thereof due to eminent domain, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly upon the basis of diminution in market value of the Unit, as determined by the Board of Managers. The allocation of any condemnation award or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage interest therein. Proceeds available from the withdrawal of any Limited Common Element will be distributed in accordance with the interests of those entitled to their use.

26. Cessation of Common Expenses. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof by the Unit Owner shall cease.

ARTICLE XIV

SALE OF THE PROPERTY

27. Sale of the Property. The Unit Owners through the affirmative vote of not less than 75% of the Unit Owners, at a meeting duly called for such purpose, may elect to sell the Property as a whole. Within ten (10) days after the date of the meeting at which such sale was approved the Board shall give written notice of such action to the holder of any duly recorded mortgage

or trust deed against any Unit Ownership entitled to notice under Paragraph 31 of this Declaration. Such action shall be binding upon all Unit Owners, and it shall thereupon become the duty of every Unit Owner to execute and deliver such instruments and to perform all acts as in manner or form may be necessary to effect such sale, provided, however, that any Unit Owner who did not vote in favor of such action and who has filed written objection thereto with the Board within twenty (20) days after the date of the meeting at which such sale was approved shall be entitled to receive from the proceeds of such sale an amount equivalent to the fair market value of his interest, as determined by arbitration as hereinafter provided, less the amount of any unpaid assessments or charges due and owing from such Unit Owner. In the absence of agreement on the fair market value of such interest, such Unit Owner and the Board shall each select an appraiser, and two so selected shall select a third, and the fair market value, as determined by said third appraiser, shall control. If either party shall fail to select an appraiser, then the one designated by the other party shall make the appraisal. The cost of the appraisal shall be divided equally between such Unit Owner and the Board, and the Board's share shall be a common expense.

ARTICLE XV

REMEDIES

28. Remedies. In the event of any default by any Unit Owner under the provisions of the Act, Declaration, By-laws or rules and regulations of the Board, the Board or its agents shall have each and all of the rights and remedies which may be provided for in the Act, Declaration, By-laws or said rules and regulations or which may be available at law or in equity, and may prosecute any action or other proceedings against such defaulting Unit Owner and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or the right to take possession of the Unit and to sell the same as hereinafter in this paragraph provided, or for any combination of remedies, or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate of seven percent (7%) per annum until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of the same, as well as for non-payment of his respective share of the common expenses, upon the Unit and ownership interest in the Common Elements of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property. In the event of any such default by any Unit Owner, the Board and the manager or managing agent, if so authorized by the Board, shall have the authority to correct such default, and to do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against such defaulting Unit Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board.

The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to any other rights provided for in this Declaration: (a) to enter upon the Unit, or any portion of the property upon which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession of such Unit Owner's interest in the property and to maintain an action for possession of such Unit in the manner provided by law.

If any Unit Owner (either by his own conduct or by the conduct of any other occupant of his Unit) shall violate any of the covenants or restric-

tions or provisions of this Declaration or the regulations adopted by the Board, and such violation shall not be cured within thirty (30) days after notice in writing from the Board, or shall re-occur more than once thereafter, then the Board shall have the power to issue to said defaulting Owner a 10-day notice in writing to terminate the rights of the said defaulting Owner to continue as a Unit Owner and to continue to occupy, use or control his Unit, and thereupon an action in equity may be filed by the Board against said defaulting Owner for a decree of mandatory injunction against said defaulting Owner or occupant (subject to the prior consent in writing of any mortgagee having a security interest in the Unit Ownership of said defaulting Owner, which consent shall not be unreasonably withheld), or in the alternative, for a decree declaring the termination of said defaulting Owner's right to occupy, use or control the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the Property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the said defaulting Owner from re-acquiring his interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to said defaulting Owner. Subject to the rights of the Board as set forth in Article IX, Paragraph 19(e), upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding percentage of ownership in the Common Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Unit Ownership sold subject to this Declaration.

ARTICLE XVI

AMENDMENT

29. Amendment. Except as otherwise provided in the Act, this Declaration and the By-laws, the provisions of the Condominium Instruments may be amended, changed, modified or rescinded by an instrument in writing setting forth such amendment, change, modification or rescission, signed by Unit Owners having at least three-fourths (3/4) of the total vote, and certified by the secretary of the Board; provided, however, that all lien holders of record have been notified by certified mail of such change, modification or rescission, and an affidavit by said secretary certifying to such mailing is a part of such instrument.

Notwithstanding the provisions of the foregoing paragraph, if the Act, or this Declaration, or the By-laws, requires the consent or agreement of all Unit Owners or of all lien holders for any action specified in the Act or in this Declaration, then any instrument amending, changing, modifying or rescinding any provision of this Declaration with respect to such action shall be signed by all the Unit Owners or all lien holders or both as required by the Act or this Declaration.

The change, modification or rescission, whether accomplished under either of the provisions of the preceding two paragraphs, shall be effective upon recordation of such instrument in the office of the Recorder of Deeds of the County wherein the Property is situated; provided, however, that no provisions in this Declaration may be changed, modified or rescinded so as to conflict with the provisions of the Act or the Master Declaration.

No change, modification or amendment which affects the rights, privileges or obligations of the Trustee or the Developer shall be effective without the prior written consent of the Trustee or Developer.

30. Amended Plats. It is further understood that the Building located on the parcel is substantially, but not wholly, completed, and that in the event the structural components of the Building constituting all the Unit boundaries are not in place on the date of recording of this Declaration, the

Trustee reserves the right to and shall cause to be recorded from time to time until all of said structural components are in place, an amended survey or surveys showing the actual locations and dimensions of the boundaries of those Units in the Building that are completed after the date of recording of this Declaration. Whenever in this Declaration the term "survey", "surveys", "Plat" or "Exhibit A" appears, it shall be deemed to include such amended survey or surveys as shall be hereafter recorded pursuant to this paragraph.

ARTICLE XVII

MISCELLANEOUS PROVISIONS

31. Notices. Notices provided for in the Act, Declaration or By-laws shall be in writing, and shall be addressed to the Board, or any Unit Owner, as the case may be, at 1275 Baldwin Lane, Palatine, Illinois (indicating thereon the number of the respective Unit or apartment if addressed to a Unit Owner), or at such other address as hereinafter provided. The Board may designate a different address for notices to it by giving written notice of such change of address to all Unit Owners at such time. Any Unit Owner may also designate a different address or addresses for notice to him by giving a written notice of his change of address to the Board. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail or when delivered in person with written acknowledgment of the receipt thereof.

Upon written request to the Board, the holder of any recorded mortgage or trust deed encumbering any Unit shall be given a copy of all notices permitted or required by this Declaration to be given to the Unit Owner or Owners whose Unit is subject to such mortgage or trust deed.

32. Severability. If any provision of the Declaration or By-laws or any section, sentence, clause, phrase or word, or the application thereof in any circumstances, is held invalid, the validity of the remainder of the Declaration and By-laws and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

33. Perpetuities and Other Rules of Property. If any of the options, privileges, covenants or rights created by this Declaration would otherwise violate (a) the rule against perpetuities or some analogous statutory provision, or (b) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of the incumbent Mayor of the City of Chicago, the incumbent Mayor of the City of New York, and the incumbent President of the United States.

34. Rights and Obligations. Each grantee of Declarant by the acceptance of a deed of conveyance, and each purchaser under any contract of such deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such person in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the rights described in this Paragraph or described in any other part of this Declaration or the By-laws shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of such Unit Ownerships as fully and complete as though such rights were recited fully and set forth in their entirety in such documents.

35. General Provisions.

(a) No covenants, restrictions, conditions, obligations, or provisions contained in this Declaration shall be deemed to have been abrogated or

waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

(b) The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a first class condominium.

(c) In the event title to any Unit Ownership is conveyed to a titleholding trust, under the terms of which all powers of management, operation and control of the Unit Ownership remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all obligations, liens, or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Unit Ownership. No claim shall be made against any such titleholding trustee personally for payment of any lien or obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Unit Ownership and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Unit Ownership.

(d) In the event any lien exists against two (2) or more Units and the indebtedness secured by such lien is due and payable, the Unit Owner of any such Unit so affected may remove such Unit and the undivided interest in the Common Elements appertaining thereto from such lien by payment of the proportional amount of such indebtedness attributable to such Unit. In the event such lien exists against the Units or against the Property, the amount of such proportional payment shall be computed on the basis of the percentage set forth in the Declaration. Upon payment as herein provided, it is the duty of the encumbrancer to execute and deliver to the Unit Owner a release of such Unit and the undivided interest in the Common Elements appertaining thereto from such lien, except that such proportional payment and release shall not prevent the encumbrancer from proceeding to enforce his rights against any Unit or interest with respect to which such lien has not been so paid or released.

The owner of such Unit shall not be liable for any claims, damages or judgments entered as a result of any action or inaction of the Board of Managers of the Association other than for mechanics' liens as hereinafter set forth. Each Unit Owner's liability for any judgment entered against the Board of Managers or the Association, if any, shall be limited to his proportionate share of the indebtedness as set forth herein, whether collection is sought through assessment or otherwise. A Unit Owner shall be liable for any claim, damage or judgment entered as a result of the use or operation of his Unit, or caused by his own conduct. Before conveying a Unit, the Developer shall record or furnish purchaser releases of all liens affecting that Unit and its Common Element interest which the purchaser does not expressly agree to take subject to or assume, or the Developer shall provide a surety bond or substitute collateral for or insurance against such liens. After conveyance of such Unit, no mechanics' lien shall be created against such Unit or its Common Element interest by reason of any subsequent contract by the Developer to improve or make additions to the Property.

If, as a result of work expressly authorized by the Board of Managers, a mechanics' lien is placed against the Property or any portion of the Property, each Unit Owner shall be deemed to have expressly authorized it and consented thereto, and shall be liable for the payment of his Units' proportionate share of any due and payable indebtedness.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed this 20 day of February, 1979.

MIDWEST BANK AND TRUST COMPANY
as Trustee under Trust Agreement
dated September 19, 1978, and
known as Trust Number 78-09-2714,
not in its individual corporate
capacity, but solely as trustee.

By: William T. Grace
(Title) V.P.

ATTEST:

Robert L. Woods
(Title) President

STATE OF ILLINOIS)
COUNTY OF COOK) SS.

I, MARGARET L. CLINE, a Notary Public in and for said County, in the State aforesaid, do hereby certify that WILLIAM T. GRACE, personally known to me to be the VICE President of the MIDWEST BANK AND TRUST COMPANY, a corporation duly licensed to transact business in the State of Illinois, and ROBERT L. WOODS, personally known to me to be the PRESIDENT ~~Secretary~~ of said 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 severally acknowledged that they signed and delivered the said instrument as VICE President and PRESIDENT ~~Secretary~~ of said corporation, and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 20th day of February, 1979.

Margaret L. Cline
Notary Public

(Notary Seal)

My Commission expires October 24 1979

CONSENT OF MORTGAGE

MIDWEST BANK AND TRUST COMPANY, holder of a trust deed on the Property dated October 18, 1978, and recorded October 25, 1978 as Document No. 24687735 hereby consents to the execution and recording of the within Declaration of the Condominium Ownership and agrees that said trust deed is subject to the provisions of said Declaration and the Condominium Property Act of the State of Illinois.

IN WITNESS WHEREOF, the said MIDWEST BANK AND TRUST COMPANY has caused this instrument to be signed by its duly authorized officers on its behalf, all done at Elmwood Park, Illinois on this 20 day of February, 1979.

By: Robert Woods
President Robert Woods

ATTEST:

William T. Grace
Secretary

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, MARGARET L. CLINE, a Notary Public in and for said County, in the State aforesaid, do hereby certify that ROBERT L. WOODS, personally known to me to be the President of the MIDWEST BANK AND TRUST COMPANY, a corporation duly licensed to transact business in the State of Illinois, and WILLIAM T. GRACE, personally known to me to be the Secretary of said 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 severally acknowledged that they signed and delivered the said instrument as President and Secretary of said corporation, and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 20th day of February, 1979.

Margaret L. Cline
Notary Public

(Notary Seal)

My Commission expires October 29, 1979

EXHIBIT B

Declaration of Condominium ownership
San Tropai Condominium Building Two

1275 Baldwin Lane
Palatine, Illinois

Percentages of Ownership

| <u>Unit No.</u> | <u>Percentage Interest In Common Elements</u> |
|-----------------|---------------------------------------------------|
| 101 | 0.980% |
| 102 | 1.176% |
| 103 | 1.188% |
| 104 | 1.176% |
| 105 - 219 | 1.391% |
| 106 | 1.380% |
| 107 | 1.380% |
| 108 | 1.380% |
| 109 11 | 1.176% - 1186 |
| 110 | 1.176% |
| 112 | 1.583% |
| 201 | 1.207% |
| 202 | 1.196% |
| 203 | 1.207% |
| 204 | 1.196% |
| 205 - 269 | 1.411% |
| 206 | 1.400% |
| 207 12 | 1.400% |
| 208 | 1.400% |
| 209 | 1.196% |
| 210 | 1.196% - 2680 |
| 211 | 1.230% |
| 212 | 1.594% |
| 300 | 1.020% |
| 301 | 1.230% |
| 302 | 1.219% |
| 303 | 1.230% |
| 304 ~ 240 | 1.219% |
| 305 | 1.433% |
| - 306 - 215 | 1.422% |
| 307 | 1.422% |
| 308 13 | 1.422% - 143% |
| 309 | 1.219% |
| 310 - 249 | 1.219% |
| 311 | 1.219% |
| 312 | 1.617% |
| 400 | 1.042% |
| 401 | 1.252% |
| 402 | 1.241% |
| 403 | 1.252% |
| 404 | 1.241% |
| 405 | 1.456% |
| 406 | 1.445% |
| 407 | 1.445% |
| 408 | 1.445% |
| 409 13 | 1.241% - 1251 |
| 410 | 1.241% |
| 411 | 1.241% |
| 412 | 1.639% |

EXHIBIT B

Percentages of Ownership

| <u>Unit No.</u> | <u>Percentage Interest In Common Elements</u> |
|-----------------|---------------------------------------------------|
| 500 | 1.065% |
| 501 | 1.276% |
| 502 | 1.264% - 1274 |
| 503 | 1.276% |
| 504 | 1.264% |
| 505 | 1.479% |
| 506 | 1.467% |
| 507 | 1.467% |
| 508 | 1.467% |
| 509 | 1.264% |
| 510 | 1.264% |
| 511 | 1.264% |
| 512 | 1.671% - 1682 |
| 600 | 1.087% |
| 601 | 1.388% |
| 602 | 1.377% |
| 603 | 1.388% |
| 604 | 1.377% |
| 605 | 1.603% |
| 606 | 1.592% |
| 607 | 1.592% |
| 608 | 1.592% |
| 609 | 1.377% |
| 610 | 1.377% |
| 611 | 1.377% |
| 612 | 1.694% |

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EXHIBIT C

Declaration of Condominium Ownership San Tropol Condominium Building Two

BY-LAWS

ARTICLE I

Members

Section 1. The direction and administration of the Property shall be vested in a Board of Managers (hereinafter referred to as the "Board"), consisting of five (5) persons who shall be elected in the manner hereinafter provided. Each member of the Board shall be one of the Unit Owners actually occupying the Unit; provided, however, that in the event a Unit Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any officer or director of such corporation, partner of such partnership, beneficiary of such trust, or manager of such other legal entity, shall be eligible to serve as a member of the Board.

Section 2. There shall be one person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known (and hereinafter referred to) as a "voting member." Such voting member may be the Owner or one of the group composed of all the Owners of a Unit Ownership, or may be some person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be an Owner. Such designation shall be made in writing to the Board and shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator, or by written notice to the Board by the Owner or Owners. Any or all of such Owners may be present at any meeting of the voting members and (those constituting a group acting unanimously) may vote or take any other action as a voting member either in person or by proxy. The total number of votes of all voting members shall be one hundred (100), and each Owner or group of Owners shall be entitled to the number of votes equal to the total of the percentage of ownership in the Common Elements applicable to his or their Unit Ownership as set forth in Exhibit B. Declarant shall be the voting member with respect to any Unit Ownership owned by the Declarant. The Association shall have one class of membership only and nothing contained in these Condominium Instruments shall permit or allow different classes of membership among Unit Owners.

Section 3. Meetings of the voting members shall be held at the Property or at such other place in the county wherein the Property is situated, as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the voting members having a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided for herein, any action may be taken at any meeting of the voting members at which a quorum is present upon the affirmative vote of the voting members having a majority of the total votes represented at such meeting.

Section 3(a). The initial meeting of the Unit Owners shall be called by the Developer, upon written notice of not less than ten (10) days nor more than thirty (30) days. Such notice shall be given not later than the earlier of thirty (30) days from the date when 75% of the Units have been conveyed by the Trustee, or thirty-four (34) months from the date of recording this Declaration. Thereafter, there shall be an annual meeting of the voting members on the first Monday of July following such initial meeting, and on

the first Monday of July of each succeeding year thereafter, at 7:30 p.m., or at such other reasonable time or date (not more than thirty (30) days before or after such date) as may be designated by written notice of the Board delivered to the voting members not less than ten (10) nor more than thirty (30) days prior to the date fixed for said meeting.

Section 3(b). Special meetings of the voting members may be called at any time for the purpose of considering matters which, by the terms of the Declaration, require the approval of all or some of the voting members, or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by the President of the Board, a majority of the Board, or by 20% of the Unit Owners and delivered not less than ten (10) nor more than thirty (30) days prior to the date fixed for said meeting. The notices shall specify the date, time, and place of the meeting and the matters to be considered. Matters to be submitted at special meetings of the voting members shall first be submitted to the Board of Managers, at least ten (10) days prior to the special meeting, who shall then submit the matters to the voting members.

Section 3(c). Notices of meetings required to be given herein may be delivered either personally or by registered mail to the persons entitled to vote at such meetings, addressed to each such person at the address given by him to the Board for the purpose of service of such notice, or to the Unit of the Owner with respect to which such voting right appertains, if no address has been given to the Board.

Section 3(d). No merger or consolidation of the Association; sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all of the Property and assets of the Association; and the purchase or sale of land or of Units on behalf of all Unit Owners shall be effectuated unless there is an affirmative vote of two-thirds (2/3) of the votes of Unit Owners, except as otherwise provided for in the Declaration.

Section 3(e). When 30% or fewer of the Units, by number, possess over 50% in the aggregate of the votes in the Association, any percentage vote of members specified in the Condominium Instruments, or the Act, shall require instead the specified percentage by number of Units rather than by percentage of interest in the Common Elements allocated to Units that would otherwise be applicable.

Section 4. The Board shall meet at least four (4) times annually, on the first Monday of January, April, July and October and at such other times as the Board deems necessary. Meetings of the Board shall be open to any Unit Owner. Notice of any such meeting shall be mailed to the Unit Owners and Board Members at least forty-eight (48) hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice.

ARTICLE II

Board of Managers

Section 1. At the initial meeting the voting members shall elect a Board. In all elections for members of the Board, each voting member shall be entitled to vote on a cumulative voting basis, and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. A majority of the total number of members on the Board shall constitute a quorum. Members of the Board elected at the initial meeting shall serve until the first annual meeting. At the first annual meeting, and at each successive annual meeting thereafter, members of the Board shall be elected for a term of one (1) year. The voting members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease such number of persons on the Board or may increase the term of office of Board members at any annual or special meeting, provided

that such number shall not be less than three (3), that the terms of at least one-third (1/3) of the persons on the Board shall expire annually, and that no member of the Board or officer shall be elected for a term of more than two (2) years, provided however that a Board member or officer may be re-elected at the end of his term. Members of the Board shall receive no compensation for their services, unless expressly allowed by the Board at the direction of the voting members having two-thirds (2/3) of the total votes. Vacancies in the Board, including vacancies due to any increases in the number of persons on the Board, shall be filled by election by the voting members present at the next annual meeting or at a special meeting of the voting members called for such purpose. Except as otherwise provided in the By-laws, the Property shall be managed by the Board and the Board shall act by majority vote of those present at its meetings when a quorum exists. A majority of the total number of members of the Board shall constitute a quorum. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt.

Section 2. The Board shall elect from among its members a President who shall preside over both its meetings and those of the voting members, and who shall be the chief executive officer of the Board and the Association and who shall execute amendments to the Condominium Instruments, a Secretary who shall keep the minutes of all meetings of the Board and of the voting members, who shall mail and receive all notices, and who shall, in general, perform all the duties incident to the office of Secretary, and a Treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect.

Section 3. Any Board member may be removed from office by affirmative vote of the voting members having at least two-thirds (2/3) of the total votes, at any special meeting called for the purpose. A successor to fill the unexpired term of a Board member removed may be elected by the voting members at the same meeting or any subsequent meeting called for that purpose.

Section 4. All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President or any Vice-President and countersigned by the Secretary or any Assistant Secretary of the Board.

Section 5. The Board shall have the following additional powers and duties:

- (a) operation, care, upkeep, maintenance, replacement and improvement of the Common Elements;
- (b) preparation, adoption and distribution of the annual budget for the Property;
- (c) levying of assessments;
- (d) collection of assessments from Unit Owners;
- (e) employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements;
- (f) obtaining adequate and appropriate kinds of insurance;
- (g) owning, conveying, encumbering, leasing and otherwise dealing with Units conveyed to or purchased by it;
- (h) adoption and amendment of rules and regulations covering the details of the operation and use of the Property;
- (i) keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property;
- (j) to have access to each Unit from time to time as may be necessary for the maintenance, repair or replacement of any Common Elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Elements or to other Unit or Units;
- (k) to pay for water, waste removal, other operating expenses, electricity telephone and other necessary utility service for the Common Elements and the assessments provided for in the Master Declaration;

(l) to engage the services of a manager or managing agent who shall manage and operate the Property for all the Unit Owners upon such terms and with such authority as the Board may approve;

(m) to formulate policies for the administration, management and operation of the Property;

(n) To adopt rules and regulations, with written notice thereof to all Unit Owners, governing the administration, management, maintenance, operation, use, conservation and beautification of the Property and for the health, comfort, safety and general welfare of the Unit Owners, and to amend such rules and regulations from time to time;

(o) to provide for any construction, alteration, installation, maintenance, repair, painting, and replacement for which the Board is responsible or authorized under the Declaration and By-laws and for such purposes to enter and to authorize entry into any Unit and/or Limited Common Elements, causing as little inconvenience to the Unit Owners as practicable and repairing any damage caused by any such entry at the expense of the maintenance fund;

(p) to provide for the designation, hiring and removal of employees and other personnel, including lawyers and accountants, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and to delegate any such powers to the manager or managing agent (and any such employees or other personnel as may be employees of the managing agent);

(q) to estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Unit Owners their respective shares of such estimated expenses as hereinafter provided;

(r) to pay out of the maintenance fund hereinafter provided for, the following:

(i) water, waste removal, electricity and telephone and other necessary utility services for the Common Elements and (if not separately metered or charged) for the Units.

(ii) the services of a manager or managing agent or any other person or firm employed by the Board.

(iii) payment for the maintenance, repair and replacement of the Common Elements.

(s) to bid for and purchase any Unit Ownership at a sale pursuant to a mortgage foreclosure, or a foreclosure of the lien for common expenses under the Act, or at a sale pursuant to an order or direction of a court, or other involuntary sale, upon the affirmative vote of not less than two-thirds (2/3) of the votes of Unit Owners;

(t) to comply with the instructions of a majority of the Unit Owners, as expressed in a resolution duly adopted at any annual or special meeting of the Unit Owners, to the extent not inconsistent with the Condominium Property Act of the State of Illinois, the Declaration, and the Master Declaration as amended from time to time or these By-laws;

(u) to exercise all other powers and duties of the Board of Managers or Unit Owners as a group referred to in the Declaration, these By-laws or the Condominium Property Act of the State of Illinois.

ARTICLE III

Assessments

Section 1. Each year on or before November 1, the Board shall estimate the total amount necessary to pay the cost of all common expenses (including the amount of assessments to be levied on units or unit owners under the Master Declaration) which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements. The annual budget shall set forth with particularity all anticipated common expenses by category as well as all anticipated assessments and other income. The budget shall also set forth each Unit Owner's proposed Common Expense assessment. Each Unit Owner shall receive, at least thirty (30) days prior to the adoption thereof by the Board of Managers, a copy of the proposed annual budget; the annual budget shall also take into account the estimated

net available cash income for the year from the operation or use of the Common Elements, if any. The "estimated annual budget" shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit B attached hereto. Each Unit Owner shall receive notice in the same manner as is provided in this Declaration for membership meetings, of any meeting of the Board of Managers concerning the adoption of the proposed annual budget or any increase, or establishment of an assessment. On or before January 1 of the ensuing year, and the first day of each and every month of said year, each Unit Owner shall be obligated to pay to the Board or as it may direct, one-twelfth (1/12) of the assessment made pursuant to this paragraph. On or before April 1, of each calendar year, the Board shall supply to all Unit Owners an itemized accounting of the common expenses for the preceding year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget or assessments, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Unit Owner's percentage of ownership in the Common Elements to the next monthly installments due from Unit Owners under the current year's estimate, until exhausted, and any net shortage shall be added according to each Unit Owner's percentage of ownership in the Common Elements to the installments due in the succeeding six (6) months after rendering of the accounting.

Section 2. The Board shall establish and maintain a reasonable reserve for contingencies and replacements. Any extraordinary or non-recurring common expense, any common expense not set forth in the budget as adopted, and any increase in assessments over the amount adopted shall be separately assessed against all Unit Owners. Any such separate assessment shall be subject to approval by the affirmative vote of at least two-thirds (2/3) of the Unit Owners voting at a meeting of such Unit Owners duly called for the purpose of approving the assessment if it involves proposed expenditures resulting in a total payment assessed to a Unit Owner equal to the greater of five (5) times the Unit's most recent common expense assessment calculated on a monthly basis or three-hundred dollars (\$300.00). All Unit Owners shall be personally liable for and obligated to pay their respective adjusted monthly amount.

Section 3. When the first Board elected hereunder takes office, it shall determine the "estimated annual budget" as hereinabove defined, for the period commencing thirty (30) days after said election and ending on December 31 of the calendar year in which said election occurs. Assessments shall be levied against the Unit Owners during said period as provided in Section 1 of this Article.

Section 4. The failure or delay of the Board to prepare or serve the annual or adjusted estimate on the Unit Owner shall not constitute a waiver or release in any manner of such Unit Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Unit Owner shall continue to pay the monthly rate established for the previous period until the next monthly maintenance payment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

Section 5. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. Such records and vouchers authorizing the payments shall be available for inspection by any Unit Owner and any representative of a Unit Owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the Unit Owner. Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

Section 6. If a Unit Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the members of the Board may bring suit for and on behalf of themselves and as representatives of all Unit Owners, to enforce collection thereof or to foreclose the lien therefor as hereinafter provided; and there shall be added to the amount due the costs of said suit, and other fees and expenses together with legal interest and reasonable attorneys' fees to be fixed by the Court. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided shall be and become a lien or charge against the Unit Ownership of the Unit Owner involved when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of liens against real estate. Said lien shall take effect and be in force when and as provided in the Act. Any encumbrancer may from time to time request in writing a written statement from the Board setting forth the unpaid common expenses with respect to the Unit Ownership covered by such encumbrancer.

The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision contained in the Declaration shall give the Board the right, in addition to any other rights provided for in the Declaration or By-laws: (a) to enter upon the Unit, or any portion of the Property upon which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession of such Unit Owner's interest in the property and to maintain an action for possession of such Unit in the manner provided by law.

Section 7. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Elements or abandonment of his Unit.

Section 8. Until such time as the first Board provided for herein is elected, the Developer may assess each Unit Owner a maintenance fee. All of the rights, duties and functions of the Board set forth in this Declaration shall be exercised by the Developer for a period ending within the first Annual Meeting of the Unit Owners called pursuant to Section 3(a) of Article I hereof or if the initial Board is not elected on the date on which that meeting is called, thirty (30) days thereafter.

Section 9. Any first mortgage or first trust deed made, owned or held by a bank, savings and loan association or insurance company, and recorded prior to the recording or mailing of a notice by the Board of the amount owing by a Unit Owner who has refused or failed to pay his share of the monthly assessment when due shall be superior to the lien of such unpaid common expenses set forth in said notice and to all assessments for common expenses which become due and are unpaid subsequent to the date of recording of such first mortgage or first trust deed; provided, however, that after written notice to the holder of any such mortgage or trust deed, such mortgage or trust deed shall be subject to the lien of unpaid common expenses which are due and payable subsequent to the date when such holder takes possession of the Unit, accepts a conveyance of such Unit, or has a receiver appointed in a suit to foreclose the lien of such mortgage or trust deed.

Section 10. All funds collected hereunder shall be held and expended for the purpose designated herein, and (except for such special assessments as may be levied hereunder against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the Unit Owners in the percentages set forth in Exhibit B.

Section 11. Any insurance premiums assessed on a basis reflecting increased charges for coverage on certain Units shall be assessed to such Unit.

ARTICLE IV

General Provisions

Section 1. No part of the Property shall be used for other than housing and the related common purposes for which the Property was designed. Each Unit or any two or more adjoining Units used together shall be used as a residence for a single family or such other uses permitted by this Declaration and for no other purposes. That part of the Common Elements separating any two or more adjoining Units used together may be altered to afford ingress and egress to and from such adjoining Units in such manner and upon such conditions as shall reasonably be determined by the Board.

Section 2. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, shall be conducted, maintained, or permitted on any part of the Property. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the Property except at such location and in such form as shall be determined by the Board. The right is reserved by the Trustee and the Developer or their agent or agents, to place "For Sale" or "For Rent" signs on any unsold or unoccupied Units, and on any part of the Common Elements, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place signs on any Unit owned by such mortgagee. Until all Units are sold, the Trustee and the Developer and their agents, assigns, successors in interest and employees shall be entitled to access, ingress and egress to each building and the Property as they shall deem necessary in connection with the construction or sale of any Building or any Unit. The Developer and the Trustee shall have the right to use any unsold Unit or Units as a model apartment or for sales or display purposes and to maintain on the Property, until the sale of the last Unit, all models, sales offices and advertising signs or banners, if any, and lighting in connection therewith.

Section 3. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Building, or contents thereof, applicable for residential use, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building, or contents thereof, or which would be in violation of any law. No waste shall be committed in the Common Elements.

Section 4. Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the Building and no sign, awning, canopy, shutter, radio or television antenna (except as exists on the date of the recording hereof, or otherwise constructed by the Developer) shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior written consent of the Board.

Section 5. No animals of any kind shall be raised, bred, or kept in any Unit or in the Common Elements, except that cats, or other household pets, except dogs, may be kept in Units, subject to rules and regulations adopted by the Board, provided that they are not kept, bred, or maintained for any commercial purpose; and provided further that all pets of any kind must be kept on a leash when outside the Unit; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or being outside the Unit without being on a leash shall be permanently removed from the Property upon three (3) days' written notice from the Board.

Section 6. No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or Occupants.

Section 7. Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity of the Building or which would structurally change the Building except as otherwise provided herein, and except that the Developer and his agents, assigns, successors in interest and employees may make any and all structural changes and additions they deem appropriate in completing construction of any Building or any Unit.

Section 8. No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

Section 9. There shall be no playing, lounging, parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches, chairs or other personal property on any part of the Common Elements without the prior written consent of, and subject to any regulation of, the Board.

Section 10. No Unit Owner shall overload the electric wiring in any Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others or connect any machines, appliances, accessories or equipment to the heating system or plumbing system, without the prior written consent of the Board.

Section 11. Nothing in this Article IV shall be construed to prevent or prohibit a Unit Owner from maintaining his professional personal library, or keeping his personal business or professional records or accounts, or handling his personal business or professional telephone calls, or conferring with business or professional associates, clients or customers, in his Unit, subject to the regulations of the Board.

Section 12. Each Unit Owner shall be responsible for his own insurance on his personal property in his own Unit, his personal property stored elsewhere on the Property and his personal liability to the extent not covered by the liability insurance for all the Unit Owners obtained by the Board as hereinbefore provided.

ARTICLE V

Amendments

These By-laws may be amended or modified from time to time by action or approval of the voting members having at least two-thirds (2/3) of the total votes, provided, however, that no provision in these By-laws may be amended or modified so as to conflict with the provisions of the Condominium Property Act of the State of Illinois, the Declaration, or the Master Declaration. Such amendments shall be recorded in the Office of the Recorder of Deeds of the County wherein the Property is located.

EXHIBIT D

Declaration of Condominium Ownership
San Tropai Condominium Building Two

Legal Description of Units

Units 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 112, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 500, 501, 502, 503, 504, 505, 506, 607, 508, 509, 510, 511, 512, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612 in San Tropai Condominium Building Two as delineated on a survey of the following described real estate:

That part of the South 780 feet, as measured at right angles to the South line thereof, of the North West quarter of the North East quarter of Section 12, Township 42 North, Range 10, East of the Third Principal Meridian, described as follows: Commencing at the South West corner of said North West quarter of the North East quarter; thence East along the South line of said North West quarter of the North East quarter, 757.17 feet (the South line of said North West quarter of the North East quarter being assumed as running due East and West for this legal description); thence North 134 feet to a point for a point of beginning of the parcel of land herein described; thence South 77 feet; thence West 88 feet; thence South 13.4 feet; thence West 217.17 feet; thence North 77 feet; thence East 123 feet; thence North 71.40 feet; thence East 59.17 feet; thence South 58 feet; thence East 123 feet to the point of beginning, in Cook County, Illinois which survey is attached as Exhibit "A" to the Declaration of Condominium recorded as Document Number

24917327.

EXHIBIT E

Declaration of Condominium Ownership
San Tropai Condominium Building Two

Legal Description

That part of the South 780 feet, as measured at right angles to the South line thereof, of the North West quarter of the North East quarter of Section 12, Township 42 North, Range 10, East of the Third Principal Meridian, described as follows: Commencing at the South West corner of said North West quarter of the North East quarter; thence East along the South line of said North West quarter of the North East quarter, 757.17 feet (the South line of said North West quarter of the North East quarter being assumed as running due East and West for this legal description); thence North 134 feet to a point for a point of beginning of the parcel of land herein described; thence South 77 feet; thence West 88 feet; thence South 13.4 feet; thence West 217.17 feet; thence North 77 feet; thence East 123 feet; thence North 71.40 feet; thence East 59.17 feet; thence South 58 feet; thence East 123 feet to the point of beginning, in Cook County, Illinois.