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DECLARATION OF CONDOMINIUM OWNERSHIP FOR
TRI-DISTRICT HOMES - TOWER RESIDENCES CONDOMINIUM

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10/28/03

**DECLARATION OF CONDOMINIUM OWNERSHIP FOR
PRAIRIE DISTRICT HOMES - TOWER RESIDENCES CONDOMINIUM**

This Declaration is made by and entered into by 18th and Prairie II L.L.C., an Illinois limited liability company ("Declarant").

RECITALS:

The Premises are legally described in Exhibit A hereto. Declarant intends to submit and subject the Premises to this Declaration and the Act in phases. Initially, the Condominium Property shall consist of those portions of the Premises which are legally described in Exhibit B, with all improvements thereon and appurtenances thereto. From time to time the Declarant shall add additional portions of the Premises to the Condominium Property as "Added Property" by Recording supplements to this Declaration, as more fully provided in Article Eight. Thus, as Supplemental Declarations are Recorded, the Condominium Property will expand to include more and more portions of the Premises. The entire Premises shall be made part of the Condominium Property no later than five (5) years after this Declaration is first Recorded.

The Condominium Association shall be responsible for the administration of the condominium and the maintenance, repair and replacement of the Common Elements. Each Owner of a Unit shall be assessed to pay his proportionate share of the Common Expenses required to operate the condominium, all as more fully provided for in this Declaration.

The Declarant shall retain certain rights set forth in this Declaration with respect to the Condominium Property and the Condominium Association including, without limitation, the right, prior to the Turnover Date, to appoint all members of the Board, the right to come upon the Property in connection with efforts to promote the sale or rental of Units and other rights reserved in Article Eleven.

NOW, THEREFORE, Declarant as record title holder of the Parcel and the Property, hereby declares as follows:

ARTICLE ONE

Definitions

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

1.01 ACT: The Condominium Property Act of the State of Illinois, as amended from time to time.

1.02 BOARD: The board of directors of the Condominium Association, as constituted at any time or from time to time.

1.03 BUILDING: The building located on the Premises.

1.04 BY-LAWS: The By-Laws of the Condominium Association which are attached hereto as Exhibit E.

1.05 COMMERCIAL UNIT: A Unit which is designated on the Plat and/or Exhibit D as a "Commercial Unit".

1.06 COMMON ELEMENTS: All of the Condominium Property, except the Units.

1.07 COMMON EXPENSES: The expenses of administration (including management and professional services) of the Property; except as otherwise specifically provided herein, the cost of maintenance, repair, and replacement of the Common Elements; except as specifically provided herein, the cost of additions, alterations, or improvements to the Common Elements; the cost of insurance required or permitted to be obtained by Board under Article Five; utility expenses for the Common Elements; any expenses designated as Common Expenses by the Act, this Declaration, or the By-Laws; if not separately metered or charged to the Owners, the cost of waste removal, scavenger services, water, sewer, or other necessary utility services to the Building; and any other expenses lawfully incurred by or on behalf of the Condominium Association for the common benefit of all of the Owners.

1.08 CONDOMINIUM ASSOCIATION OR ASSOCIATION: The Prairie District Homes -- Tower Residences Condominium Association, an Illinois not-for-profit corporation, its successors and assigns.

1.09 COUNTY: Cook County, Illinois.

1.10 DECLARANT: 18th and Prairie II L.L.C., an Illinois limited liability company, its successors and assigns.

1.11 DECLARATION: This instrument with all Exhibits hereto, as amended or supplemented from time to time.

1.12 DOG RUN: A portion of the Common Elements which is designated on the Plat as a "Dog Run".

1.13 DWELLING UNIT: A Unit which is designated on the Plat and Exhibit D as a "Dwelling Unit".

1.14 EXCLUSIVE LIMITED COMMON ELEMENTS: With respect to each Unit, the following Limited Common Elements shall be Exclusive Limited Common Elements:

(a) Perimeter doors, door frames, windows and window frames which serve the Dwelling Unit;

(b) The interior surface of the perimeter walls, ceilings and floors which define the boundary planes of the Unit;

(c) Any system or component part thereof which serves the Unit exclusively to the extent that such system or component part is located outside the boundaries of the Unit;

(d) The Storage Area, if any, assigned to the Unit; and

(e) Any deck, patio, terrace or balcony which serves or is designated on the Plat as serving the Dwelling Unit exclusively.

1.15 FIRST MORTGAGE: A bona fide first mortgage, first trust deed or equivalent security interest covering a Unit Ownership.

1.16 FIRST MORTGAGEE: The holder of a First Mortgage.

1.17 GARAGE: A portion of the Condominium Property which is delineated and designated on the Plat as a "Garage" and which includes Garage Units.

1.18 GARAGE EXPENSES: The expenses of the maintenance, operation, repair and replacement of the Garage, including the ramps and garage doors which serve Garage; the cost of electricity and other necessary utility expenses for the Garage; the cost of and the expenses incurred for the maintenance, repair and replacement of personal property used by the Condominium Association only in connection with the maintenance and operation of the Garage and the Garage Units; any expense designated as a Garage Units by this Declaration; the portion of the cost of insurance coverage carried by the Condominium Association which is reasonably allocable to the Garage; and any expenses incurred by the Condominium Association which, pursuant to generally accepted accounting principles, can be reasonably allocated to the operation of the Garage and which the Board specifically determines shall be so allocated. In the event that certain expenses are incurred by the Condominium Association in connection with the operation of the Garage and/or Common Elements which are not part of the Garage, the allocation of the expenses between the Common Expenses and Garage Expenses shall be made by the Condominium Association Board based on generally accepted accounting principles and any allocations so made shall be final and binding.

1.19 GARAGE UNIT: A Unit which is designated on the Plat and on Exhibit D as a "Garage Unit".

1.20 LIMITED COMMON ELEMENTS: A portion or portions of the Common Elements which are designated by this Declaration or the Plat as being a Limited Common Element appurtenant to and for the exclusive use of Owners of one or more, but less than all, of the Units. Any deck, patio, terrace, or balcony adjoining or serving a Dwelling Unit, shall be a Limited Common Element appurtenant to such Dwelling Unit. Those portions of the Garage which are part of the Common Elements hereunder from time to time shall be Limited Common Elements appurtenant to the Garage Units. See Section 1.14 for the definition of those Limited Common Elements which shall be Exclusive Limited Common Elements hereunder.

1.21 MUNICIPALITY: The City of Chicago, Illinois, its successors and assigns.

1.22 NON-CONDOMINIUM PROPERTY: Those portions of the Premises which, from time to time, are not part of the Condominium Property.

1.23 OWNER: A Record owner, whether one or more Persons, of fee simple title to any Unit, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

1.24 PARCEL: The real estate which is legally described in Exhibit B hereto from time to time, together with all rights appurtenant thereto, as Exhibit B may be supplemented from time to time.

1.25 PERSON: A natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

1.26 PLAT: The plat or plats of survey attached hereto as Exhibit C, as such exhibit may be amended or supplemented from time to time, which set forth the measurements, elevations, and locations of the Condominium Property, the location of the planes which constitute the perimeter boundaries of each Unit, a distinguishing number or other symbol to identify each Unit and such other data as may be required by the Act or this Declaration.

1.27 PREMISES: The real estate described in Exhibit A hereto with all improvements thereon and rights appurtenant thereto. Exhibit A is attached hereto for informational purposes only and none of the covenants, conditions, restrictions and easements contained herein shall burden any portion of the Premises, unless and until such portion is made part of the Condominium Property by this Declaration or any Supplemental Declaration.

1.28 PROPERTY OR CONDOMINIUM PROPERTY: All the land, property, and space comprising the Parcel, all improvements and structures erected, constructed or contained therein, thereon or thereunder, and all easements, rights and appurtenances belonging thereto, and all fixtures and equipment intended for the mutual use, benefit or enjoyment of the Owners, hereby or hereafter submitted and subjected to the provisions of this Declaration and the Act as part of the Condominium Property.

1.29 RECORD: To record with the Recorder of Deeds of the County.

1.30 RESIDENT: An individual who resides in a Dwelling Unit and who is either an Owner, a tenant of the Owner, a contract purchaser of the Dwelling Unit, or a relative of any such Owner, tenant or contract purchaser.

1.31 STORAGE AREA: A portion of the Common Elements which is assigned by the Board to a Unit as an Exclusive Limited Common Element. The Board shall keep a record of which Storage Area is assigned to each Unit.

1.32 TURNOVER DATE: The date on which any one of the following shall first occur:

(a) Sixty (60) days after Declarant has conveyed one hundred thirty-three (133) Dwelling Units to purchasers for value (being 75% of the number of Dwelling Units

which the Declarant believes may be made subject to this Declaration);

(b) The expiration of three (3) years from the date of the Recording of this Declaration;

(c) The date designated in written notice from the Declarant to all of the Owners as being the Turnover Date;

(d) The date which control of the Condominium Association must be turned over to the Owners as required under the Act.

1.33 UNDIVIDED INTEREST: The percentage of ownership interest in the Common Elements appurtenant to a Unit as herein and hereafter allocated on Exhibit D hereto, as Exhibit D may be amended from time to time.

1.34 UNIT: A part of the Condominium Property designed or intended for independent use and having lawful access to a public way. Each Unit shall consist of the space enclosed and bounded by the planes constituting the boundaries of such Unit as shown on the Plat and the fixtures and improvements located wholly within such boundaries which serve such Unit exclusively. A Unit shall be either a Commercial Unit, a Dwelling Unit or a Garage Unit. A Unit shall not include the following, wherever located:

(a) any structural components of the Condominium Property; or

(b) any component of a system which serves more than one Unit where such component is an integral part of such system and is not intended to serve the Unit exclusively.

Each Unit is identified on the Plat by a distinguishing number or other symbol. The legal description of each Unit shall refer to such identifying number or symbol and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. There shall be three types of Units: Commercial Units, Dwelling Units and Garage Units. Each Unit shall be identified on the Plat as being either a Commercial Unit, a Dwelling Unit or a Garage Unit.

1.35 UNIT OWNERSHIP: A part of the Condominium Property consisting of one Unit and its Undivided Interest.

1.36 VOTING MEMBER: The individual who shall be entitled to vote in person or by proxy at meetings of the Owners, as more fully set forth in Article Four.

ARTICLE TWO

Scope of Declaration and Certain Property Rights

2.01 REAL ESTATE SUBJECT TO DECLARATION: Declarant, as the owner of fee simple title to the Parcel and Property, expressly intends to and, by Recording this Declaration, does hereby subject and submit the Parcel and Property to the provisions of the Act and this

Declaration. Declarant shall have the right to subject additional portions of the Premises to the provisions of the Act and this Declaration as provided in Article Eight. Nothing in this Declaration shall be construed to obligate the Declarant to subject to the Act and this Declaration any portion of the Premises other than those portions which are part of the Parcel or which are added to the Parcel and Property by Supplemental Declarations Recorded by the Declarant pursuant to Article Eight. None of the covenants, conditions, restrictions and easements contained in this Declaration shall burden any portion of the Premises unless and until such portion is or becomes part of the Parcel and Property.

2.02 CONVEYANCES SUBJECT TO DECLARATION: All easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits, and privileges which are granted, created, reserved or declared by this Declaration shall be deemed to be covenants appurtenant, running with the land and shall at all times inure to the benefit of and be binding on any Person having at any time any interest or estate in the Condominium Property, and their respective heirs, successors, personal representatives or assigns. Reference in any deed of conveyance, lease, mortgage, trust deed, other evidence of obligation, or other instrument to the provisions of this Declaration shall be sufficient to create and reserve all of the easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits and privileges which are granted, created, reserved, or declared by this Declaration, as fully and completely as though they were set forth in their entirety in any such document.

2.03 ENCROACHMENTS: In the event that, by reason of the construction, repair, reconstruction, settlement or shifting of the Condominium Property or any part thereof, (i) any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or (ii) any part of any Unit encroaches or shall hereafter encroach upon any part of any other Dwelling Unit or the Common Elements, then, in any such case, there shall be deemed to be an easement in favor of the Owners for the maintenance and use of any of the Common Elements which may encroach upon a Unit and there shall be deemed to be an easement in favor of any Owner for the exclusive use of any part of his Dwelling Unit which shall encroach upon the Common Elements or any other Unit; provided, however, that in no event shall an easement for any encroachment be created in favor of any Owner if such encroachment occurred due to the intentional, willful or negligent conduct of such Owner or his agent.

2.04 OWNERSHIP OF COMMON ELEMENTS: Each Owner shall own an undivided interest in the Common Elements as a tenant in common with all the other Owners. Each Unit's corresponding percentage of ownership in the Common Elements (Undivided Interest) has been determined by Declarant as required under the Act to be as set forth in Exhibit D attached hereto. Exhibit D may not be changed without unanimous written approval of all Owners and all First Mortgagees, except as hereinafter provided in Section 5.06 or 5.07, Article Eight or as permitted under the Act. The Common Elements shall remain undivided and no Owner shall bring any action for partition.

2.05 OWNERS' RIGHTS TO USE THE COMMON ELEMENTS:

(a) Each Owner shall have the right to use the Common Elements (except the Limited Common Elements or portions occupied pursuant to leases, licenses or concessions made by the

Board) in common with all other Owners, as may be required for ingress and egress to and from his respective Unit, and for such other purposes not prohibited hereunder.

(b) Each Owner shall have the right to the exclusive use and possession of the Exclusive Limited Common Elements which serve his Unit. Each Owner shall have the right to the nonexclusive use, in common with other Owners, of the Limited Common Elements which serve his Unit and the Units of such other Owners.

(c) The rights to use and possess the Common Elements, including the Limited Common Elements, as herein provided, shall extend to each Owner, and the agents, servants, tenants, and invitees of each Owner and such rights and easements shall be subject to and governed by the provisions of the Act, this Declaration, the By-Laws, and the reasonable rules and regulations of the Board.

2.06 LEASE OF COMMON ELEMENTS: The Board shall have the right and authority, subject to the provisions of this Declaration and the By-Laws, to lease or grant licenses or concessions with regard to parts of the Common Elements (other than Limited Common Elements). The rental, fees and terms of any such lease, license or concession shall be determined by the Board and any and all proceeds therefrom shall be used to pay the Common Expenses and shall be taken into account in the preparation of the annual budget.

2.07 ACCESS EASEMENTS:

(a) Each Owner of a Unit and the Declarant shall have a non-exclusive easement for vehicular and pedestrian access over and across driveways and walkways from time to time located on the Condominium Property, including, without limitation, those driveways and walkways which provide access to public ways; provided that an Owner of a Garage Unit who does not also own a Dwelling Unit shall only be permitted to use the Common Elements for pedestrian or vehicular access between his Garage Unit and a public way. The County, the Municipality and any other governmental authority which has jurisdiction over the Premises or which undertakes to provide services to the Premises are hereby declared, granted and reserved access easements for ingress and egress to, over and across the Condominium Property for the purpose of providing any such services.

(b) Each Owner shall have an easement over and across the sidewalk which will run across the Townhome Common Area between the Premises and East 18th Street.

(c) The Prairie District Townhome Owners Association and its members shall have an easement over and across walkways in the Common Elements for access to and from, and use of, the Dog Run.

2.08 UTILITY EASEMENT: All public utilities serving the Condominium Property are hereby granted the right to lay, construct, renew, operate, and maintain conduits, cables, pipes, wires, transformers, switching apparatus and other equipment, into and through the Condominium Property for the purpose of providing utility services to the Premises.

2.09 ADDITIONAL EASEMENTS: In addition to the easements provided for herein, the Board, on behalf of all of the Owners, shall have the right and power (a) to grant such easements with respect to the Common Elements (except the Limited Common Elements) as the Board deems necessary and proper, including, without limitation, access easements for emergency and service vehicles operated by any governmental authority or private enterprise and/or easements related to the installation and operation of a cable or satellite television system or other communication systems and/or (b) to agree to cancel, alter, change or modify any easement which affects the Condominium Property and does not benefit an Owner, as the Board shall, in its discretion, determine. Without limiting the foregoing, until such time as the Declarant no longer holds title to a portion of the Premises, the Board shall grant such easements as the Declarant may from time to time request including, but not limited to, such easements as may be required to construct, keep and maintain improvements upon the Common Elements or portions of the Premises which are not part of the Condominium Property or to provide owners of the Premises with necessary utility services. Each Person, by acceptance of a deed, mortgage, trust deed, other evidence of obligation, or other instrument relating to a Unit Ownership, shall be deemed to grant a power coupled with an interest to the Board, as attorney-in-fact, to grant, cancel, alter or otherwise change the easements provided for in this Section. Any instrument executed pursuant to the power granted herein shall be executed by the President and attested to by the Secretary of the Condominium Association and duly Recorded.

2.10 BOARD'S RIGHT OF ENTRY: The Board or its agents, upon reasonable notice or, in the case of an emergency, without notice, shall have the right to enter any Unit, including any of the appurtenant Limited Common Elements, when necessary in exercise of its authority under Section 3.02, or in connection with any maintenance, repair and replacement for which the Board is responsible. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Board, as a Common Expense.

2.11 SEPARATE MORTGAGES: Each Owner shall have the right, subject to the provisions herein, to make a separate mortgage or encumbrance or other lien on his respective Unit Ownership. No Owner shall have the right or authority to make or create, or to cause to be made or created, any mortgage or encumbrance or other lien on or affecting the Condominium Property or any part thereof, except only to the extent of his Unit Ownership.

2.12 REAL ESTATE TAXES: In the event that a real estate tax bill is issued for a particular year (the "Tax Year") with respect to portions of the Premises which, as of December 31st of the Tax Year, consisted of (i) Non-Condominium Property and Condominium Property; (ii) more than one Unit, and/or (iii) Common Elements and no Units, then the following provisions shall apply:

(a) If the bill for the Tax Year covers Non-Condominium Property and Condominium Property, the bill shall be apportioned among the Condominium Property and each portion of the Non-Condominium Property by the Declarant in its reasonable judgment upon review of the relevant records of the County Assessor, to the extent available;

(b) Each Non-Condominium Property Owner shall be responsible for the payment of that portion, if any, of the bill for the Tax Year which is apportioned to Non-Condominium Property owned by such Non-Condominium Property Owner;

(c) The portion of the tax bill for the Tax Year which is apportioned to Condominium Property shall be paid by the Owners of Units in the Condominium Property as provided in this subparagraph. The Owner of each Unit in the Condominium Property (other than the Declarant) shall pay, as such Owner's share of the tax bill for the Tax Year, an amount equal to 2.0% of the purchase price paid for the Unit when first purchased from Declarant, multiplied by a fraction, the numerator of which shall be the number of days during the Tax Year that such Unit was owned by an Owner other than the Declarant and the denominator of which shall be 365 ("Sold Unit's Share of Taxes"). Declarant may reduce a Sold Unit's Share of Taxes by a fraction determined by Declarant in its sole and absolute discretion, which fraction shall be applied to reduce the Sold Unit's Share of Taxes for all Units. Each Sold Unit's Share of Taxes, as reduced, shall be paid to or as directed by the Declarant in such amounts and at such times as directed by the Declarant. If the total of all Sold Unit's Share of Taxes, as reduced, for the Tax Year is less than the portion of the tax bill for the Tax Year which is apportioned to the Condominium Property, the Declarant shall pay the difference. If the total amount actually paid by Owners other than Declarant pursuant to this subparagraph exceeds the amount of the tax bill for the Tax Year apportioned to the Condominium Property, then the excess (the "Excess") shall be retained and/or disbursed, as determined by the Board in its reasonable discretion, using one of the following options or a combination of the following options:

(i) Return some or all of the Excess to the Owners who made the required payment with each such Owner receiving an amount equal to the amount of the portion of the Excess being returned multiplied by a fraction, the numerator of which shall be the amount paid by the Owner and the denominator of which shall be the total amount paid by all Owners (other than Declarant); and/or

(ii) Retain some or all of the Excess and add it to the Capital Reserves.

(d) The Condominium Association shall use its best efforts to collect amounts due hereunder prior to the due date of the installments of the tax bill for the Tax Year; provided, that, if insufficient funds are received from the Owners and the Declarant to pay the portion of the bill allocated to the Condominium Property, the Condominium Association shall advance the difference. Any amounts due from an Owner to the Condominium Association under this Section shall be a charge hereunder and, if not paid when due, the Condominium Association shall have all remedies provided for in Section 6.01 and Article Seven hereof.

(e) The Condominium Association shall have the right and power to engage the services of a real estate tax consultant, an attorney and/or an accountant to assist the Condominium Association in determining the amounts due from each Owner and the Declarant with respect to a tax bill hereunder, to challenge the real estate tax assessments or bills, or to collect amounts due hereunder from an Owner. The fees for such services shall be Common Expenses hereunder.

2.13 LEASE OF UNITS:

(a) An Owner shall have the right to lease all (and not less than all) of the Owner's Dwelling Unit, provided, that, no Dwelling Unit shall be leased for less than six (6) months or for hotel or transient purposes.

(b) An Owner shall have the right to lease all (and not less than all) of any Garage Unit owned by the Owner.

(c) Any lease of a Unit shall be in writing and shall provide that such lease shall be subject to the terms of this Declaration and that any failure of the lessee to comply with the terms of this Declaration shall be a default under the lease. A lessee shall be bound by the provisions hereof regardless of whether the lease specifically refers to this Declaration.

(d) An Owner shall have the right to lease any portion or all of a Commercial Unit owned by the Owner on such terms as the Owner deems appropriate.

2.14 STORAGE AREAS: Each Storage Area which is assigned by the Board to a Dwelling Unit shall be an Exclusive Limited Common Element. Until each Storage Space is assigned to a Dwelling Unit, the Storage Area shall be deemed to be assigned to Dwelling Units owned by Declarant. The use of Storage Areas shall at all times be subject to reasonable rules and regulations adopted from time to time by the Board.

ARTICLE THREE

Use, Occupancy and Maintenance of the Property

3.01 MAINTENANCE, REPAIR AND REPLACEMENT OF COMMON ELEMENTS:

(a) Except as otherwise specifically provided in this Declaration, decorating, maintenance, repair and replacement of the Common Elements shall be furnished by the Association as part of the Common Expenses, including, without limitation, portions thereof which serve both the Condominium Property and the Unadded Portions of the Building (defined in Section 8.04). In addition, the Condominium Association shall maintain the roof, elevators and related equipment, sewer lines, water lines, air conditioning system, gas piping and other utility lines and operating systems which serve the Building and the cost thereof shall be a Common Expense.

(b) With respect to a particular category or class of Limited Common Elements (other than the Exclusive Limited Common Elements appurtenant to a Unit), instead of furnishing the maintenance, repair or replacement of such category or class of Limited Common Elements as a Common Expense, the Board may, in its discretion, (i) require each Owner to furnish such services to the Limited Common Elements which are appurtenant to his Unit at his own expense, or (ii) furnish such services to the Limited Common Elements but assess the cost thereof directly

to the Owners of Units benefited thereby on the basis of Undivided Interests, in equal shares or such other reasonable basis as the Board shall deem appropriate.

(c) Operation, maintenance, repair and replacement of the Garage shall be furnished by the Board and the cost thereof shall be Garage Expenses.

3.02 MAINTENANCE, REPAIR AND REPLACEMENT OF DWELLING UNITS AND EXCLUSIVE LIMITED COMMON ELEMENTS:

(a) Each Owner shall furnish and be responsible, at his expense, for all of the maintenance, repairs and replacements within his Dwelling Unit and the Exclusive Limited Common Elements appurtenant to his Dwelling Unit and shall keep them in good condition and repair. The Board may, in its discretion, cause maintenance services to be performed within a Dwelling Unit or to the Exclusive Limited Common Elements appurtenant thereto upon the request of an Owner and may charge a reasonable fee for such services. Without limiting the foregoing, to the extent that insurance carried by the Condominium Association covers damage to a Dwelling Unit or the Exclusive Limited Common Elements appurtenant thereto (including, without limitation, broken windows, or perimeter doors), the Condominium Association shall make any insurance proceeds received by the Condominium Association as a result of any such damage available to the Owner to pay for or reimburse the Owner for payment of the cost of repairing the damage.

(b) Whenever the Board shall determine, in its discretion, that any maintenance, repair, or replacement of any Dwelling Unit or the Exclusive Limited Common Elements is necessary to protect the Common Elements or any other portion of the Condominium Property (i) if such work is made necessary through the fault of the Owner, then the Board may direct the Owner thereof to perform such maintenance, repair, or replacement and pay the cost thereof to the extent not covered by insurance, if any, carried by the Condominium Association, including, without limitation, the deductible amount under any applicable insurance policy, or (ii) if such work is made necessary through no fault of the Owner, then the Board may cause the work to be done and may, in its discretion, assess the cost thereof directly to the Owners of the Dwelling Units, or Exclusive Limited Common Elements appurtenant thereto, with respect to which the work is done on the basis of Undivided Interests, equal shares or such other reasonable basis as the Board shall deem appropriate. If an Owner fails or refuses to perform any such maintenance, repair, or replacement within a reasonable time after being so directed by the Board pursuant to the preceding sentence, then the Board may cause such maintenance, repair, or replacement to be performed at the expense of such Owner. The determination of whether or not the work is made necessary through the fault of the Owner shall be made by the Board and such determination shall be final and binding.

3.03 ADDITIONS, ALTERATIONS OR IMPROVEMENTS:

(a) The Board may authorize and charge as a Common Expense (or in the case of Limited Common Elements may charge the Owners benefited thereby) any additions, alterations, or improvements to the Common Elements. Subject to the provisions of Section 6.06, the cost of any such work to the Common Elements may be paid out of a special assessment.

(b) Without the prior written consent of the Board, an Owner shall not (x) make any additions, alterations or improvements (including, without limitation, installation of storm windows, storm doors, plantings, landscaping, or painting, staining, or changes to the color of exterior surfaces of the Building or any deck, patio, terrace or balcony) to any part of the Common Elements which is visible from outside of the Unit or (y) make any additions, alterations or improvements to his Unit or to the Exclusive Limited Common Elements appurtenant thereto where such work alters the structure of the Unit or increases the cost of insurance required to be carried by the Association hereunder. The Board may (but shall not be required to) condition its consent to the making of an addition, alteration or improvement by an Owner (i) upon the Owner's agreement that any addition, alteration or improvement will be substantially similar in quality of construction and design to any similar addition, alteration or improvement then on the Condominium Property and (ii) upon Owner's agreement either (A) 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 (B) to pay to the Condominium Association from time to time the additional cost of maintenance and/or insurance as a result of the addition, alteration or improvement. If an addition, alteration or improvement is made by an Owner without the prior written consent of the Board, then the Board may, in its discretion, take any of the following actions:

(1) Require the Owner to remove the addition, alteration or improvement and restore the Condominium Property to its original condition, all at the Owner's expense; or

(2) If the Owner refuses or fails to properly perform the work required under (1), then, subject to the provisions of Section 7.01, the Board may cause such work to be done and may charge the Owner for the cost thereof as determined by the Board; or

(3) Ratify the action taken by the 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.

3.04 DAMAGE CAUSED BY OWNER: If, due to the act of or the neglect of an Owner or occupant of a Unit or a guest, invitee or pet of an Owner or occupant, damage shall be caused to a part of the Condominium Property and maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, then the Owner shall pay for such damage and such maintenance, repairs, and replacements, as may be determined by the Board, to the extent not covered by insurance, if any, carried by the Condominium Association, including, without limitation, the deductible amount under any applicable insurance policy.

3.05 USE RESTRICTIONS:

(a) Each Dwelling Unit shall be used only as a residence. However, no Resident shall be precluded with respect to his Dwelling Unit, from (i) maintaining a personal professional library, (ii) keeping his personal business records or accounts therein, (iii) handling his personal business or professional calls or correspondence therefrom, or (iv) to the extent not prohibited under applicable Municipality ordinances, a Resident may conduct an in-home business in a Dwelling Unit.

(b) Each Garage Unit shall only be used to park one (1) operable automobile.

(c) Each Commercial Unit shall be used only for such commercial uses as are not prohibited under applicable ordinances or regulations of the Municipality.

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

3.07 USE AFFECTING INSURANCE: If in the judgment of the Board the use or contents of a Unit causes an increase in any insurance premium required to be obtained by the Condominium Association, the Board may require the Owner to pay the amount of the increase. No 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 Condominium Property, or contents thereof, or which would be in violation of any applicable law, ordinance or regulation.

3.08 SIGNS: Except as provided in Article Eleven, no "For Sale", "For Rent" or any other sign of any kind or other form of solicitation or advertising or window display shall be maintained or permitted on the Condominium Property unless approved, in writing, by the Board; provided, however, that a sign identifying the businesses being conducted in the Commercial Unit may be placed on the exterior wall of the Commercial Unit which is part of the Common Elements at such locations and of such size as the Commercial Owner shall deem appropriate, in its sole judgment.

3.09 ANIMALS: No animals shall be kept or raised in the Common Elements or a Parking Unit. No more than two (2) pets may be kept in any Dwelling Unit. No pet may be kept or raised for commercial purposes. The Board may from time to time adopt rules and regulations governing the keeping of pets in the Dwelling Units. Such rules and regulations may prohibit certain species of pets or pets of more than a specified weight from being kept in the Dwelling Units. Any pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from a Unit upon three (3) days' written notice from the Board to the Owner of the Unit containing such pet, and the decision of the Board shall be final. For purposes hereof, a "pet" is a domesticated animal kept for pleasure rather than utility.

3.10 ANTENNAE: Subject to applicable federal, state and local laws, ordinances and regulations, no mast, satellite dish, antennae or other structure for transmitting or receiving messages or programs by radio or television shall be erected, permitted or maintained in or upon any part of the exterior of the Condominium Property without the prior written approval of the Board.

3.11 OTHER STRUCTURES: No structure of a temporary character, including, without limitation, a trailer, recreational vehicle, mobile home, tent, solarium, greenhouse, shack or other

out-building shall be used, stored or maintained anywhere in or on the Common Elements either temporarily or permanently, except as expressly approved, in writing, by the Board.

3.12 STRUCTURAL IMPAIRMENT: Nothing shall be done in, on or to any part of the Condominium Property which would impair the structural integrity of the Building or other permitted structure located on the Condominium Property.

3.13 PROSCRIBED ACTIVITIES: No noxious or offensive activity shall be carried on in the Condominium Property and nothing shall be done in the Condominium Property, either willfully or negligently, which may be or become an annoyance or nuisance to the Owners or occupants of the Units; provided, however, that the conduct of commercial activities in the Commercial Units which are not prohibited under applicable ordinances or regulations of the Municipality shall not be deemed to be a violation of this Section or a nuisance or annoyance hereunder.

3.14 NO UNSIGHTLY USES: No clothes, sheets, blankets, laundry of any kind, or other similar articles shall be hung out on any part of the Common Elements except as permitted by rules and regulations of the Board. The Condominium Property shall be kept free and clear of all rubbish, debris and other unsightly materials and no waste shall be committed thereon. All rubbish shall be deposited in such areas and such receptacles as shall be designated by the Board.

3.15 RULES AND REGULATIONS:

(a) The use and enjoyment of the Condominium Property shall be subject to reasonable rules and regulations duly adopted by the Board from time to time; provided that prior to adoption of any such rules, there shall first be held a meeting of the Board or Owners (if required by the Act) to discuss the proposed rules and all Owners are furnished with a copy of the proposed rule and notice of the meeting as required by the Act; provided that no proposed rule or regulation which affects the use of the Commercial Unit or Limited Common Elements appurtenant thereto shall become effective unless approved by the Owner of the Commercial Unit.

(b) Without limiting the foregoing, the Board may levy a reasonable charge upon the Owners for a violation of a rule or regulation, in accordance with the procedures set forth in Section 7.05.

3.16 CERTAIN UTILITY COSTS:

(a) Certain utility costs incurred in connection with the use, operation and maintenance of the Common Elements may not be separately metered and billed to the Association. If the charges for any such utilities are metered to individual Dwelling Units rather than being separately metered for the Common Elements, then the following shall apply:

(i) If in the opinion of the Board, each Owner is sharing in a fair and equitable manner the cost for such service, then no adjustment shall be made and each Owner shall pay his own bill; or

(ii) If in the opinion of the Board, the Owner of a Dwelling Unit is being billed disproportionately for costs allocable to the Common Elements, then the Association shall pay, or reimburse such Owner, an amount equal to the portion of the costs which, in the reasonable determination of the Board, is properly allocable to the Common Elements and the amount thereof shall be Common Expenses hereunder.

(b) Certain utility costs incurred in connection with the entire Building may be metered or billed to the Association. If this occurs, then the Association shall pay such costs as a Common Expense and if there are then Unadded Portions of the Building (as defined in Section 8.04), the Declarant shall pay to the Condominium Association the amounts provided for in Section 8.04(h).

3.17 COMBINATION OF DWELLING UNITS: Subject to the provisions of Article Eleven, with the prior approval of the Board, which approval shall not be unreasonably withheld, the Dwelling Unit Owner of two adjacent Dwelling Units, including Dwelling Units located next to each other or a Dwelling Unit which is located in the airspace above another Dwelling Unit ("Adjacent Dwelling Units") shall be permitted to remove a portion of the wall, ceiling, floor or other partition in the Common Elements between the Adjacent Dwelling Units (at the Dwelling Unit Owner's sole cost and expense) in order to permit access between the Adjacent Units so that the Adjacent Dwelling Units may be combined and used together as one home. In such case, the Dwelling Unit Owner of the Adjacent Dwelling Units shall have the exclusive right to use and enjoy the portion of the Common Elements between the Adjacent Dwelling Units which has been removed and shall be solely responsible for the maintenance of such area. If the Dwelling Unit Owner of the Adjacent Dwelling Unit desires to separate the Adjacent Dwelling Units for use and occupancy as separate homes, the Dwelling Unit Owner shall so notify the Board and shall restore the wall, ceiling, floor, or other partition between the Dwelling Units to the condition which the wall, ceiling, floor or other partition was in before it was removed or otherwise altered by the Dwelling Unit Owner of the Adjacent Dwelling Units. From and after the restoration of such wall, ceiling, floor, or other partition, the portion of the Common Elements which had previously been used by the Dwelling Unit Owner of the Adjacent Dwelling Units shall be maintained by the Condominium Association. In the event of the removal of a portion of the wall, ceiling, floor or other partition in the Common Elements between Adjacent Dwelling Units as provided for in this Section, the Adjacent Dwelling Units shall each continue to be individual Dwelling Units for purposes of this Declaration and the Undivided Interest assigned to each of the Adjacent Dwelling Units shall not be changed.

3.18 FLOOR COVERING/NOISE TRANSMISSION: An Owner who desires to install or replace flooring in his or her Dwelling Unit must first apply for and receive approval from the Board. The Board may from time to time adopt rules and regulations governing the installation or replacement of floor covering, including, without limitation noise transmission standards. Unless otherwise provided in a rule or regulation adopted by the Board, the applicable noise transmission standards of the Fannie Mae in effect from time to time shall apply.

3.19 WINDOW TREATMENT: In order to achieve uniformity in the exterior appearance of the Property and the Building, each Owner shall install in all windows of his Dwelling Unit visible from the exterior of the Building shades, draperies, curtains or other window coverings having a white colored lining or surface.

3.20 SPECIAL SERVICES: Any Board may furnish to a Dwelling Unit Owner or Dwelling Unit Owners special services relating to the use and occupancy of a Dwelling Unit or Dwelling Units and may charge the cost of providing such services to the Owner or Owners who benefit from the service. Without limiting the foregoing, the Condominium Association may contract with a provider of a special service, such as satellite TV service, cable TV service, internet access or other similar service, either make such service available to all Dwelling Units or offer such service to each of the Owners on a voluntary basis. The Board may charge the Owner of each Dwelling Unit which receives any such service for the reasonable cost of providing such service, which may be allocated in equal shares for each of the Dwelling Units which is served, on the basis of Undivided Interests or on such other reasonable basis as the Board may deem appropriate. Any amount charged to a Owner for services furnished pursuant to this Section shall be due and payable at such time or times as designated by the Board and failure to pay any such amount shall give rise to a lien provided for in Section 6.01.

ARTICLE FOUR
The Condominium Association

4.01 THE CONDOMINIUM ASSOCIATION: Declarant shall cause the Condominium Association to be incorporated as a not-for-profit corporation. The Condominium Association shall be the governing body for all of the Owners and for the administration and operation of the Building as provided in the Act, this Declaration and the By-Laws. All agreements and determinations lawfully made by the Condominium Association shall be deemed to be binding on all Owners and their respective successors and assigns.

4.02 MEMBERSHIP:

(a) There shall be only one class of membership in the Condominium Association. The Owner of each Unit shall be a member of the Condominium Association. There shall be one membership per Unit Ownership. Membership shall be appurtenant to and may not be separated from ownership of a Unit. Ownership of a Unit shall be the sole qualification for membership. The Condominium Association shall be given written notice of a proposed change of ownership of a Unit within ten (10) days prior to such change.

(b) One individual shall be designated as the "Voting Member" for each Unit Ownership. The Voting Member or his proxy shall be the individual who shall be entitled to vote at meetings of the Owners.

4.03 THE BOARD: From and after the Turnover Date, the Board shall consist of the number of individuals provided for in Section 5.01 of the By-Laws, each of whom shall be an Owner or a Voting Member. The Board shall be elected at each annual meeting of the Owners as provided in the By-Laws.

4.04 VOTING RIGHTS: Whenever a vote of the Owners of the Condominium Association is required, at any meeting of such Owners or otherwise, such votes shall be cast by the Voting Members or their proxies; provided that a contract purchaser of a Unit from a contract seller other than the Declarant, shall have the right to vote for directors of the Condominium

Association after the Turnover Date unless such contract seller expressly retains such right in writing. Except as otherwise specifically required under the Act, this Declaration or the By-Laws, each Voting Member shall have a vote equal to the Undivided Interest assigned to each Unit which he or she represents.

4.05 MANAGING AGENT: The term of any management agreement covering the management of the Condominium Property entered into prior to the Turnover Date shall not exceed two years, and shall be terminable for cause by the Condominium Association on thirty (30) days written notice and without cause or payment of a termination fee by either party on ninety (90) days written notice.

4.06 DIRECTOR AND OFFICER LIABILITY: None of the directors or officers of the Condominium Association whether elected or designated by the Declarant shall be personally liable to the Owners or the Condominium Association for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors or officers, except for any acts or omissions found by a court to constitute criminal conduct, gross negligence or fraud. The Condominium Association shall indemnify and hold harmless each of the directors and each of the officers, his heirs, executors or administrators, against all contractual and other liabilities to the Condominium Association, the Owners or to others arising out of contracts made by or other acts of the directors and the officers on behalf of the Owners or the Condominium Association or arising out of their status as directors or officers unless any such contract or act shall have been made criminally, fraudulently or with gross negligence. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, administrative, or other, in which a director or officer may be involved by virtue of such person being or having been a director or officer; provided, however, that such indemnity shall not be operative with respect to (i) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for criminal conduct, gross negligence or fraud in the performance of his duties as a director or officer, or (ii) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person being adjudged liable for criminal conduct, gross negligence or fraud in the performance of his duties as a director or officer.

4.07 LITIGATION: No judicial or administrative proceedings shall be commenced or prosecuted by the Condominium Association without first holding a special meeting of the members and obtaining the affirmative vote of Voting Members representing at least seventy-five percent (75%) of the total votes represented by all Voting Members to the commencement and prosecution of the proposed action. This Section shall not apply to (a) actions brought by the Condominium Association to enforce the provisions of this Declaration, the By-Laws or rules and regulations adopted by the Board (including, without limitation, an action to recover unpaid assessments or other charges or to foreclose a lien for unpaid assessments or other charges) or (b) counterclaims brought by the Condominium Association in proceedings instituted against it.

ARTICLE FIVE
Insurance/Condemnation

5.01 HAZARD INSURANCE: The Board shall have the authority to and shall obtain insurance for the Condominium Property against loss or damage by fire and such other hazards as may be required under the Act, as the Board may deem desirable, or as reasonably required by First Mortgages, for the full insurable replacement cost of the Common Elements and the Units; provided, that, unless specifically obtained by the Board, the insurance shall not be required to cover any "Betterments and Improvements" to a Dwelling Unit, which are hereby defined to be any real or personal property located within the walls of a Dwelling Unit beyond the first coat of paint thereon. Without limiting the foregoing, for purposes hereof, Betterments and Improvements shall include all decorating within a Dwelling Unit beyond the first coat of paint, wall coverings, built-ins, cabinets, appliances, fixtures and any other real or personal property within the Dwelling Unit, regardless of whether such property was installed or placed in the Dwelling Unit by the Declarant, any prior Owner or user, or the current Owner or user. Premiums for such insurance shall be Common Expenses. Such insurance coverage shall be written in the name of, losses under such policies shall be adjusted by, and the proceeds of such insurance shall be payable to, the Board as trustee for each of the Owners in accordance with their Undivided Interests. All such policies of insurance (i) shall contain standard mortgage clause endorsements in favor of the First Mortgagees as their respective interests may appear, (ii) shall provide that the insurance, as to the interests of the Board, shall not be invalidated by any act or neglect of any Owner, (iii) shall provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash settlement thereof, such option shall not be exercisable if the Owners elect to sell the Condominium Property or remove the Condominium Property from the provisions of the Act, (iv) to the extent possible, shall provide that such policy shall not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days' written notice to the First Mortgagee of each Unit Ownership, (v) shall contain waivers of subrogation with respect to the Condominium Association and its directors, officers, employees and agents (including the managing agent), Owners, occupants of the Unit, First Mortgagees, the Declarant and shall name all such parties as additional insured parties as their interests may appear, and (vi) shall comply with applicable requirements of the Act and of Fannie Mae.

5.02 INSURANCE TRUSTEE/USE OF PROCEEDS: The Board may engage the services of any bank or trust company authorized to do trust business in Illinois to act as trustee, agent or depository on behalf of the Board for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms as the Board shall determine consistent with the provisions of the Act and this Declaration. The fees of such corporate trustee shall be Common Expenses. In the event of any loss in excess of \$100,000.00 in the aggregate, the Board shall engage a corporate trustee as aforesaid. In the event of any loss resulting in the destruction of the major portion of one or more Units, the Board shall engage a corporate trustee as aforesaid upon the written demand of the First Mortgagee or any Owner of any Unit so destroyed. The rights of First Mortgagees 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 in the Act and this Declaration with respect to the application of insurance proceeds to the repair or reconstruction of the Units or Common Elements. Payment by an insurance company to the Board or to such corporate trustee of the proceeds of any policy,

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

5.03 OTHER INSURANCE: The Board shall also have the authority to and shall obtain such other insurance as the Board deems necessary or appropriate or which is required under the Act or under applicable requirements or guidelines of Fannie Mae, including, without limitation, the following:

(a) Comprehensive public liability and property damage insurance against claims for personal injury or death or property damage suffered by the public or by any Owner occurring in, on or about the Condominium Property or upon, in or about the streets, private drives and passageways and other areas adjoining the Condominium Property, in such amounts as the Board shall deem desirable (but not less than \$1,000,000 covering all claims for personal injury and/or property damage arising out of a single occurrence).

(b) Such workers compensation insurance as may be necessary to comply with applicable laws.

(c) Employer's liability insurance in such amount as the Board shall deem desirable.

(d) Fidelity bond indemnifying the Condominium Association, the Board and the Owners for loss of funds resulting from fraudulent or dishonest acts of any employee of the Condominium Association or of any other person handling the funds of the Condominium Association, the Board or the Owners in such amount as the Board shall deem desirable or as required by the Act or the applicable requirements of Fannie Mae.

(e) Directors and officers liability insurance.

(f) Such insurance shall be in such amounts and with such deductible amounts as are required by applicable law or the requirements of Fannie Mae and shall include cross liability claims of one or more insured parties against other insured parties. To the extent possible, all of such policies shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least 30 days' prior written notice to the Condominium Association and First Mortgagees who specifically request such notice. The premiums for such insurance shall be Common Expenses.

5.04 OWNER'S RESPONSIBILITY: Unless expressly advised to the contrary by the Board, each Owner shall obtain his own insurance on Betterments and Improvements (as defined in Section 5.01) within the Dwelling Unit and the Owner's personal property therein, and his personal property stored elsewhere on the Condominium Property, and the Owner's personal liability to the extent not covered by the liability insurance for all of the Owners obtained as part

of the Common Expenses as above provided, and the Board shall have no obligation whatsoever to obtain any such insurance coverage on behalf of the Owners. Unless otherwise specifically agreed to by the Board, the Owner shall be responsible for insuring Betterments and Improvements and the Board shall not be responsible for obtaining insurance on Betterments and Improvements and shall not be obligated to apply any insurance proceeds from policies it is obligated to maintain hereunder to restore the affected Dwelling Unit to a condition better than the condition existing prior to the making or installation of Betterments and Improvements.

5.05 WAIVER OF SUBROGATION: Each Owner hereby waives and releases any and all claims which he may have against any other Owner, the Condominium Association, its directors and officers, the Declarant, the manager and the managing agent, if any, and their respective employees and agents, for damage to the Common Elements, the Units, or to any personal property located in the Units or Common Elements, caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance, and to the extent this release is allowed by policies for such fire or other casualty insurance.

5.06 REPAIR OR RECONSTRUCTION:

(a) In the case of damage by fire or other disaster to a portion of the Condominium Property (a "Damaged Improvement") where the insurance proceeds are sufficient to repair or reconstruct the Damaged Improvement, then the proceeds shall be used by the Condominium Association to repair or reconstruct the Damaged Improvement.

(b) In the case of damage by fire or other disaster to a portion of the Condominium Property where the insurance proceeds are insufficient to repair or reconstruct the Damaged Improvement as provided under the Act or the Damaged Improvement cannot be reconstructed as originally designed and built because of zoning, building or other applicable laws, ordinances or regulations, the following procedure shall be followed:

(1) A meeting of the Owners shall be held not later than the first to occur of (i) the expiration of thirty (30) days after the final adjustment of the insurance claims or (ii) the expiration of ninety (90) days after the occurrence which caused the damage.

(2) At the meeting, the Board shall present a plan for the repair or reconstruction of the Damaged Improvement and an estimate of the cost of repair or reconstruction, together with an estimate of the amount thereof which must be raised by way of special assessment and a proposed schedule for the collection of a special assessment to pay the excess cost.

(3) A vote shall then be taken on the question of whether or not the Damaged Improvement shall be repaired or reconstructed based on the information provided by the Board under (2) above, including the proposed special assessment. The Damaged Improvement shall be repaired or reconstructed and the proposed special assessment shall be levied only upon the affirmative vote of Voting Members representing at least three-fourths (3/4) of the votes cast.

(4) If the Voting Members do not vote to repair or reconstruct the Damaged Improvement at the meeting provided for in (1) above, then the Board may, at its discretion, call another meeting or meetings of the Owners to reconsider the question of whether or not the Damaged Improvement shall be repaired or reconstructed. If the Voting Members do not vote to repair or reconstruct the Damaged Improvement within 180 days after the occurrence which caused the damage, then the Board may (but shall not be obligated to) in its discretion Record a notice as permitted under the Act.

(5) If (i) the Voting Members do not vote to repair or reconstruct the Damaged Improvement under Subsection (4) above, and (ii) the Board does not Record a notice as permitted under the Act, then the Board may, with the consent of Owners representing 75% of the Undivided Interests of Units and First Mortgagees representing 75% of the Units (by number) subject to First Mortgages, amend this Declaration to withdraw the Property from the Act, as permitted under the Act. If the Property is withdrawn, then the amendment shall provide that the Property shall be owned by the Owners of Units as tenants-in-common with each Owner's interest being determined based on the relative Undivided Interests of the Units prior to the withdrawal. The payment of just compensation, or the allocation of any insurance or other proceeds shall be made to the Owners and First Mortgagees, as their interests may appear, on an equitable basis, determined by the Board, as provided in the Act.

(c) If the Damaged Improvement is repaired or reconstructed, it shall be done in a workmanlike manner and the Damaged Improvement, as repaired or reconstructed, shall be substantially similar in design and construction to the improvements on the Condominium Property as they existed prior to the damage, with any variations or modifications required to comply with applicable law.

(d) If the Damaged Improvement is not repaired or reconstructed, then the damaged portion of the Building shall be razed, or secured and otherwise maintained in conformance with the rules or standards adopted from time to time by the Board.

5.07 CONDEMNATION:

(a) In the case of a taking or condemnation by competent authority of any part of the Condominium Property, the Condominium Association shall, if necessary, restore the improvements in the remaining portion of the Condominium Property to conform as closely as possible to the general design, structure and materials used with respect to the improvements as they existed prior to the taking or condemnation. Any proceeds or awards paid to the Condominium Association shall be applied first to the cost of any restoration and any remaining portion of such proceeds or awards shall be, in the discretion of the Board, either (i) applied to pay the Common Expenses or (ii) distributed to the remaining Owners and their respective First Mortgagees, as their interests may appear, based on their current Undivided Interests. Each Owner appoints the Condominium Association as attorney-in-fact for the purpose of representing him in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Elements or any part thereof.

(b) In the event that part or all of one or more Units is taken or condemned, then the portions so taken or condemned shall be deemed to have been removed from the provisions of the Declaration and the Act and the court which has jurisdiction of the action shall adjust the Undivided Interests of the remaining Units in a just and equitable manner and as provided under the Act, and if the court fails to make such adjustment, such adjustment may be made by the Board. The President and Secretary of the Condominium Association shall execute and Record an instrument on behalf of the Condominium Association as required by the Act which amends this Declaration, effective as of the effective date of the taking or condemnation, to reflect the removal of property and adjustments, if any, in the Undivided Interests as a result of an occurrence covered by this Section. From and after the effective date of the amendment referred to in the preceding sentence, the Owner of a Unit which is removed in part or in whole from the provisions of this Declaration shall only be liable for the payment of assessments based on the Undivided Interest, if any, allocated to the Unit in the amendment.

ARTICLE SIX Assessments

6.01 CREATION OF LIEN AND PERSONAL OBLIGATION: The Declarant, for each Unit Ownership, hereby covenants, and each Owner of a Unit Ownership, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be and is deemed to covenant and hereby agrees to pay to the Condominium Association such assessments or other charges or payments as are levied pursuant to the provisions of this Declaration. Such assessments, or other charges or payments, together with interest thereon and costs of collection, if any, as herein provided, shall be a charge on the Unit Ownership and shall be a continuing lien upon the Unit Ownership against which each such assessment is made. Each such assessment, or other charge or payment, together with such interests and costs, shall also be the personal obligation of the Owner of such Unit Ownership at the time when the assessment or other charge or payment is due.

6.02 PURPOSE OF ASSESSMENTS: The assessments levied by the Condominium Association shall be exclusively for the purposes of promoting the recreation, health, safety, and welfare of members of the Condominium Association, to administer the affairs of the Condominium Association, and to pay the Common Expenses.

6.03 ASSESSMENTS: Each year at least sixty (60) days before the end of the Condominium Association's fiscal year, and at least thirty (30) days before final adoption thereof, the Board shall furnish each Owner with a proposed budget for the ensuing fiscal year which shall show the following, with reasonable explanations and itemizations:

- (a) The estimated Common Expenses;
- (b) The estimated amount, if any, to maintain adequate reserves for Common Expenses;
- (c) The estimated net available cash receipts from sources other than assessments, including, without limitation, receipts from any leases, licenses or concessions;

(b) In the event that part or all of one or more Units is taken or condemned, then the portions so taken or condemned shall be deemed to have been removed from the provisions of the Declaration and the Act and the court which has jurisdiction of the action shall adjust the Undivided Interests of the remaining Units in a just and equitable manner and as provided under the Act, and if the court fails to make such adjustment, such adjustment may be made by the Board. The President and Secretary of the Condominium Association shall execute and Record an instrument on behalf of the Condominium Association as required by the Act which amends this Declaration, effective as of the effective date of the taking or condemnation, to reflect the removal of property and adjustments, if any, in the Undivided Interests as a result of an occurrence covered by this Section. From and after the effective date of the amendment referred to in the preceding sentence, the Owner of a Unit which is removed in part or in whole from the provisions of this Declaration shall only be liable for the payment of assessments based on the Undivided Interest, if any, allocated to the Unit in the amendment.

ARTICLE SIX

Assessments

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- (a) The estimated Common Expenses;
- (b) The estimated amount, if any, to maintain adequate reserves for Common Expenses;
- (c) The estimated net available cash receipts from sources other than assessments, including, without limitation, receipts from any leases, licenses or concessions;

(d) The amount of the "Annual Assessment", which is hereby defined as the amount determined in (a) above, plus the amount determined in (b) above, minus the amount determined in (c) above, minus excess funds, if any, from the current year's operation;

(e) That portion of the Annual Assessment which shall be payable by the Owner with respect to his Unit each month until the next Annual Assessment or revised Annual Assessment becomes effective, which monthly portion shall be equal to one twelfth (1/12th) of the Annual Assessment multiplied by the Unit's Undivided Interest;

(f) The estimated Garage Expenses;

(g) The estimated amount, if any, to maintain adequate reserves for Garage Expenses;

(h) The amount of the "Garage Assessment", which is hereby defined as the amount determined in (f) above, plus the amount determined in (g) above, minus excess funds, if any, from the current year's operation of the Garage; and

(i) That portion of the Garage Assessment which shall be payable by the Owner of a Unit to which a Garage Unit is assigned each month until the next Garage Assessment or revised Garage Assessment becomes effective, which monthly portion shall be equal to 1/12th of the Garage Assessment divided by the number of Garage Units.

6.04 PAYMENT OF ASSESSMENTS: On or before the first day of the fiscal year, and on or before the first day of each and every month thereafter until the effective date of the next Annual Assessment and Garage Assessment, each Owner of a Unit shall pay to the Condominium Association, or as it may direct, that portion of the Annual Assessment and Garage Assessment, which is payable by such Owner.

6.05 REVISED ASSESSMENT: If the Annual Assessment or Garage Assessment proves to exceed funds reasonably needed, then the Board may decrease the assessments payable under Section 6.03 as of the first day of a month by the giving of written notice thereof (together with a revised budget for the balance of the year and reasons for the decrease) not less than ten (10) days prior to the effective date of the decreased assessment.

6.06 SPECIAL ASSESSMENT: The Board may levy a special or separate assessment (i) to pay (or build up reserves to pay) extraordinary expenses incurred (or to be incurred) by the Condominium Association for a specific purpose including, without limitation, to make major repairs, additions, alterations or improvements to the Common Elements, or (ii) to cover an unanticipated deficit under the current or prior year's budget. If required under the Act, a separate or special assessment shall be approved, in advance, by action of the Unit Owners. Each Owner shall be responsible for the payment of the amount of the special assessment multiplied by his Unit's Undivided Interest or, in the case of a special assessment for repairs, additions, alterations or improvements to Limited Common Elements, in the shares determined by the Board as permitted hereunder; provided, that (i) any separate or special assessment made for the purposes of paying (or building up reserves to pay) extraordinary expenses incurred (or to be

incurred) in connection with the Garage or to cover an unanticipated deficit under the current or prior year's budget for the Garage Expenses, shall be assessed against the Garage Unit Owners in equal shares for each Garage Unit. The Board shall serve notice of a separate or special assessment on all Owners who will be required to pay such separate or special assessment by a statement in writing giving the amount and reasons therefor, and the separate or special assessment shall be payable in such manner and on such terms as shall be fixed by the Board. Any assessments collected pursuant to this Section (other than those to cover an unanticipated deficit under the current or prior year's budget) shall be segregated in a special account and used only for the specific purpose set forth in the notice of assessment.

6.07 ANNUAL REPORT: Within a reasonable time after the close of the Condominium Association's fiscal year, the Board shall furnish each Owner with an itemized account of the Common Expenses and Garage Expenses for such fiscal year actually incurred or paid, together with an indication of which portions of the Common Expenses and Garage Expenses for such fiscal year were incurred or paid for capital expenditures or repairs or the payments of real estate taxes, if any, and with a tabulation of the amounts collected for the Annual Assessment and Garage Assessment and showing the net excess or deficit of income over expenditures, plus reserves.

6.08 CAPITAL RESERVE: The Condominium Association shall segregate and maintain a special reserve accounts to be used solely for making capital expenditures in connection with the Common Elements, including a reserve fund for replacements (the "Capital Reserve"). The Board shall determine the appropriate level of the Capital Reserve based on a periodic review of the useful life of improvements to the Common Elements and equipment owned by the Condominium Association as well as periodic projections of the cost of anticipated major repairs or improvements to the Common Elements or the purchase of equipment to be used by the Condominium Association in connection with its duties hereunder. The Capital Reserve may be built up by special assessment or out of the Annual Assessment and Garage Assessment as provided in the budget. Special accounts set up for portions of the Capital Reserve to be used to make capital expenditures with respect to the Common Elements shall be held by the Condominium Association as agent and trustee for the Owners of Units with respect to which the Capital Reserve is held and such accounts shall be deemed to have been funded by capital contributions to the Condominium Association by the Owners.

6.09 INITIAL CAPITAL CONTRIBUTION: Upon the closing of the sale of each Dwelling Unit by the Declarant to a purchaser for value, the purchasing Owner shall make a capital contribution to the Condominium Association in an amount equal to two (2) months of the current year's Annual Assessment for that Dwelling Unit (as shown on the Stabilized Budget included in the Property Report, defined in Section 8.01) plus fifty dollars (\$50.00) with respect to each Garage Unit, which amounts shall be held and used by the Condominium Association for its working capital needs.

6.10 NON-PAYMENT OF ASSESSMENTS: Any assessments or other charges or payments which an Owner is required to make or is liable for hereunder which are not paid when due shall be deemed delinquent. If an assessment or other charge or payment is not paid within thirty (30) days after the due date, it shall bear interest at eighteen percent (18%) per annum, and the Board (i) may bring an action against the Owner personally obligated to pay the same,

together with interest, costs and reasonable attorneys' fees of any such action, which shall be added to the amount of such assessment or other charge or payment and shall be included in any judgment rendered in such action and (ii) may enforce and foreclose any lien which it has or which may exist for its benefit. In addition, the Board may in its discretion charge reasonable late fees for the late payment of assessments or other charges. No Owner may waive or otherwise escape liability for the assessments or other charges or payment provided for herein by nonuse, abandonment or transfer of his Unit.

6.11 CONDOMINIUM ASSOCIATION'S LIEN SUBORDINATED TO MORTGAGES: The lien on each Unit Ownership provided for in Section 6.01 for assessments or other charges or payments shall be subordinate to the lien of any First Mortgage on the Unit Ownership Recorded prior to the date that any such assessments or other charges or payments become due. Except as hereinafter provided, the lien provided for in Section 6.01 shall not be affected by any transfer of title to the Unit Ownership. Where title to the Unit Ownership is transferred pursuant to a decree of foreclosure or by deed or assignment in lieu of foreclosure of a First Mortgage, such transfer of title shall to the extent permitted by law extinguish the lien for any assessments or other charges or payments under Section 6.01 which became due prior to (i) the date of the transfer of title or (ii) the date on which the transferee comes into possession of the Unit, whichever occurs first. However, the transferee of a Unit Ownership shall be liable for his share of any assessments or other charges or payments with respect to which a lien against his Unit Ownership has been extinguished pursuant to the preceding sentence which are reallocated among the Owners pursuant to a subsequently adopted annual, revised or special assessment, and nonpayment thereof shall result in a lien against the transferee's Unit Ownership as provided in Section 6.01. If for any reason the Owner of a Unit is permitted to remain in possession of his Unit during the pendency of a foreclosure action with respect to the Unit, the Owner shall be required to pay a reasonable rental for such right and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect such rental.

6.12 STATEMENT OF ACCOUNT: Upon seven (7) days' notice to the Board and the payment of a reasonable fee, if any, which may be set by the Board, any Owner shall be furnished with a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from the Owner as of the date of the statement. The statement shall be executed by a duly authorized officer or agent of the Condominium Association and shall be binding on the Condominium Association.

ARTICLE SEVEN

Remedies for Breach or Violation

7.01 SELF-HELP BY BOARD: Subject to the provisions of Section 7.05, in the event of a violation by an Owner of the provisions, covenants or restrictions of the Act, this Declaration, the By-Laws, or rules or regulations of the Board, where such violation or breach may be cured or abated by affirmative action, the Board, upon not less than ten (10) days prior written notice, shall have the right to enter upon that part of the Condominium Property where the violation or breach exists and summarily abate, remove or do whatever else may be necessary to correct such violation or breach, provided, however, that where the violation or breach involves an improvement located within the boundaries of a Dwelling Unit, judicial proceedings shall be instituted before any items of construction can be altered or demolished. Any and all ex-

penses in connection with the exercise of the right provided by this section shall be charged to and assessed against the violating Owner.

7.02 INVOLUNTARY SALE: Subject to the provisions of Section 7.05, if any Owner (either by his own conduct or by the conduct of any Resident or occupant of a Unit) shall violate any of the covenants or restrictions or provisions of this Declaration, the By-Laws, or the rules or regulations adopted by the Board, and such violations shall not be cured within thirty (30) days after notice in writing from the Board, or shall re-occur more than once thereafter, then the Board shall have the power to issue to said defaulting Owner a 10-day notice in writing to terminate the rights of said defaulting Owner to continue as an Owner and to continue to occupy, use or control his Unit, and thereupon an action may be filed by the Board against said defaulting Owner for a decree declaring the termination of said defaulting Owner's right to occupy, use or control the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the Condominium Property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and other terms as the court shall determine equitable. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Owner in the decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to the defaulting Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the Unit so purchased subject to this Declaration.

7.03 FORCIBLE DETAINER: In the event that an Owner is delinquent in payment of his proportionate share of the Common Expenses, Garage Expenses or any other charges or payments required to be paid by the Owner hereunder, the Board shall have the right to take possession of the Owner's Unit and to maintain for the benefit of all other Owners an action for possession in the manner prescribed by "An Act in Regard to Forcible Entry and Detainer" (as may be recodified), as provided in the Act.

7.04 OTHER REMEDIES OF THE BOARD: In addition to or in conjunction with the remedies set forth above, in the event of a violation by an Owner of the Act, this Declaration, the By-Laws, or rules and regulations of the Board, the Board may levy reasonable fines or the Board or its agents shall have the right to bring an action at law or in equity against the Owner and/or others as permitted by law including, without limitation, (i) to foreclose a lien against the Unit Ownership, (ii) for damages, injunctive relief, or specific performance, (iii) for judgment or for the payment of money and the collection thereof, (iv) for any combination of the remedies set forth in this Article or (v) for any other relief which the Board may deem necessary or appropriate. Any and all rights and remedies provided for in this Article may be exercised at any time and from time to time cumulatively or otherwise by the Board in its discretion. The failure of the Board to enforce any provisions of this Declaration, the By-Laws or rules and regulations of the Board shall in no event be deemed a waiver of the right to do so thereafter.

7.05 ENFORCEMENT BY THE BOARD: Prior to the imposition of any fine and concurrently with the sending of a notice described in Section 7.01 and 7.02, the Board shall

notify the Owner or Resident, as the case may be, in writing of the violation of the rule or regulation and the Board's proposed remedy. Any Owner or Resident who receives such notice may, within three (3) days after receipt of such notice, demand a hearing before the Board or its authorized committee. At such hearing a member of the Board shall present to the Owner or Resident the grounds for the notice and the Owner or Resident shall have an opportunity to challenge such grounds and to present any evidence on his behalf subject to such reasonable rules of procedure as may be established by the Board or its authorized committee, which rules shall adhere to the generally accepted standards of due process. If the Owner or Resident demands a hearing as herein provided, such hearing shall be held within four (4) days after the Board receives the demand and no action shall be taken by the Board until the hearing has been held and notice of the decision of the Board or its authorized committee and the terms thereof has been delivered to the Owner or Resident. The decision of the Board or its authorized committee shall be rendered within three (3) days after the hearing and such decision shall be final and binding on the parties.

7.06 COSTS AND EXPENSES: All expenses incurred by the Board in connection with the enforcement of the provisions of this Declaration or in connection with the exercise of its rights and remedies under this Article, including without limitation, court costs, attorneys' fees and all other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the contract rate of interest then permitted in Illinois until paid but not to exceed eighteen percent (18%) per annum, shall be charged to and assessed against the defaulting Owner, and the Condominium Association shall have a lien for all the same upon such Owner's Unit Ownership, as provided in Section 6.01.

7.07 ENFORCEMENT BY OWNERS: Enforcement of the provisions contained in this Declaration and the rules and regulations adopted hereunder may be by any proceeding at law or in equity by any aggrieved Owner against any person or persons violating or attempting to violate any such provisions, either to restrain such violation or to recover damages, and against a Unit Ownership to enforce any lien created hereunder.

ARTICLE EIGHT

Annexing Additional Property

8.01 IN GENERAL: Declarant reserves the right, from time to time prior to five (5) years from the date of Recording of this Declaration, to add portions of the Premises to the Condominium Property and submit such portions to the Act and this Declaration by Recording a supplement to this Declaration (a "Supplemental Declaration"), as hereinafter provided. For the purposes of this Article, any portion of the Premises which is made subject to the Act and this Declaration as part of the Condominium Property by a Supplemental Declaration shall be referred to as "Added Property", any Units in the Added Property shall be referred to as "Added Units". In making Added Property subject to the Act and this Declaration, the following shall apply:

- (a) Added Property may be made subject to the Declaration at different times; there is no limitation on the order in which Added Property may be made subject to this Declaration; and no particular portion of the Premises must be made subject to this

Declaration. Without limiting the foregoing, portions of the Building may be made part of the Condominium Property on a floor by floor basis.

(b) The maximum number of Units which may be made subject to this Declaration is 400.

(c) Any Added Units which are made subject to this Declaration pursuant to this Article shall be compatible with or of substantially the same style, floor plan, size and quality as the Units planned to be made subject to this Declaration, as shown on Declarant's then current plan for the condominium, as more fully described in the Property Report issued with respect to the condominium, as required under the Chicago Condominium Ordinance, as such Property Report may be amended from time to time (the "Property Report").

8.02 POWER TO AMEND: In furtherance of the foregoing, Declarant reserves the right to Record a Supplemental Declaration, at any time and from time to time prior to five (5) years from the date of Recording of the Declaration, which amends Exhibits B, C and D hereto, subject to the following limitations:

(a) Exhibit B may only be amended to add portions of the Premises to Exhibit B;

(b) Exhibit C may only be amended so that the Plats which make up Exhibit C describe all of the Condominium Property, including the Added Property, identify every Unit, including the Added Units, as provided by the Act;

(c) Exhibit D may only be amended to reflect the addition of the Added Units, to designate each Added Unit as a Dwelling Unit, Garage Unit or Commercial Unit, to assign to each Added Unit an Undivided Interest, and to reassign an Undivided Interest to each Unit shown on Exhibit D immediately prior to the Recording of such Supplemental Declaration. It is currently anticipated that one hundred seventy-seven (177) Dwelling Units one (1) Commercial Unit and two hundred twelve (212) Garage Units may be made subject to this Declaration as part of the Condominium Property. The Undivided Interest of each Unit, including each Added Unit, shall be determined based on relative value, using the points set forth in the Property Report.

8.03 EFFECT OF AMENDMENT: Upon the Recording of a Supplemental Declaration by the Declarant which makes Added Property subject to this Declaration, as provided in this Article, then:

(a) The restrictions, conditions, covenants, reservations, liens, charges, rights, benefits and privileges set forth and described herein shall run with and bind the Added Property (including the Added Units) and inure to the benefit of and be the personal obligation of the Owners of Added Units in the same manner, to the same extent, and with the same force and effect that this Declaration applies to the Condominium Property and Owners of Units which were initially subjected to this Declaration;

(b) Every Person who is an Owner of an Added Unit shall be a member of the Condominium Association on the same terms and subject to the same qualifications and limitations as those members who are Owners of existing Units;

(c) Until the effective date of the next annual or revised budget, each Owner of an Added Unit shall pay a monthly assessment equal to the ratio of the Undivided Interest of the Added Unit to the Undivided Interest of an existing Unit multiplied by the monthly assessment then in effect with respect to the existing Unit; provided, that, the Owner of an Added Unit shall not be required to pay any installment of a special assessment levied to cover a deficit under a prior year's budget;

(d) The amount of the lien for assessments, charges or payments levied against an existing Unit Ownership prior to the Recording of the Supplemental Declaration shall not be affected.

8.04 PARTIAL BUILDING: If from time to time or at any time not all of the Building is made part of the Condominium Property, then until the balance of the Building is made part of the Condominium Property, the following shall apply:

(a) The portion or portions of the Building which are not yet part of the Condominium Property will be referred to herein as the "Unadded Portions of the Building".

(b) Declarant shall be responsible for maintaining, repairing, replacing and operating, at its own expense, the Unadded Portions of the Building including portions thereof which serve both the Condominium Property and Unadded Portions of the Building; provided, however, that the Condominium Association shall provide for the maintenance of the elevators and related equipment which serve the Building.

(c) The Declarant, as owner of the Unadded Portions of the Building, shall have a non-exclusive easement of access over and across the Common Elements to and from the Unadded Portions of the Building.

(d) The Condominium Association and each Owner shall have a non-exclusive easement over the corridors, stairways and elevators shafts and elevators located in the Unadded Portions of the Building for access to and from the Condominium Property.

(e) Each Owner, the Declarant, and the Condominium Association shall have a non-exclusive easement in and to all structural members, footings, caissons, foundations, columns and beams which are part of the Building for support of improvements and structures which are part of the Building.

(f) At any time or from time to time the Condominium Property may share a common wall, floor divider or other barrier with improvements which are part of the Unadded Portions of the Building. Any such common wall, floor divider or other barrier shall constitute and be a "Party Wall" and the Condominium Association and Declarant (each "Adjacent Entities") shall have the obligation and be subject to the provisions of

this Section and, to the extent not inconsistent herewith, the general rules of law regarding party walls. Each Adjacent Entity shall have the right to use the Party Wall for support of the structure constructed thereon and all replacements thereof and shall have the right to keep, maintain, repair and replace therein all pipes, conduit and ducts originally located therein and all replacements thereof. If any Party Wall is damaged or destroyed by reason of any act or omission committed or caused, or resulting from a condition existing, caused or permitted to exist, by an Adjacent Entity whether such act, omission or condition is the result of willfulness, neglect or accident, such Adjacent Entity shall diligently proceed to rebuild or repair the Party Wall to as good a condition as in which such Party Wall existed prior to such damage or destruction, without costs therefor to the other Adjacent Entity, as promptly as is reasonably possible. Any Party Wall damaged or destroyed by some act, event or condition, other than as above described, shall be rebuilt or repaired by both Adjacent Entities to as good a condition as in which such Party Wall existed prior to such damage or destruction at the joint and equal expense of such Adjacent Entities, and as promptly as is reasonably possible. If an Adjacent Entity proposes to modify or otherwise make additions to the structure of a Party Wall in any manner which requires the extension, alteration or modification of the Party Wall, it shall first obtain the written consent of the other Adjacent Entity; provided that the Declarant shall have the right and power to modify any Party Wall as it deems appropriate, without the approval of any Adjacent Entity.

(g) The Declarant shall maintain insurance against loss or damage by fire and other risks and hazards in an amount not less than the full insurable replacement cost of improvements in the Unadded Portions of the Building, which may be what is commonly referred to as "builder's risk" insurance.

(h) In consideration of the Condominium Association furnishing the maintenance provided for in Section 3.01 and paying the cost of furnishing water, sewer, electricity, heating and other utility services to the entire Building, including the Unadded Portions of the Building, the Declarant shall pay certain amounts to the Condominium Association as provided in this Subsection. For purposes hereof a "Shared Cost" shall include any of the following costs which are not separately metered or charged to the Declarant with respect to the Unadded Portions of the Building from time to time: the cost of water service, sewer service, electricity, gas and other utility services to the entire Building which are metered or charged to the Condominium Association. The Declarant shall pay to the Condominium Association the Cost Sharing Percentage (defined below) of each Shared Cost based on the Cost Sharing Percentage in effect when each Shared Cost is incurred, regardless of when the Shared Cost is paid. For purposes hereof, the Cost Sharing Percentage shall be seventy-five percent (75%) from the initial Recording hereof until 89 Dwelling Units are part of the Condominium Property, fifty percent (50%) from such time as 89 Dwelling Units are part of the Condominium Property until 133 Dwelling Units are part of the Condominium Property, twenty-five percent (25%) from such time as 133 Dwelling Units are part of the Condominium Property until 177 Dwelling Units are part of the Condominium Property; provided that, in any event, the Cost Sharing Percentage shall be zero from and after such time as all of the Premises are part of the Condominium Property.

(i) All Unadded Portions of the Building shall be made part of the Condominium Property within five (5) years after this Declaration is Recorded.

ARTICLE NINE

Amendments

9.01 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 Fannie Mae, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veterans Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future 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 amend Exhibit A to add additional real estate, or (v) to correct errors, inconsistencies, omissions or ambiguities in this Declaration or any Exhibit thereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to a Special Amendment on behalf of each 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 and the acceptance thereof shall be deemed to be a grant and acknowledgement of, and a consent to the reservation of, the power to the Declarant to vote in favor of, make, execute, and Record Special Amendments. The right and power of the Declarant to record a Special Amendment hereunder shall terminate five (5) years after such time as the Declarant no longer holds or controls title to any portion of the Premises.

9.02 AMENDMENT BY OWNERS: Subject to the provisions of Article Eight, Section 9.01 and Article Ten, and except as otherwise provided in Sections 5.06 and 5.07 and the Act, the provisions of this Declaration may be amended, modified, enlarged or otherwise changed in whole or in part by the affirmative vote of Voting Members (either in person or by proxy), or by an instrument executed by Owners, representing at least sixty-seven percent (67%) of the Undivided Interests; except that (i) the provisions relating to the rights of Declarant may be amended only upon the written consent of the Declarant and (ii) the provisions of Article Ten and the provisions of this Article may be amended only with the written consent of Eligible Mortgagees as provided in Section 10.02. No amendment shall become effective until Recorded.

ARTICLE TEN

Rights of First Mortgagees

10.01 NOTICE TO FIRST MORTGAGEES: Each Owner shall notify the Condominium Association of the name and address of his First Mortgagee or its servicing agent, if any, and shall promptly notify the Condominium Association of any change in such information. The Condominium Association shall maintain a record of such information with respect to all Units. Each First Mortgagee shall have the right to examine the books and records of the Condominium Association at any reasonable time and to have an audited statement of the Condominium Association's operations prepared for a fiscal year at its own expense. Upon the specific written

request of a First Mortgagee to the Board, the First Mortgagee shall receive some or all of the following as designated in the request:

- (a) Copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Condominium Association to the Owner of the Unit covered by the First Mortgagee's First Mortgage;
- (b) Any audited or unaudited financial statements of the Condominium Association which are prepared for the Condominium Association and distributed to the Owners;
- (c) Copies of notices of meetings of the Owners and the right to be represented at any such meetings by a designated representative;
- (d) Notice of any proposed action which would require the consent of a specified percentage of Eligible Mortgagees pursuant to Section 10.02;
- (e) Notice of the decision of the Owners to make any material amendment to this Declaration, the By-Laws, or the Articles of Incorporation of the Condominium Association;
- (f) Notice of substantial damage to or destruction of any Unit (in excess of \$1,000) or any part of the Common Elements (in excess of \$10,000);
- (g) Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Condominium Property;
- (h) Notice of any default of the Owner of the Unit which is subject to the First Mortgagee's First Mortgage, where such default is not cured by the Owner within thirty (30) days after the giving of notice by the Condominium Association to the Owner of the existence of the default; or
- (i) The right to be treated as an "Eligible Mortgagee" for purposes of Section 10.02.
- (j) Copies of any written notice received by the Association of lapse, cancellation or material change in any insurance policy or fidelity bond carried by the Condominium Association.

The request of a First Mortgagee shall specify which of the above it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Condominium Association. Failure of the Condominium Association to provide any of the foregoing to a First Mortgagee who has made a proper request therefor shall not affect the validity of any action which is related to any of the foregoing. The Condominium Association need not inquire into the validity of any request made by a First Mortgagee hereunder and in the event of multiple requests from purported First Mortgagees of the same Unit Ownership, the Condominium Association shall honor the most recent request received.

10.02 CONSENT OF ELIGIBLE MORTGAGEES:

(a) In addition to any requirements or prerequisite provided for elsewhere in this Declaration, the consent of Eligible Mortgagees holding, in the aggregate, First Mortgages on at least sixty-seven percent (67%) of the Unit Ownerships (by number) which are subject to First Mortgages held by Eligible Mortgagees will be required for the Condominium Association to do or permit to be done any of the following:

(1) Adoption of an amendment to this Declaration which changes or adds to provisions of the Declaration relating to (i) voting rights; (ii) assessments, assessment liens, or the priority of assessment liens; (iii) reserves for maintenance, repair, and replacement of Common Elements; (iv) responsibility for maintenance and repairs; (v) reallocation of interests in the Common Elements (including Limited Common Elements) or rights to their use; (vi) redefinition of any Unit boundaries; (vii) convertibility of Units into Common Elements or Common Elements into Units; (viii) insurance or fidelity bond requirements; (ix) leasing of Units; (x) imposition of any restrictions on an Owner's right to sell or transfer his Unit;

(2) The abandonment or termination of the condominium;

(3) The partition or subdivision of a Unit;

(4) 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 Condominium Property and except for the encumbrance, sale or transfer of an Undivided Interest in connection with the encumbrance, sale or transfer of a Unit Ownership);

(5) The sale of the Condominium Property;

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

(7) The effectuation of a decision by the Condominium Association to terminate professional management and assume self-management of the condominium when professional management had been required hereunder or by an Eligible Mortgagee; or

(8) Restoration or repair of the Condominium Property (after a hazard damage or partial condemnation) in a manner other than as specified in this Declaration or the use of hazard insurance proceeds for losses to the Condominium Property (whether to Units or to the Common Elements) for other than the repair, replacement, or reconstruction of the damaged portion of the Condominium Property;

provided, that, such consent of Eligible Mortgagees will not be required with respect to any action under (1) through (8) above which is permitted under Article Eight hereof.

(b) Whenever required, the consent of an Eligible Mortgagee shall be deemed granted unless the party seeking the consent is advised to the contrary in writing by the Eligible Mortgagee within thirty (30) days after making the request for consent by Registered or Certified Mail, Return Receipt Requested.

10.03 INSURANCE PROCEEDS/CONDEMNATION AWARDS: In the event of (i) any distribution of any insurance proceeds hereunder as a result of substantial damage to, or destruction of, any part of the Condominium Property or (ii) any distribution of the proceeds of any award or settlement as a result of condemnation or eminent domain proceedings with respect to any part of the Condominium Property, any such distribution shall be made to the Owners and their respective First Mortgagees, as their interests may appear, and no Owner or other party shall be entitled to priority over the First Mortgagee of a Unit with respect to any such distribution to or with respect to such Unit; provided, that, nothing in this Section shall be construed to deny to the Condominium Association the right to apply any such proceeds to repair or replace damaged portions of the Condominium property or to restore what remains of the Condominium Property after condemnation or taking by eminent domain of a part of the Condominium Property.

10.04 ADMINISTRATOR APPROVALS: Anything herein to the contrary notwithstanding, whenever this Declaration or the By-Laws provide for the approval or consent of the Department of Veteran's Affairs ("VA"), such approval or consent shall not be required unless the VA (a) has issued its condominium project approval of the Condominium Property and such project approval has not terminated, (b) has issued a guarantee of the First Mortgage on at least one Unit which guarantee is then outstanding, (c) is the owner or holder of a First Mortgage on a Unit or (d) is the Owner of a Unit. Whenever required, such approval or consent shall be deemed granted unless the party seeking the consent or approval is advised to the contrary in writing within thirty (30) days of making the request for consent or approval.

ARTICLE ELEVEN

Declarant's Reserved Rights

11.01 IN GENERAL: In addition to any rights or powers reserved or granted to the Declarant under the Act, this Declaration or the By-Laws, the Declarant shall have the rights and powers set forth in this Article. In the event of a conflict between the provisions of this Article and any other provisions of this Declaration or the By-Laws, the provisions of this Article shall govern.

11.02 PROMOTION OF PROJECT: The Declarant shall have the right and power, within its sole discretion, to (i) construct such temporary or permanent improvements, or to do such acts or other things in, on, or to the Condominium Property as the Declarant may, from time to time, determine to be necessary or advisable, (ii) construct and maintain model units, sales or leasing offices, parking areas, advertising signs, lighting and banners, or other promotional facilities at such locations and in such forms as the Declarant may deem advisable and to use such model units (including model units which are sold and leased back to the Declarant), sales or leasing offices or other facilities for the purpose of selling or leasing units on the Condominium Property or at other properties in the general location of the Condominium Property (including, without limitation, units located in a building which is planned to be constructed north of the Premises) which are being offered for sale by the Declarant or any of its

affiliates, without the payment of any fee or charge whatsoever to the Association. Declarant, its agents, prospective purchasers and tenants, shall have the right of ingress, egress and parking in and through, and the right to use and enjoy the Common Elements, at any and all reasonable times without fee or charge. The Declarant shall have the right and power to lease any Units owned by it to any person or entity which it deems appropriate in its sole discretion and it need not comply with the provisions of Section 2.13.

11.03 CONSTRUCTION: Declarant, its agents and contractors shall have the right to come upon the Condominium Property to construct improvements thereon and to make alterations, repairs or improvements to the Condominium Property or the portions of the Premises not made part of the Parcel and shall have the right to maintain a construction office and store equipment and materials used in connection with such work on the Condominium Property or the portions of the Premises which have not yet been made part of the Parcel without payment of any fee or charge whatsoever.

11.04 CONTROL OF BOARD: Until the initial meeting of the Owners (which shall occur no later than thirty (30) days after the Turnover Date) and the election of the initial Board as provided for in the By-Laws, the rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Board by the Act, this Declaration or the By-Laws shall be held and performed by the Declarant. The Declarant may hold and perform such rights and obligations through the Board which, prior to the Turnover Date, shall consist of three (3) individuals designated by the Declarant from time to time. Prior to the Turnover Date the Declarant may appoint from among the Owners non-voting counselors to the Board who shall serve at the discretion of the Declarant.

ARTICLE TWELVE Miscellaneous

12.01 SEVERABILITY: Invalidation of all or any portion of any of the easements, restrictions, covenants, conditions and reservations, by legislation, judgment or court order shall not affect any liens, charges, rights, benefits and privileges and other provisions of this Declaration, which shall remain in full force and effect.

12.02 NOTICES: Any notice required to be sent to any Owner under the provisions of this Declaration or the By-Laws shall be deemed to have been properly sent if (i) mailed, postage prepared, to his or its last known address as it appears on the records of the Association at the time of such mailing, (ii) transmitted by facsimile or e-mail to his or its facsimile number or e-mail address as either appears on the records of the Association at the time of such transmittal, or (iii) when personally delivered to his or its Dwelling Unit. The date of mailing, or the date of transmission if the notice is sent by facsimile or e-mail, shall be deemed the date of service.

12.03 CAPTIONS/CONFLICTS: The Article and Section headings herein are intended for convenience only and shall not be construed with any substantive effect in this Declaration. In the event of any conflict between the statements made in the recitals to this Declaration and the provisions contained in the body of this Declaration, the provisions contained in the body of this Declaration shall govern.

12.04 PERPETUITIES AND OTHER INVALIDITY: If any of the options, privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provisions, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provisions shall continue only until twenty-one (21) years after the death of the survivor of the living lawful descendants of George Bush, the former President of the United States at the time of Recording of this Declaration.

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

12.06 ASSIGNMENT BY THE DECLARANT: All rights which are specified in this Declaration to be rights of the Declarant are assignable or transferable. Any successor to, or assignee of, the rights of the Declarant hereunder (including, whether by foreclosure or deed-in-lieu of foreclosure) shall hold or be entitled to exercise the rights of Declarant hereunder as fully as if named as such party herein. No party exercising rights as Declarant hereunder shall have or incur any liability for the acts of any other party which previously exercised or subsequently shall exercise such rights.

12.07 WAIVER OF IMPLIED WARRANTY OF HABITABILITY AND OTHER WARRANTIES: Illinois courts have held that every contract for the construction of a new home in Illinois carries with it a warranty that when completed, the home will be free of defects and will be fit for its intended use as a home. The courts have also held that this "Implied Warranty of Habitability" does not have to be in writing to be a part of the contract and that it covers not only structural and mechanical defects such as may be found in the foundation, roof, masonry, heating, electrical and plumbing, but it also covers any defect in workmanship which may not easily be seen by the buyer. However, the courts have also held that a seller-builder and buyer may agree in writing that the Implied Warranty of Habitability is not included as a part of their particular contract. Each buyer of a Unit from Declarant agreed in the purchase contract that the Declarant has excluded and disclaimed the Implied Warranty of Habitability and all other implied warranties, whether created judicially, statutorily or by common law, including the implied warranty of fitness for a particular purpose. Such exclusion and disclaimer shall apply to and bind any subsequent Owner of a Unit and, accordingly, no Owner of a Unit shall be able to

assert a claim against Declarant for a breach of the Implied Warranty of Habitability or any other implied warranty.

Dated: Oct 28, 2003

DECLARANT:

18th and Prairie II L.L.C., an Illinois limited liability company

By: Legacy Development Group VIII, L.L.C.,
Its Managing Member

By: [Signature]
A Managing Member

STATE OF ILLINOIS)
) SS.
COUNTY OF Cook

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that William Walman, personally known to be to be the same person whose name is subscribed to the foregoing instrument as such, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial seal this 28 day of October, 2003.

[Signature]
Notary Public

EXHIBIT A TO
DECLARATION OF CONDOMINIUM OWNERSHIP FOR
PRAIRIE DISTRICT HOMES - TOWER RESIDENCES CONDOMINIUM

The Premises

LOT 2 IN DENBILL'S SUBDIVISION, BEING A SUBDIVISION OF PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 15, 2002 AS DOCUMENT NUMBER 0020060188, IN COOK COUNTY, ILLINOIS; ALSO DESCRIBED AS:

PARCEL 1B1:

THAT PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF THE 66 FOOT WIDE EAST 18TH STREET WITH THE EAST LINE OF THE 66 FOOT WIDE SOUTH PRAIRIE AVENUE; THENCE NORTH 00°05'55" WEST ALONG THE EAST LINE OF SOUTH PRAIRIE AVENUE, AFORESAID, 221.00 FEET TO THE POINT OF BEGINNING; THENCE NORTH 00°05'55" WEST ALONG THE EAST LINE OF SOUTH PRAIRIE AVENUE, AFORESAID, 34.00 FEET; THENCE NORTH 89°54'05" EAST, 110.00 FEET; THENCE SOUTH 00°05'55" EAST, 20.00 FEET; THENCE NORTH 89°54'05" EAST, 126.39 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD BOUNDARY LINE AS FIXED PER AGREEMENT RECORDED OCTOBER 20, 1941 AS DOCUMENT NO. 12778000 AND A COUNTERPART AGREEMENT RECORDED AND DECEMBER 6, 1941 AS DOCUMENT NO. 12806262; THENCE SOUTH 16°48'27" EAST, ALONG SAID WEST RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD, 149.46 FEET; THENCE SOUTH 89°58'14" WEST, 146.80 FEET; THENCE NORTH 00°05'55" WEST, 20.00 FEET; THENCE SOUTH 89°58'14" WEST, 56.50 FEET; THENCE NORTH 00°05'55" WEST, 108.90 FEET; THENCE SOUTH 89°54'05" WEST, 76.06 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS; AND

PARCEL 1B2:

THAT PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF THE 66 FOOT WIDE EAST 18TH STREET WITH THE EAST LINE OF THE 66 FOOT WIDE SOUTH PRAIRIE AVENUE; THENCE NORTH 00°05'55" WEST ALONG THE EAST LINE OF SOUTH PRAIRIE AVENUE, AFORESAID, 221.00 FEET; THENCE NORTH 00°05'55" WEST ALONG THE EAST LINE OF SOUTH PRAIRIE AVENUE, AFORESAID, 34.00 FEET; THENCE NORTH 89°54'05" EAST 110.00 FEET; THENCE SOUTH 00°05'55" EAST, 20.00 FEET; THENCE NORTH 89°54'05" EAST, 126.39 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD BOUNDARY LINE AS FIXED PER AGREEMENT RECORDED OCTOBER 20, 1941 AS DOCUMENT NO. 12778000 AND A COUNTERPART AGREEMENT RECORDED AND DECEMBER 6, 1941 AS DOCUMENT NO. 12806262, SAID POINT BEING THE POINT OF BEGINNING; THENCE NORTH 89°54'05" EAST, 71.61 FEET; THENCE SOUTH 27°20'27" EAST, 97.00 FEET; THENCE SOUTHEASTERLY 63.60 FEET ALONG THE ARC OF A CIRCLE CONVEX EASTERLY, HAVING A RADIUS OF 1872.52 FEET AND WHOSE CHORD BEARS SOUTH 26°22'51" EAST A DISTANCE OF 63.60 FEET; THENCE SOUTH 89°58'14" WEST, 101.21 FEET TO A POINT ON THE AFORESAID WEST RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD; THENCE NORTH 16°48'27" WEST, ALONG SAID WEST RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD, 149.46 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

EXHIBIT B TO
DECLARATION OF CONDOMINIUM OWNERSHIP FOR
PRAIRIE DISTRICT HOMES - TOWER RESIDENCES CONDOMINIUM

The Parcel

THAT PROPERTY AND SPACE BELOW A CERTAIN HORIZONTAL PLANE LOCATED 106.61 FEET ABOVE CHICAGO CITY DATUM AND LYING WITHIN THE BOUNDARIES PROJECTED VERTICALLY OF LOT 2 IN DENBILL'S SUBDIVISION, BEING A SUBDIVISION OF PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 15, 2002 AS DOCUMENT NUMBER 0020060188, IN COOK COUNTY, ILLINOIS; ALSO DESCRIBED AS:

PARCEL 1B-1:

THAT PROPERTY AND SPACE BELOW A CERTAIN HORIZONTAL PLANE LOCATED 106.61 FEET ABOVE CHICAGO CITY DATUM LYING WITHIN THE BOUNDARIES PROJECTED VERTICALLY OF THAT PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF THE 66.00 FOOT WIDE EAST 18TH STREET WITH THE EAST OF THE 66.00 FOOT WIDE PRAIRIE AVENUE; THENCE NORTH 00 DEGREES 05 MINUTES 55 SECONDS WEST, ALONG THE EAST LINE OF SOUTH PRAIRIE AVENUE, AFORESAID, 213.00 FEET TO THE POINT OF BEGINNING; THENCE NORTH 00 DEGREES 05 MINUTES 55 SECONDS WEST ALONG THE EAST LINE OF SOUTH PRAIRIE AVENUE, AFORESAID, 42.00 FEET; THENCE NORTH 89 DEGREES 54 MINUTES 05 SECONDS EAST, 110.00 FEET; THENCE SOUTH 00 DEGREES 05 MINUTES 55 SECONDS EAST, 20.00 FEET; THENCE NORTH 89 DEGREES 54 MINUTES 05 SECONDS EAST, 126.39 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD BOUNDARY LINE AS FIXED PER AGREEMENT RECORDED OCTOBER 20, 1941 AS DOCUMENT NUMBER 12778000 AND A COUNTERPART AGREEMENT RECORDED ON DECEMBER 6, 1941 AS DOCUMENT NUMBER 12806262; THENCE SOUTH 16 DEGREES 48 MINUTES 27 SECONDS EAST, ALONG SAID WEST RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD, 152.38 FEET; THENCE SOUTH 89 DEGREES 58 MINUTES 14 SECONDS WEST 147.64 FEET; THENCE NORTH 00 DEGREES 05 MINUTES 55 SECONDS WEST, 22.80 FEET; THENCE SOUTH 89 DEGREES 58 MINUTES 14 SECONDS WEST, 56.50 FEET; THENCE NORTH 00 DEGREES 05 MINUTES 55 SECONDS WEST 100.90 FEET; THENCE SOUTH 89 DEGREES 54 MINUTES 05 SECONDS WEST 76.06 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS; AND

PARCEL 1B-2:

THAT PROPERTY AND SPACE BELOW A CERTAIN HORIZONTAL PLANE LOCATED 106.61 FEET ABOVE CHICAGO CITY DATUM LYING WITHIN THE BOUNDARIES PROJECTED VERTICALLY OF THAT PART OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF THE 66.00 FOOT WIDE EAST 18TH STREET WITH THE EAST OF THE 66.00 FOOT WIDE SOUTH PRAIRIE AVENUE; THENCE NORTH 00 DEGREES 05 MINUTES 55 SECONDS WEST, ALONG THE EAST LINE OF SOUTH PRAIRIE AVENUE, AFORESAID, 213.00 FEET; THENCE NORTH 00 DEGREES 05 MINUTES 55 SECONDS WEST ALONG THE EAST LINE OF SOUTH PRAIRIE AVENUE,

AFORESAID, 42.00 FEET; THENCE NORTH 89 DEGREES 54 MINUTES 05 SECONDS EAST, 110.00 FEET; THENCE SOUTH 00 DEGREES 05 MINUTES 55 SECONDS EAST, 20.00 FEET; THENCE NORTH 89 DEGREES 54 MINUTES 05 SECONDS EAST, 126.39 FEET TO A POINT ON THE WEST RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD BOUNDARY LINE AS FIXED PER AGREEMENT RECORDED OCTOBER 20, 1941 AS DOCUMENT NUMBER 12778000 AND A COUNTERPART AGREEMENT RECORDED ON DECEMBER 6, 1941 AS DOCUMENT NUMBER 12806262, SAID POINT BEING THE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 54 MINUTES 05 SECONDS EAST, 71.61 FEET; THENCE SOUTH 27 DEGREES 20 MINUTES 27 SECONDS EAST, 97.00 FEET; THENCE SOUTHEASTERLY 66.70 FEET ALONG THE ARC OF A CIRCLE CONVEX EASTERLY, HAVING A RADIUS OF 1872.52 FEET AND WHOSE CHORD BEARS SOUTH 26 DEGREES 20 MINUTES 00 SECONDS EAST A DISTANCE OF 66.70 FEET; THENCE SOUTH 89 DEGREES 58 MINUTES 14 SECONDS WEST, 101.69 FEET TO A POINT ON THE AFORESAID WEST RIGHT OF WAY LINE OF ILLINOIS CENTRAL RAILROAD; THENCE NORTH 16 DEGREES 48 MINUTES 27 SECONDS WEST, ALONG SAID WEST RIGHT OF WAY LINE OF THE ILLINOIS CENTRAL RAILROAD, 152.38 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

EXHIBIT C TO
DECLARATION OF CONDOMINIUM OWNERSHIP FOR
PRAIRIE DISTRICT HOMES - TOWER RESIDENCES CONDOMINIUM

Plat of Survey

[See attached]

EXHIBIT D TO
 DECLARATION OF CONDOMINIUM OWNERSHIP FOR
 PRAIRIE DISTRICT HOMES – TOWER RESIDENCES CONDOMINIUM

Undivided Interest

Unit No.	Undivided Interest	Type of Unit
601	3.150%	Dwelling Unit
602	2.013%	Dwelling Unit
603	2.287%	Dwelling Unit
604	2.248%	Dwelling Unit
605/606	6.084%	Dwelling Unit
607	1.665%	Dwelling Unit
608	1.637%	Dwelling Unit
609	1.680%	Dwelling Unit
610	2.900%	Dwelling Unit
701	3.150%	Dwelling Unit
702	2.013%	Dwelling Unit
703	2.287%	Dwelling Unit
704	2.248%	Dwelling Unit
705	3.355%	Dwelling Unit
706	2.729%	Dwelling Unit
707	1.665%	Dwelling Unit
708	1.637%	Dwelling Unit
709	1.680%	Dwelling Unit
710	2.900%	Dwelling Unit
801	3.150%	Dwelling Unit
802	2.013%	Dwelling Unit
803	2.287%	Dwelling Unit
804	2.248%	Dwelling Unit
805	3.355%	Dwelling Unit
806	2.729%	Dwelling Unit
807	1.665%	Dwelling Unit
808	1.637%	Dwelling Unit
809	1.680%	Dwelling Unit
810	2.900%	Dwelling Unit
901	3.150%	Dwelling Unit
902	2.013%	Dwelling Unit
903	2.287%	Dwelling Unit
904	2.248%	Dwelling Unit
905	3.355%	Dwelling Unit
906	2.729%	Dwelling Unit
907	1.665%	Dwelling Unit
908	1.637%	Dwelling Unit
909	1.680%	Dwelling Unit
910	2.900%	Dwelling Unit
C-1	0.818%	Commercial Unit
P-01	0.022%	Garage Unit
P-02	0.022%	Garage Unit
P-03	0.022%	Garage Unit
P-04	0.022%	Garage Unit
P-05	0.022%	Garage Unit

P-06	0.022%	Garage Unit
P-07	0.022%	Garage Unit
P-08	0.022%	Garage Unit
P-09	0.022%	Garage Unit
P-10	0.022%	Garage Unit
P-11	0.022%	Garage Unit
P-12	0.022%	Garage Unit
P-13	0.022%	Garage Unit
P-14	0.022%	Garage Unit
P-15	0.022%	Garage Unit
P-15A	0.022%	Garage Unit
P-15B	0.022%	Garage Unit
P-16	0.022%	Garage Unit
P-17	0.022%	Garage Unit
P-18	0.022%	Garage Unit
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P-62	0.022%	Garage Unit
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P-64	0.022%	Garage Unit
P-65	0.022%	Garage Unit
P-66	0.022%	Garage Unit
P-67	0.022%	Garage Unit
P-68	0.022%	Garage Unit
P-69	0.022%	Garage Unit
P-70	0.022%	Garage Unit
P-71	0.022%	Garage Unit
P-72	0.022%	Garage Unit
P-73	0.021%	Garage Unit
P-74	0.021%	Garage Unit
P-75	0.021%	Garage Unit
P-76	0.021%	Garage Unit
P-77	0.021%	Garage Unit
P-78	0.021%	Garage Unit
P-79	0.021%	Garage Unit
P-80	0.021%	Garage Unit
P-81	0.021%	Garage Unit
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BY-LAWS

PRAIRIE DISTRICT HOMES TOWER RESIDENCES CONDOMINIUM ASSOCIATION

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EXHIBIT E TO
THE DECLARATION OF CONDOMINIUM OWNERSHIP FOR
PRAIRIE DISTRICT HOMES – TOWER RESIDENCES CONDOMINIUM

The By-Laws of
Prairie District Homes – Tower Residences Condominium Association
an Illinois not-for-profit Corporation

ARTICLE I
NAME OF CORPORATION

The name of this corporation is PRAIRIE DISTRICT HOMES – TOWER RESIDENCES
CONDOMINIUM.

ARTICLE II
PURPOSE AND POWERS

2.01 PURPOSES: The purposes of this Condominium Association are to act on behalf of its members collectively, as their governing body for civic functions and other purposes, with respect to the preservation, care, maintenance, replacement, improvement, enhancement, operation and administration of both real and personal property and for the promotion of the health, safety and welfare of the members of the Condominium Association, all on a not-for-profit basis. These By-Laws are attached as Exhibit E to the Declaration of Condominium Ownership for Prairie District Homes – Tower Residences Condominium ("Declaration"). All terms used herein shall have the meanings set forth in the Declaration.

2.02 POWERS: The Condominium Association shall have and exercise all powers as are now or may hereafter be granted by the General Not-For-Profit Corporation Act of the State of Illinois, the Act, the Declaration and these By-Laws.

2.03 PERSONAL APPLICATION: All present or future Owners, tenants, future tenants, and their agents and employees, and any other person that might use the facilities of the Condominium Property in any manner, shall be subject to the provisions of the Declaration and these By-Laws. The acquisition or rental of a Unit or the act of occupancy of a Unit will signify that the Declaration and these By-Laws are accepted, ratified and will be complied with.

ARTICLE III
OFFICES

3.01 REGISTERED OFFICE: The Condominium Association shall have and continuously maintain in this state a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Illinois as the Board may from time to time determine.

3.02 PRINCIPAL OFFICE: The Condominium Association's principal office shall be maintained on the Premises or at the office of the managing agent engaged by the Condominium Association.

ARTICLE IV
MEETINGS OF MEMBERS

4.01 VOTING RIGHTS: The Condominium Association shall have one class of membership. There shall be one individual with respect to each Unit who shall be entitled to vote at any meeting of the Owners (the "Voting Member"). If the Owner of a Unit is one individual then such individual shall be the Voting Member. If the Record ownership of a Unit shall be in more than one individual or if the Owner is a trustee, corporation, partnership or other legal entity, then the Voting Member shall be designated by the Owner or Owners in writing to the Board, and if in the case of multiple individual Owners no designation is given, then the Board may, at its election, recognize an individual Owner of the Unit as the Voting Member for such Unit. Any or all Owners may be present at any meeting of the Owners, but the voting rights shall be vested exclusively in the Voting Members; provided, however, that a Voting Member may vote either in person or by proxy executed in writing by the Voting Member or his duly authorized attorney-in-fact and filed with the secretary before the meeting. No proxy shall be valid after eleven (11) months from the date of its execution. Each Voting Member shall have a vote equal to the Undivided Interest assigned to each Unit which he or she represents.

4.02 PLACE OF MEETING; QUORUM: Meetings of the Owners shall be held on the Condominium Property or at such other place in the County in which the Condominium Property is located and convenient to the Owners as may be designated in any notice of a meeting. All meetings shall be conducted in accordance with the rules and provisions set forth in Roberts Rules of Order, as from time to time published. Voting Members holding twenty percent (20%) of the votes, represented in person or by proxy, shall constitute a quorum. The vote of a majority of the votes entitled to be cast by the Voting Members present or represented by proxy at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the Voting Members, unless a greater proportion is required by the Act, the Declaration or these By-Laws. ~~The affirmative vote of 75% of the votes entitled to be cast shall be required~~ for the following action: (a) merger or consolidation of the Condominium Association; and (b) sale, lease, exchange, mortgage, ~~or other disposition of all~~ or substantially all of the property and assets of the Condominium Association. The affirmative vote of 75% of the votes entitled to be cast shall be required for the purchase or sale of land or of Units on behalf of all Owners.

4.03 ANNUAL MEETINGS: The initial meeting of the Owners shall be held upon not less than twenty-one (21) days' written notice given by the Declarant. If not called earlier by the Declarant, the initial meeting of the Owners shall be held not more than thirty (30) days after the Turnover Date. Thereafter there shall be an annual meeting of the Owners within thirty (30) days from the anniversary date of the initial annual meeting at such time and on such date designated by the Board.

4.04 SPECIAL MEETINGS: Special meetings of the Owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration, require the approval of all or some of the Voting Members or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by the President, a majority of the Board or by Voting Members representing at least twenty percent (20%) of the votes.

4.05 NOTICE OF MEMBERSHIP MEETINGS: Written notice of any membership meeting shall be mailed or personally delivered and posted conspicuously on the Condominium Property, giving Owners not less than ten (10) nor more than thirty (30) days notice of the time, place, and purpose of the meeting.

ARTICLE V
BOARD OF DIRECTORS

5.01 IN GENERAL: The affairs of the Condominium Association and the direction and administration of the Condominium Property shall be vested in the Board, which (after the Turnover Date) shall consist of five (5) persons ("Directors"). The Board shall have all of the powers granted to it under the Act, the Declaration, these By-Laws and the General Not-For-Profit Corporation Act of the State of Illinois.

5.02 DECLARANT DESIGNATED BOARDS: Anything herein to the contrary notwithstanding, until the first meeting of the Owners after the Turnover Date, the Board shall consist of three (3) individuals from time to time designated by the Declarant. Such individuals may, but need not, be Owners and shall serve at the discretion of the Declarant.

5.03 BOARDS AFTER TURNOVER DATE: At the first meeting of the Owners (which shall be held no later than thirty (30) days after the Turnover Date) the Voting Members shall elect the initial Board (as provided for in the Act) in the manner hereinafter provided to replace the Declarant designated Board established under Section 5.02. From and after such meeting, each member of the Board shall be an Owner or a Voting Member, or both. Within sixty (60) days after the election of a majority of the Board other than those designated by the Declarant, the Declarant shall deliver to the Board the following documents and others as required by the Act:

(a) Original copies of the Declaration, these By-Laws, the Condominium Association's Articles of Incorporation and the Condominium Association's minute book.

(b) An accounting of all receipts and expenditures made or received on behalf of the Condominium Association by the Declarant designated Boards.

(c) All Condominium Association funds and bank accounts.

(d) A schedule of all personal property, equipment and fixtures belonging to the Condominium Association including documents transferring the property to the Condominium Association.

5.04 ELECTION: At each election for members of the Board, each Voting Member for each Unit which he represents shall be entitled to the number of votes equal to the Undivided Interest assigned to the Unit multiplied by the number of Directors to be elected and cumulative voting shall not be permitted; provided that a Resident who is a contract purchaser of a Unit from a contract seller other than the Declarant shall have the right to vote for Directors after the Turnover Date unless such contract seller expressly retains such right in writing. At the initial meeting of the Owners, a full Board of Directors shall be elected, three (3) whom shall serve a two year term and two (2) of whom shall serve a one year term. The candidates receiving the three (3) highest number of votes shall be elected to serve a two year term and the candidates receiving the fourth and fifth highest number of votes shall serve a one year term. *Thereafter, all Directors shall serve two year terms. Each Director shall serve until his term expires or is terminated or until his successor shall have been elected and qualified. A Director may succeed himself in office.

5.05 ANNUAL MEETINGS: The Board shall hold an annual meeting within ten (10) days after the annual meeting of the Owners at such place as shall be fixed by the Directors at the annual meeting of the Owners.

5.06 REGULAR MEETINGS: Regular meetings of the Board shall be held at such time and place as shall be determined at the annual meeting or, from time to time, by a majority of the Directors, provided that from and after the Turnover Date, not less than four such meetings shall be held during each fiscal year.

5.07 SPECIAL MEETINGS: Special meetings of the Board may be called by the President or by at least one-third (1/3) of the Directors then serving.

5.08 NOTICE OF BOARD MEETINGS: Notice of each meeting of the Board shall be mailed or personally delivered to each Director at least forty-eight (48) hours prior to the meeting and notice of any meeting of the Board concerning the adoption of the proposed annual budget or any increase or establishment of an assessment shall be given to each Owner in the same manner as provided in Section 4.05 of these By-Laws, unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened. Notice of each meeting of the Board shall also be conspicuously posted on the Condominium Property at least forty-eight (48) hours prior to the meeting.

5.09 OPEN MEETINGS: Each meeting of the Board, to the extent required by law, shall be open to any Owner and, if required under the Act, notice of such meeting shall be mailed or personally delivered and posted conspicuously upon the Condominium Property at least 48 hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened. The Board may adopt reasonable rules governing the conduct of Owners who attend meetings and Owners who do not comply with such rules may be removed from the meeting.

5.10 QUORUM: A majority of the Directors serving from time to time shall constitute a quorum for the election of officers and for the transaction of business at any meeting of the Board. Except as otherwise expressly provided herein or in the Declaration, any action may be taken upon the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present.

5.11 COMPENSATION/REIMBURSEMENT FOR EXPENSES: No Director shall be compensated by the Condominium Association for services rendered to the Condominium Association, except as expressly provided in a resolution duly adopted by the Voting Members. Upon the presentation of receipts or other appropriate documentation, a Director shall be reimbursed by the Condominium Association for reasonable out-of-pocket expenses incurred in the course of the performance of his duties as a Director.

5.12 REMOVAL OR RESIGNATION OF DIRECTOR: Any Director may be removed from office, with or without cause, by action of the Voting Members at any annual meeting or at a special meeting called for such purpose. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting. Any Director may resign at any time by submitting his written resignation to the Board. If a Director ceases to be an Owner or a Voting Member, he shall be deemed to have resigned as of the date of such cessation. A successor to fill the unexpired term of a Director who resigns or is removed may be appointed by a majority of the remaining Directors at any regular meeting or at any special meeting called for such purpose and any successor so appointed shall serve the balance of his predecessor's term.

5.13 POWERS AND DUTIES OF THE BOARD: Subject to the provisions of Section 11.04 of the Declaration, the Board shall have all of the powers and duties granted to it or imposed upon it by the Act, the Declaration, these By-Laws, and the Illinois General Not-For-Profit Corporation Act, including, without limitation, the following powers and duties:

(a) Subject to the provisions of Sections 4.05 of the Declaration, to engage the services of a manager or managing agent to assist the Condominium Association in performing and providing such services as the Condominium Association is required to provide to its members under the Declaration;

(b) To provide for the designation, hiring and removal of such employees and such other personnel, including attorneys and accountants, as the Board may, in its discretion, deem necessary or proper for the effective administration of the Condominium Association;

(c) To provide for any maintenance, repair, alteration, addition, improvement or replacement of the Common Elements for which the Condominium Association is responsible under the Declaration and these By-Laws;

(d) To estimate and provide each Owner with an annual budget as provided for in the Declaration;

(e) To set, give notice of, and collect assessments from the Owners as provided in the Declaration;

- (f) To pay the Common Expenses and Garage Expenses;
- (g) To adopt rules and regulations as provided in the Declaration;
- (h) To delegate the exercise of its power to committees appointed pursuant to Section 7.01 of these By-Laws;
- (i) To own, convey, encumber, lease, or otherwise deal with Units or other real property conveyed to or purchased by the Condominium Association; and
- (j) To keep detailed, accurate records of the receipts and expenditures affecting the use and operation of the Condominium Property.

ARTICLE VI OFFICERS

6.01 OFFICERS: The officers of the Condominium Association shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such assistants to such officers as the Board may deem appropriate. All officers shall be elected at each annual meeting of the Board and shall hold office at the discretion of the Board. Officers may succeed themselves in office. The President, Secretary and Treasurer shall be Directors and all other officers may, but need not be, Directors.

6.02 VACANCY OF OFFICE: Any officer may be removed at any meeting of the Board by the affirmative vote of the majority of the Directors in office, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

6.03 POWERS OF OFFICERS: The respective officers of the Condominium Association shall have such powers and duties as are from time to time prescribed by the Board and as are usually vested in such officers of an Illinois Not-For-Profit Corporation including without limitation, the following:

- (a) The President shall be the Chief Executive Officer of the Condominium Association and shall preside at all meetings of the Owners and at all meetings of the Board and shall execute amendments to the Declaration and these By-Laws, as provided for in the Act, the Declaration and these By-Laws;
- (b) The Vice President shall, in the absence or the disability of the President, perform the duties and exercise the powers of such office and other duties assigned by the Board. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to act in the capacity of President on an interim basis;

(c) The Secretary shall keep minutes of all meetings of the Owners and of the Board and shall have custody of the corporate seal of the Condominium Association and have charge of such other books, papers and documents as the Board may prescribe, and shall be responsible for giving and receiving all notices to be given to or by the Condominium Association under the Act, the Declaration or these By-Laws;

(d) The Treasurer shall be responsible for Condominium Association funds and securities and for keeping full and accurate accounts of all receipts and disbursements in the Condominium Association books of accounts kept for such purpose. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Condominium Association in such depositories as may from time to time be designated by the Board.

6.04 OFFICERS' COMPENSATION: The officers shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the Voting Members.

ARTICLE VII COMMITTEES DESIGNATED BY BOARD

7.01 BOARD COMMITTEES: The Board, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent consistent with law and as provided in said resolution, shall have and exercise the authority of the Board in the management of the Condominium Association; but the designation of such committees and delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or him by law.

7.02 SPECIAL COMMITTEES: Other committees not having and exercising the authority of the Board in the management of the Condominium Association may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Owners and the President of the Association shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Condominium Association shall be served by such removal.

7.03 TERM: Each member of a committee shall continue as such until the next annual meeting of the Board and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

7.04 CHAIRMAN: One member of each committee shall be appointed chairman.

7.05 VACANCIES: Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

7.06 QUORUM: Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

7.07 RULES: Each committee may adopt rules for its own government not inconsistent with the Declaration, these By-Laws or with rules adopted by the Board.

ARTICLE VIII INSTRUMENTS, CHECKS, DEPOSITS AND FUNDS

8.01 EXECUTION OF INSTRUMENTS: The Board may authorize any officer or officers, agent or agents of the Condominium Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument (including amendments to the Declaration or these By-Laws which must be executed by the Condominium Association) in the name of and on behalf of the Condominium Association and such authority may be general or confined to specific instances. In the absence of any such authorization by the Board, any such contract or instrument shall be executed by the President or a Vice President and attested to by the Secretary or an Assistant Secretary of the Condominium Association.

8.02 PAYMENTS: All checks, drafts, vouchers or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Condominium Association shall be signed by such officer or officers, agent or agents of the Condominium Association, and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Condominium Association.

8.03 BANK ACCOUNTS: All funds of the Condominium Association not otherwise employed shall be deposited from time to time to the credit of the Condominium Association in such banks, trust companies or other depositories as the Board shall elect.

8.04 SPECIAL RECEIPTS: The Board may accept on behalf of the Condominium Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Condominium Association.

ARTICLE IX FISCAL MANAGEMENT

9.01 FISCAL YEAR: The fiscal year of the Condominium Association shall be determined by the Board and may be changed from time to time as the Board deems advisable.

9.02 ANNUAL STATEMENT: Within a reasonable time after the close of each fiscal year the Board shall furnish each Owner with an itemized accounting of the Common Expenses for such fiscal year actually incurred or paid, together with an indication of which portion of the Common Expenses and Garage Expenses were incurred or paid for capital expenditures or

repairs or the payment of real estate taxes, and with a tabulation of the amounts collected pursuant to the Annual Assessment or Garage Assessment budget, and showing the net excess or deficit of income over expenditures plus reserves.

9.03 ASSESSMENT PROCEDURE: Annual assessments and special assessments shall be made and collected as provided in Article Six of the Declaration, and the provisions of Article Six are incorporated herein by reference.

ARTICLE X BOOKS AND RECORDS

The Condominium Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the Board, and committees having any of the authority of the Board, and shall keep at the registered or principal office of the Condominium Association a record giving the names and addresses of the members. All books and records of the Association may be inspected by any owner, or his agent, mortgagee or attorney, for any proper purpose at any reasonable time.

ARTICLE XI SEAL

The Board may provide for a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Association and the words "Corporate Seal, Illinois".

ARTICLE XII AMENDMENTS

These By-Laws may be amended or modified at any time, or from time to time in the same manner as provided in Section 9.02 of the Declaration; provided, that prior to the Turnover Date, Section 5.02 and this Article XII may not be amended without the written consent of the Declarant, and provided, further, that no provision of these By-Laws may be amended or modified so as to conflict with the provisions of the Declaration or the Act. These By-Laws may also be amended by the Declarant for the purposes and by the procedure set forth in Section 9.01 of the Declaration. No amendment to these By-Laws shall become effective until Recorded.

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