

**DECLARATION OF CONDOMINIUM OWNERSHIP FOR
1154 W. DIVERSEY CONDOMINIUM ASSOCIATION**

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**DECLARATION OF CONDOMINIUM OWNERSHIP FOR
1154 W. DIVERSEY CONDOMINIUM ASSOCIATION**

This Declaration made and entered into by Anesi II L.L.C.

RECITALS

WHEREAS, Anesi II L.L.C. is the legal title holder of certain real estate located in the City of Chicago, County of Cook and State of Illinois, legally described in Exhibit A; and

WHEREAS, Anesi II L.L.C. intends to and does hereby submit the property described in Exhibit A, together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, and all rights, privileges and easements belonging or in any way pertaining thereto to the provisions of the Illinois Condominium Property Act; and

WHEREAS, Anesi II L.L.C. further desires to establish for its own benefit and for the mutual benefit of all future owners or occupants of the property, as hereinafter defined, or any part thereof, certain easements and rights in, over and upon said premises and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and

WHEREAS, Anesi L.L.C. desires and intends that the Unit Owners (as hereinafter defined), occupants, mortgagees and any other persons hereinafter acquiring any interest in the Property shall at all times enjoy the benefits of and shall hold said interests subject to certain rights, easements and privileges in, over and upon said premises, and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof, hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspects of the Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property.

NOW, THEREFORE, Anesi II L.L.C. hereby declares as follows:

Anesi II L.L.C. holds title to the Development Area, which is located in the City of Chicago, County of Cook, State of Illinois. Anesi II L.L.C. intends to submit some or all of the Development Area to this Declaration and the Illinois Condominium Property Act ("Act").

The **1154 W. Diversey Condominium Association** (hereafter "Association") shall be responsible for the administration of the Condominium and the maintenance, repair and replacement of the Common Elements. Each Owner of a Dwelling Unit

and/or Commercial 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.

Anesi II L.L.C. shall retain certain rights set forth in this Declaration with respect to the Condominium Property and the 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 Dwelling Units and other rights reserved in Article XIII.

NOW, THEREFORE, Anesi II L.L.C. as record title holder of the Parcel and the Property, hereby declares as follows:

ARTICLE I DEFINITIONS

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

1.01 Act. The Condominium Property Act of the State of Illinois (765 ILCS 605/ et seq.) as amended from time to time.

1.02 Association. The 1154 W. Diversey Condominium Association, an Illinois not-for-profit corporation, its successors and assigns.

1.03 Board. The Board of Directors of the Association, as constituted at any time or from time to time.

1.04 Building. The building or buildings located on the Parcel and containing the Dwelling Units and one(1) Commerical Unit.

1.05 By-Laws. The By-Laws of the Association which are attached hereto as Exhibit D.

1.06 Code. The Municipal Code of the City of Chicago, Illinois.

1.07 Commercial Unit. A part of the property located on the ground floor designed and intended solely for retail, wholesale or any other independent lawful use as permitted and required pursuant to the Municipal Code of the City of Chicago.

1.08 Common Elements. All portions of the property except the Units, including Limited Common Elements unless otherwise specified.

1.09 Common Expenses. The expenses of administration (including management and professional services), maintenance, operation, repair, and replacement of the Common Elements, the cost of additions, alterations, or improvements to the Common Elements, including reserves; the cost of insurance required or permitted to be obtained by the Board herein; 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 Property; and any other expenses lawfully incurred by or on behalf of the Association for the common benefit of all of the Owners.

1.10 Declarant. Anesi II L.L.C., an Illinois corporation.

1.11 Declaration. This instrument with all Exhibits hereto, as amended from time to time.

1.12 Exclusive Limited Common Elements. Those portions of the Common Elements which are assigned and appurtenant to each Unit and further defined herein.

1.13 First Mortgage. A bona fide first mortgage, first trust deed or equivalent security interest covering a Unit Ownership.

1.14 First Mortgagee. The holder of a First Mortgage.

1.15 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, including but not limited to designated parking spaces, gutters, awnings, window boxes, doorsteps, porches, balconies, patios, perimeter doors, windows in perimeter walls or facilities. Without limiting the foregoing, the Limited Common Elements assigned and appurtenant to each Dwelling Unit shall include the following ("Exclusive Limited Common Elements"): (1) the interior surfaces of doors which serve the Dwelling Unit, (2) the interior surface of perimeter walls, ceilings and floors which define the boundary planes of the Dwelling Unit, and (3) any other apparatus, system or component part which serves the Dwelling Unit exclusively to the extent that such apparatus, system or component part is located outside the boundaries of the Dwelling Unit.

1.16 Majority or Majority of the Unit Owners. The Owners of more than 50% in the aggregate in interest of the undivided ownership of the Common Elements. Any specified percentage of the Unit Owners means such percentage in the aggregate in interest of such undivided ownership. "Majority" or "majority of the members of the

Board of Directors" means more than 50% of the total number of persons constituting such board pursuant to the By-Laws. Any specified percentage of the members of the Board of Directors means that percentage of the total number of persons constituting such board pursuant to the By-Laws.

1.17 Occupant. A Person or Persons, other than a Unit Owner, in possession of one or more Units.

1.18 Owner. A Record Owner, whether one or more Persons (also referred to as Unit Owner), 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, i.e., lenders, etc.

1.19 Parking Area. Any Parking Area or other portion of the property allocated to parking purposes shall be part of the Common Elements.

1.20 Parking Space. A portion of the parking area intended for the parking of a single automobile, or such other permitted vehicles which are subject to the discretion of the Board of Directors. There are four (4) parking spaces to be designated as Limited Common Elements. Each purchaser of a parking space shall be entitled to the exclusive right of use of the designated space.

1.21 Parcel. The lot or lots, tract or tracts of land, described in the Declaration, submitted to the provisions of the Act.

1.22 Person. A natural individual, corporation, partnership, Trustee or other legal entity capable of holding title to real property.

1.23 Plat. A plat or plats of survey of the Parcel and of all Units in the property submitted to the provisions of the Act, which may consist of a three-dimensional horizontal and vertical delineation of all such units.

1.24 Property. All the land, property and space comprising the Parcel, all improvements and structures erected, constructed or contained therein or thereon, including the Building and all easements, rights and appurtenances belonging thereto, and all fixtures and equipment intended for the mutual use, benefit or enjoyment of the Unit Owners, submitted to the provisions of this Act.

1.25 Record. To record in the office of the recorder of the county wherein the property is located.

1.26 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.

1.27 Turnover Date. The date on which any one of the following shall first occur:

(a) Sixty (60) days after Declarant has conveyed 75% of the Dwelling Units to purchasers for value;

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

(c) The date designated in written notice from the Declarant to all of the Owners as being the Turnover Date, whichever is earliest.

1.28 Undivided Interest. The percentage of Ownership interest in the Common Elements appurtenant to a Unit as allocated in the original Declaration of Condominium Ownership, amended from time to time thereafter.

1.29 Unit. A part of the property designed and intended for any type of independent dwelling and/or commercial use.

1.29 Unit Ownership. A part of the Condominium Property consisting of one (1) Unit and its Undivided Interest. The term Unit Owner as used in this Agreement shall apply to both Dwelling and Commercial Unit owners.

1.30 Voting Member. An individual who shall be entitled to vote in person or by proxy at meetings of the Owners, as more fully set forth herein.

ARTICLE II UNITS: SUBMISSION TO ACT

2.01 Submission of Property to the Act. 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 the Property to the provisions of the Illinois Condominium Property Act ("Act") and this Declaration. Nothing in this Declaration shall be construed to obligate the Declarant to subject to the Act and this Declaration any portion of the Development Area other than those portions which are part of the Parcel.

2.02 Units: Description and Ownership. All Units in the Building located on the Property and delineated in the survey(s) attached hereto as Exhibit B and made a part of the Declaration and are legally therein. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on the Plat. Every deed, lease, mortgage or other instrument may legally describe a Unit by its identifying number or symbol as shown on the Plat, and every such description shall be deemed

good and sufficient for all purposes as provided in the Act. Each Unit shall consist of the space enclosed and bounded by the horizontal and vertical planes set forth in the delineation thereof as shown on the Plat. Except as otherwise provided by the Condominium Property Act, no Unit Owner shall, by deed, plat or otherwise, subdivide or in any other manner cause the Unit to be separated into any tracts or parcels different from the whole Unit as shown on the Plat.

2.03 Certain Structures Not Constituting Part of a Unit. Except as a tenant-in-common with all other Unit Owners, no Unit Owner shall own any pipes, wires, conduits, public utility lines, structural components running through his Unit and serving more than his Unit, whether or not such items shall be located in the floors, ceilings or perimeter of interior walls of the Unit.

2.04 Real Estate Taxes: Real estate taxes, special assessments and any other special taxes or charges of the State of Illinois or any duly authorized subdivision or agency thereof, are to be separately taxed to each Owner for his Unit Ownership, as provided in the Act. In the event that for any year a tax bill is issued with respect to a portion of the Condominium Property other than on a Dwelling and/or Commercial Unit by Dwelling and/or Commercial Unit basis, then:

(a) The Declarant shall be responsible for the payment of that portion, if any, of the bill which is allocable to the portions of the Development Area which are not part of the Property;

(b) The Owners of Dwelling and/or Commercial Units shall be responsible for the payment of that portion, if any, of the bill which is allocable to the Dwelling Units where the Dwelling and/or Commercial Units have not been separately taxed but where other Dwelling Units in the Condominium Property have been separately taxed. In such case the amount payable by each Owner shall be based on the relative Undivided Interests of the affected Dwelling and/or Commercial Units; and

(c) Where the bill affects the Condominium Property as a whole or portions of the Common Elements and not Dwelling and/or Commercial Units, then each Owner shall pay his proportionate share thereof in accordance with his Undivided Interest.

Any amounts payable hereunder by an Owner of a Dwelling Unit shall, if so determined by the Board, be a charge hereunder payable under the provisions of Article Six. Upon the affirmative vote of Voting Members representing a majority of the votes in the Association or the affirmative vote of two-thirds (2/3) of the members of the Board, the Board, on behalf of all the Owners, shall have the authority to seek relief for the Owners from any such taxes, special assessments or charges, and any expenses incurred in connection therewith shall be Common Expenses.

ARTICLE III COMMON ELEMENTS

3.01 Description. Except as otherwise in this Declaration provided, the Common Elements shall consist of all portions of the Property, except the individual Units. Without limiting the generality of the foregoing, the Common Elements shall include the land, outside walks, landscaping, corridors, halls, stairways, courtyards, entrances and exits, lobbies, laundry facilities, storage lockers or areas, basement, roof, incinerator, mail boxes, pipes, ducts, flues, chutes, electrical wiring and conduits, central heating, public utility lines and other utility installations to the outlets, such component parts of air conditioning sleeves, floors, ceilings and perimeter walls not located within the Unit boundaries as shown on the Plat, and structural parts of the Building, including structural columns located within the boundaries of a Unit.

3.02 Ownership of Common Elements. Each Unit Owner shall be entitled to and own an undivided interest in the Common Elements as a tenant-in-common with all other Owners of the Property, and except as otherwise limited in this Declaration, shall have the right to use the Common Elements for all purposes incident to the use and occupancy of such Owner's Unit as a place of residence, and such other incidental uses permitted by this Declaration, which right shall be appurtenant to and run with his Unit. The extent or amount of such ownership shall be expressed by a percentage amount and once determined shall remain constant, and may not be changed without unanimous approval of all Unit Owners. The Declarant has so determined each Unit's corresponding percentage of ownership in the Common Elements as set forth in the schedule attached hereto as Exhibit C.

3.03 No Partition of Common Elements. There shall be no partition of the Common Elements through judicial proceedings or otherwise until this Declaration is terminated and the Property is withdrawn from its terms or from the terms of any statute applicable to condominium ownership, provided, however, that if any Unit Ownership shall be owned by two or more co-Owners as tenants-in-common or as joint tenants, nothing herein contained shall be deemed to prohibit a voluntary or judicial partition of said Unit Ownership as between such co-Owners.

3.04 Limited Common Elements. That 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. Without limiting the foregoing, the Limited Common Elements assigned and appurtenant to each Dwelling Unit shall include the following ("Exclusive Limited Common Elements"): (1) perimeter windows and the interior

surfaces of doors which serve the Dwelling Unit, (2) the interior surface of perimeter walls, ceilings and floors which define the boundary planes of the Dwelling Unit, (3) any system or component part thereof which serves the Dwelling Unit exclusively to the extent that such system or component part is located outside the boundaries of the Dwelling Unit, and (4) parking spaces.

ARTICLE IV ENCROACHMENTS AND EASEMENTS

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

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

4.03 The property is subject to easements set forth in the Plat(s) recorded with the Declaration.

4.04 A valid easement is hereby declared and established for the benefit of all the Units located in a building, and the Owners thereof (to the exclusion of Owners of Units in other buildings) consisting of the exclusive right to use and occupy the following portions of the Common Elements located within such building: the laundry rooms, elevators, bicycle and all other storage areas, hallways, lobbies, trashrooms; provided, however, that the use and occupancy of such portions of the Common Elements shall comply with all rules and regulations of the Board.

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

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

ARTICLE V SALE, LEASING OR OTHER ALIENATION

5.01 **Sale.** In the event of any resale of a Unit by a Unit Owner, such Owner shall obtain from the Board of Directors and shall make available for inspection to the prospective purchaser, upon demand, the following:

(a) A copy of the Declaration, By-Laws, other Condominium instruments and any rules and regulations.

(b) A statement of any liens, including a statement of the account of the Unit setting forth the amounts of unpaid assessments and other charges due and owing as authorized and limited by the provisions of Section 9 of the Act or the Condominium instruments.

(c) A statement of any capital expenditures anticipated by the Association within the current or succeeding two fiscal years.

(d) A statement of the status and amount of any reserve for replacement fund and any portion of such fund earmarked for any specified project by the Board of Directors.

(e) A copy of the statement of financial condition of the Association for the last fiscal year for which such statement is available.

(f) A statement of the status of any pending suits or judgments in which the Association is a party.

(g) A statement setting forth what insurance coverage is provided for all Unit Owner by the Association.

(h) A statement that any improvements or alterations made to the unit, or the Limited Common Elements assigned thereto, by the prior Unit Owner are in good faith believed to be in compliance with the Condominium instruments.

(i) The identity and mailing address of the principal officer of the Association or of the other officer or agent as is specifically designated to receive notices.

Such request shall be made by the seller, within the prescribed period. The Association may charge a reasonable fee for copies of all such documents requested.

5.02 Leasing. In order to maintain the quality of life and property values, the objective of the Association is to promote and encourage Unit Owners to reside on the premises. No Unit Owner may enter into any lease, sublease or other tenancy arrangement of any Unit for a period of less than thirty (30) days. Units may not be leased for transient or hotel purposes.

5.03 Applicability to Lessees. This Declaration of Condominium Ownership, By-Laws and Rules and Regulations that relate to the use of the individual Unit or the Common Elements shall be applicable to any person leasing a Unit and shall be deemed incorporated in any lease executed or removed on or after the recording date of this Declaration.

ARTICLE VI ASSESSMENTS — MAINTENANCE FUND

6.01 Preparation of Estimated Budget. Each year on or before December 1, the Board will estimate the total amount necessary to pay the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements, and shall, on or before December 15, notify each Owner in writing as to the amount of such estimate, with reasonable itemization thereof. Said "estimated cash requirement" shall be assessed to the owners according to each Owner's percentage of ownership in the Common Elements as set forth in Exhibit C attached hereto. On or before January 1 of the ensuing year, and the first of each and every month of said year, each Owner shall be obligated to pay to the Board, or as it may direct, one-twelfth (1/12th) of the assessment made pursuant to this Section. On or before the date of the Annual Meeting of each calendar year, the Board shall supply to all Owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures, plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Owner's percentage of ownership in the Common Elements to the next monthly installments due from Owners under the current year's estimate, until exhausted, and any net shortage shall be added according to each Owner's percentage of ownership in the Common Elements to the installments due in the succeeding six (6) months after rendering of the accounting.

6.02 Reserve for Contingencies and Replacements. The Board shall build up and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year, shall be charged first against such reserve. If said "estimated cash requirement" proves inadequate for any reason, including non-payment of any Owner's assessment, the Board may, at any time, levy a further assessment which shall be assessed to the Owners according to each Owner's percentage ownership in the Common Elements. The Board shall serve notice of such further assessment on all Owners by a statement in writing giving the amount and reasons therefore and such further assessment shall become effective with the monthly maintenance payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Owners shall be obligated to pay the adjusted monthly amount.

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

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

6.05 Status of Collected Funds. All funds collected hereunder shall be held and expended for the purpose designed herein, and (except for such special assessments as may be levied hereunder against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the Unit Owners in the percentages set forth in Exhibit C attached hereto.

6.06 Remedies for Failure to Pay Assessments. If an Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the

Board may bring suit for and on behalf of itself and as representative of all Owners, to enforce collection thereof or to foreclose the lien therefore as hereinafter provided; and there shall be added to the amount due the costs of said suit, together with legal interest and reasonable attorneys' fees to be fixed by the court. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided, shall be and become a lien or charge against the Unit Ownership of the owner involved when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of liens against real estate. Unless otherwise provided in this Declaration, the members of the Board and their successors in office, acting on behalf of the other Unit Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Said lien shall take effect and be in force when and as provided in the Act; provided, however, that encumbrances owned or held by any bank, insurance company or savings and loan association shall be subject as to priority after written notice to said encumbrancer of unpaid Common Elements only to the lien of all Common Elements on the encumbered Unit which become due and payable subsequent to the date said encumbrancer either takes possession of the Unit, accepts conveyance of any interest therein, or has a receiver appointed in a suit to foreclose his lien. Any encumbrancer may, from time to time, request in writing a written statement from the Board setting forth the unpaid Common Elements with respect to the Unit covered by his encumbrance, and unless the request shall be complied with within twenty (20) days, all unpaid Common Elements which become due prior to the date of the making of such request shall be subordinate to the lien of such encumbrance. Any encumbrancer holding a lien on a Unit may pay any unpaid common expenses payable with respect to such Unit and upon such payment such encumbrancer shall have a lien on such Unit for the amounts paid at the same rank as the lien of his encumbrance.

6.07 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 Association in an amount equal to three (3) months' assessments from the current year's Annual Assessment for that Dwelling Unit. This sum shall be used and applied for start-up costs and as a working capital fund in connection with the initial operating expenses for the Common Elements. This payment shall not be applied as a credit against the Unit Owner's monthly assessments. No Owner is entitled to any portion of this fund nor shall any portion be refunded to any seller or credited to any purchaser.

6.08 Amendments. Except for such amendments as may be required to conform any provision of this Declaration to the requirements of law, all amendments to this Article VI shall only be effective upon unanimous written consent of the Owners, and their mortgagees. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his or their Unit.

ARTICLE VII ADMINISTRATION

7.01 The administration of the Property shall be vested in a Board of Directors consisting of the number of persons, and who shall be elected in the manner, provided in the By-Laws.

7.02 The meetings of Unit Owners shall be held at such time and place as provided for in the By-Laws.

7.03 The duties and powers of the Association and its Board shall be those set forth in its Articles of Incorporation, the By-Laws and this Declaration, provided, however, that (1) the terms and provisions of the Act shall control in the event of any inconsistency between the Act, on the one hand, and this Declaration, the Articles of Incorporation and the By-Laws on the other hand, and (2) the terms and provisions of this Declaration shall control in the event of any inconsistency between this Declaration, on the one hand, and the Articles of Incorporation and the By-Laws on the other hand.

7.04 All funds collected by the Association shall be held and expended for the purposes designated herein and in the Articles of Incorporation and the By-Laws. All such funds (except for such special assessments as may be levied against less than all the Unit Owners, e.g., special assessment to certain Owner or Owners to repair Limited Common Elements which are the Owners' responsibility, and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of each of the Unit Owners in the same percentage as his Ownership, from time to time, in the Common Elements.

7.05 In the event of any dispute or disagreement between any Unit Owners relating to the property, or any question of interpretation or application of the provisions of the Declaration, the determination thereof by the Board shall be final and binding on each and all of such Unit Owners.

7.06 The Board shall have the power:

(a) To engage the services of a manager or managing agent, or such other administrative personnel, who may be any person, firm or corporation, upon such terms and compensation as the Board deems fit, and to remove such employee(s) or agent at any time.

(b) To engage the services of any persons (including, but not limited to, accountants and attorneys) deemed necessary by the Board at such compensation deemed reasonable by the Board, in the operation, repair, maintenance and management of the property, or in connection with any duty,

responsibility or right of the Board and to remove, at any time, any such personnel.

(c) To establish or maintain one or more bank accounts for the deposit of any funds paid to, or received by the Board.

(d) The Association shall have no authority to forebear the payment of assessments by any Unit Owner.

(e) The Board shall have the authority to impose charges for late payments of a Unit Owner's proportionate share of the Common Expenses, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, may levy reasonable fines for violations of the Declaration, By-Laws and rules and regulations of the Association.

(f) The Board shall have the right to borrow money and assign its future income, including the right to receive Common Expenses.

(g) The Board shall have the right to record the granting of easements for the laying of cable television cable where authorized by Unit Owners holding a majority of more than fifty percent (50%) of the total votes at a meeting of Unit Owners duly called for such purpose. The granting of such easement shall be in accordance with the terms and conditions of any local ordinance providing for cable television in the municipality.

(h) The Board of Directors shall require that all officers, employees or other persons who either handle or are responsible for funds held or administered by the Association shall furnish a fiduciary bond which covers the maximum amount of funds that will be in the custody of the Association plus the Association reserve fund, the premium cost of which shall be paid by the Association.

(i) The Board of Directors shall have such additional authority as is authorized by the Condominium Property Act, the Declaration or By-Laws.

7.07 The Board shall acquire and make arrangements for, and pay for out of the maintenance fund, in addition to the manager, managing agent or other personnel above provided for, the following:

(a) Water, waste removal, heating, electricity and telephone and other necessary utility service for the Common Elements and such services to the Units as are not separately metered or charged to the Owners thereof. Where a building is metered, the Board may charge a surcharge or pass on any additional administrative fees incurred to the unit owners in that building.

(b) Such insurance as the Board is required or permitted to obtain as hereinafter provided.

(c) Landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the interior surfaces, windows and doors of the Unit, which the respective Unit Owner shall paint, clean, decorate, maintain and repair further to the provisions herein) and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same for the Common Elements.

(d) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, or assessments which the Board deems necessary or proper for the maintenance and operation of the property as a first class Residential project or for the enforcement of any restrictions or provisions contained herein.

(e) Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the property or any part thereof which may in the opinion of the Board constitute a lien against the property or against the Common Elements, rather than merely against the interest therein of particular Unit Owners. Where one or more Unit Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be specially assessed to said Unit Owners and shall, until paid by such Unit Owners, constitute a lien on the interest of such Unit Owners in the property, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Condominium Property Act with respect to liens for failure to pay a share of the Common Expenses.

(f) Maintenance and repair of any Unit or any other portion of the property which one or more Unit Owners are obligated to maintain or repair under the terms hereof, if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Elements, or any other portion of the property, and the Owner or Owners of said Unit or Units have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Unit Owner or Owners, provided that the Board shall levy a special assessment against such Unit or Units for the cost of said maintenance or repair and the amount of such special assessment shall constitute a lien on the interest of such Unit Owner or Owners in the property, which lien may be perfected and

foreclosed in the manner provided in Section 9 of the Condominium Property Act with respect to liens for failure to pay a share of the Common Expenses.

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

Separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board of Directors without being subject to Unit Owner approval. As used herein, "emergency" means an immediate danger to the structural integrity of the Common Elements or to the life, health, safety or property of the Unit Owners.

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

7.09 Records of the Association - Availability for Examination.

(a) In addition to the provisions contained herein, the Board shall maintain the following records of the Association available for examination and copying at convenient hours of weekdays by the Unit Owners or their First Mortgagees and their duly authorized agents or attorneys:

- (1) the Association's declaration, bylaws, and plats of survey, and all amendments of these;

- (2) the rules and regulations of the association, if any;
- (3) if the Association is incorporated as a corporation, the articles of incorporation of the Association and all amendments to the articles of incorporation;
- (4) minutes of all meetings of the Association and its Board of Directors for the immediately preceding seven (7) years;
- (5) all current policies of insurance of the association;
- (6) all contracts, leases, and other agreements then in effect to which the Association is a party or under which the Association or the Unit Owners have obligations or liabilities;
- (7) a current listing of the names, addresses, and weighted vote of all Owners entitled to vote;
- (8) ballots and proxies related to ballots for all matters voted on by the Unit Owners of the Association during the immediately preceding twelve (12) months, including but not limited to the election of members of the Board of Directors; and
- (9) the books and records of account for the Association's current and ten (10) immediately preceding fiscal years, including but not limited to itemized and detailed records of all receipts and expenditures.

(b) Any Unit Owner shall have the right to inspect, examine, and make copies of the records described in subparagraphs (1), (2), (3), (4), and (5) of subsection (a) of this Section, in person or by agent, at any reasonable time or times, at the Association's principal office. In order to exercise this right, the Unit Owner must submit a written request to the Board, or its authorized agent, stating with particularity the records sought to be examined. Failure of the Board to make available all records so requested within 30 days of receipt of the Unit Owner's written request shall be deemed a denial.

Any Unit Owner who prevails in an enforcement action to compel examination of records described in subparagraphs (1), (2), (3), (4), and (5) of subsection (a) of this Section shall be entitled to recover reasonable attorney's fees and costs from the Association.

(c) Except as otherwise provided in subsection (e) of this Section, any Unit Owner of the Association shall have the right to inspect, examine, and make copies of the records described in subparagraphs (6), (7), (8), and (9) of subsection (a) of this Section, in person or by agent, at any reasonable time or times but only for a proper purpose, at the Association's principal office. In order to exercise this right, the Unit Owner must submit a written request, to the Board or its authorized agent, stating with particularity the records sought to be examined and a proper purpose for the request. Subject to the provisions of subsection (e) of this Section, failure of the Board to make available all records so requested within thirty (30) business days of receipt of the Unit Owner's written request shall be deemed a denial; provided, however, that if the Association has adopted a secret ballot election process as provided in Section 18 of the Act shall not be deemed to have denied a Unit Owner's request for records described in subparagraph (8) of subsection (a) of this Section if voting ballots, without identifying unit numbers, are made available to the requesting Unit Owner within thirty (30) days of receipt of the Unit Owner's written request. In an action to compel examination of records described in subparagraphs (6), (7), (8), and (9) of subsection (a) of this Section, the burden of proof is upon the Unit Owner to establish that the Unit Owner's request is based on a proper purpose. Any Unit Owner who prevails in an enforcement action to compel examination of records described in subparagraphs (6), (7), (8), and (9) of subsection (a) of this Section shall be entitled to recover reasonable attorney's fees and costs from the Association only if the court finds that the Board acted in bad faith in denying the Unit Owner's request.

(d) The actual cost to the Association of retrieving and making requested records available for inspection and examination under this Section shall be charged by the Association to the requesting Unit Owner. If a Unit Owner requests copies of records requested under this Section, the actual costs to the Association of reproducing the records shall also be charged by the Association to the requesting Unit Owner.

(e) Notwithstanding the provisions of subsection (c) of this Section, unless otherwise directed by court order, the Association need not make the following records available for inspection, examination, or copying by its Unit Owners:

(1) documents relating to appointment, employment, discipline, or dismissal of Association employees;

(2) documents relating to actions pending against or on behalf of the Association or its Board of Directors in a court or administrative tribunal;

(3) documents relating to actions threatened against, or likely to be asserted on behalf of, the Association or its Board of Directors in a court or administrative tribunal;

(4) documents relating to common expenses or other charges owed by a Unit Owner other than the requesting Unit Owner; and

(5) documents provided to the Association in connection with the lease, sale, or other transfer of a unit by a Unit Owner other than the requesting Unit Owner.

(f) Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

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

7.11 The Board may, from time to time, adopt or amend such rules and regulations governing the operation, maintenance, beautification and use of the Common Elements and the Units, not inconsistent with the terms of this Declaration, after a meeting of the Unit Owners called for the specific purpose of discussing the proposed rules and regulations, notice of which contains the full text of the proposed rules and regulations and conforms to the procedural requirements for the calling of a regular or special meeting of the Association. No quorum is required at this meeting of Unit Owners. However, no rules or regulations may impair any rights guaranteed under the First Amendment to the Constitution of the United States or Section 4 of Article I of the Illinois Constitution. Subsequent to Board action adopting or amending the rules and regulations, the Board shall give written notice of such rules and regulations to all Owners and occupants, and the entire property shall at all times be maintained subject to such rules and regulations. Any violation of such rules or regulations shall be deemed a violation of the terms of this Declaration.

7.12 Subject to the provisions herein, the Board may number and assign to any Unit Owner the exclusive privilege to use for storage purposes any portion of the building designated for such purposes. All property stored in any storage area shall be at the sole risk of the respective Unit Owner who has the privilege to use the same and neither the Board nor any other Unit Owner shall be considered a bailee or otherwise be responsible therefore.

7.13 Whenever any notice is required to be given under the provisions of this Declaration or by-laws, a waiver thereof in writing by the person or persons entitled to such notice, whether before or at the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE VIII 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 herein, 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.

ARTICLE IX SALE OF ASSOCIATION OWNED UNIT

In the event the Board is desirous of selling an Association owned Unit, the Board shall obtain the approval of 2/3rds of the members present in person or by proxy at a special meeting called for that purpose. Thereafter, the Board may sell said Unit and the percentages of ownership shall be recalculated to assimilate the added Unit, which is currently classified as part of the Common Elements. Any and all proceeds shall be first used to pay the expenses and fees owed in connection with said unit and the balance shall be retained by the Association and allocated to either fund any shortfalls in operating capital or placed in reserves.

ARTICLE X REAL ESTATE TAXES

Real estate taxes, special assessments, and any other special taxes or charges of the State of Illinois or any duly authorized subdivision or agency thereof, are to be separately taxed to each Owner for his Unit Ownership, as provided in the Act. Upon the affirmative vote of Voting Members representing a majority of the votes in the Association or the affirmative vote of two-thirds of the members of the Board, the Board, on behalf of all the Owners, shall have the authority to seek relief for the Owners from any such taxes, special assessments or charges, and any expenses incurred in connection therewith shall be Common Expenses.

ARTICLE XI USE, OCCUPANCY AND MAINTENANCE OF UNITS AND COMMON ELEMENTS

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

11.02 Maintenance, Repair and Replacement of Common Elements. Except as otherwise specifically provided in this Declaration, decorating, maintenance, repair and replacement of the Common Elements shall be furnished by the Board as part of the Common Expenses.

Instead of furnishing the maintenance, repair or replacement of a certain category or class of Limited Common Elements as a Common Expense, the Board may, in its discretion, (1) require each Owner to furnish such services to the Limited Common Elements which are appurtenant to his Unit at his own expense, or (2) 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 or in equal shares, whichever the Board believes, in its sole discretion, to be appropriate.

11.03 Maintenance, Repair and Replacement of Units and Exclusive Limited Common Elements. 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 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 upon the request of an Owner and may charge a reasonable fee for such services.

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 (1) 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, or (2) if such work is made necessary through no fault of the Owner, then the Board may cause the work to be done and the cost thereof shall be a Common Expense, in which case the Association shall be subrogated to the rights of the Owner of the Dwelling Unit to seek reimbursement from the party which created the situation which caused the work to be required. However, the Board is not obligated to make such determination. 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.

11.04 Adjacent Building. The Building located at 846 W. Newport Avenue has shared property with the Association. The shared property consists of: (1) a courtyard, (2) bricks, (3) sidewalk, and (4) landscaping. The Association shall maintain its side of the shared property.

11.05 Additions, Alterations or Improvements. The Board shall have the discretion to 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 building. Subject to the provisions herein, the cost of any such work may be paid for as a Common Expense.

Without the prior written consent of the Board an Owner shall not (1) make any additions, alterations or improvements to any part of the Common Elements located outside of the Dwelling Unit or (2) make any additions, alterations or improvements to his Dwelling Unit or to the Exclusive Limited Common Elements appurtenant thereto where such work alters any structural portions of the Building, increases the cost of insurance required to be carried by the Board hereunder or is visible outside of the Dwelling Unit. 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 previously made with Board approval and (ii) upon Owner's agreement either (iii) 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 (iv) to pay to the 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:

(a) 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

(b) If the Owner refuses or fails to properly perform the work required under (a), then, subject to the provisions herein, the Board may cause such work to be done and may charge the Owner for the cost thereof as determined by the Board. The Board may, at any time, enter a Unit to make emergency repairs, without notice. An emergency shall be defined as any hazard which appears to present an immediate danger to the structural integrity of the Common Elements or another Unit, or to the life, health, safety and property of the Unit Owner; or

(c) 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.

11.06 Damage Caused By Owner. If, due to the act of or the neglect of a Resident, a household pet, guest or other occupant or invitee of such Resident, 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 of the Dwelling Unit in which such Resident resides 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 Association, including, without limitation, the deductible amount under any applicable insurance policy.

11.07 Use Restrictions. Except as provided herein, each Dwelling Unit shall be used only as a residence. No industrial business, trade, occupation or profession of any kind shall be conducted, maintained or permitted on any part of the Condominium Property. However, no Resident shall be precluded with respect to his Dwelling Unit, from (1) maintaining a personal professional library, (2) keeping his personal business records or accounts therein, (3) handling his personal business or professional calls or correspondence therefrom, or (4) maintaining what is customarily considered a house occupation. The intent of this restriction is to limit traffic, noise, refuse, advertising and other incidentals of operating a business which disturbs the quiet enjoyment of the Residents and detracts from the appearance of the building or lowers property values. In all instances, the decision of the Board as to whether a business is prohibited, shall be final. The Developer has the right to post signs on the property to assist in the sale

of the units. Developer may post signs for so long as the Developer has units for sale. Upon the sale of the last unit, Developer must remove all signs with thirty (30) days.

11.08 Use Affecting Insurance. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Condominium Property or contents thereof, applicable for Residential use, without prior written consent of the Board. 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 law.

11.09 Signs. 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.

11.10 Animals. No dogs or other animals shall be raised, bred or kept in any Unit, except domestic dogs and cats, or other household pets of a Unit Owner. No animals may be kept or raised on the Property for commercial purposes. The Board may from time to time adopt rules and regulations governing the conduct of pets kept in the 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. The Board of Directors retains the right to bar exotic or dangerous animals from the premises, including but not limited to, poisonous snakes, tarantulas, potbellied pigs and other species not conducive to apartment living.

11.11 Antennae. 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 Condominium Property without the prior written approval of the Board, subject to any federal, state or local restrictions on the Board's authority. The Association may contract for cable or satellite TV as provided for herein.

11.12 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 Condominium Property either temporarily or permanently, except as expressly approved, in writing, by the Board.

11.13 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 any other structure located on the Condominium Property.

11.14 Planting. No plants or seeds, or other things or conditions, harboring or breeding infectious plant disease or noxious insects shall be introduced or maintained in

or upon any part of the Condominium Property without the prior written approval of the Board.

11.15 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 Residents. Owner shall not place or cause or permit to be placed in the vestibules, stairways and other Common Elements of a similar nature, any furniture, packages or objects of any kind. Such areas shall be used for no other purpose than for normal transit through them. There shall be no uncovered barbecuing on the balconies.

11.16 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. Except in the case of emergencies, no repairs to vehicles shall be performed on the Condominium Property.

11.17 Handicapped Access. Until determined by federal or state legislation, administrative agency or court of law, the Common Elements shall not be subject to the public facility regulations of the Americans With Disabilities Act. In order to conform to the Fair Housing Amendments Act of 1988, any Unit Owner or Resident may make reasonable modification to his Unit or its limited Common Elements, subject to the following:

(a) All requests for modification to a Unit, Common Elements or Limited Common Elements must be in writing.

(b) The Board may request copies of plans, specifications, drawings, certifications and other reasonable documentation for its review.

(c) The Board may establish reasonable guidelines for construction of any addition, improvement or modification.

(d) All work must be approved by the Board prior to commencing construction.

(e) The Board may require the Owner or Resident to return the modification(s) to its original condition at Owner's expense upon sale or transfer of Unit Ownership.

(f) The Board of Directors shall have the authority to establish a fee for administration and documentation associated with Residents moving in and out of the premises, including a security deposit for damages to the Common Elements.

ARTICLE XII 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.

ARTICLE XIII THE ASSOCIATION

13.01 The Association. The Association is an Illinois not-for-profit corporation. The 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 Association shall be deemed to be binding on all Owners and their respective successors and assigns.

13.02 Membership.

(a) There shall be only one class of membership in the Association. The Owner of each Unit shall be a member of the 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 Association shall be given written notice of the change of Ownership of a Unit within ten (10) days after 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 and/or run for the Board of Directors.

(c) Only a member in good standing shall be permitted to vote and/or serve on the Board of Directors. A member in good standing is a Unit Owner that is current in the payment of all regular and special assessments, fines, late charges, costs and fees.