

ENGLEWOOD POINTE TOWNHOMES CONDOMINIUMS

DECLARATION OF CONDOMINIUM OWNERSHIP AND OF EASEMENTS, RESTRICTIONS, COVENANTS AND BY-LAWS FOR ENGLEWOOD POINTE TOWNHOMES CONDOMINIUMS

THIS DECLARATION ("Declaration") is made by Englewood Pointe LLC, an Illinois limited liability company ("Declarant")

WITNESSETH:

A. The Declarant is the holder of legal title to that certain parcel of real estate situated in the Village of Shorewood, County of Will, State of Illinois, and more particularly described in Exhibit A attached hereto and by this reference made a part hereof.

B. It is the desire and intention of the Declarant to enable the Property (as hereinafter defined) which includes, but is not limited to, the Parcel together with the building, structure, improvements, and other permanent fixtures of whatsoever kind now or hereafter thereon, and all rights and privileges belonging or in any way pertaining thereto to be owned by Declarant and by each successor in interest of Declarant, under that certain type of method of ownership commonly known as "CONDOMINIUMS", and to submit the Property to the provisions of the Condominium Property Act of the State of Illinois, as amended from time to time; and

C. The Property shall from and after the date of the recording of this Declaration be known as Englewood Pointe Townhomes Condominiums or such other name as may be subsequently adopted pursuant to the Act (as hereinafter defined) by the Board (as hereinafter defined).

PREPARED BY AND UPON
RECORDING RETURN TO:

COMMON ADDRESS:

Jeffrey J. Stahl
Stahl Cowen Crowley LLC
55 West Monroe Street, Suite 500
Chicago, Illinois 60603

PIN:

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D. The Declarant desires and intends by this Declaration to declare that the several Unit Owners, mortgagees, occupants and other persons acquiring any interest in the Property shall at all times enjoy the benefits of and shall at all times hold their interests subject to the rights, easements, privileges and restrictions hereafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of ownership, and to facilitate the proper administration of the Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property.

NOW, THEREFORE, the Declarant, as the holder of legal title to the above described real estate and for the purposes above set forth DECLARES AS FOLLOWS:

ARTICLE I

DEFINITIONS

For the purpose of brevity and clarity certain words and terms used in this Declaration are defined as follows:

1.1 Act means the Condominium Property Act of the State of Illinois (765 ILCS 605 *et seq.*), as amended from time to time.

1.2 Association means The Englewood Pointe Townhomes Condominiums Association, an Illinois not-for-profit corporation.

1.3 Balcony or Patio means the portion of the Common Elements, if any, designated as a "balcony" or "patio" on the Plat.

1.4 Board means the Board of Directors of the Association.

1.5 Buildings means the buildings located on the Parcel, forming a part of the Property and containing the Units, as shown by the surveys depicting the respective floors of the Buildings, and all structures attached or unattached, containing one or more Units

1.6 Bylaws means the Bylaws of the Association which are set forth in this Declaration, as may be amended from time to time.

1.7 Closing means the date on which title to a Unit Ownership is conveyed by the Declarant to a Purchaser.

1.8 Common Elements means all portions of the Property except the Units, including the Limited Common Elements.

1.9 Common Expenses means the proposed or actual expenses affecting the Property, including Reserves, if any, lawfully assessed by the Board, including without limitation, the expenses of maintenance, repair, administration and operation of the Common Elements.

1.10 Condominium Instruments means all documents and authorized amendments thereto recorded pursuant to the provisions of the Act, including this Declaration, the Bylaws and the Plat.

1.11 Declaration means this instrument by which the Property is submitted to the provisions of the Act, and all Exhibits attached to this instrument and all amendments to this instrument made from time to time pursuant to the provisions of this instrument.

1.12 Developer means Englewood Pointe LLC including any successor or successors to the entire interest of such party in the Property other than the purchaser of an individual Unit.

1.13 First Mortgagee means the holder of a note secured by a bona fide first mortgage or first trust deed covering any portion of the Property.

1.14 Limited Common Elements means a portion of the Common Elements so designated in this Declaration as being reserved for the use of a certain Unit or Units to the exclusion of other Units.

1.15 Majority of Unit Owners means those Unit Owners, without regard to their number, who own more than one-half (½) of the Units. Any specified percentage of the Unit Owners shall mean those Unit Owners who, in the aggregate, own such specified percentage of the Units.

1.16 Occupant means a person in possession of a Unit regardless of whether such person is a Unit Owner.

1.17 Parcel means lot or lots, tract or tracts of land, upon which the Buildings are situated which is legally described above, all of which is submitted to the provisions of the Act, whensoever submitted.

1.18 Person means a natural individual, corporation, partnership, limited liability company, trustee or other legal entity capable of holding title to real property.

1.19 Plat means the plats of survey of the Property and all of the Units in the Property submitted to the Act, said Plat being attached hereto as Exhibit B and made a part hereof and recorded with the recording of this Declaration, which may consist of a three dimensional horizontal and vertical delineation of all such property.

1.20 Property means all the land, property and space comprising the Parcel, all improvements and structures erected, constructed or contained therein or thereon, all easements, rights and appurtenances belonging thereto, and all fixtures, equipment and utilities intended for the mutual use, benefit or enjoyment of the Unit Owners, submitted to the provisions of the Act. The term Property shall include, without limitation, the Buildings and all private roads and streets within the Parcel not dedicated to a public body.

1.21 Purchaser means any Person other than Developer, who purchases a Unit in a bona fide transaction for value.

1.22 Reserves means those sums paid by Unit Owners which are separately maintained by the Board for purposes specified by the Board or the Condominium Instruments other than for insurance, maintenance, the operation of the Association and other regularly recurring or occurring expenses of the Association.

1.23 Unit means a part of the Property within the Buildings more specifically described hereafter in Article II and depicted on the Plat attached hereto as Exhibit B, as amended from time to time. Each Unit shall be designated for use by its Unit Owner and Occupants of such Unit.

1.24 Unit Owner means the Person or Persons whose estates or interest individually or collectively, aggregate fee simple absolute ownership of a Unit.

1.25 Unit Ownership means a part of the Property consisting of one Unit and an undivided percentage interest in the Common Elements allocated thereto.

1.26 Village means the Village of Shorewood, Illinois.

1.27 Voting Member means the person entitled to exercise all voting power in respect to a Unit Ownership.

ARTICLE II UNITS

2.1 Description.

(a) All Units are located on the Property, are delineated on the Plat and are listed on and have the percentage ownership as set forth in Exhibit C attached hereto and made a part hereof. Each Unit shall have an easement over the Common Elements so that each Unit has access for ingress and egress to a public right of way.

(b) Each Unit consists (or shall consist) of the space enclosed and bounded by the horizontal and vertical planes as delineated on the Plat attached hereto as Exhibit B, including, without limitation, pipes, ducts, flues, chases, chutes, conduits, wires and other structural, utility, heating, cooling or ventilation equipment or spaces to the extent and only to the extent serving only such Unit and the garage attached to such Unit, together with the driveway appurtenant thereto; and (anything herein to the contrary notwithstanding) excluding all structural components of the Buildings, the term "structural components" including structural columns and pipes, wires, conduits, ducts, flues, shafts or public utility lines running through the Unit and forming a part of any system serving more than the Unit, or any components of communication or master antenna systems, if any, located in the Unit, whether or not any such items shall be located in the floors, ceilings or perimeter or interior walls of the Unit. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on Exhibit B followed by a legal description of the Property which may refer to this Declaration and the date and identifying number this Declaration is given upon recording in the Office of the Recorder of Deeds of Will County, Illinois. Every deed, lease, mortgage or other instrument may legally describe a Unit by its identifying number or symbol as shown on Exhibits B and C, and every such description shall be deemed good and sufficient for all purposes.

(c) Except as provided by the Act or as provided elsewhere herein, no Unit Owner other than Declarant or Developer shall, by deed, plat, court decree or otherwise, combine or subdivide or in any other manner cause his Unit to be separated into any tracts or parcels different from the whole Unit as shown on Exhibit B. Except as provided in the Act or this Declaration, no Unit Owner shall by deed, plat, court

decree or otherwise combine his Unit with another Unit. If a Unit Owner or Unit Owners combine his or their Units pursuant to the Act and this Declaration, they may, at their own expense, locate or relocate Common Elements affected or required thereby in accordance with the Act and this Declaration.

(d) To the extent such data is available to Developer at the time this Declaration is filed, the Plat sets forth the measurements, elevations, locations and other data, as required by the Act, with respect to (i) the Parcel and its exterior boundaries; (ii) the Buildings and each floor thereof; and (iii) each Unit in the Buildings and said Unit's horizontal and vertical dimensions. However, Developer hereby reserves unto itself the right, from time to time, as further data becomes available, to amend the Plat so as to set forth the measurements, elevations, locations and other data required by the Act, with respect to the Buildings and the Units now or hereafter constructed on the Parcel. Further, at such time, Developer shall also amend the percentage ownership indicated on Exhibit C to include the Buildings and Units as construction on the Parcel and submitted to the Act.

In furtherance of the foregoing, a power coupled with an interest is hereby granted to Developer and/or Declarant, acting by or through its duly authorized officers, its successors, assigns or designees, and their agents, and each of them singly, as attorney-in-fact, to amend the Plat, as described above, without notice to any Unit Owner. Each deed, mortgage or other instrument with respect to a Unit and the acceptance thereof shall be deemed a grant of such power to each of said attorneys-in-fact, and acknowledgment of and consent to such power, and shall be deemed to reserve to each of said attorneys-in-fact the power to amend the Plat, as described above.

2.2 Certain Structures Not Constituting Part of a Unit. No structural components of the Buildings, and no pipes, wires, conduits, public utility lines, ducts, flues, and shafts situated within a Unit and forming part of any system serving one or more other Units, nor the Common Elements, shall be deemed part of said Unit.

2.3 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; provided, however, if Developer has turned over control of the Association to the Unit Owners and separate real estate tax bills have not been issued with respect to each Unit, the Association may elect, by action of the Board of Directors, to include the real estate taxes imposed on the Property in the Common Expenses assessed pursuant to this Declaration until separate real estate tax bills are so issued.

ARTICLE III COMMON ELEMENTS

3.1 Description. Except as otherwise in this Declaration provided, the Common Elements shall consist of all portions of the Property except the Units. Without limiting the generality of the foregoing, the Common Elements shall include: the walls, roof, hallways, stairways, entrances and exits, mechanical equipment areas, meter rooms, storage areas, trash rooms, garages, master television antenna and cabling system (if any), pipes, ducts, flues, shafts, chases, electrical wiring and conduits (except pipes, ducts, flues, shafts, chases, electrical wiring and conduits situated entirely within a Unit and serving only such Unit), heating, air conditioning and ventilating systems and equipment serving the Common Elements, elevators, public utility lines, structural components of the Buildings as such components serve the Units, streets and roadways serving the Property and not otherwise dedicated to a public body, storm sewers and street lights that are located outside the dedicated right of way, and all other portions of the Property except the Units. Any

references to "Common Elements" appearing on the Plat (except references to Limited Common Elements) shall be deemed solely for purposes of general information and shall not be limiting in any way, nor shall any such reference define the Common Elements in any way.

3.2 Ownership of Common Elements. Each Unit Owner shall own an undivided interest in the Common Elements as a tenant in common with all the other Unit Owners of the Property in the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, as set forth in Exhibit C. The percentages of ownership interests set forth in Exhibit C have been computed and determined in accordance with Section 4(e) of the Act based on the value of each respective Unit in relation to the value of the Property as a whole, and shall remain constant and shall not be changed, except as specifically permitted under the Act or this Declaration. Developer has so determined each Unit's corresponding percentage of ownership in the Common Elements and each Purchaser and Unit Owner accepts such determination. The ownership of each Unit shall not be conveyed separate from the percentage of ownership in the Common Elements corresponding to said Unit. The undivided percentage of ownership in the Common Elements corresponding to any Unit shall always be deemed conveyed or encumbered with any conveyance of encumbrance of that Unit, even though the legal description in the instrument conveying said Unit may refer only to that Unit. The Common Elements shall remain undivided and no Unit Owner shall bring any action for partition. Each Unit Owner shall have the right to use the Common Elements for all purposes incident to the use and occupancy of his Unit as a place of residence, and such other incidental uses permitted by this Declaration, which right shall be appurtenant to and run with his Unit. Such right shall extend to each Unit Owner, and the agents, servants, tenants, family members, and invitees of each Unit Owner. Notwithstanding the foregoing, the Association is hereby granted the right to grant permits, licenses and easements over the Common Elements for utilities, roads and other purposes necessary for the operation and maintenance of the Property.

3.3 Limited Common Elements. The Limited Common Elements shall consist of all portions of the Common Elements serving exclusively one or more Units as an inseparable appurtenance thereto, as designated as such in this Declaration, including in the Plat, or which by the nature or location thereof are to be reserved for the use of one or more Units to the exclusion of other Units. The Limited Common Elements shall include, but shall not be limited to, the following: (a) the interior surface of the perimeter walls, ceilings and floors which define the boundary planes of a Unit; (b) perimeter doors, windows and skylights which serve exclusively a single Unit; (c) any system or component part thereof which serves a Unit exclusively, to the extent that such system or component part is located outside the boundaries of a Unit; (d) terraces, decks or balconies which are contiguous to a Unit, if any; and (e) storage areas designated on the Plat. Any portion of the Common Elements which by the terms of this Declaration or by its nature or location is clearly intended to serve exclusively a certain Unit or Units (but less than all of the Units) or the owner or owners thereof, shall be deemed a Limited Common Element. Storage areas (if any) will be assigned as Limited Common Elements by deed.

3.4 Use and Transfer of Limited Common Elements. Each Unit Owner and Occupant shall have the right to (a) the exclusive use and possession of the Limited Common Elements serving exclusively the Unit of such Unit Owner, which right shall be appurtenant to and shall run with the title of such Unit and shall not be separated from such Unit, and (b) the use and possession of the Limited Common Elements serving the Unit of such Unit Owner in common with one or more (but not all) other Units, which use and possession shall be to the exclusion of all other persons except the Unit Owner of any such other Unit to which such Limited Common Elements shall respectively appertain. 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 this Declaration executed by all Unit Owners who are parties to the transfer and consented to by all other Unit Owners and mortgagees who have any right to use the Limited Common Elements affected. The amendment shall contain a certificate showing that a copy of amendment has been delivered to the Board. The amendment shall contain a statement from the parties involved in the transfer which sets forth any changes in the parties' respective percentage interests in the Common Elements. If the parties cannot agree upon a reappointment of their respective percentage interests in the Common Elements, the Board shall decide such reapportionment. No transfer shall become effective until the amendment has been duly recorded in the Office of the Recorder of Deeds of Will County, Illinois. Rights and obligations in respect to any Limited Common Elements shall not be affected, nor shall any transfer of it be effective, unless a transfer is in compliance with the requirements of this Section and of the applicable provisions of the Act.

ARTICLE IV GENERAL PROVISIONS AS TO UNITS AND COMMON ELEMENTS

4.1 Submission of Property to Provisions of Act. Declarant, as the owner in fee simple of the Property, expressly intends to, and by recording this Declaration, does hereby submit and subject the Property to the provisions of the Act and of this Declaration. Henceforth, the Property shall be known as Englewood Pointe Townhomes Condominiums. The Property shall be withdrawn from the provisions of this Declaration, and from the provisions of the Act, only upon the affirmative vote of three-fourths (3/4) of the Unit Owners voting at a meeting called for that purpose.

4.2 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage, lease or other instrument affecting title to the Unit Ownership without including therein both his interest in the Unit and his percentage of ownership in the Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, lease or other instrument purporting to affect the one without including also the other shall be deemed and taken to include the interest so omitted even though the latter is not expressly mentioned or described therein.

4.3 Easements.

(a) Encroachments. If (i) by reason of the construction, repair, settlement or shifting of the Buildings, or any other improvements, 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 upon any part of the Common Elements, or any other Unit; or (ii) by reason of the design or construction of any Unit, it shall be necessary or advantageous to a Unit Owner to use or occupy any portion of the Common Elements for any reasonable use appurtenant to said Unit, which will not unreasonably interfere with the use or enjoyment of the Common Elements by any other Unit Owner; or (iii) by reason of the design or construction of utility and ventilation systems, any mains, pipes, ducts or conduits serving more than one Unit encroach or shall hereafter encroach upon any part of any Units; then in any such case, valid easements for maintenance of such encroachment and for such use of the Common Elements are hereby established and shall exist for the benefit of such Unit, or the Common Elements, as the case may be, so long as such reason for use exists and as all or any part of it, the Buildings shall remain standing; provided, however, that in no event shall a valid easement for any encroachment or use of the Common Elements be created in favor of any Unit Owner if such encroachment or use is detrimental to or interferes with the reasonable use and enjoyment of the Property by any other Unit Owner or has been created by the Unit Owner or his agent through intentional, willful or negligent conduct.

(b) Utility Easements. Ameritech, Peoples Gas Company, Commonwealth Edison Company, the Department of Water serving the Village and all other suppliers of utilities (including, without limitation, telephone, cable, communications and television) serving the Property and any person providing cable or other similar services to any Unit Owners or to the Property, are hereby granted the right to install, lay, construct, operate, maintain, renew, repair or replace conduits, cables, pipes and wires and other equipment into, over, under, along and on any portion of the Common Elements for the purpose of providing the Property with utility and entertainment services, together with the reasonable right of ingress to and egress from the Property for said purpose; and Declarant, Developer, the Board or Association may hereafter grant other or additional easements for utility or entertainment purposes and for other purposes, including such easements as Declarant or Developer may from time to time require including, but not limited to, such easements as may be required to construct, keep and maintain improvements upon the Common Elements, for the benefit of the Property, over, under, along and on any portion of said Common Elements, and each Unit Owner hereby grants the Board or Association an irrevocable power of attorney to execute, acknowledge and record for and in the name of such Unit Owner, such instruments as may be necessary to effectuate the foregoing (provided that with respect to all easements granted hereby or pursuant hereto, no Unit Owner shall be deprived of, or be subjected to material interference with, the use of his Unit or any Limited Common Element serving his Unit, other than reasonably and temporarily). Each mortgagee of a Unit shall be deemed to consent to and be subordinate to any easement hereafter granted and also grants such power of attorney to the Board or Association to effectuate the foregoing. Easements are also hereby declared and granted to the Board and Association and to the suppliers of utilities or cable television or entertainment lines described above in this paragraph to install, lay, operate, maintain, repair and replace any pipes, wire, ducts, conduits, public utility lines, entertainment lines, components of the communications systems, if any, or structural components, which may run through the walls of a Unit and which constitute or will constitute Common Elements, whether or not such walls lie in whole or in part within the Unit boundaries.

The Board may hereafter grant other or additional easements for utility or commercial entertainment purposes for the benefit of the Property over, under, along and on any portion of said Common Elements, and each Unit Owner and each mortgagee of a Unit hereby grants the Board an irrevocable power of attorney coupled with an interest to execute, acknowledge and record in the name of such Unit Owner, such instruments as may be necessary or appropriate to effectuate the foregoing.

Declarant hereby reserves to itself, Developer and the Association, and their respective successors and assigns, the right, without notice to, or the consent of, any Unit Owner or mortgagee of a Unit (i) to record a supplement to the Plat showing the location of any or all of such utility or commercial entertainment conduits, cables, pipes, electrical wiring, transformers and switching apparatus and other equipment "as built," and (ii) to record, from time to time, additional supplements showing additions, modifications and deletions to any or all of such conduits, cables, electrical wiring, transformers and switching apparatus and other equipment. Once the location of the easement to any such utility or other entity is shown by any supplement or additional supplement to the Plat as aforesaid, the easement granted by this Section 3(b) to such utility or other entity shall be limited to the area or areas located within ten (10) feet on either side of the equipment of such utility or other entity shown on such supplement or additional supplement as such other area designated in the supplement by Declarant, Developer or Association. A power coupled with an interest is hereby granted to Declarant, Developer and the Association, acting by and through their respective duly authorized officers, their respective successors, assigns, agents and designees, and each of them individually without the other's concurrence, as attorney-in-fact to do or cause the foregoing to be done. The acceptance of each deed, mortgage, trust deed or other instrument with respect to a Unit Ownership shall be deemed a grant of such

power to each of said attorneys-in-fact, an acknowledgment of a consent to such power, and shall be deemed to reserve to each of said attorneys-in-fact the power to record any and all such supplements.

(c) Blanket Easement in Favor of Declarant, Developer and Other Parties. The right of the Unit Owners to use and possess the Common Elements shall be subject to a blanket easement over the Common Elements in favor of Declarant, Developer and their representatives, agents, associates, employees, contractors, subcontractors, tenants, successors and assigns, for the purpose of (i) access and ingress to and egress from the Property or any part thereof, (ii) construction, installation, repair, replacement and restoration of utilities, buildings, landscaping and any other improvements on the Parcel or any part thereof, including the right to restrict and regulate access to the Common Elements for the purposes of completing construction of the Buildings, Common Elements or Units in the Buildings, and (iii) the installation and maintenance of signs advertising the Units or any other part of the Property, and signs directing potential purchasers to the sales office and models erected in connection with the Units and for such purposes as described in Article XVI, Section 13 hereof. The foregoing easements in favor of Declarant and Developer shall continue until such time as Declarant and Developer no longer hold legal title to, or the beneficial interest in any trust holding legal title to, any Unit Ownership, at which time such easements shall cease and be of no further force and effect without the necessity of any further action.

(d) Easement in Favor of the Association. A blanket easement over the Property, including each Unit, is hereby granted in favor of the Association for the purpose of exercising its rights and performing its duties under this Declaration. The authorized representatives of the Association or the Board, or of the manager or managing agent for the Buildings, shall be entitled to reasonable access to, over and through the individual Units as may be required in connection with the operation, maintenance, repairs or replacements of or to the Common Elements or any equipment, facilities or fixtures affecting or serving other Units or the Common Elements.

(e) Easements and Rights to Run with Land. All easements and rights described herein are easements and rights running with the land, perpetually in full force and effect, and at all times shall inure to the benefit of and be binding upon Developer, its successors and assigns, and any Unit Owner, purchaser, mortgagee, and other person having an interest in the Property, or any part or portion thereof. Reference in the respective deeds of conveyance or in any mortgage or trust deed, of such easements and rights as described in this Article or in any other part of this Declaration, shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees, and trustees of such Unit ownership as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

4.4 Use of the Common Elements.

a) General. Subject to the provisions of this Declaration, each Unit Owner, and the Developer in the case of all Units that have not been sold by the Developer, shall have the nonexclusive, perpetual right to use the Common Elements (except the Limited Common Elements and portions of the Property subject to leases, easements or licenses made by or assigned to the Board) in common with the other Unit Owners, as may be required for the purpose of ingress and egress to, and user occupancy and enjoyment of, the respective Unit Ownership owned by such Unit Owner, and such other incidental uses as are permitted by this Declaration. Use of Limited Common Elements shall be governed by Article III, Section 3 of this Declaration. Such rights to use and possess the Common Elements, including the Limited Common Elements, shall be subject to and be governed by the provisions of the Act, this Declaration, and rules and regulations of the Association. In addition, the Association shall have the authority to lease, grant licenses or concessions,

and grant easements with respect to parts of the Common Elements, subject to the provisions of the Declaration and By-Laws. All income derived by the Association from leases, licenses, concessions or other sources shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions or regulations as the Board may adopt or prescribe.

b) Guest Privileges. The aforesaid described rights shall extend to the Unit Owner and Occupants, members of the immediate family, guests, visitors, agents, servants, invitees, customers and licensees of the Unit Owner, subject to reasonable rules and regulations adopted or prescribed by the Association with respect thereto.

c) Disclaimer of Bailee Liability. Notwithstanding anything to the contrary contained in this Declaration, neither the Board, the Association, any Unit Owner, Declarant nor Developer shall be considered a bailee of any personal property stored in the Common Elements and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence.

4.5 Maintenance, Repairs and Replacements.

(a) By the Association. The Association at its expense, shall be responsible for the maintenance, repair, and replacement of those portions, if any, of each Unit which contributes to the support of the Buildings excluding, however, the interior surfaces of walls, ceiling and floors which define the boundary planes of a Unit; provided, however, that each Unit Owner shall be responsible for the maintenance of all windows, exterior doors and skylights which exclusively serve such Unit Owner's Unit. In addition, the Association shall maintain, repair, and replace all pipes, wires, conduits, ducts, flues, shafts, and other facilities for the furnishing of utility services which may be located within the Unit boundaries and forming part of any system servicing more than one Unit, as specified in Article II, Section 2 hereof, exclusive of any portions of the foregoing which may be located at or beyond the wall outlets, or which may be the responsibility of an individual Unit Owner under paragraph (b) below, or any other provision of this Declaration. Maintenance, repairs, and replacements of the Common Elements, which specifically include all private roads and streets within the Parcel not dedicated to a public body, shall be furnished by the Association acting by and through the Board as part of the Common Expenses, subject to the By-Laws or rules and regulations of the Association. The Association is hereby granted the right of entry into any Unit to perform emergency repairs or to perform other work that is necessary for the maintenance of the Property.

(b) By the Unit Owner. Except as otherwise provided in paragraph (a) above or paragraph (c) below, each Unit Owner shall furnish and be responsible for, at his own expense:

(i) All of the maintenance, repairs and replacements within his own Unit, all doors appurtenant thereto, all exterior lighting fixtures attached to such Unit so that such lighting fixtures shall be illuminated every day from dusk until dawn, whether by the use of photocell, timer or some other mechanism that ensures that the lights will remain illuminated in accordance herewith, and all internal installations of such Unit such as air conditioning units, refrigerators, ranges, and other kitchen appliances, lighting fixtures and other electrical fixtures and plumbing, and any portion of any other utility service facilities located within the Unit; provided, however, that such maintenance, repairs and replacements as may be required for the bringing of telephone, cable, television, water, electricity and natural gas to the Units shall be furnished by the Board as part of the Common Expenses.

(ii) All of the decorating within his own Unit (initially and thereafter 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 entitled to the exclusive use of the interior surfaces of the common walls and the interior surfaces of the vertical perimeter walls, floors and ceiling of his Unit, and such Unit Owner shall maintain such portions in good condition at his sole expense as may be required from time to time. Each Unit Owner of any Unit who shall elect to alter his Unit by installing in any portion of his Unit (other than in bath and powder rooms) hard surface floor covering (i.e., tile, slate, ceramic, parquet, etc.) may be first required to install a sound absorbent undercushion of such kind and quality as to prevent the transmission of noise to another Unit or as may otherwise be required by the Association. The Board may, in addition to exercising all of the other remedies provided for in this Declaration for breach of any of the provisions hereof, require such Unit Owner to cover all non-conforming work with carpeting or may require removal of such non-conforming work, at the expense of the offending Unit Owner. The interior surfaces of all windows forming part of a perimeter wall of a Unit shall be cleaned or washed by and at the expense of each respective Unit Owner. The use of and the covering of the interior surfaces of such windows, whether by draperies, shades, or other items visible on the exterior of the Buildings, shall be subject to the rules and regulations of the Board as may be imposed from time to time, which shall provide for notice to the management company prior to any such installation and the management company's approval of the method of installation prior to any such installation. In order to maintain a uniform exterior appearance of the Buildings, all draperies, shades, window coverings and other items visible from the exterior of the Buildings shall be pale gray, white or pale beige in color. All such windows shall be uniform in appearance and style to preserve the architectural character and quality of the facade of the Buildings.

(iii) Except as provided in Article IV, Section 5(a), all of the maintenance, repair and replacements of the Limited Common Elements benefiting his Unit, in whole or in part shall be the responsibility of the Unit Owner, except to the extent as otherwise directed by the Board or as is otherwise provided herein. In addition, each Unit Owner shall be individually responsible for the repair, maintenance and replacement of all door and window locks and hardware with respect to which each Unit Owner is entitled to the exclusive use. At the discretion of the Board, the Board may perform, or cause to be performed, such maintenance, repairs and replacements of the Limited Common Elements and the cost thereof shall be assessed in whole or in part to Unit Owners benefited thereby, and further, at the discretion of the Board, the Board 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 with the funds of the Unit Owner, and to procure and deliver to the Board such lien waivers and contractor's or subcontractor's sworn statements as may be required to protect the Property from all mechanic's or material men's lien claims that may arise therefrom.

(c) Repairs Covered by Insurance. If any repair or replacement to the Common Elements (including the Limited Common Elements) is made necessary by reason of any act or occurrence for which insurance is maintained by the Board pursuant to Article VI, Section 1 hereof and for which insurance proceeds are available as provided in Article VI, Section 1 hereof, the Association, at its expense to the extent of such proceeds, and subject to Article VI, Section 6 hereof, shall be responsible for the repair or replacement of such Common Elements.

(d) Nature of Obligation. Nothing herein contained shall be construed to impose a contractual liability upon the Association for maintenance, repair and replacement of the Common Elements or the Units or any portion or parts thereof, but the Association's liability shall be limited to damages resulting from negligence. The respective obligations of the Association and Unit Owners set forth in this Declaration shall not be limited, discharged or postponed by reason of the fact that any such maintenance, repair or replacement is required to cure a latent or patent defect in material or workmanship in the construction of the Buildings, nor because they may become entitled to proceeds under policies of insurance. In addition, and notwithstanding anything hereinabove to the contrary, no Unit Owner shall have a claim against the Board or Association (or against Declarant) for any work ordinarily the responsibility of the Board or Association, but which the Unit Owner himself has performed or paid for, unless the same shall have been agreed to in advance by the Board, Association, Declarant or Developer.

4.6 Negligence of Unit Owner. If, due to the willful misconduct or negligent act or omission 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 owned by others, or maintenance, repairs or replacements shall be required which would otherwise be charged as a Common Expense, then such Unit Owner shall pay for such damage and such maintenance repairs and replacements as may be determined by the Board.

4.7 Joint Facilities. To the extent that equipment, facilities and fixtures within any Unit or Units shall be connected to similar equipment, facilities or fixtures affecting or serving other Units or the Common Elements, then the use thereof by the individual Unit Owner shall be in all respects reasonable as it affects other Unit Owners.

4.8 Additions, Alterations or Improvements.

(a) The Board may authorize and charge as Common Expense (or in the case of Limited Common Elements, may charge the Unit Owners benefited thereby, except with respect to the matters set forth in Article IV, Section 5(a)) the cost of the additions, alterations or improvements to the Common Elements. The cost of any such work to the Common Elements may be paid out of a special assessment.

(b) Except as otherwise provided in Article XVI hereof, no additions, alterations or improvements shall be made by a Unit Owner to any part of the Common Elements (including the Common Elements) and no additions, alterations or improvements shall be made by a Unit Owner to his Unit where such work alters the wall or partition, configuration, ceiling, perimeter doors or windows, floor load or otherwise affects the structure of the Unit or increases the cost of insurance required to be carried by the Board hereunder. Any addition alteration or improvement of a Unit by the Unit Owner which shall affect the structure of the Unit or the Common Elements shall, further, conform with structural or engineering drawings prepared or reviewed and approved by an architect or engineering firm selected by Declarant or the Board. The cost of such drawings or review and approval shall be paid by the Unit Owner. The Board may (but shall not be required to) condition its consent to the making of an addition, alteration or improvement by a Unit Owner under this Section 4.8(b) upon the Unit Owner's agreement either (i) to be solely responsible for the maintenance of such addition, alteration or improvement, subject to such standards as the Board may from time to time set, or (ii) to pay to the Association from time to time the additional costs of maintenance of insurance as a result of the addition, alteration or improvement. If an addition, alteration or improvement is made by a Unit Owner without the prior written consent of the Board,

then the Board may, in its discretion, take any of the following actions, which actions shall not be exclusive of the remedies available to the Board under Article XVII hereof:

- (i) Require the Unit Owner to remove the addition, alteration or improvement and restore the Property to its original condition, all at the Unit Owner's expense; or
- (ii) If the Unit Owner refuses or fails to properly perform the work required under (i), the Board may cause such work to be done and may charge the Unit Owner for the cost thereof as determined by the Board; or
- (iii) Ratify the action taken by the Unit Owner, and the Board may (but shall not be required to) condition such ratification upon the same conditions which it may impose upon the giving of its prior consent under this Section.

4.9 Satellite/Master Television Antenna System. Each Unit has been equipped with at least one outlet activated for connection to the satellite/master television antenna system serving the Buildings, which outlet and systems are integral parts of the Common Elements. Additional outlets for connection to the master television are obtainable only from the Association and may be installed only by the firm or individual Board or Association to make such installation, with the prior approval of the Board or the Association and payment of any required additional fees. Unit Owners and Occupants are prohibited from making any modifications to or tampering with said outlet and from making any connections to the satellite/master television antenna system, and the Board or Association may charge any Unit Owner with the cost of locating and removing any unauthorized connections thereto and of repairing any modifications thereto.

4.10 Storage Areas. The Storage Areas shown on the Plat, if any, are Limited Common Elements benefiting Units as designated on the Plat. The Board or the Association may prescribe such rules and regulations with respect to the Storage Areas as it may deem fit.

4.11 Street and Utilities Dedication. (a) At a meeting called for such purpose, Unit Owners owning two-thirds (2/3) or more of the Common Elements may elect to dedicate a portion of the Common Elements to a public body for use as, or in connection with, a street or utility.

(b) Any street or roadway that is part of the Property and that is not dedicated to a public body shall be deemed a Common Element and shall be maintained by the Association in accordance with this Declaration. The Association shall also be responsible for the procurement and maintenance of property and liability insurance in connection with such streets and roadways in accordance with Article VI hereof.

4.12 Combination or Subdivision of Units. Any Unit Owner or Unit Owners may, at their expense, combine Units owned by them and locate and relocate Common Elements affected or required thereby on written application to the Board approved by a majority of the members of the Board. Such application shall contain the proposed reallocation to the new Units of the percentage ownership of the Common Elements and whether the Limited Common Elements, if any, previously assigned to the Unit or Units to be subdivided or combined should be assigned to each new Unit or fewer than all the new Units created and requesting, if desired in the event of the combination of Units, that the new Unit be granted the exclusive right to use as a Limited Common Element a portion of the Common Elements within the Buildings adjacent to the new Unit. Such request to the Board shall be accompanied by an amendment to this Declaration and the Plat prepared in accordance with the relevant provisions of the Act. In the event of a combination of Units, such amendment

may grant the Unit Owner of the new Unit the exclusive right to use, as a Limited Common Element, a portion of the Common Elements within the Property adjacent to the new Unit. The subdivision and combination of Units shall be effective upon recording of such amendment to this Declaration, executed by the Unit Owners of the Units involved, and the Plat. In the event of the combination of Units, if permitted by law, the Unit Owner of the new Unit may remove one of the entrance doors from the new Unit; provided, however, that (i) prior to doing so, the Unit Owner shall deliver to the Board for review and approval plans for such removal, (ii) following such removal the wall of the Common Elements corridor in which such door was located shall be restored to the same condition as the rest of such corridor, including the installation of identical wall coverings, if any, and (iii) such work shall be done at the Unit Owner's sole cost and expense free of any liens or claims for lien in conformity with all applicable laws, statutes, codes and ordinances and to the satisfaction of the Board. So long as Declarant or Developer owns any Units, Declarant or Developer shall have the right to combine and subdivide Units and to designate as a Limited Common Element appurtenant to the resulting Unit or Units, the portion of the Common Elements corridor located between or adjacent to such Units, by recording an amendment to this Declaration and the Plat in accordance with the Act. Declarant and Developer shall not be required to make application to the Board or receive the Board's approval to combine or subdivide Units, to designate Limited Common Elements appurtenant to the resulting Unit or Units or to record amendments to this Declaration and the Plat in accordance with the Act.

ARTICLE V COMMON EXPENSES, MORTGAGES AND REAL ESTATE TAXES

5.1 Common Expenses. Each Unit Owner shall pay his proportionate share of the common expenses of administration, maintenance, and repair of the Common Elements and of any other expenses incurred in accordance with this 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 and manner as 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.

5.2 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.

5.3 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. If 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

6.1 Types. The Board shall acquire, as a Common Expense, and shall have the authority and duty to obtain insurance for the Property as follows:

(Physical damage insurance on the Property (which shall specifically cover, pursuant to industr standards, all private roads and streets within the Parcel not dedicated to a public body, but shall exc de additions, alterations, improvements and betterments to the Units), subject to the following conditions:

(i) Such insurance shall be "bare wall" insurance with respect to the Units;

(ii) The Property shall be insured for an amount not less than one hundred p rcent (100%) of its full insurable replacement cost;

(iii) Replacement cost values are to be reviewed annually, and the insurance p licy or policies shall be endorsed with an agreed amount clause. The cost of any and all a praisals for insurance purposes shall be Common Expenses;

(iv) Perils to be covered by such policies shall be no less than "all risk" or " epecial form" on real property and "broad form" named perils on personal property, and such o her perils as may be deemed appropriate by the Board; and

(v) The full insurable replacement cost of a Units shall include the replacement c st value of additions, betterments, alterations and improvements made in and to such Unit, p rovided, however, the Board shall not be responsible for obtaining insurance on such a dditions, betterments, alterations or improvements unless and until such unit's owner shall n ke such report and request the Board in writing to obtain such insurance, and shall make a angements satisfactory to the board to reimburse the Board for such additional premiums, w ich additional premiums are deemed a common expense and upon the failure of such o rner so to do, the Board shall not be obligated to apply any insurance proceeds to restore the a fected Unit to a condition better than the condition existing prior to the making of such a dditions, betterments, alterations or improvements.

(Comprehensive General Liability insurance covering personal injury and property damage against ha ards of premises/operations, products and completed operations, contractual personal injury liability (with ex usions (a) and (c) deleted), independent contractors and other extensions as deemed necessary by the E ard. Such insurance shall provide limits of liability as deemed desirable by the Board. Such policy shall be en rded to cover cross-liability claims of one insured against the other.

(Worker's Compensation and Employer Liability as necessary to comply with applicable laws, ir cluding Voluntary Compensation to cover employees not covered under the Illinois statute for benefits.

(If required pursuant to the Act, fidelity bond insuring the Association, the Board and the Unit Owners a gainst loss of funds as a result of the fraudulent or dishonest acts of any employee of the Association or its anagement agent or of any other person handling the funds of the Association, the Board and the Unit Own s in such amounts as the Board shall deem necessary but not less than 100% of the annual operating expense of the Association, including reserves (or the maximum amount of coverage available to protect such funds The premium for such fidelity bond shall be a Common Expense. Such bond shall contain waivers of any def nse based on the exclusion of persons who serve without compensation from any definition

of "employee" or similar expression. Such bond shall provide that it may not be canceled for non-payment of any premiums or otherwise substantially modified without sixty (60) days prior written notice to all holders of first mortgages of record. Notwithstanding anything contained herein to the contrary, if the Board does not hire a management company or if fidelity insurance is not required by the Act, the Board shall not be required to obtain such insurance.

(e) Director's and Officer's Liability insurance in such amounts as the Board shall determine to be reasonable.

(f) Such other insurance, which may include, without limitation, any or all of the following, in such as the Board shall deem desirable; plate glass insurance; errors and Omissions coverage for the directors of the Board; and medical payments coverage for members of the public (not Unit Owners) injured on the Property, without regard to liability of the Board or the Association;

The premiums for the above described insurance and bonding, except as otherwise provided in this Section 6.1, shall be Common Expenses. Any management company holding reserve funds of the Association and other associations shall at all times maintain a separate account for each association provided, however, that for investment purposes, the Board may authorize the management company to maintain the Association's reserve funds in a single interest bearing account with similar funds of other associations. The management company shall at all times maintain records identifying all monies of each association in such investment accounts. The Board may also authorize the management company to hold all operating funds of the Association and other associations in a single operating account but such management company shall at all times maintain records identifying all monies of each association in such operating account. Any operating and reserve funds held by the management company for the Association shall not be subject to attachment by any creditors of the management company.

6.2 Insurance Companies: Ratings. All insurance provided for in this Article VI shall be effected under valid and enforceable policies issued by insurance companies authorized and licensed to transact business in the State of Illinois and holding not less than a current investment grade rating according to Best's Insurance Reports or a substantially equivalent rating from a nationally recognized insurance rating service, or, if required by mortgage lenders holding first liens on Units, such higher ratings as such mortgage holders may demand. All such policies shall provide a minimum of sixty (60) days advance notice of modification or cancellation in writing to the insured thereunder unless such cancellation is for nonpayment of premium, in which case ten (10) days advance written notice shall be sufficient.

6.3 Policy Requirements. All policies of insurance of the character described in clauses (a) and (b) of Section 1 of this Article VI: (i) shall name as insured: Declarant and Developer, so long as either has an insurable interest; the Board, as trustees for the Unit Owners, in the percentages established in Exhibit C to this Declaration; and shall also name as an assured the Insurance Trustee described in Section 6.6 hereof, as the respective interests of all of such insureds may appear; (ii) shall be without contribution as respects other such policies of insurance carried individually by the Unit Owners, whether such other insurance covers their respective Units or the additions and improvements made by such Unit Owners to their respective Unit; (iii) 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 if the Unit Owners elect to sell the Property or remove the Property from the provisions of the Act; and (iv) shall contain an endorsement to the effect that such policy shall not be terminated for nonpayment of premiums without at least thirty (30) days' prior written notice to the First Mortgagee of each Unit Ownership. Policies of insurance of the character

described in clause (a) of Section 1 of this Article VI may contain an endorsement extending coverage so as to include the payment of Common Expenses with respect to damaged Units during the period of reconstruction thereof. Notwithstanding the issuance of standard mortgage clause endorsements under the policies of insurance of the character described in clauses (a) and (b) of Section 1 of this Article VI, any losses under such policies shall be payable, and all insurance proceeds recovered thereunder shall be applied and disbursed, in accordance with the provisions of this Declaration.

6.4 Additional Requirements. All policies of insurance of the character described in clauses (b), (c), (d) and (e) of Section 1 of this Article VI shall name as insureds the Association, the Board, its management company and the other agents and employees of such Association, Board and management company, and Declarant and Developer in their capacities as a Unit Owner and Board member, and shall also provide coverage for each Unit Owner (but as to the insurance described in clause (b) of Section 1 of this Article VI, only with respect to those portions of the Property not reserved for their exclusive use). In addition, all policies of insurance of the character described in clauses (a) and (b) of Section 1 of this Article VI shall contain an endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, members of the Board, Declarant, Developer, the management agent, their respective employees and agents, and the Unit Owners and Occupants. The Board shall notify insured persons concerning the cancellation of insurance pursuant to the terms of this Article.

6.5 Premiums. The Association, for the benefit of the Unit Owners and the First Mortgagee of each Unit Ownership, shall pay the premiums and obtain a binder on the policies of insurance described in Section 1 of this Article VI at least thirty (30) days prior to the expiration date of the respective policies, and upon written request therefor, shall notify the First Mortgagee of each Unit Ownership of such payment within ten (10) day after the date on which payment is made.

6.6 Adjustment of Loss; Use of Trustee to Administer Proceeds. Loss, if any, under any policies of insurance of the character described in clauses (a) and (b) in Section 1 of this Article VI shall be adjusted by the Board, and the insurance proceeds on account of any such loss shall be paid to the Board, as trustee for each of the Unit Owners in their respective percentages of ownership in the Common Elements as established in this Declaration, which insurance proceeds, less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, shall be applied to the payment of the cost of restoring the Property to substantially the same condition as it existed immediately prior to such damage or destruction, with each Unit and the Common Elements having the same vertical and horizontal boundaries as before, free from vendor's, mechanic's, material man's and other similar liens. 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 Buildings 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 application of insurance proceeds to reconstruction of the Buildings. 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.

6.7 Unit Owner's Insurance. Each Unit Owner shall be responsible for (i) physical damage insurance on the personal property in his Unit and elsewhere on the Property, and any additions, alterations and

improvements to his Unit (whether installed by such Unit Owner or any prior Unit Owner or whether originally in his Unit); (ii) his personal liability to the extent not covered by the policies of liability insurance obtained by the Board for the benefit of all of the Unit Owners as above provided; and (iii) his additional living expenses. All policies of casualty insurance carried by each Unit Owner shall be without contribution with respect to the policies of casualty insurance obtained by the Board for the benefit of all of the Unit Owners as above provided. For the purposes of Sections 7 and 8 of this Article VI, "additions, alterations and improvements" shall mean any property (excluding personal property readily removable without damage to the Unit) attached to the Unit, including without limitation, carpeting, flooring, wall covering, paint, paneling, toilets, fixtures and cabinetry. Each such policy shall name the Association as an additional insured.

6.8 Insurance of Alterations. The Board shall not be responsible for obtaining physical damage insurance on any additions, alterations and improvements to a Unit or any personal property of a Unit Owner or any other insurance for which a Unit Owner is responsible pursuant to Section 7 of this Article VI. If the Board does carry such insurance and the premium therefor is increased due to additions, alterations or improvements of a Unit Owner, then the Board may charge a special assessment against such Unit Owner.

6.9 Waiver. Each Unit Owner hereby waives and releases any and all claims which he may have against any other Unit Owner, the Association, its officers, members of the Board, Declarant, Developer, the manager and management company of the Property, if any, and their respective employees and agents, for any damage to the Common Elements, the Units or to any personal property located in the Unit or Common Elements caused by theft, fire or other casualty to the extent that such damage is covered by fire or other form of casualty insurance or would be covered by insurance for which such Unit Owner is responsible pursuant to Section 7 of this Article VI.

6.10 Deductibles. The Board shall have the right to select substantial deductibles to the insurance coverages required or permitted under this Article VI if the economic savings justifies the additional risk and if permitted by law. The deductibles shall be on a per occurrence basis irrespective of the number of insureds suffering injury or damage. Expenses included within the deductible amount arising from insurable loss or damage shall be treated as Common Expenses.

ARTICLE VII ADMINISTRATION AND OPERATION

7.1 Administration. The administration of the Property shall be vested in the Board of Directors consisting of the number of persons, and who shall be elected in the manner, provided in the By-Laws contained herein, as Article XII. Developer, prior to, as of or after the recording of this Declaration, may cause to be incorporated under the laws of the State of Illinois, a not-for-profit corporation (herein referred to as "the Associations) under the name of "ENGLEWOOD POINTE TOWNHOMES CONDOMINIUMS ASSOCIATION", or a similar name, which corporation shall be the governing body for all the Unit Owners for the maintenance, repair, replacement, administration, and operation of the Common Elements and for such other purposes as are hereinafter provided. The Board of Directors of the Association shall be deemed to be the Board referred to herein and in the Act.

7.2 Duties and Powers of the Association. The Association is responsible for the overall administration of the Property through its duly elected Board. The duties and powers of the Association and the Board shall be those set forth in its Articles of Incorporation, the By-Laws, and this Declaration; provided, however, that (i) the terms and provisions of the Act shall control in the event of an inconsistency between the

Act, on the one and, and this Declaration, the Articles of Incorporation, and the By-Laws on the other hand, (ii) the terms and provisions of this Declaration shall control in the event of any inconsistency between this Declaration, on the one hand, and the Articles of Incorporation and the By-Laws on the other hand.

7.3 Indemnity. The members of the Board and the officers thereof or of the Association shall not be liable to the Unit Owners for any mistake of judgment, or any acts or omissions made in good faith on behalf of the Unit Owners or the Association unless any such act 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 proportionate interest of the total liability thereunder as his percentage 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 the Association shall be executed by such members or officers or the management agent, as the case may be, as agents for the Unit Owners or for the Association.

7.4 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 this Declaration or By-Laws, the determination thereof by the Board shall be final and binding on each and all of such Unit Owners.

7.5 Administration of Property Prior to Election of Initial Board. Until the election of the Initial Board, the same rights, titles, powers, privileges, trusts, duties, and obligations vested in or imposed upon the Board by the Act and this Declaration and the By-Laws shall be held and performed by Developer, who is hereby authorized to retain a manager on behalf of the Association. The election of the initial Board shall be held not later than sixty (60) days after the conveyance by Developer of seventy-five percent (75%) of the Units or three (3) years after the recording of this Declaration, or upon the direction of Developer, whichever is earlier ("Turnover Date"). If the Initial Board is not elected by the Unit Owners at the time so established, 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 Turnover Date, Developer shall deliver to the Board:

a) All original documents as recorded or filed pertaining to the Property, its administration, and the Association, such as this Declaration, by-laws, articles of incorporation, other condominium instruments, annual reports, minutes, and rules and regulations, contracts, leases, or other agreements entered into by the Association. If any original documents are unavailable, a copy may be provided if certified by affidavit of Developer, or an officer or agent of Developer, as being a complete copy of the actual document recorded as filed;

b) A detailed accounting by Developer, setting forth the source and nature of receipts and expenditures in connection with the management, maintenance, and operation of the Property and copies of all insurance policies and a list of any loans or advances to the Association which are outstanding;

c) Association funds, which shall have been segregated from any other moneys of the Developer;

d) A schedule of all real or personal property, equipment, and fixtures belonging to the Association, including documents transferring the Property, warranties, if any, for all real and personal and equipment, deeds, title insurance policies, and all tax bills;

e) A list of all litigation, administrative action and arbitrations involving the Association, any notices of governmental bodies involving actions taken or which may be taken by the Association, engineering and architectural drawings and specifications as approved by any governmental authority, all other documents filed with any other governmental authority, all governmental certificates, correspondence involving enforcement of any Association requirements, copies of any documents relating to disputes involving Unit Owners, originals of all documents relating to everything listed in this subparagraph; and

f) Any contract, lease, or other agreement made prior to the election of a majority of the Board other than Developer by or on behalf of Unit Owners.

7.6 Records of the Association - Availability for Examination. Subject to the provisions of Section 19 of the Act, the manager or Board shall maintain the following records of the Association available for examination and copying at convenient hours of weekdays by the Unit Owners or their mortgagees and their duly authorized agents or attorneys:

a) Copies of the recorded Declaration, By-Laws, other condominium instruments, and any amendments, Articles of Incorporation of the Association, annual reports, and any rules and regulations adopted by the Association or its Board shall be available. Prior to the organization of the Association, Developer shall maintain and make available the records set forth in this subsection (a) for examination and copying.

b) Detailed accurate records in chronological order of the receipts and expenditures, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by Association shall be maintained.

c) The minutes of all meetings of the Association and the Board shall be maintained. Association shall maintain these minutes for a period of not less than seven (7) years.

d) Ballots for all elections to the Board and for any other matters voted on by the Unit shall be maintained for a period of not less than one (1) year.

e) Such other records of the Association as are available for inspection by members of a not-for-profit corporation pursuant to Section 25 of the General Not-For-Profit Corporation Act of 1986 as amended, shall be maintained.

A reasonable fee may be charged by the Association or its Board for the cost of copying and distributing the foregoing documents and materials.

ARTICLE VIII SALE, LEASING OR OTHER ALIENATION

8.1 Limits on Transfers. Provided that a proposed purchaser or tenant of any Unit agrees to abide by the terms and conditions of the Act, this Declaration and the rules and regulations promulgated by the Board, the Board shall not have the first right and option to purchase or lease such Unit Ownership.

8.2 Limits on Lease Terms. No Unit shall be leased or subleased for hotel or transient purposes or terms less than six (6) months. No portion of a Unit which is less than the entire Unit shall be leased. Each lease of any one or more Units shall be in writing and a copy of every such lease, as and when executed shall be furnished to the Board. The lessee under every such lease shall be bound by and subject to all of the obligations under this Declaration and By-Laws of the Unit Owner making such lease, and the failure of the lessee to comply therewith shall constitute a default under the lease which shall be enforceable by the Board or the Association, and the lease shall be deemed to expressly so provide. The Unit Owner making such lease shall not be relieved thereby from any of said obligations. Notwithstanding the foregoing, Developer and Declarant may lease any Unit owned by them for any term until such time as Developer or Declarant ceases owning such Unit.

8.3 Consent of Voting Members. The Board shall not purchase or lease any Unit Ownership or interest therein without the prior written consent of the Voting Members having not less than two-thirds (2/3) of total votes. The Board or its duly authorized representatives, acting on behalf of the other Unit Owners, may bid to purchase at any sale of a Unit Ownership or interest therein of any Unit Owner, which is held pursuant to an order or direction of a court, upon the prior written consent of the voting members having not less than two-thirds (2/3) of the total votes, which consent shall set forth a maximum price which the Board or its duly authorized representatives are authorized to bid and pay for said Unit Ownership or interest therein.

8.4 No Right of First Refusal Certificate. Upon the request of a Unit Owner, the Secretary of the Board of the Association shall execute and deliver a certificate stating that the Board does not have a right of first refusal to purchase or lease such Unit Owner's Unit. Such a certificate may be part of an assessment letter.

8.5 Proof of Absence of Purchase Option. The certificate described in Section 4 of this Article VIII hereof shall be conclusive evidence upon the Board and the Unit Owners in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of this Article VIII, upon request, at a reasonable fee not to exceed Twenty-Five Dollars (\$25.00).

8.6 Financing of Purchase by Association. The Board shall have authority to make such mortgage arrangements and other financing arrangements, and to authorize such special assessments proportionately among the respective Unit Owners, as the Board may deem desirable in order to close and consummate the purchase or lease of a Unit Ownership or interest therein by the Association.

8.7 Miscellaneous.

a) The Association shall hold title to or lease any Unit Ownership, pursuant to the terms hereof, in the name of the Association, or a nominee thereof delegated by the Board, for the sole benefit of all Unit Owners. The Board shall have the authority at any time to sell, mortgage, lease or sublease said Unit Ownership on behalf of the Association upon such terms as the Board shall deem desirable, but in no event shall a Unit be sold (other than pursuant to a foreclosure or deed in lieu of foreclosure) for less than the amount paid by the Association to purchase said Unit Ownership unless Unit Owners owning not less than seventy five percent (75%) of the total ownership of the Common

Element authorize the sale for such lesser amount. All of the net proceeds from such a sale, mortgage, lease or sublease shall be applied in such manner as the Board shall determine.

b) The Board may adopt rules and regulations, from time to time, not inconsistent with the provisions of this Article VIII, for the purpose of implementing and effectuating said provisions.

ARTICLE IX DAMAGE OR DESTRUCTION AND RESTORATION OF BUILDINGS

9.1 Sufficient Insurance. If 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 XII 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. If such repair, restoration, or reconstruction is not undertaken, the net proceeds of insurance policies shall be divided by the Board or the payees 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 C, 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.

9.2 Insufficient Insurance.

a) If the insurance proceeds and the Capital Reserve are insufficient to reconstruct the Buildings and the Unit Owners and all other parties in interest do not voluntarily make provision for reconstruction of the Buildings within one hundred eighty (180) days from the date of damage or destruction, then the provisions of the Act shall apply.

b) In the case of damage or other destruction in which fewer than one-half ($\frac{1}{2}$) of the Units are rendered uninhabitable, upon the affirmative vote of not fewer than three-fourths ($\frac{3}{4}$) 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 ten (10) days following the final adjustment of insurance claims, if any. Otherwise, such meeting shall be held within thirty (30) days of the occurrence. At such meeting the Board or its representative shall present to the members present an estimate of the cost of repair or reconstructions, 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 ($\frac{3}{4}$) of the Unit Owners voting at a meeting called for that purpose, together with the approval of not less than fifty-one percent (51%) of First Mortgagees, 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. 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.

9.3 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 X EMINENT DOMAIN

10.1 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. The Board shall represent the Unit Owners in any related proceedings, negotiations, settlements or agreements. 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 and shall be for the benefit of the Unit Owners and their First Mortgagees. Proceeds available from the withdrawal of any Limited Common Element will be distributed in accordance with the interests of those entitled to their use.

10.2 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 XI SALE OF THE PROPERTY

Unit Owners may, at a meeting duly called for such purpose and attended by all Unit Owners, by unanimous affirmative vote of all Unit Owners, 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 Section 1 of Article XVIII 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.

ARTICLE XII BY-LAWS

The provisions of Articles XII, XIII, XIV, XV and XVI shall constitute the By-Laws of the Association as prescribed by the Act.

ARTICLE XIII BOARD OF DIRECTORS

13.1 Board of Directors.

a) The direction and administration of the Property shall be vested in the Board of Directors, which shall consist of five (5) persons who shall be elected in the manner hereinafter set forth; provided, however, that, irrespective of anything else contained in this Declaration, for a period commencing on the date this Declaration is executed and ending upon the qualification of the directors elected at the initial meeting of Unit Owners, the Board shall consist of three (3) persons designated and selected by Declarant or Developer. Except for directors so designated by Declarant or Developer, each member of the Board shall be one of the Unit Owners and shall reside on the Property; provided, however, that if a Unit Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any designated agent of such corporation, partnership or other legal entity, or beneficiary of such trust, shall be eligible to serve as a member of the Board, so long as any such agent (other than a person designated by Declarant) resides on the Property. If a Unit Owner owns more than one Unit Ownership and is a corporation, partnership, trust or other legal entity, other than a natural person, then any number of agents or beneficiaries of such Unit Owner may be directors, provided that the number of such Unit Owner's agents or beneficiaries who become directors shall not exceed the number of Unit Ownerships owned by such Unit Owner. If a director fails to meet such qualifications during his term, he shall thereupon cease to be a director, and his place on the Board shall be deemed vacant.

b) At the initial meeting the voting members shall elect at large the five (5) Board members. In all elections for members of the Board, each voting member shall be entitled to cumulate his votes in the manner provided by law 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. Members of the Board elected at the initial meeting shall serve until the first annual meeting. Five (5) Board members shall be elected at the first annual meeting. Members shall serve for a one (1) year term, provided, however, that a Board member or officer may be re-elected at the expiration of his term. Members of the Board shall receive no compensation for their services unless expressly authorized by the Board with the approval of voting members having three-fourths (3/4) of the total votes. Vacancies in the Board, including vacancies due to any increase in the number of persons on the board, shall be filled by the voting members called for such purpose. The remaining members of the Board shall have the authority to fill the vacancy by two-third (2/3) vote until the next meeting of Unit Owners or for a period terminating no later than thirty (30) days following the filing of a petition signed by Unit Owners holding 20% of the votes of the Association requesting a meeting of the Unit Owners to fill the vacancy for the balance of the term. A meeting of the Unit Owners shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the filing of a petition signed by Unit Owners holding 20% of the votes of the Association requesting such a meeting. Except as otherwise provided in this Declaration, the Property shall be managed by the Board and the Board shall act by majority vote of those present at its meeting when a quorum exists. A majority of the total

number of the members of the Board shall constitute a quorum. Meetings of the Board may be called, held, and conducted in accordance with such resolutions as the Board may adopt.

c) The Board shall elect for a term of one year 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; a treasurer to keep the financial records and books of account; and such additional officers as the Board shall see fit to elect. Any officer may be removed at any meeting by the affirmative vote of the majority of the members of the Board, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

d) 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 the Board member removed may be elected by the voting members at the same meeting or any subsequent annual meeting or special meeting called for that purpose.

e) Meetings of the Board shall be open to any Unit Owner, except for the portion of any meeting held (i) to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Board finds that such an action is probable or imminent, (ii) to consider information regarding appointment, employment or dismissal of an employee, or (iii) to discuss violations of rules and regulations of the Association or a Unit Owner's unpaid share of common expenses; that any vote on these matters shall be taken at a meeting or portion thereof open to any Unit Owner; that any unit Owner may record by tape, film or other means the proceedings at meetings required to be open by the Act; that the Board may prescribe reasonable rules and regulations to govern the right to make such recordings; that notice of such meetings shall be mailed or delivered at least 48 hours prior thereof, unless a written waiver of such notice is signed by the person or persons entitled to such notice pursuant to this Declaration, by-laws, other condominium instrument, or provision of law other than this subsection before the meeting is convened; and that copies of notices of meetings of the Board shall be posted in entrance ways, elevators, or other conspicuous places in the Buildings at least 48 hours prior to the meeting of the Board.

13.2 General Powers of the Board.

a) The powers and duties of the Board shall include, but shall not be limited to, the following matters:

(i) To provide for the operation, care, upkeep, maintenance, repair, replacement, restoration and improvement of the Common Elements. The terms "repair", "replacement" and "restoration" shall have the meanings ascribed to them in Section 18.4(a) of the Act, which Section shall apply with respect to the repair, replacement or restoration of the Common Elements.

(ii) To prepare, adopt and distribute the annual budget for the Property.

- (iii) To levy and expend assessments.
- (iv) To collect assessments from Unit Owners.
- (v) To provide for the employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements.
- (vi) To obtain adequate and appropriate kinds of insurance.
- (vii) To own, convey, encumber, lease, and otherwise deal with Units conveyed to or purchased by it.
- (viii) To adopt and amend rules and regulations covering the details of the maintenance, and administration, management, operation, use, conservation, and beautification of the Property, and for the health, comfort, safety, and general welfare of the Unit Owners and Occupants of the Property, after a meeting of the Unit Owners called for the specific purpose of discussing the proposed rules and regulations and which conforms to the requirements of Section 18(b) of the Act, however, no rules or regulations may impair any rights guaranteed by the First Amendment to the Constitution of the United States or Section 4 of Article I of the Illinois Constitution, and unless this Declaration, By-Laws or other Condominium Instrument expressly provides to the contrary, no quorum is required at such meeting of the Unit Owners.
- (ix) To keep detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property.
- (x) 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.
- (xi) To pay real property taxes, special assessments, and any other special taxes or charges of the State of Illinois or of any political subdivision thereof, or other lawful taxing or assessing body, which are authorized by law to be assessed and levied upon the Property.
- (xii) To impose charges for late payments of a Unit Owner's proportionate share of the common expenses, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levy reasonable fines for violation of this Declaration, by-laws, and rules and regulations of the Association.
- (xiii) Unless the condominium instruments expressly provide to the contrary, by a majority vote of the entire Board, to assign its right to future income from common expenses or other sources, and to mortgage or pledge substantially all of the remaining assets of the Association.

(xiv) To record the dedication of a portion of the Common Elements to a public body for use as, or in connection with, a street or utility where authorized by the Unit Owners under the provisions of the Act and Section 12 of Article IV of this Declaration.

(xv) To record the granting of an easement for the laying of cable television cable where authorized by the Unit Owners under the provisions of the Act.

(xvi) To pay for landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair, and replacement of the common elements (but not including the windows and glass doors appurtenant to the Unit, if any, and the interior surfaces of the Units and of the hallway doors appurtenant thereto, which the Unit Owners shall paint, clean, decorate, maintain, and repair, except if necessitated by repairs to the Common Elements) and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same for the Common Elements.

(xvii) To pay for any materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations or assessments which the Board is required to secure or pay for pursuant to the terms of this Declaration or by-laws of which, in its opinion, shall be necessary or proper for the maintenance and operation of the Property as a first-class condominium apartment building or for the enforcement of these restrictions.

(xviii) To pay any amount necessary to discharge any mechanic's lien or other encumbrance against the entire Property or any part thereof which may, in the opinion of the Board, constitute a lien against the Property or against the Common Elements, rather than merely against the interests therein of particular Unit Owners. Where one or more Unit Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be, specially assessed to said Unit Owners.

(xix) To maintain and repair any Unit if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Elements or any other portion of the Buildings, and a Unit Owner of any Unit that has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair mailed or delivered by the Board to said Unit Owner, provided that the Board shall levy a special assessment against such Unit Owner for the cost of said maintenance or repair.

(xx) To enter or cause its agent to enter, upon reasonable notice, any Unit when necessary in connection with any maintenance or construction for which the Board is responsible. Such entry shall be made with as little inconvenience to the Unit Owner as practicable, and any damage caused thereby shall be repaired by the Board as a common expense.

(xxi) To engage the services of an agent to manage the Property to the extent deemed advisable by the Board.

(xxii) Upon authorization by the affirmative vote of not less than a majority of the voting members at a meeting duly called for such purposes, or by a two-thirds (2/3) vote of the members of the Board, to seek relief from or in connection with the assessment or levy of any real property taxes, special assessments, and any other special taxes or charges of the State of Illinois or any political subdivision thereof, or any other lawful taxing or assessing body, which are authorized by law to be assessed and levied on real property and to charge and collect all expenses incurred in connection therewith as Common Expenses.

(xxiii) To pay for water, waste removal, other operating expenses, electricity, telephone, and other necessary utility service for the Common Elements.

(xxiv) To reasonably accommodate the needs of a disabled Unit Owner as required by the Federal Civil Rights Act of 1968, the Human Rights Act and any applicable laws or ordinances in the exercise of its powers with respect to the use of Common Elements or approval of modifications in an individual Unit.

(xxv) To regulate and administer access, use, construction and other activities relating to Limited Common Element rooftop areas, if any, reserved to top floor units of the Buildings, including the setting of fees for the administration of rules and regulations with respect thereto and the adoption and enforcement of procedures for construction, use, repair and maintenance of such rooftop areas and all improvements thereon.

b) 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 treasurer and countersigned by the president of the Board.

c) The Board's powers, hereinabove enumerated and described in this Declaration, shall be limited in that the Board shall have no authority to acquire and pay for any structural alterations, additions to, or improvements of the Common Elements (other than for purposes of replacing or restoring portions of the Common Elements, subject to all the provisions of this Declaration) requiring an expenditure in excess of ten thousand dollars (\$10,000), without, in each case, the prior approval of voting members having two-thirds (2/3) of the total votes.

d) Nothing hereinabove contained in this Article shall be construed to give the Board, Association or Unit Owners authority to conduct an active business for profit on behalf of all the Unit Owners or any of them.

ARTICLE XIV MEMBERS (UNIT OWNERS)

14.1 Voting Rights. Unit Owners shall be entitled to vote only on and after the Turnover Date. 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 voting member shall be the Unit Owner or one (designated by majority agreement) of the group composed of all the Unit Owners of a Unit ownership. There is majority agreement if any one of the multiple owners cast the votes allocated to that Unit without protest being made promptly to the person

presiding over the meeting by any of the other owners of the Unit. Such voting member may be some person designated by such Unit Owners to act as proxy on his or their behalf and who need not be a Unit Owner. Such designations 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 Unit Owner or Unit Owners. A proxy shall be invalid after 11 months from the date of its execution, unless otherwise provided in the proxy, and every proxy must bear the date of execution. Any or all Unit Owners of a Unit ownership, and their designee, if any, may be present at any meeting of the voting members, but only the voting member of the Unit Ownership may vote or take any other action as a voting member either in person or by proxy, provided, however, if only one of the multiple owners of a Unit is present at a meeting of the Association, he is entitled to cast all the votes allocated to that Unit. The total number of votes of all voting members shall be 100, and each Unit Owner or group of Unit 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 her Unit ownership as set forth in Exhibit C. Developer shall designate the voting member with respect to any Unit ownership owned by Developer. 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 the Unit Owners. Notwithstanding anything to the contrary in this Declaration, Unit Owners shall only have voting rights on or after the Turnover Date. Previous thereto all decisions shall be made by the Developer.

14.2 Meetings.

a) Meetings of the voting members shall be held at the Property or at such other place in Will County, Illinois, as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the voting members of at least a majority of the voting members and voting members having at least a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided 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 a meeting.

b) The initial meeting of the voting members shall be held upon written notice, not less than twenty-one (21) or more than thirty (30) days' notice given by Developer. Said initial meeting shall be held not later than the Turnover Date. Thereafter, there shall be an annual meeting of the voting members each year within 15 days of the anniversary of the first meeting 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) days or more than thirty (30) days prior to the date fixed for said meeting.

c) Special meetings of the voting members may be called at any time for the purpose of considering matters which, by the terms of this 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 the voting members having 20% of the total votes and delivered not less than ten (10) days or 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 matters to be considered. Matters to be submitted at special meetings of the voting members shall first be submitted to the Board, at least ten (10) days prior to the special meeting, who shall then submit the matters to the voting members.

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

14.4 Miscellaneous.

a) 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; or the purchase or sale of land or of units on behalf of all Unit owners shall be effected unless there is an affirmative vote of two-thirds (2/3) of the votes of Unit Owners, at a meeting duly called for that purpose.

b) When thirty percent (30%) or fewer of the Units, by number, possess over fifty percent (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.

**ARTICLE XV
ASSESSMENTS - MAINTENANCE FUND**

15.1 Estimated Annual Budget and Assessments.

a) Each year on or before November 1, the Board shall estimate the total amount necessary to pay the cost of all common expenses 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, 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 C 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 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 of each and every month of said year, said Unit Owner jointly and severally shall be personally liable for and obligated to pay to the Board or as it may direct one-twelfth (1/12) of the assessment against his Unit ownership made pursuant to this Section. On or before March 1 of each calendar year following the year in which the initial meeting is held, 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 excess or deficit of income over

expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be applied to and transferred to the reserve, or in the alternative credited according to each Unit Owner's percentage of ownership in the Common Elements to the next monthly installations due from Unit Owners under the current year 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 installations due in the succeeding six (6) months after rendering of the accounting.

b) If an adopted budget requires assessment against the Unit Owners in any fiscal or calendar year exceeding one hundred fifteen percent (115%) of the assessments for the preceding year, the Board, upon written petition by Unit Owners with twenty percent (20%) of the votes of the Association filed within fourteen (14) days of the Board action, shall call a meeting of the Unit Owners within thirty (30) days of the date of filing of the petition to consider the budget. Unless a majority of the votes of the Unit Owners are cast at the meeting to reject the budget, it is ratified, whether or not a quorum is present. In determining whether assessments exceed one hundred fifteen percent (115%) of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the condominium property, and anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, shall be excluded from the computation.

15.2 Reserves and Adjustments. The Board shall establish and maintain a reasonable reserve for contingencies and replacements. Any extraordinary or nonrecurring common expenses, 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 expenses assessment calculated on a monthly basis or five hundred dollars (\$500.00). All Unit Owners shall be personally liable for and obligated to pay their respective adjusted monthly amount.

15.3 Initial Estimate of Annual Budget. When the first Board elected or appointed 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 31st 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. Notwithstanding the foregoing, all Units shall be allocated full assessments no later than sixty (60) days after the first Unit is conveyed.

15.4 Failure to Prepare Estimates. 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 maintenance charge at the then existing monthly rate established for the previous period until the next monthly maintenance payment which is due not less than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

15.5 Books and Records. 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

the vouchers authorizing the payments shall be available for inspection by any Unit Owner or 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 this account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

15.6 Use of Funds. 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 C. The Developer shall not use the funds collected hereunder in connection with its expenses or construction costs or to make up any budget deficits while it is in the control of the Association.

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

15.8 Failure to Pay Assessments. If a Unit Owner is in default in the monthly payment of the aforesaid charges of assessments for thirty (30) days, the Board may bring suit for and on behalf of the members thereof 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 of 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. Such lien shall take effect and be in force when and as provided in the Act; provided, however, that encumbrances owned or held by any bank, insurance company, savings and loan association, or other lender shall be subject as to priority after written notice to said encumbrancer of unpaid common expenses only to the lien of all common expenses on the encumbered Unit Ownership which became due and payable subsequent to the date the encumbrancer either takes possession of the Unit, accepts a conveyance of any interest in the Unit Ownership or has a receiver appointed in a suit to foreclose its liens. In addition to the foregoing, the Board or its agents shall have such other rights and remedies to enforce such collection as shall be provided or permitted by law from time to time. Without limiting the generality of the foregoing, if any Unit Owner shall fail to pay the proportionate share of the common expense or of any other expense required to be paid hereunder when due, such rights and remedies shall include: (1) the right to enforce the collection of such defaulting Unit Owner's share of such expenses (whether due by acceleration or otherwise), together with interest thereon, at the maximum rate permitted by law, and all fees and costs (including reasonable attorneys' fees) incurred in the collection thereof; (2) the right, by giving such defaulting Unit Owner five (5) days' written notice of the election of the Board so to do, to accelerate the maturity of the unpaid installments of such expenses occurring with respect to the balance of the assessment year; and (3) the right to take possession of such defaulting Unit Owner's interest in the property, to maintain for the benefit of such Unit Owner in the manner prescribed in "An Act in regard to Forcible Entry and Detainer," approved February 16, 1874, as amended, and to execute leases of such defaulting Unit Owner's interest in the property and apply the rents derived therefrom against such expenses.

15.9 Nonuse. 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.

15.10 Forbearance. The Association shall have no authority to forbear the payment of assessments by any Unit Owner.

15.11 Initial Deposit for Contingencies or Replacements. At the time the initial sale of each Unit is closed, the purchaser of the Unit shall pay to the Association in amount equal to two (2) times the first full monthly assessment for such Unit. This sum shall be used to initially fund the reserve for contingencies and replacements of the Association. This payment shall not be refundable or be applied as a credit against the Unit Owner's monthly assessments.

ARTICLE XVI COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

The Units and Common Elements shall be owned, occupied, and used subject to the following covenants and restrictions:

16.1 General Use. No part of the Units, Common Elements or Limited Common Elements shall be used for other than housing and related common purposes for which the Property was designed. Each Unit shall be used as the owner's primary or secondary residence for a single family or such other incidental uses permitted by this Declaration and for no other purpose. That part of the Common Elements separating any two or more adjoining Units used together as aforesaid may be altered to afford ingress and egress to and from such adjoining Units in such manner and upon such conditions as shall be determined by the Board in writing.

16.2 Obstruction of Common Elements and Unit Maintenance. There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without prior consent of the Board except as herein expressly provided. Each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit.

16.3 Prohibited Uses. 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 violations of any law. No waste shall be committed in the Common Elements. No Unit Owner shall overload the electric wiring in the 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 or plumbing system without the prior written consent of the Board.

16.4 Unit Owner Insurance. 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 or commercial liability to the extent not covered by the liability insurance for all the Unit Owners obtained by the Board as hereinbefore provided.

16.5 Exterior Attachments. Unit Owners shall not cause or permit anything to be placed on the outside walls of the building and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof or any part thereof without the prior consent of the Board.

16.6 Window Treatment. The use and the covering of the interior surfaces of the glass windows and/or doors appurtenant to the Units of the building, whether by draperies, shades, or other items visible from the exterior of the building, shall be subject to the rules and regulations of the Board.

16.7 Floor Covering. In order to enhance soundproofing of the building, the floor covering for all occupied Units shall meet a certain minimum standard as may be specified by rules and regulations of the Board.

16.8 Pets, etc. No animals, reptiles, rabbits, livestock, fowl, or poultry of any kind shall be raised, bred, or kept in any Unit or the Common Elements, except that dogs, cats, caged birds, fish or other common household pets owned by a Unit Owner or other Occupant may be kept in Units provided that they are not kept, bred, or maintained for any commercial purpose and that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon ten (10) day written notice from the Board. The Board may also adopt such rules and regulations regarding the ownership and keeping of pets in Units, including but not limited to restrictions on the number of pets in any Unit, maximum size and weight of pets, the areas of the Common Elements in which pets may be located and similar requirements and fines for the violation thereof as it deems reasonable and appropriate.

16.9 Nuisances. No noxious or offensive activity shall be carried on in any Unit or in the Commons 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.

16.10 Unsightliness. No clothes, sheets, blankets, laundry, or any kind of 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.

16.11 Personal Effects. There shall be no playing, lounging, parking of baby carriages, strollers or playpens, bicycles, wagons, toys, vehicles, benches, or chairs on any part of the Common Elements, except that baby carriages, bicycles, and other personal property may be stored in the common storage area designated for that purpose, if any. No access to or storage of personal property shall be permitted in the boiler or mechanical rooms in accordance with the rules and regulations of the Board.

16.12 Commercial Activities. No industry, business trade, occupation, or profession of any kind, commercial, religious, educational, or otherwise, designated for profit, altruism, exploration, or otherwise, shall be conducted, maintained, or permitted in any Unit.

16.13 "For Sale" and "For Rent" Sign. No "For Sale" or "For Rent" signs, advertising, or other displays shall be maintained or permitted on any part of the Property, except as such location and in such form as shall be determined by the Board; provided that the right is reserved by Developer and its agents to maintain on the Property until the initial sale of the last Unit, all models, sales offices, and advertising signs, banners, and lighting in connection therewith, at such locations and in such forms as Developer shall determine, together with the right of ingress, egress and transient parking therefor in and upon the Common Elements.

16.14 Size of Patio or Deck. No patio or deck forming a Limited Common Element shall be greater in size than 10' x 14' without the prior written consent of the Board.

16.15 Exceptions. The Unit restrictions in Sections 1 and 12 of this Article XVI shall not, however, be construed in such a manner as to prohibit a Unit Owner from: (a) maintaining his personal professional library therein; (b) keeping his personal business or professional records or accounts therein; (c) handling his personal business or professional telephone calls or correspondence therefrom; (d) maintaining a computer or other office equipment within the Unit; or (e) utilizing secretarial help and having occasional business visitors. Such uses are expressly declared customarily incident to the principal residential use and not in violation of Sections 1 and 12 of this Article XVI. It is the intent of this Section 14 of this Article XVI that Unit Owners may operate in-home businesses from their respective Units provided such businesses are lawful, do not involve the regular or consistent entry of salespeople, customers or clients, and do not cause a nuisance to other Unit Owners, and provided further that the Unit is used at all times primarily as the residence of the person operating the in-home business in such Unit. Notwithstanding the foregoing, no Unit Owner shall suffer or permit the regular or consistent entry of customers, clients or other business-related invitees.

ARTICLE XVII

REMEDIES FOR BREACH OF COVENANTS, RESTRICTIONS AND REGULATIONS

17.1 Abatement and Enjoyment. 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 the rights set forth in the next succeeding section: (a) to enter upon that part of the Property where such violation or breach exists and 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 the provisions hereof, and Developer, its successors or assigns, the Board and the respective agents of the foregoing parties shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate, or remedy by appropriate legal proceeding, either at law or in equity, the continuance of any breach. Any aggrieved Unit Owner shall have those rights as granted to the Association pursuant to the foregoing subsection (b). All expenses of the Board in connection with such actions or proceedings, including court costs and attorneys' fees and expenses, and all damages, liquidated or otherwise, together with interest thereon the rate of eighteen percent (18%) 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 upon the Unit ownership of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all his personal property in his Unit or located elsewhere on the Property. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board.

17.2 Voluntary Sale. If any Unit Owner (either by his own conduct or by the conduct of any Occupant) violates any of the covenants or restrictions or provisions of this Declaration or the rules and regulations adopted by the Board, and such violation shall continue for thirty (30) days after notice in writing from the Board, or shall re-occur more than once after such notice, then the Board shall have the power to issue Unit Owner a ten (10) day notice in writing to terminate the rights of said defaulting Unit Owner, or 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 members of the Board against the defaulting Unit Owner for a decree of mandatory injunction against Unit Owner or Occupant or, in the alternative, for a decree declaring the termination of the defaulting Unit Owner's right to occupy, use, or control the Unit Owned by him on account of the said violation and ordering that the right, title and interest of the Unit 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 establish, except that the court shall enjoin and restrain the defaulting Unit Owner from re-acquiring this interest in the

Property and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder for any liens, shall be paid to the Unit Owner. Upon the confirmation of such sale, the purchaser thereof shall thereupon be entitled to a deed of the Unit Ownership and to immediate possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser take the interest in the Property subject to this Declaration.

ARTICLE XVIII ANNEXING ADDITIONAL PROPERTY

18 1 The Developer reserves the right from time to time, within not more than seven (7) years of the date of the recording of this Declaration, to annex and add to the Parcel and Property and thereby add to the condominium created by this Declaration, all or any portion of the additional land set forth in Exhibit D by an amended plat in accordance with Section 5 of the Act and an amended declaration in accordance with Section 6 of the Act. Developer is not obligated to annex and add any land to the Parcel and Property, but may do so at different times until the earlier of (i) the construction of 116 Units in the aggregate (which is the maximum number of units to be constructed on the Property) or (ii) seven (7) years from the date of recording of this Declaration. There are no limitations on the order in which the additional land shall be added and annexed. The boundaries of the portions of the land to be added, and the location of the improvements and the number of units to be built thereon, shall be in conformity with the Plat attached hereto as Exhibit B, as amended from time to time. The structures, improvements, Buildings, and Units will be compatible with the configuration of the Property, Buildings and Units in relation to density, use, construction, and architectural style. No rights of any character whatever within the additional land attach to any owner except as to that portion described in any recorded Amended Declaration annexing and adding such portion to this Declaration as part of the condominium created by this Declaration.

18 2 (a) Each Amended Declaration shall include an amended Exhibit A which shall amend hereto by setting forth the amended legal description of the Parcel to include the additional parcel or parcels annexed hereto, as well as a separate legal description of such addition. The Amended Declaration shall also contain an amended Plat showing the boundaries of such addition and of the entire Parcel as amended, and delineating the additional Units of such addition, all in accordance with Section 5 of the Act.

amend Exhibit C hereto by setting forth the amended percentages of the undivided interests in the Common Elements (as amended and added to by such Amended Declaration) allocated to each Unit (including all previous Units and the additional Units added by such Amended Declaration).

18 3 The percentages of undivided ownership interest in the Common Elements as amended by each Amended Declaration, and as set forth in the amended Exhibit C, shall be determined and adjusted in the following manner:

(a) The Common Elements as amended by such Amended Declaration shall be deemed to consist of:

(i) the Common Elements as existing immediately prior to the recording of such Amended Declaration (hereinafter referred to as the "Existing Common Elements"); and

(ii) the Common Elements added by such Amended Declaration (hereinafter referred to as the "Added Common Elements").

(b) The units as amended by such Amended Declaration shall be deemed to consist of:

(i) the Units as existing immediately prior to the recording of such Amended Declaration (hereinafter referred to as the "Existing Units"); and

(ii) the Units added by such Amended Declaration (hereinafter referred to as the "Added Units").

(c) The value of each of the Added Units shall be added to the aggregate value of the Existing Units and the total thereof shall be deemed to be the new value of the Property as a whole. "Value" as used in this paragraph shall be determined by the Developer as of the date of the recording of the Amended Declaration. Such determination by the Developer shall be conclusive and binding upon all unit owners, mortgagees and other parties who then or in the future have any interest in the Property.

(d) The percentages of undivided ownership interest, as amended and adjusted by such Amended Declaration, in the entire Common Elements, consisting of the Existing Common Elements plus the Added Common Elements, to be allocated among all of the Units, consisting of the Existing Units plus the Added Units, shall be computed by taking as a basis the value of each Unit in relation to the value of the Property as a whole, determined as aforesaid.

(e) The Existing Units shall be entitled to their respective percentages of ownership, as amended and adjusted and set forth in amended Exhibit C attached to such Amended Declaration, in the Added Common Elements as well as in the Existing Common Elements.

(f) The Added Units shall be entitled to their respective percentages of ownership, as set forth in such amended Exhibit C, not only in the Added Common Elements but also in the Existing Common Elements.

(g) Each and all of the provisions of this Declaration and the Exhibits attached hereto, as amended by each such successive Amended Declaration and the amended Exhibits attached thereto, shall be deemed to apply to each and all of the Units, including all such Added Units as well as all Existing Units, and to all of the Common Elements, including all such Added Common Elements as well as all Existing Common Elements.

(h) The recording of an Amended Declaration shall not alter or affect the amounts of any liens for Common Expenses due from any Existing Unit Owners prior to such recording, nor the respective amounts theretofore assessed to or due from Existing Unit Owners for Common Expenses or other assessments.

18.4 The lien of any mortgage encumbering any Existing Unit, together with its appurtenant percentage of undivided ownership interest in the Existing Common Elements, shall automatically be deemed to be adjusted and amended when an Amended Declaration is recorded, in accordance with the respective

percentage of undivided ownership interest in the Common Elements for such Existing Unit as set forth in the amended Exhibit C attached to such Amended Declaration, and the lien of such mortgage shall automatically attach in such percentage to the Added Common Elements.

18.5 Each and all of the Unit Owners, of all Existing Units and of all Added Units hereafter, and their respective mortgagees, grantees, heirs, administrators, executors, legal representatives, successors and assigns, by their acceptance of any deed or mortgage or other interest in or with respect to any of such Units, shall be deemed to have expressly agreed, assented and consented to each and all of the provisions of this Declaration, with respect to the recording of any and all Amended Declarations as aforesaid which may amend, adjust and reallocate from time to time their respective percentages of undivided ownership interest in the Common Elements including the Existing Common Elements and Added Common Elements, from time to time as hereinabove provided; and hereby further agree to each and all of the provisions of each and all of said Amended Declarations which may hereafter be recorded in accordance with the foregoing provisions of this Declaration.

18.6 Each and all of the Unit Owners, of all Existing Units and of all Added Units hereafter, and their respective mortgagees, grantees, heirs, administrators, executors, legal representatives, successors and assigns, by their acceptance of any deed or mortgage or other interest in or with respect to any of such Units, further acknowledges, consents and agrees, as to each such Amended Declaration that is recorded, as follows:

(a) The portion of the additional land described in each such Amended Declaration shall be governed in all respects by the provisions of this Declaration.

(b) The percentage of ownership in the Common Elements appurtenant to each Unit shall automatically be shifted and reallocated to the extent set forth in each such recorded Amended Declaration and upon the recording of each such Amended Declaration, the amount by which such percentage appurtenant to a Unit is reduced, as set forth in each such recorded Amended Declaration, shall thereby be and be deemed to be released and divested from such Unit Owner and reconveyed and reallocated among the other Unit Owners as set forth in each such recorded Amended Declaration.

(c) Each deed, mortgage or other instrument affecting a Unit shall be deemed given subject to the conditional limitation that the percentage of ownership in the Common Elements appurtenant to each Unit shall, upon the recording of each Amended Declaration, be divested *pro tanto* to the reduced percentage set forth in such Amended Declaration and vested among the other Owners, mortgagees and others owning an interest in the other Units in accordance with the terms and percentages of each such recorded Amended Declaration.

(d) A right of revocation is hereby reserved by the grantor in each such deed, mortgage or other instrument of a Unit to so amend and reallocate the percentages of ownership in the Common Elements appurtenant to each Unit.

(e) The percentage of ownership in the Common Elements appurtenant to each Unit shall include and be deemed to include any additional Common Elements annexed hereto by a recorded Amended Declaration and each deed, mortgage or other instrument affecting a Unit shall be deemed to include such additional Common Elements and the ownership of any such Unit and lien of any such mortgage shall automatically include and attach to such additional Common Elements as such Amended Declarations are recorded.

(f) Each Owner shall have a perpetual easement, appurtenant to his Unit, for the use of any additional Common Elements annexed thereto by and described in any recorded Amended Declaration, for the purposes herein set forth, except as to any portion the use of which is limited by exclusive easements granted to the Owners of specific Units as may be provided in any such Amended Declaration, or this Declaration and except as to any portion which may be designated as Limited Common Elements.

(g) Each Owner by acceptance of the deed conveying his Unit, agrees for himself and all those claiming under him, including mortgagees, that this Declaration and each Amended Declaration is and shall be deemed to be in accordance with the Act and for purposes of this Declaration and the Act, any changes in the respective percentages of ownership in the Common Elements as set forth in each such Amended Declaration shall be deemed to be made by agreement of all Unit Owners.

(h) The Developer reserves the right to amend this Declaration in such manner, and each Owner agrees to execute and deliver such documents necessary or desirable to cause the provisions of this Article XVIII to comply with the Act as it may be amended from time to time.

(i) The foregoing provisions of this Declaration and in deeds and mortgages of the Units and Common Elements contain and will contain clauses designed to accomplish a shifting of the Common Elements. None of said provisions shall invalidate the other, but each shall be deemed supplementary to the other toward the end that a valid shifting of the Common Elements can be accomplished.

ARTICLE XIX GENERAL PROVISIONS

19.1 Mortgagees. The following provisions are intended for the benefit of each holder of a recorded first mortgage or trust deed encumbering a Unit Ownership ("First Mortgagee") and to the extent, if at all, that any other provisions of this Declaration conflict with the following provisions, the following provisions shall control:

(a) Upon request in writing to the Association identifying the name and address of the First Mortgagee or the insurer or guarantor of a recorded first mortgage or trust deed on a Unit ("Insurer or Guarantor") and the Unit number, the Association shall furnish each First Mortgagee, Insurer or Guarantor a written notice of any Unit Owner's obligations under this Declaration which is not cured within thirty (30) days. Any First Mortgagee of a Unit, as well as any other holder of a prior record mortgage on a Unit Ownership, who comes into possession of the said Unit Ownership pursuant to the remedies provided in the mortgage, foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure shall, to the extent permitted by law, take such property free of any claims for unpaid assessments or charges in favor of the Association against the mortgaged Unit Ownership which become due prior to (1) the date of the transfer of title, or (ii) the date on which the holder comes into possession of the Unit Ownership, whichever occurs first (except for any sums which are reallocated among the Unit Owners pursuant to the terms of this Declaration and the Act).

(b) Upon request in writing, each First Mortgagee, Insurer or Guarantor shall have the right:

(i) to examine current copies of this Declaration, the By-Laws, rules

and regulations and books and records of the Association during normal business hours;

(ii) to receive, without charge and within a reasonable time after such request, (1) in the case of Blanket Mortgagee, audited financial statements which are prepared and distributed by the Association to the Unit Owners at the end of its fiscal year; and (2) in the case of First Mortgagees, any annual audited or unaudited financial statements which are prepared and distributed by the Association to the Unit Owners at the end of its fiscal year; provided, however, that in the event an audited financial statement is not available, at the request of fifty-one percent (51%) or more of the First Mortgagees (by number), the First Mortgagees shall be entitled to have such an audited statement prepared at their expense;

(iii) to receive written notices of all meetings of the Association and to designate a representative to attend all such meetings, such notice to be given not less than five (5) days prior to any such meeting;

(iv) to receive written notice of any decision by the Unit Owners to make a material amendment to the Declaration, By-Laws contained herein or Articles of Incorporation;

(v) to receive written notice of any lapse, cancellation or modification of any insurance policy or fidelity bond maintained by the Association;

(vi) to receive written notice of any action which would require the consent of a specified percentage of First Mortgagees;

(vii) to receive written notice of any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage;

(viii) to receive written notice of any sixty (60) day delinquency in the payment of assessments or charges owed by any Unit Owner on which it holds the mortgage; and

(ix) to receive written notice of any judgment entered against the Association in a court with appropriate jurisdiction.

(c) No provision of this Declaration or the Articles of Incorporation of the Association or any similar instrument pertaining to the Property or the Units therein shall be deemed to give a Unit Owner or any other party priority over the rights of the First Mortgagees pursuant to their mortgages in the case of distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of the Units, or the Common Elements, or any portion thereof or interest therein. In such event, the First Mortgagees, Insurers or Guarantors of the Units affected shall be entitled, upon specific written request, to timely written notice of any such loss.

(d) Unless the First Mortgagees of the Unit Ownerships which are a part of the Property have given their prior written approval, neither the Association nor the Unit Owners shall be entitled to:

(i) by act or omission seek to abandon or terminate the condominium regime, except for abandonment provided by the Act in case of substantial loss to or condemnation of the Units or the Common Elements.

(ii) change the pro rata interest or obligations of any Unit Owner for purposes of levying assessments or charges or allocating distributions of hazard insurance proceeds, condemnation awards, and (2) determining the pro rata share of ownership of each Unit Owner in the Common Elements, except as provided in Section 2 of Article IX or in Article X hereof.

(iii) use hazard insurance proceeds for losses to any Property (whether to Units or to Common Elements) for other than the repair, replacement or construction of such improvements, except as provided by the Act in case of substantial loss to the Units or the Common Elements.

(e) Unless the First Mortgagees of the individual Unit Ownership represent at least fifty one percent (51%) of the votes in the Association and any Blanket Mortgagee have given their prior written approval, neither the Association nor the Unit Owners shall be entitled to do or permit to be done any of the following:

(i) Adoption of an amendment to this Declaration which (1) changes Section 12 of Article XIX, (2) changes this Section 1 of Article XIX or any other provision of this Declaration which specifically grants rights to First Mortgagees, (3) materially changes insurance and fidelity requirements, (4) imposes a right of first refusal or similar restriction on the right of an Owner to sell, transfer or otherwise convey his Unit Ownership materially different from that presently contained in this Declaration, or (5) changes the provisions concerning the leasing of Unit Ownerships which would be binding on First Mortgagees;

(ii) The abandonment, partition, subdivision, encumbrance, sale or transfer of the Common Elements (except for the granting of easements for public utilities or for other purposes consistent with the intended use of the Property and except for the encumbrances, sale or transfer of the percentage of ownership in the Common Elements in connection with the encumbrance, sale or transfer of a Unit Ownership or the lease, license, concession or grant of easement with respect to the Common Elements permitted by this Declaration);

(iii) The sale of the Property;

(iv) The removal of a portion of the Property from the provisions of the Act and this Declaration;

(v) The effectuation of a decision by the Association to terminate professional management and assume self-management of the condominium;

(vi) The modification of the provisions of the Declaration pertaining to (1) the Unit Owners' voting rights, (2) the assessment determinations or the liens that arise from the nonpayment of assessments, or (3) the creation and use of the Capital Reserve; and

(vii) the reallocation of the Unit Owners' interests in the Common Elements.

(f) Upon specific written request to the Association, each First Mortgagee, Insurer or Guarantor of a Unit Ownership shall be furnished notice in writing by the Association of any damage to or destruction or taking of the Common Elements if such damage or destruction or taking exists.

Ten Thousand Dollars (\$10,000.00), or if damages shall occur to a Unit in excess of One Thousand Dollars (\$1,000.00), notice of such event shall also be given.

(g) If any Unit or portion thereof or the Common Elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the First Mortgagee, Insurer or Guarantor of the Unit Ownership involved will be entitled to timely written notice, upon specific written request, of any such proceeding or proposed acquisition and no provisions of any documents will entitle the owner of a Unit Ownership or other party to priority over such First Mortgage with respect to the distribution of the proceeds of any award or settlement.

(h) Whenever required, the consent of a First Mortgagee shall be deemed granted unless the party seeking the consent is advised to the contrary in writing by the First Mortgagee within thirty (30) days after making the request for consent.

If any or all of the foregoing provisions of this Section are violated, the First Mortgagees shall retain any and all rights at law or in equity to enforce such provisions. In addition to the notice requirements previously set forth in this Section, upon written request to the Board, a First Mortgagee shall be given a copy of any and all notices permitted or required by this Declaration to be given to the Unit Owner whose Unit Ownership is subject to such First Mortgage.

19.2 Notices of Board, Association, and Unit Owners. Notices provided for in this Declaration and in the Act shall be in writing and shall be addressed to the Board or Association, or any Unit Owner, as the case may be or at such other address as herein provided. The Association or Board may designate a different address or addresses for notices to them, respectively, by giving written notice of such change of address to all Unit Owners. Any Unit Owner may also designate a different address for notices to him by giving written notice of his change of address to the Board or Association. 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, or if addressed to a Unit Owner, when deposited in his mailbox in the building or at the door of this Unit in the building.

19.3 Notice to Decedent. Notices required to be given any devisee or personal representative of a deceased Unit Owner may be delivered either personally or by mail to such party at his or its address appearing in the records of the court wherein the estate of such deceased Unit Owner is being administered.

19.4 Binding Effect. Each grantee of Developer, by acceptance of a deed of conveyance, or each purchaser under any contract for 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 the Property or any Unit, and shall inure to the benefit of such Unit Owner in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance.

19.5 Waiver. 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 have occurred.

19.6 Amendment. No provision of this Declaration affecting the rights, privileges and duties of Declarant or Developer may be modified without their written consent. The provisions of Article XVIII, Section 1; Article XVII, Section 2; Article XIX, Section 12 and the following provisions of this Article XIX, Section 6 may be changed, modified or rescinded by an instrument in writing setting forth such change, modification or rescission, signed and acknowledged by the President or a Vice-President of the Board, and by all of the Unit Owners and all First Mortgagees. Other provisions of this Declaration may be changed, modified or rescinded as provided in Article XIX, Section 12 hereof or by an instrument in writing setting forth such change, modification or rescission signed and acknowledged by the President or a Vice-President of the Board, and approved by the Unit Owners having in the aggregate, at least seventy-five percent (75%) of the total vote, at a meeting called for that purpose; provided, however that (i) all First Mortgagees have been notified by certified mail or any change, modification or rescission, (ii) an affidavit by the Secretary of the Board certifying to such mailing is made a part of such instrument, and (iii) any provisions herein which specifically grant rights to First Mortgagees may be amended only with the written consent of all such First Mortgagees, except in those instances in which the approval of less than all First Mortgagees is required. The change, modification or rescission shall be effective upon recordation of such instrument in the Office of the Recorder of Deeds of Will County, Illinois; provided, however, that no such change, modification or rescission, other than as provided in Article XIX, Section 12 hereof, shall change the boundaries of any Unit, the allocation of percentages of ownership in the Common Elements and votes in the Association, quorum and voting requirements for action by the Association, or liability for Common Expenses assessed against any Unit, except to the extent authorized by other provisions of this Declaration or by the Act.

19.7 Invalidity. The invalidity of any covenant, restriction, condition, limitation, or any other provision of this Declaration, or of any part of the same, shall not impair or affect in any manner the validity, enforceability, or effect of the remainder of this Declaration.

19.8 Perpetuities and Restraints. If any of the options, privileges, covenants, or rights created by this Declaration would otherwise be unlawful or void violations of (a) the rule against perpetuities or some analogous statutory provision, (b) the rules restricting restraints or alienation, or (c) any other statutory of common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the last to die of the now living lawful descendants of William J. Clinton, President of the United States, and those of Richard Durbin, Senator from the State of Illinois.

19.9 Liens. 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 this 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. 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 the Association other than for mechanics' liens as hereinafter set forth. Each Unit Owner's liability for any judgment entered against the Board 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, 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 Developer shall provide a surety bond or substitute collateral for or insurance against such liens. After conveyance of such Unit, no mechanic's lien shall be created against such Unit or its Common Element interest by reason of any subsequent contract by Developer to improve or make additions to the Property. If, as a result of work expressly authorized by the Board, a mechanic's lien claims is place 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 Unit's proportionate share of any due and payable indebtedness.

19.10 Release of Claims. Each Unit Owner hereby waives and releases any and all claims which he may have against any other Unit Owner, Occupant, the Association, its officers, members of the Board, Developer, the management agent, 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.

19.11 Construction. 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 apartment building.

19.12 Special Amendment. Declarant reserves the right and power to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration or any other governmental agency or any other public, quasi-public or private entity which performs (or may perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Unit Ownerships, (iii) to bring this Declaration into compliance with the Act, (iv) to correct clerical or typographical or similar errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto or (v) to modify, combine, subdivide or otherwise alter Units or Limited Common Elements owned by Declarant; provided, however, that such supplements or amendments have no material impact on other Unit Owners, including no impact on such other Unit Owner's percentage interest in the Common Elements. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Declarant to vote in favor of, make or consent to a Special Amendment on behalf of each Unit Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation or other instrument affecting a Unit Ownership, and the acceptance thereof, shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of Declarant to vote in favor of, make, execute and record Special Amendments. The right of Declarant to act pursuant to rights reserved or granted under this Section shall terminate at such time as Declarant no longer holds or controls title to a Unit Ownership.

19.13 Zoning. No Unit Owner shall make any alteration, addition or improvement or allow any use of their Unit or take or fail to take any action which would violate the provisions of any municipal zoning ordinances or any similar or successor ordinance in effect from time to time hereafter and applicable to the Property of any portions thereof. No Unit Owner shall have the right to request or obtain any amendment to the municipal zoning ordinance as applicable to the Property without the consent of three-fourths (3/4) of the votes of the other Unit Owners voting on the basis of their respective percentage interests in the Common Elements.

19.14 Assignments by Declarant. All rights which are specified in this Declaration to be rights of Declarant are mortgageable, pledgeable, assignable and transferable. Any successor to, or assignee of, the

rights of Declarant hereunder (whether as the foreclosing party or otherwise) shall hold or be entitled to exercise the rights of Declarant hereunder as fully as if the rights of Declarant hereunder shall have or incur any liability for the acts of any other party which previously exercised or subsequently shall exercise such rights.

19.15 Headings. The headings and captions contained herein are inserted for convenient reference only and shall not be deemed to construe or limit the sections and articles to which they apply.

19.16 Land Trust Unit Owners' Exemption. If title to any Unit Ownership is conveyed to a land trust holding trust, under the terms of which all powers of management, operation, and control of the Unit Ownership remain vested in the trust beneficiaries or beneficiaries, then the Unit Ownership under such trust and the beneficiaries thereof shall be responsible for payment of all obligations, liens or debts, 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 or to sequester funds or trust property to apply in satisfaction 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 title of such Unit Ownership.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the ____ day of _____, 2003.

ENGLEWOOD POINTE LLC, an Illinois limited liability company

By: JP Grand Corporation, an Illinois corporation,
Manager

By: _____
Jeffrey S. Pelock, President

STATE OF ILLINOIS)
) SS
COUNTY OF _____)

The undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that _____, President of JP Grand Corporation, _____ the Manager of Englewood Pointe LLC, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, as the free and voluntary act of said company, for the uses and purposes therein set forth.

GIVEN, under my hand and Notarial Seal this ____ day of _____, 2003.

Notary Public

My Commission Expires: _____

STATE OF TEXAS)
) SS
COUNTY OF HARRIS)

CONSENT OF MORTGAGEE

RBC MORTGAGE COMPANY, an Illinois Corporation, as holder of a certain Mortgage and Security Agreement (the "Mortgage") on the Property dated as of _____, and recorded _____ as Document Number _____ in the Office of the Recorder of Deeds of Will County, Illinois, hereby consents to the execution, delivery and recording the Declaration of Condominium Ownership and of Easements, Restrictions, Covenants and By-Laws for the Englewood Pointe Townhomes Condominiums Association (the "Declaration") and agrees that the lien of the Mortgage is subordinate to the Declaration and is subordinate to the provisions of the Illinois Condominium Property Act.

IN WITNESS WHEREOF, _____ has caused this consent of Mortgagee to be signed by its duly authorized officer on its behalf; all done at _____, Texas, on this ____ day of _____, 2003.

RBC MORTGAGE COMPANY, an Illinois Corporation

By: _____
Its: _____

STATE OF TEXAS)
) SS
COUNTY OF HARRIS)

I, _____, a Notary Public in and for said County and State, do hereby certify that _____, the _____ of _____, as such _____, appeared before me this day in person and acknowledged that he signed, sealed and delivered said instrument as his free and voluntary act, and as the free and voluntary act of said bank, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of _____, 2003.

Notary Public

My Commission Expires: _____

ENGLEWOOD POINTE TOWNHOMES CONDOMINIUM

DECLARATION OF CONDOMINIUMS OWNERSHIP
EXHIBIT A
Legal Description of Condominium Property

THE LAND REFERRED TO IN THIS POLICY IS DESCRIBED AS FOLLOWS:

THAT PART OF THE EAST ½ OF THE NORTHWEST ¼ OF SECTION 20, TOWNSHIP 35 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWESTERLY CORNER OF OUTLOT I, IN KIPLING ESTATES UNIT 3 PHASE 1, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 20, 2000 AS DOCUMENT R2000-40180; THENCE SOUTH 22 DEGREES 24 MINUTES 11 SECONDS EAST 132.88 FEET, ALONG THE WESTERLY LINE OF SAID KIPLING ESTATES UNIT 3 PHASE 1, TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 22 DEGREES 24 MINUTES 11 SECONDS EAST 54.33 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1; THENCE SOUTH 15 DEGREES 30 MINUTES 34 SECONDS EAST 160.34 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1; THENCE SOUTH 12 DEGREES 35 MINUTES 23 SECONDS WEST 155.59 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1; THENCE SOUTH 15 DEGREES 59 MINUTES 26 SECONDS WEST 176.85 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3, PHASE 1; THENCE SOUTH 49 DEGREES 31 MINUTES 08 SECONDS EAST 103.94 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1, TO THE SOUTHWESTERLY CORNER OF SAID OUTLOT I OF KIPLING ESTATES UNIT 3 PHASE 1; THENCE SOUTH 13 DEGREES 29 MINUTES 08 SECONDS EAST 4.87 FEET; THENCE SOUTH 77 DEGREES 56 MINUTES 30 SECONDS WEST 125.99 FEET; THENCE NORTH 89 DEGREES 05 MINUTES 44 SECONDS WEST 915.13 FEET, TO A POINT ON THE WESTERLY LINE OF SAID EAST ½ OF THE NORTHWEST ¼ OF SECTION 20; THENCE NORTH 00 DEGREES 07 MINUTES 20 SECONDS WEST 141.11 FEET, ALONG SAID WESTERLY LINE OF THE EAST ½ OF THE NORTHWEST ¼ OF SECTION 20; THENCE SOUTH 59 DEGREES 05 MINUTES 18 SECONDS EAST 207.13 FEET; THENCE NORTH 16 DEGREES 47 MINUTES 38 SECONDS EAST 149.41 FEET; THENCE NORTH 31 DEGREES 16 MINUTES 38 SECONDS EAST 60.00 FEET, TO A POINT ON A CURVE; THENCE SOUTHEASTERLY 63.61 FEET, ALONG A CURVE TO THE LEFT WITH A RADIUS OF 120.00 FEET AND HAVING A CHORD BEARING AND DISTANCE OF SOUTH 73 DEGREES 54 MINUTES 33 SECONDS EAST 62.87 FEET, TO A POINT OF TANGENCY; THENCE SOUTH 89 DEGREES 05 MINUTES 44 SECONDS EAST 116.84 FEET, ALONG SAID TANGENT LINE; THENCE NORTH 00 DEGREES 54 MINUTES 16 SECONDS EAST 128.37 FEET; THENCE SOUTH 89 DEGREES 05 MINUTES 44 EAST 168.31 FEET; THENCE NORTH 82 DEGREES 54 MINUTES 16 SECONDS EAST 114.79 FEET; THENCE NORTH 03 DEGREES 54 MINUTES 11 SECONDS WEST 111.02 FEET; THENCE NORTH 22 DEGREES 02 MINUTES 46 SECONDS WEST 199.75 FEET, TO A POINT ON SAID

WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1; THENCE NORTH 67 DEGREES 35 MINUTES 49 SECONDS EAST 126.00 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1; THENCE SOUTH 22 DEGREES 24 MINUTES 11 SECONDS EAST 10.61 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1; THENCE NORTH 67 DEGREES 35 MINUTES 49 SECONDS EAST 60.00 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1; THENCE SOUTH 22 DEGREES 24 MINUTES 11 SECONDS EAST 154.21 FEET; THENCE NORTH 67 DEGREES 20 MINUTES 20 SECONDS EAST 121.00 FEET, TO THE POINT OF BEGINNING, IN WILL COUNTY, ILLINOIS

**ENGLEWOOD POINTE TOWNHOMES CONDOMINIUMS
DECLARATION OF CONDOMINIUM OWNERSHIP
EXHIBIT B**

Plat of Survey of Units and Condominium Property

LEGAL DESCRIPTION PARCEL NO. 1

THAT PART OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 20, IN TOWNSHIP 35 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 2, ACCORDING TO THE PLAT THEREOF RECORDED MARCH 21, 2001 AS DOCUMENT NO. R2001-030062 AND THE WEST LINE OF SAID EAST HALF OF THE NORTHWEST QUARTER OF SECTION 20; THENCE NORTH 89 DEGREES 52 MINUTES 40 SECONDS EAST 123.99 FEET, ALONG SAID SOUTHERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 2, TO A POINT OF CURVE; THENCE SOUTHEASTERLY 50.44 FEET, ALONG SAID SOUTHERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 2, BEING A CURVE TO THE RIGHT WITH A RADIUS OF 462.41 FEET AND HAVING A CHORD BEARING AND DISTANCE OF SOUTH 86 DEGREES 59 MINUTES 50 SECONDS EAST 50.42 FEET, TO A POINT OF TANGENCY; THENCE SOUTH 83 DEGREES 52 MINUTES 20 SECONDS EAST 68.31 FEET, ALONG SAID SOUTHERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 2; AND SAID TANGENT LINE; THENCE NORTH 74 DEGREES 26 MINUTES 45 SECONDS EAST 249.06 FEET, ALONG SAID SOUTHERLY LINE OF KIPLING ESTATE, UNIT 3 PHASE 2, TO THE SOUTHWESTERLY MOST CORNER LOT 14 IN KIPLING ESTATES UNIT 3 PHASE 1, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 20, 2000 AS DOCUMENT NO. R2000-040180 AND THE CERTIFICATE OF CORRECTION RECORDED JUNE 19, 2000 AS DOCUMENT NO. R2000-065673, THENCE SOUTH 73 DEGREES 05 MINUTES 44 SECONDS EAST 118.80 FEET, ALONG THE WESTERLY LINE OF SAID KIPLING ESTATES UNIT 3 PHASE 1; THENCE SOUTH 51 DEGREES 17 MINUTES 11 SECONDS EAST 46.36 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1; THENCE SOUTH 22 DEGREES 02 MINUTES 46 SECONDS EAST 199.75 FEET; THENCE SOUTH 03 DEGREES 54 MINUTES 11 SECONDS EAST 111.02 FEET; THENCE SOUTH 82 DEGREES 54 MINUTES 16 SECONDS WEST 114.79 FEET; THENCE NORTH 89 DEGREES 05 MINUTES 44 SECONDS WEST 168.31 FEET; THENCE SOUTH 00 DEGREES 54 MINUTES 16 SECONDS WEST 128.37 FEET; THENCE NORTH 89 DEGREES 05 MINUTES 44 SECONDS WEST 116.84 FEET, TO A POINT OF CURVE; THENCE NORTHWESTERLY 63.61 FEET, ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 120.00 FEET AND HAVING A CHORD BEARING AND DISTANCE OF NORTH 73 DEGREES 54 MINUTES 33 SECONDS WEST 62.87 FEET; THENCE SOUTH 31 DEGREES 16 MINUTES 38 SECONDS WEST 60.00 FEET; THENCE SOUTH 16 DEGREES 47 MINUTES 38 SECONDS WEST 149.41 FEET; THENCE NORTH 59 DEGREES 05 MINUTES 18 SECONDS WEST 207.13 FEET, TO A POINT ON THE SAID WEST LINE OF

THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 20; THENCE NORTH 00 DEGREES 07 MINUTES 20 SECONDS WEST 510.84 FEET, ALONG SAID WEST LINE OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 20, TO THE POINT OF BEGINNING, ALL IN TROY TOWNSHIP, WILL COUNTY, ILLINOIS, CONTAINING 7.018 ACRES MORE OR LESS.

LEGAL DESCRIPTION PARCEL NO. 2

THAT PART OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 20, IN TOWNSHIP 35 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING DESCRIBED AS FOLLOWS; BEGINNING AT THE NORTHWESTERLY CORNER OF OUTLOT I, IN KIPLING ESTATES UNIT 3 PHASE 1, ACCORDING TO THE PLAT THEREOF RECORDED APRIL 20, 2000 AS DOCUMENT NO. R 2000040180 AND CERTIFICATE OF CORRECTION RECORDED JUNE 19, 2000 AS DOCUMENT NO. R 2000065673; THENCE SOUTH 22 DEGREES 24 MINUTES 11 SECONDS EAST 132.88 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1; THENCE SOUTH 67 DEGREES 20 MINUTES 20 SECONDS WEST 121.00 FEET; THENCE NORTH 22 DEGREES 24 MINUTES 11 SECONDS WEST 154.21 FEET, TO A POINT OF CURVE; THENCE NORTHEASTERLY 38.50 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1 BEING A CURVE TO THE RIGHT WITH A RADIUS OF 190.00 FEET AND HAVING A CHORD BEARING AND DISTANCE OF NORTH 73 DEGREES 24 MINUTES 05 SECONDS EAST 38.43 FEET; THENCE NORTH 79 DEGREES 07 MINUTES 58 SECONDS EAST 84.71 FEET, ALONG SAID WESTERLY LINE OF KIPLING ESTATES UNIT 3 PHASE 1, TO THE POINT OF BEGINNING, ALL IN TROY TOWNSHIP, WILL COUNTY, ILLINOIS CONTAINING 0.403 ACRES MORE OR LESS.

**ENGLEWOOD POINTE TOWNHOMES CONDOMINIUMS
DECLARATION OF CONDOMINIUM OWNERSHIP
EXHIBIT C**

Percentage Ownership in Common Elements

Building Number	Unit Number	Percentage Interest in Common Elements
TOTAL		100%

*The percentage ownership for each Unit shall be amended as additional Units are added to the Declaration.

**ENGLEWOOD POINTE TOWNHOMES CONDOMINIUMS
DECLARATION OF CONDOMINIUMS OWNERSHIP
EXHIBIT D**

Additional Land