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and After Recording Return To:

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8/2/2000

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE ONLY

DECLARATION OF CONDOMINIUM
OWNERSHIP AND BY-LAWS
EASEMENTS, RESTRICTIONS AND COVENANTS FOR
800 NORTH MICHIGAN CONDOMINIUM ASSOCIATION

THIS DECLARATION, made and entered into by Park Tower, L.L.C., an Illinois limited liability company (hereinafter referred to as the "Declarant"):

WITNESSETH THAT:

WHEREAS, the Declarant is the legal title holder of the following described land, property and space in the City of Chicago, County of Cook, and the State of Illinois (the "Residential Parcel"):

PARCEL 1:

LOTS 2, 7, 8 AND 9 IN PARK TOWER SUBDIVISION, BEING A SUBDIVISION OF PART OF THE SOUTH FRACTIONAL 1/4 OF SECTION 3, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED JUNE 9, 2000 AS DOCUMENT NUMBER 00424927

PARCEL 2:

EASEMENTS FOR THE BENEFIT OF PARCEL 1 AS SET FORTH IN THE DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS RECORDED WITH THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS AS DOCUMENT NUMBER 00584657

Common Address: 800 North Michigan Avenue
Chicago, Illinois 60611

PIN #:
17-03-231-002
17-03-231-003
17-03-231-004
17-03-231-005
17-03-231-008

all of which affect the subject property and other property

WHEREAS, the Residential Parcel is improved with, among other things: (i) floors nineteen (19) through sixty-seven (67) of the Building (as hereinafter defined), which floors are to be used for residential purposes; (ii) approximately 2,700 square feet of space on floor one (1) of the Building to be used as a residential entrance and lobby (the "Residential Entrance"); (iii) a portion of the below-grade level of the Building and a portion of floor one (1) of the Building to be used for storage areas, a locker room and delivery rooms (the "Residential Service Areas"); and (iv) certain staircases, stairwells, elevators, utility closets and other ancillary improvements (collectively, the "Residential Building");

WHEREAS, the Residential Building is a part of a multi-use building (the "Building") having sixty (67) floors above-grade and one (1) level below-grade;

WHEREAS, floors one (1) through eighteen (18) of the Building (excluding the Residential Entrance and the Residential Service Areas located within such floors) and the below-grade level of the Building (excluding the Residential Service Areas on such below-grade level) contain: (i) approximately 227,000 square feet of space to be used as a hotel consisting of approximately 200 guest rooms and related amenities and facilities; (ii) approximately 19,000 square feet of space to be used for retail uses; and (iii) a multi-level garage containing parking for approximately two hundred two (202) vehicles;

WHEREAS, it is the desire and intention of the Declarant to enable the Property (as hereinafter defined) which includes, but is not limited to, the Residential Parcel and the Residential Building, to be owned by Declarant and by each successor in interest of Declarant, under that certain type of ownership commonly known as "CONDOMINIUM", and to submit the Property to the provisions of the Condominium Property Act of the State of Illinois, as amended from time to time;

WHEREAS, Declarant has elected by this Declaration to establish, for the benefit of Declarant and for the mutual benefit of all future Unit Owners (as hereinafter defined) or Occupants (as hereinafter defined) of the Property, or any part thereof, and for the benefit of the Association (as hereinafter defined), certain easements and rights in, over, and upon the Property and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct, and maintenance thereof; and

WHEREAS, the name of the Condominium shall be the "800 North Michigan Condominium"; and

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

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

ARTICLE I DEFINITIONS

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

(a) "Act" means the "Condominium Property Act", as amended from time to time, of the State of Illinois.

(b) "Association" means the association of all Unit Owners formed or to be formed as a not-for-profit corporation under Article VIII, Section 1 hereof, acting pursuant to the By-Laws through its duly elected Board of Managers.

(c) "By-Laws" means the By-Laws of the Association and the By-Laws prescribed by the Act, all as more particularly described in Article XVI hereof.

(d) "Board" or "Board of Managers" shall mean the Board of Managers of the Association, being the persons determined pursuant to Article XVII hereof who are vested with the authority and responsibility of administering the Property.

(e) "Commercial Property" means the parcel of property described as the "Commercial Property" in the Operating Agreement (as hereinafter defined), including all improvements, structures and fixtures constructed or located therein or thereon, and all easements, rights and appurtenances belonging thereto. The Commercial Property is generally comprised of floors one (1) through eighteen (18) of the Building (excluding the Garage Property and the Residential Entrance and the Residential Services Areas located within such floors) and the below-grade level of the Building (excluding the Residential Service Areas on such below-grade level).

(f) "Common Elements" means all portions of the Property, except the Units, and shall include the Limited Common Elements, all as more specifically described in Article III, Section 1 hereof.

(g) "Common Expenses" means the proposed or actual expenses affecting the Property, including, without limitation, (i) the expenses of owning, operating, repairing, maintaining, replacing or otherwise administering the Common Elements, (ii) Reserves (as hereinafter defined), if any, lawfully assessed by the Board of Managers and (iii) all taxes, costs, expenses, fees and charges assessed, attributed or allocated to the Property under the Operating Agreement, specifically excluding, however, the Parking Expenses (as hereinafter defined).

(h) "Condominium Instruments" means all documents and authorized amendments thereto recorded against the Property or any portion thereof pursuant to the provisions of the Act, including this Declaration and the Plat.

(i) "Declarant" means Park Tower, L.L.C., and any successor or successors to the then existing Declarant's entire remaining interest in the Property other than the purchaser of an individual Unit. The Declarant is the "Developer" of the Property, as "Developer" is defined in the Act. For purposes hereof, any receiver or mortgagee-in-possession with respect to such entire remaining interest shall be entitled to exercise all rights of Declarant during the period of its receivership or possession as mortgagee-in-possession, as the case may be.

(j) "Declaration" means this Declaration of Condominium Ownership and By-Laws, Easements, Restrictions and Covenants as from time to time amended.

(k) "Developer Control" means such control at a time prior to the election of the Board of Managers provided for in Section 18.2(b) of the Act.

(l) "Garage Property" means the parcel of property described as the "Parking Property" in the Operating Agreement, including all improvements, structures and fixtures constructed or located therein or thereon, and all easements, rights and appurtenances belonging thereto. The Garage Property is generally comprised of portions of floors two (2) through six (6) of the Building and contains parking areas for

approximately two hundred two (202) vehicles and ramps, driveways, walkways and other amenities related thereto.

(m) "Improvements" means the Residential Building and all other structures, attached or unattached, now or hereafter located on or within the Residential Parcel.

(n) "Limited Common Elements" means a portion of the Common Elements so designated in this Declaration or on the Plat as being reserved for the use of a certain Unit or Units to the exclusion of other Units. Any portion of the Common Elements which, by the terms of this Declaration or by its nature or location, is clearly intended to serve exclusively a certain Unit or Units (but less than all of the Units) or the owner or owners thereof shall be deemed a Limited Common Element.

(o) "Majority" or "majority of the Unit Owners" means the owners of more than 50% in the aggregate in interest of the undivided ownership interest in the Common Elements. Any specified percentage of Unit Owners means such percentage in the aggregate in interest of such undivided ownership.

(p) "Meeting of the Board of Managers" means any gathering of a quorum of the members of the Board of Managers held for the purpose of discussing Board business.

(q) "Occupant" means a Person or Persons, other than a Unit Owner, lawfully in possession of one or more Units.

(r) "Operating Agreement" means that certain Declaration of Covenants, Conditions, Restrictions and Easements dated as of _____ and recorded with the Recorder of Deeds of Cook County, Illinois as Document No. _____, as it may be amended from time to time. The Operating Agreement grants certain easements over, under, on, across and in the Building and sets forth certain rights, duties and obligations among the Unit Owners and Occupants of the Property and the owners and occupants of the Commercial Property and the Garage Property, including the allocation of certain expenses which relate to the Property as well as other portions of the Building.

(s) "Parking Expenses" means all amounts (including, without limitation, real estate taxes) assessed, attributed or allocated to the Property under the Operating Agreement relating exclusively to the ownership, operation, use, management, repair and maintenance of the Garage Property.

(t) "Parking Spaces" means those parking spaces within the Garage Property which are specifically identified in the Operating Agreement as being for the exclusive use of Unit Owners and other persons specified therein, and for which an easement is granted in the Operating Agreement in favor of the Property for the exclusive use of such parking spaces.

(u) "Parking Space Unit Owners" means those Unit Owners owning Units to which one or more Parking Spaces have been assigned by the Declarant as provided in Article V hereof.

(v) "Person" means a natural individual, corporation, partnership, trust or other legal entity capable of holding title to real property.

(w) "Plat" means the plat or plats of survey of the Property and of all Units in the Property submitted to the provisions of the Act, said Plat being attached hereto as Exhibit A and made a part hereof and recorded with the recording of this Declaration.

(x) "Project" means collectively the Property, the Commercial Property and the Garage Property.

(y) "Property" means collectively, all the land, property, and space comprising the Residential Parcel, the Improvements, including the Residential 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 and without limitation, the Units, the Limited Common Elements and the other Common Elements.

(z) "Purchaser" means any Person or Persons other than the Declarant who purchase a Unit in a bona fide transaction for value.

(aa) "Reserves" means those sums paid by Unit Owners which are separately maintained by the Board of Managers for purposes specified by the Board of Managers or the Condominium Instruments.

(bb) "Storage Spaces" means those areas within the Property designated by Declarant for the storage of personal property by Unit Owners and as shown or as referred to on the Plat, and such other areas in and around the Project which are made available to the Unit Owners for the storage of personal property. The Storage Spaces located within the Property shall be designated as Limited Common Elements as more fully described in Article IV, Section 10 hereof. Without limiting the foregoing definition, some of the Storage Spaces may be located within vaults beneath East Chicago Avenue and made available pursuant to one or more agreements with the City of Chicago.

(cc) "Terraces" means that part of the Property consisting of a balcony or terrace, whether enclosed or open-air, intended for the exclusive use of a certain Unit and constituting part of the Limited Common Elements for a Unit.

(dd) "Unit" means a part of the Property more specifically described in Article II hereof, designed and intended for a single-family dwelling or such other uses permitted by this Declaration and identified as a Unit on the Plat.

(ee) "Unit Owner" means the Person or Persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit.

(ff) "Voting Member" means the Person entitled to exercise all voting power with respect to each Unit, as more fully described in Article XVIII, Section 1 hereof.

ARTICLE II UNITS

1. Description and Ownership.

(a) The Units located on the Property are delineated on the Plat and have the respective percentage ownership interests in the Common Elements as set forth on Exhibit B attached hereto and made a part hereof.

(b) Each Unit consists of the space enclosed and bounded by the horizontal and vertical planes set forth in the delineation thereof on Exhibit A including, without limitation, pipes, ducts, flues, chutes, conduits, wires, and other utility, heating, cooling or ventilation systems or equipment to the extent and only to the extent serving only such Unit, but (anything herein to the contrary notwithstanding) excluding all structural components of the Improvements or the Building. The term "structural components" includes structural columns or pipes, wires, conduits, ducts, flues, shafts, or public utility lines running through the Unit

and forming a part of any system not exclusively serving the Unit, or any components of communication or master antenna systems, if any, located in the Unit, whether or not any such items shall be located in the floors, ceilings or perimeter or interior walls of the Unit. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on Exhibit A. Every deed, lease, mortgage or other instrument may legally describe a Unit by its identifying number or symbol as shown on Exhibit A, and every such description shall be deemed good and sufficient for all purposes.

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

(d) To the extent such data is available to the Declarant at the time this Declaration is recorded, the Plat sets forth the measurements, elevations, locations and other data, as required by the Act, with respect to (1) the Residential Parcel and its exterior boundaries; (2) the Residential Building and each full or partial floor thereof; (3) each Unit in the Residential Building and said Unit's horizontal and vertical dimensions; and (4) each Storage Space in the Residential Building and said Storage Space's horizontal and vertical dimensions. However, the Declarant hereby reserves unto itself, the right, from time to time, as further data becomes available, to amend the Plat so as to set forth the measurements, elevations, locations and other data required by the Act, with respect to the Residential Building and the Units and certain Limited Common Elements now or hereafter constructed on the Residential Parcel.

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

2. 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 structural components of the Improvements or the Building, including structural columns or pipes, wires, conduits, ducts, flues, shafts, or public utility lines running through its Unit and forming a part of any system not exclusively serving its Unit, or any components of communication systems, if any, located in its Unit, whether or not any such items shall be located in the floors, ceilings or perimeter or interior walls of the Unit.

ARTICLE III COMMON ELEMENTS

1. Description. Except as otherwise in this Declaration provided, the Common Elements shall consist of all portions of the Property except the Units, and shall include the Limited Common Elements. Without limiting the generality of the foregoing, the Common Elements shall include, without limitation and if applicable, any of the following items located at the Property: stairways, entrances and exits, halls, lobby, elevators, corridors, roof, mechanical equipment areas, maintenance offices and lockers, structural components of the Improvements or the Building, component parts of walls, floors and ceilings, and pipes, pumps, fans, ducts, flues, shafts, electrical wiring and conduits and utility lines or systems serving the Common Elements or more than one Unit. Any references to "Common Elements" appearing on the Plat (except references to Limited Common Elements) shall be deemed solely for purposes of general information and shall not be limiting in any way, nor shall any such reference define the Common Elements in any way.

2. Ownership of Common Elements. Each Unit Owner shall own an undivided interest in the Common Elements as a tenant-in-common with all the other Unit Owners of the Property, and, except as otherwise limited in this Declaration, shall have the non-exclusive right to use the Common Elements for all purposes incident to the use and occupancy of its Unit as a place of residence, and such other incidental uses permitted by this Declaration, which right shall be appurtenant to and run with its Unit. Such right shall extend to each Unit Owner, and the agents, servants, tenants, family members, and invitees of each Unit Owner. Each Unit Owner's interest 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 and mortgagees, except as expressly provided below in this Section 2 and in Section 4 of this Article. Each Unit's corresponding percentage of ownership interest in the Common Elements is set forth in Exhibit B attached hereto, and each Unit Owner accepts such determination, subject to the immediately succeeding sentence. Notwithstanding anything contained herein to the contrary, Declarant shall have the right to change each Unit's percentage of ownership interest in the Common Elements (and in connection therewith to amend Exhibit B attached hereto) in connection with the combination and/or subdivision of one or more Units by Declarant. The ownership of each Unit shall not be conveyed separate from the percentage of ownership in the Common Elements corresponding to said Unit. The undivided percentage of ownership in the Common Elements corresponding to any Unit shall always be deemed conveyed or encumbered with any conveyance or encumbrance of that Unit, even though the legal description in the instrument conveying or encumbering said Unit may refer only to that Unit. All rights to use and possess the Common Elements, including the Limited Common Elements, shall be subject to and be governed by the provisions of the Act, this Declaration, and rules and regulations of the Association. Notwithstanding anything to the contrary contained in this Declaration, neither the Board, the Association, any Unit Owner, nor the Declarant shall be considered a bailee of any personal property stored in the Common Elements and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence.

3. Limited Common Elements. Except as otherwise in this Declaration provided, the Limited Common Elements shall consist of all portions of the Common Elements set aside and allocated for the restricted use of particular Units, or which, by the terms of this Declaration or by its nature or location, are clearly intended to serve exclusively a certain Unit or Units (but less than all of the Units) or the Unit Owner thereof. Without limiting the generality of the foregoing, the Limited Common Elements shall include, without limitation the following: (a) the Terraces, including, without limitation, all of the north and south Terrace enclosures and buttresses located on the 66th floor of the Building and appurtenant to Unit PH-66 (as identified on the Plat) and all of the north facade windows and northeast and southeast exterior enclosures located on or adjacent to the 67th floor of the Building and appurtenant to Unit PH-67 (as identified on the Plat); (b) the interior surface of the perimeter walls, ceilings and floors which define the boundary planes of a Unit; (c) perimeter doors and windows, including skylights, if any, which serve exclusively a single Unit; (d) the Storage Spaces located within the Property; and (e) any system or component part thereof (including, without limitation, fireplace flues and chimneys, furnaces, fittings, housings, ducts, flues, shafts, electrical wiring and conduits) which serves a Unit exclusively, to the extent that such system or component part is located outside the boundaries of a Unit.

4. Transfer of Limited Common Elements. The use of Limited Common Elements may be transferred between Unit Owners at their expense, provided that the transfer may be made only in accordance with the provisions of the Act and this Section 4. Each transfer shall be made by an amendment to this Declaration executed by all Unit Owners who are parties to the transfer and consented to by all mortgagees who have any interest in the Limited Common Elements affected. The amendment shall also contain the consent of the Board of Managers. The amendment shall contain a statement from the parties involved in the transfer which sets forth any changes in the parties' proportionate shares. If the parties cannot agree upon a reapportionment of their respective shares, the Board of Managers shall decide such reapportionment. No transfer shall become effective until the amendment has been recorded.

5. Use of Limited Common Elements. Each Unit Owner and Occupant shall have the right to (a) the exclusive use and possession of the Limited Common Elements serving exclusively the Unit of such Unit Owner or Occupant, which right shall be appurtenant to and shall run with title to such Unit, and shall not be separated from such Unit, and (b) the use and possession of the Limited Common Elements serving the Unit of such Unit Owner or Occupant in common with one or more (but not all) other Units, which use and possession shall be to the exclusion of all other persons except the Unit Owner or Occupant of any such other Unit to which such Limited Common Elements shall respectively appertain. The use of Limited Common Elements may be transferred between Unit Owners at their expense in accordance with the terms of Article III, Section 4 above.

ARTICLE IV GENERAL PROVISIONS AS TO UNITS AND COMMON ELEMENTS

1. Submission of Property to Provisions of Act. The Property is hereby submitted to the provisions of the Act.

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

3. Easements.

(a) Encroachments. In the event that (i) any portion of the Common Elements encroaches upon any Unit, or if any Unit encroaches upon any portion of the Common Elements or any other Unit as a result of the construction, repair, reconstruction, settlement or shifting of the Improvements, or (ii) by reason of the design or construction of utility and ventilation systems, any mains, pipes, condensers, ducts or conduits serving more than one Unit or serving the Common Elements encroach or shall hereafter encroach upon any part of any Unit, including the Limited Common Elements which serve any Unit, then a valid mutual easement shall exist in favor of the Declarant, the owners of the Common Elements and the respective Unit Owners involved to the extent of the encroachment; provided, however, that at all times Unit Owners and Occupants shall have reasonable access to their respective Units and Limited Common Elements, and Declarant, the owners of the Common Elements and the respective Unit Owners involved, shall cause as little inconvenience to Unit Owners and Occupants as is reasonably possible under the circumstances. The cost of removing and correcting any such encroachment shall be borne by the Association. A valid easement shall not exist in favor of any Unit Owner who creates an encroachment by its intentional, willful or negligent conduct or that of its agent.

(b) Utility, Commercial, Entertainment and Other Easements. The City of Chicago, Illinois Bell Telephone Company, Commonwealth Edison Company, and all other providers of public utilities serving the Property and any person or entity providing cable television or other similar entertainment to the Property or providing internet access to the Property (subject to the Operating Agreement) are hereby granted the right to lay, construct, renew, replace, operate, and maintain conduits, cables, pipes, wires, transformers, switching apparatus, and other equipment related to their service to the Property, into and through the Common Elements and the Units, where reasonably necessary for the purpose of providing utility and entertainment services to the Property. The Declarant or Association may hereafter grant other or additional easements for utility or

entertainment purposes and for any other purposes including, but not limited to (i) such easements as may be required to construct, keep and maintain improvements upon the Common Elements, for the benefit of the Property, over, under, along and on any portion of said Common Elements, and (ii) easements in favor of one or more present or future owners or occupants of the Commercial Property, the Garage Property or any portion of either thereof, and each Unit Owner hereby grants the Declarant and the Association an irrevocable power of attorney to execute, acknowledge and record for and in the name of such Unit Owner, such instruments as may be necessary to effectuate the foregoing (provided that with respect to all easements granted hereby or pursuant hereto, no Unit Owner shall be deprived of, or be subjected to material interference with, the use of its Unit or any Limited Common Element serving its Unit, other than reasonably). Each mortgagee of a Unit shall be deemed to consent to and be subordinate to any easement hereafter granted and also grants such power of attorney to the Declarant and the Association to effectuate the foregoing.

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

5. Easements For Construction. The Declarant, its contractors and subcontractors, and their respective agents and employees, shall have a perpetual easement for ingress, egress and access to and throughout the Improvements and the Property to perform, and as may be required in connection with, the construction and equipping of the Improvements, which easement shall continue, at the Declarant's discretion, for two (2) years following the Declarant's transfer of control of the Association to the initial Board of Managers (as provided in Article VIII, Section 5 below). In connection therewith, the Declarant, its contractors and subcontractors, and their respective agents and employees, shall have the right to take into and through and maintain on the Property all material and equipment required in connection with such construction and equipping, and to temporarily suspend operation of entrances, doors, corridors, and other Common Elements without liability to any Unit Owner or Occupant; provided, however, that at all times Unit Owners and Occupants shall have reasonable access to their respective Units and Limited Common Elements, and the Declarant shall cause as little inconvenience to Unit Owners and Occupants as is reasonably possible under the circumstances. Declarant shall promptly repair any damage caused to the Common Elements or any Unit in connection with its exercise of its rights and easements under this Section 5.

6. Blanket Easement in Favor of Declarant. Without limitation on the terms of Article IV, Section 5 above, the right of the Unit Owners to use and possess the Common Elements shall be subject to a blanket easement over the Common Elements in favor of the Declarant, and its respective representatives, agents, associates, employees, contractors, subcontractors, tenants, successors and assigns, for the purpose of (i) access and ingress to and egress from the Property or any part thereof, (ii) construction, installation, repair, replacement and restoration of utilities and any other portion of the Improvements, including the right to restrict and regulate access to the Common Elements for the purposes of completing construction of the Improvements, Common Elements or Units, and (iii) the installation and maintenance of signs advertising the residences in the Residential Building, and signs directing potential purchasers to the sales office and models erected in connection with such residences and for such purposes as described in Article XIV, Section 15 hereof. The foregoing easements in favor of the Declarant shall continue until such time as may be required by the Declarant, in its sole discretion, to perform, construct or equip the Improvements, Common Elements or Units, and to make certain modifications thereof, but in no event later than two (2) years following the Declarant's transfer of control of the Association to the initial Board of Managers (as provided in Article VIII,

Section 5 below), at which time such easements shall cease and be of no further force and effect without the necessity of any further action.

7. Easement in Favor of Association. A blanket easement over the Property is hereby granted in favor of the Association for the purpose of exercising its rights and performing its duties under this Declaration. The authorized representatives of the Association or the Board, or of the manager or managing agent for the Property, and any suppliers of water, utility, or cable television or similar entertainment services or internet access (subject to the Operating Agreement) to the Property, shall be entitled to reasonable access to, over and through the individual Units as may be required in connection with the operation, maintenance, repairs, or replacements of or to the Common Elements or any equipment, facilities or fixtures affecting or serving other Units or the Common Elements, or to service and take readings of any utility meters located within a Unit.

8. Other Users. The Association shall have the authority to lease, grant licenses or concessions, or grant easements with respect to parts of the Common Elements, subject to the terms of this Declaration. Income, if any, derived from such leases, licenses, concessions or easements shall be held and used for the benefit of the members of the Association, pursuant to such rules as the Board may adopt.

9. Operating Agreement Governs. The Property is subject to and encumbered by the Operating Agreement. In the event of any conflict or inconsistency between the terms, provisions and exhibits of the Operating Agreement and the terms, provisions and exhibits of this Declaration, the terms, provisions and exhibits of the Operating Agreement shall govern and control, unless such conflict or inconsistency is required to conform this Declaration with any requirements of the Act, in which event the terms, provisions and exhibits of this Declaration and of the Act shall prevail. Each Unit Owner, by acceptance of a deed to a Unit, covenants and agrees that the obligations of the Operating Agreement which are imposed on the Unit Owners or the Owner of the Residential Property (as defined in the Operating Agreement) shall be the obligation of the Unit Owners collectively. Each Unit Owner agrees that the Association may perform the obligations on behalf of the Unit Owners collectively and each Unit Owner individually agrees to be responsible for that portion of the cost of performing such undertakings equal to the respective Unit Owner's percentage ownership interest in the Common Elements. The Operating Agreement provides, among other things, for the allocation of certain responsibilities for ongoing care, maintenance, repair, replacement and operation of certain shared Building systems, facilities or other amenities. With respect to any costs and expenses (including reserves for capital expenditures) incurred by Unit Owners or the Owner of the Residential Property in the performance of such obligations or as a contribution toward the payment of such obligations, such costs, expenses (other than Parking Expenses) and reserves shall be assessed to the Unit Owners as part of the assessments otherwise due and owing hereunder, the payment of which shall be enforced in the same manner as for other assessments provided herein. Notwithstanding anything contained in this Section 9 to the contrary, Parking Expenses shall not be assessed to the Unit Owners as part of the assessments, but shall be assessed to the Parking Space Unit Owners as described in Article VI, Section 2 hereof. The Declarant hereby reserves for itself and for the Association the right and power to enter into any amendments and modifications to the Operating Agreement from time to time on behalf of each Unit Owner, as attorney-in-fact, upon such terms and conditions therein contained as may be acceptable to the Declarant or the Association (as the case may be), provided, however, that such amendments and modifications are acceptable to the owner(s) of the Commercial Property and the Garage Property. In furtherance of such right to enter into amendments and modifications to the Operating Agreement, a power coupled with an interest is hereby reserved and granted to the Declarant and the Association, and each deed, mortgage, trust deed and other evidence of obligation, or other instrument affecting a Unit, and the acceptance thereof, shall be deemed a grant and acknowledgment of the power of the Declarant and the Association to make, execute and record such amendments and modifications to the Operating Agreement and to carry out all duties and obligations of the Owner of the Residential Property imposed thereunder. Without limitation on the foregoing

terms, it is understood that the Declarant may exercise all rights, powers and privileges of the Association and may perform all of its functions pursuant to this Section 9 prior to the election of the first Board of Managers by the Unit Owners pursuant to this Declaration.

10. Storage Spaces. The Storage Spaces located within the Property are part of the Common Elements. In connection with the initial sale of each Unit, the Declarant shall assign one (1) Storage Space to each such Unit, whereupon such Storage Space, to the extent located within the Property, shall become a Limited Common Element appurtenant to such Unit. The Declarant shall make such assignment by identifying in the initial deed conveying such Unit, the Storage Space being so assigned. Once a Storage Space has been so assigned by the Declarant to a Unit, the Unit Owner of such Unit shall have the right to use such Storage Space for storage purposes (the "Storage Use"), subject to the terms, covenants, conditions and restrictions set forth in the Operating Agreement, this Declaration and any rules or regulations which may be promulgated from time to time by the Declarant or the Association with respect to the Storage Spaces and the use thereof, and to the terms of any agreements with the City of Chicago affecting any Storage Spaces. Once a Storage Space has been so assigned by the Declarant to a Unit, the Storage Use related to such Storage Space shall be appurtenant to such Unit and shall run with title to such Unit, and shall not be separated from such Unit. Whenever reference is made to any Storage Space located within the Property in a legal instrument or otherwise, such Storage Space may be legally described and referred to by its identifying symbol as shown on the Plat, and every such description shall be deemed good and sufficient for all purposes. Each deed or other instrument affecting a Unit shall include the Storage Use for the Storage Space assigned to such Unit, and any such deed or other instrument purporting to affect a Unit without also including the Storage Use for such Storage Space shall be deemed to include such Storage Use. The Declarant's right to assign Storage Spaces as described in this Section shall not be affected by, and shall continue after, the Declarant transfers control of the Association to the initial Board of Managers (as provided in Article VIII, Section 5 below) and such right to assign Storage Spaces shall continue until the Declarant no longer owns any Unit.

11. Terraces. The Terraces are Limited Common Elements and may only be used for patio and similar purposes for which terraces, roof decks and balconies in and on luxury, high-rise, residential buildings are customarily designed and used. Notwithstanding anything contained herein to the contrary, the Terraces and the use thereof shall be subject to: (i) all flues, shafts, pipes, wires, conduits, condensers, ducts, roof penetrations, and equipment which may now or hereafter be installed, located or maintained in, on, under or around the Terraces, and (ii) an easement in favor of the Declarant and the Board (and their respective agents, contractors and employees) for access, ingress and egress over and across the Terraces in the event of an emergency and/or to perform any repairs, replacements or other maintenance work in, on, under, over and around the Terraces (including, without limitation, to perform any repairs, replacements or other maintenance work to any portion of the roof of the Building located beneath a Terrace). If any patios, roof decks, fixtures, finishes, pavers, improvements or personal property located on a Terrace must be removed in order to perform any such repairs, replacements or work, the Declarant and the Board shall have the right to remove such patios, roof decks, fixtures, finishes, pavers, improvements and personal property, provided that upon completion of such repairs, improvements or work, the Declarant or the Board, as the case may be, shall repair, restore or replace such patios, roof decks, fixtures, finishes, pavers, improvements and personal property to the extent damaged or destroyed in connection with the performance of such repairs, improvements or work, and the cost of such repairs, restorations or replacements shall be Common Expenses unless otherwise specified by rules and regulations issued by the Declarant or the Board. All roof decks, patios, improvements, finishes, pavers and fixtures proposed to be constructed or installed in or on the Terraces shall be subject to the Declarant's prior written approval prior to the Declarant's transfer of control of the Association to the initial Board of Managers (as provided in Article VIII, Section 5 below), and the Board's prior written approval after such transfer of control, and prior to beginning any such work in or on a Terrace, the Unit Owner shall furnish to the Declarant or the Board (as applicable) for its written approval,

plans, drawings, specifications and if required by law, building permits relating to such work and such insurance as the Declarant or the Board shall require. The Unit Owner shall cause all such roof decks, patios, fixtures, finishes, pavers and other improvements to be constructed, installed and maintained substantially in accordance with plans, drawings and specifications approved by the Declarant or the Board (as the case may be).

ARTICLE V PARKING SPACES

Under the Operating Agreement, an easement has been granted in favor of the Property for the exclusive use of the Parking Spaces. Declarant shall have the sole and exclusive right to assign one or more Parking Spaces to Units in connection with the initial sale by the Declarant of each such Unit. The Declarant shall make such assignment by identifying in the initial deed conveying such Unit, the Parking Space(s) being so assigned. Once a Parking Space has been so assigned by the Declarant to a Unit, the Unit Owner of such Unit shall have the perpetual and exclusive right to use such Parking Space for parking purposes (the "Exclusive Parking Use"), subject to (i) the terms, covenants, conditions and restrictions set forth in the Operating Agreement, (ii) the terms, covenants, conditions and restrictions set forth in this Declaration, (iii) any rules or regulations which may be promulgated from time to time pursuant to the Operating Agreement, and (iv) any rules or regulations which may be promulgated from time to time by the Declarant and the Board with respect to the Parking Spaces and the use thereof. Subject to a transfer between Unit Owners of the Exclusive Parking Use related to a Parking Space as provided below in this Article V, once a Parking Space has been so assigned by the Declarant to a Unit, the Exclusive Parking Use related to such Parking Space shall be appurtenant to such Unit and shall run with title to such Unit, and shall not be sold, conveyed, transferred or encumbered separate from such Unit, and a Unit Owner shall not lease or grant any other rights to possess or use any Parking Space appurtenant to its Unit in violation of the Operating Agreement. Notwithstanding anything contained herein to the contrary, the Exclusive Parking Use related to a Parking Space may be transferred between Unit Owners at their expense. Each transfer of an Exclusive Parking Use between Unit Owners shall be made in a written assignment agreement between such Unit Owners, which assignment agreement shall: (i) refer to the Parking Spaces related to the Exclusive Parking Use(s) being transferred by the identifying symbol for such Parking Spaces as shown in the Operating Agreement; (ii) identify the Unit(s) to which the Exclusive Parking Use(s) shall be appurtenant following such transfer; and (iii) be recorded with the Recorder of Deeds of Cook County, Illinois. The Unit Owners who are parties to any such transfer of an Exclusive Parking Use shall give notice of such transfer to the Association, to the Owner of the Parking Property (as defined in the Operating Agreement) and to the operator of the Garage Property not less than thirty (30) days prior to the effective date of any such transfer. Notwithstanding anything contained herein to the contrary, until a Parking Space has been assigned by the Declarant to a Unit, the Declarant may grant licenses to use any such Parking Space to contractors and other third parties performing work at the Property on such terms and conditions as the Declarant shall determine in its sole discretion, and the Declarant shall be entitled to receive and retain any amounts paid pursuant to the terms of such licenses. Whenever reference is made to any Parking Space in a legal instrument or otherwise, such Parking Space may be legally described and referred to by its identifying symbol as shown in the Operating Agreement or any exhibit thereto, and every such description shall be deemed good and sufficient for all purposes. Each deed or other instrument affecting a Unit to which a Parking Space has been assigned shall include the Exclusive Parking Use for the Parking Space so assigned, and any such deed or other instrument purporting to affect a Unit to which a Parking Space has been assigned without also including the Exclusive Parking Use for such Parking Space shall be deemed to include such Exclusive Parking Use. The Declarant's right to assign Parking Spaces as described in this Article shall not be affected by, and shall continue after, the Declarant transfers control of the Association to the initial Board of Managers (as provided in Article VIII,

Section 5 below) and such right to assign Parking Spaces shall continue until the Declarant no longer owns any Unit, subject however to the terms of the Operating Agreement.

ARTICLE VI
COMMON EXPENSES, PARKING EXPENSES, MORTGAGES, AND REAL ESTATE TAXES

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

2. Parking Expenses. Each Parking Space Unit Owner shall pay its proportionate share of the Parking Expenses. Such proportionate share of the Parking Expenses for each Parking Space Unit Owner shall be a percentage equal to the number of Parking Spaces assigned to the Unit owned by such Parking Space Unit Owner, divided by the total number of Parking Spaces; provided, however, that during any time period that the Owner of the Commercial Property (as defined in the Operating Agreement) has the right to use any Parking Spaces pursuant to Section 4.15 of the Sale Agreement Memorandum (as defined in the Operating Agreement), the proportionate share of the Parking Expenses for each Parking Space Unit Owner shall be a percentage equal to the number of Parking Spaces assigned to the Unit owned by such Parking Space Unit Owner, divided by the total number of Parking Spaces which have been paid for by the Declarant. Payment thereof shall be in such amounts and at such times as determined in the manner provided in Article XX hereof. If any Parking Space Unit Owner shall fail or refuse to make any such payment of the Parking Expenses when due, or shall fail refuse to make any payment of Special Parking Charges (as defined below) when due, the amount thereof shall constitute a lien on the interest of such Parking Space Unit Owner in the Property as provided in the Act.

3. Separate Mortgages. Each Unit Owner shall have the right, subject to the provisions of this Declaration, to make a separate mortgage or encumbrance on its respective Unit together with its respective ownership interest in the Common Elements, together with any Exclusive Parking Use and Storage Use appurtenant to such Unit. No Unit Owner shall have the right or authority to make or create or cause to be made or created any mortgage or encumbrance or other lien on or affecting the Property or any part thereof, except only to the extent of its Unit and its respective ownership interest in the Common Elements, and any Exclusive Parking Use and Storage Use appurtenant to its Unit.

4. Separate Real Estate Taxes. It is understood that real estate taxes are to be separately taxed to each Unit Owner for its Unit and its corresponding percentage of ownership in the Common Elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each Unit Owner shall pay its proportionate share thereof in accordance with its respective percentage of ownership interest in the Common Elements at the times and in the manner determined by the Board of Managers. Further, in the event that for any year such taxes are not separately taxed to the Property, but are taxed on the Building as a whole, then each Unit Owner shall pay its proportionate share of the amount of such taxes allocated to the Property under the Operating Agreement in accordance with its respective percentage ownership interest in the Common Elements. If any Unit Owner shall fail or refuse to make any such payment of real estate taxes when due, the amount thereof shall constitute a lien on the interest of such Unit Owner in the Property. No Unit Owner shall, or shall have the right to, protest the validity or amount any taxes or assessments levied or assessed against the Property as a whole or the Building as a whole, and only the Declarant and the Association shall have the right to initiate

and pursue any such protest on behalf of the Unit Owners. Nothing contained in the immediately preceding sentence shall limit, restrict or otherwise affect a Unit Owner's right to protest any taxes or assessments levied or assessed against its Unit and its corresponding percentage ownership in the Common Elements exclusively.

ARTICLE VII INSURANCE

1. Fire and Hazard Insurance. Subject to the terms of the Operating Agreement, the Board of Managers, in conjunction with the owner(s) of the Commercial Property and the Garage Property, shall acquire and maintain a policy or policies of insurance insuring the Building, including, without limitation, the Property (but excluding additions, alterations, improvements and betterments to the Units) against loss or damage from fire, lightning and other hazards contained in the customary fire and extended coverage insurance policy, with vandalism and malicious mischief endorsements, for the full insurable replacement cost of the Building. Such insurance policies shall be written in the name of the owner(s) of the Commercial Property and the Garage Property and the members of the Board of Managers, as trustees for each of the Unit Owners in the respective percentages established in Exhibit B attached hereto, and shall require that the proceeds thereof be payable in accordance with the terms of the Operating Agreement and Article XI hereof. The cost of the insurance shall be shared between the Association and the owner(s) of the Commercial Property and the Garage Property, as set forth in the Operating Agreement, and the portion of such cost allocated to the Property shall be a Common Expense.

All said policies of insurance: (1) shall contain standard mortgage clause endorsements in favor of the mortgagee or mortgagees of each Unit, if any, as their respective interests may appear, (2) shall provide that the insurance shall not be invalidated by any act or neglect of any Unit Owner, (3) shall provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash settlement therefor, such option shall not be exercisable in the event the Unit Owners elect to sell the Property or remove the Property from the provisions of the Act, (4) shall contain an endorsement to the effect that such policy shall not be terminated for nonpayment of premiums without at least ten (10) days' prior written notice to the mortgagee of each Unit, (5) shall contain a clause or endorsement whereby the insurer waives any right to be subrogated to any claim against the Association, the Board, the officers or members of the Board, the Declarant, the managing agent, if any, their respective employees and agents, the Unit Owners and Occupants, and the owner(s) of the Commercial Property and the Garage Property, and (6) shall contain a "Replacement Cost Endorsement." Subject to the terms of the Operating Agreement, the proceeds of such insurance shall be applied by the Board or by the trustee or agent on behalf of the Board for the reconstruction of the Property (but excluding additions, alterations, improvements and betterments to the Units) or shall be otherwise disposed of in accordance with the provisions of the Operating Agreement, this Declaration and the Act; and the rights of the mortgagee of any Unit under any standard mortgage clause endorsement to such policies shall, notwithstanding anything to the contrary therein contained, at all times be subject to the provisions of the Operating Agreement, this Declaration and the Act with respect to the application of insurance proceeds to reconstruction of the Property. The Board may engage the services of, and such insurance proceeds may be payable to, a bank or trust company authorized to do, execute, and accept trusts in Illinois, to act as insurance trustee, or as agent or depository as an alternative to acting as trustee, and to receive and disburse the insurance proceeds applicable to the Property resulting from any loss upon such terms as the Board shall determine consistent with the provisions of this Declaration. The fees of such bank or trust company shall be Common Expenses. In the event of any loss in excess of \$20,000.00 in the aggregate to the Property, at the Board's discretion or at the request of any Unit Owner, the Board shall solicit bids from reputable contractors.

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

2. Appraisal. The full, insurable replacement cost of the Property (but excluding additions, alterations, improvements and betterments to the Units) shall be determined from time to time (but not less frequently than once in any twelve-month period) by the Board. The Board shall in its discretion have the authority to obtain an appraisal by a reputable appraisal company as selected by the Board. The cost of such appraisal shall be a Common Expense.

3. Public Liability and Property Damage Insurance. Subject to the terms of the Operating Agreement, the Board of Managers shall acquire and maintain, as a Common Expense, comprehensive public liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Property in amounts deemed sufficient in the judgment of the Board of Managers, insuring the Board of Managers, the Association, the management agent (if any), and their respective employees and agents. The Declarant shall be included as an additional insured in his capacity as a Unit Owner and member of the Board. The Unit Owners shall be included as additional insureds but only with respect to the Common Elements (excluding the Limited Common Elements). The insurance shall cover claims of one or more insured parties against other insured parties. The insurance shall contain a waiver of any rights to subrogation by the insuring company against any of the above-named insured Persons.

4. Worker's Compensation and Other Insurance. The Board of Managers shall acquire and maintain, as a Common Expense, worker's compensation insurance as may be necessary to comply with applicable laws and such other forms of insurance as the Board, in its judgment, shall elect to obtain and maintain, including, but not limited to, insurance for the Association, the Board and its officers and members, and the management agent for the Property (if any) against liability for actions taken by such parties on behalf of the Association or in furtherance of the Association's interests.

5. Waiver. Each Unit Owner hereby waives and releases any and all claims which it may have against any other Unit Owner, the Association, the Board and its officers and members, the Declarant, the managing agent of the Property, if any, and their respective employees and agents, and the owner(s) of the Commercial Property and the Garage Property, 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 or would be covered by insurance for which such Unit Owner is responsible to maintain pursuant to Section 7 of this Article.

6. Notice. The Board of Managers shall notify insured Persons concerning the cancellation of insurance obtained pursuant to the terms of this Article.

7. Unit Owner Insurance. Each Unit Owner shall be responsible for (i) physical damage insurance on its personal property (a) in its Unit, (b) on or in any Parking Space or Storage Space assigned to its Unit, and (c) elsewhere on or in the Project, and any additions, alterations, betterments and improvements to its Unit (whether installed by such Unit Owner or any prior Unit Owner or whether originally in its Unit); and (ii) its personal liability to the extent not covered by the policies of liability insurance obtained by the Board for the benefit of all of the Unit Owners as above provided. All policies of casualty insurance carried by each Unit Owner shall be without contribution with respect to the policies of casualty insurance obtained by the Board

for the benefit of all of the Unit Owners as above provided. For the purposes of this Article VII, "additions, alterations, betterments and improvements" shall mean any property (excluding personal property readily removable without damage to the Unit) attached to the Unit, including without limitation, carpeting, flooring, wall covering, paint, paneling, toilets, fixtures, and cabinets.

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

9. Deductibles. Subject to the terms of the Operating Agreement, the Board shall have the right to select deductibles to the insurance coverages required or permitted under this Article VII if the economic savings justifies the additional risk, as determined by the Board, and if permitted by law.

ARTICLE VIII ADMINISTRATION AND OPERATION

1. Administration. The Declarant, either before or after the recording of this Declaration, may cause to be incorporated under the laws of the State of Illinois, a not-for-profit corporation under the name of "800 NORTH MICHIGAN CONDOMINIUM ASSOCIATION", or a similar name, which corporation shall be the governing body for all the Unit Owners for the maintenance, repair, replacement, administration, and operation of the Common Elements and for such other purposes as are provided in this Declaration. The administration of the Property shall be vested in the Board of Managers of the Association consisting of the number of Persons, and who shall be elected in the manner, provided in the By-Laws contained herein, as Articles XVII, XVIII, XIX and XX. The Board of Directors of the Association shall be deemed to be the Board of Managers referred to herein and in the Act. Each Unit Owner shall be a member of the Association so long as he or she shall be a Unit Owner.

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

3. Actions of the Board and Indemnity. The members of the Board and the officers thereof or of the Association shall not be liable to the Unit Owners for any mistake of judgment, or any acts or omissions made in good faith as such members or officers on behalf of the Unit Owners, the Board or the Association, but only for acts or omissions finally adjudged by a court of competent jurisdiction to constitute fraud, bad faith or gross negligence. Each agreement made by the Association, the Board or its members or officers shall be executed by such members or officers or the managing agent, as the case may be, as agents for the Unit Owners or for the Association. The Association will indemnify the Board and its officers and members for any loss, liability or damage incurred by it on behalf of the Association in or in furtherance of the Association's interests, except for any loss, liability or damage arising out of acts or omissions finally adjudged by a court of competent jurisdiction to constitute fraud, bad faith, gross negligence or other breach of fiduciary duty. The

liability of any Unit Owner arising out of any contract made by the Association, the Board or its members or officers, or out of the aforesaid indemnity, shall be limited to an amount equal to the total liability thereunder multiplied by such Unit Owner's percentage ownership interest in the Common Elements.

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

5. Administration of Property Prior to Election of Initial Board of Managers. Until the election of the initial Board of Managers, the same rights, titles, powers, privileges, trusts, duties, and obligations vested in or imposed upon the Board of Managers by the Act and this Declaration (including without limitation, the rights, powers and privileges to promulgate rules and regulations relating to the Property, the Parking Spaces, the Terraces and the Storage Spaces) shall be held and performed and may be exercised by the Declarant who is hereby authorized to retain a building manager on behalf of the Association. The election of the initial Board of Managers shall be held not later than sixty (60) days after the conveyance by the Declarant of seventy-five percent (75%) of the Units or three (3) years after the recording of this Declaration, whichever is earlier. If the initial Board of Managers is not elected by the Unit Owners at the time so established, the Declarant shall continue in office for a period of thirty (30) days whereupon written notice of its resignation shall be sent to all of the Unit Owners entitled to vote at such election.

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

(a) All original documents as recorded or filed pertaining to the Property, its administration, and the Association, such as this Declaration, By-Laws, Articles of Incorporation, other Condominium Instruments, the Operating Agreement, annual reports, minutes, and rules and regulations, contracts, leases, or other agreements entered into by the Association. If any original documents are unavailable, a copy may be provided if certified by affidavit of the Declarant, or an officer or agent of the Declarant, as being a complete copy of the actual document recorded or filed;

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

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

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

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

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

6. Records of the Association - Availability for Examination. The manager of the Property (if any) or the Board of Managers shall maintain the following records of the Association available for examination and copying at convenient hours of weekdays by the Unit Owners or their mortgagees and their duly authorized agents or attorneys.

(a) Copies of the recorded Declaration, other Condominium Instruments and any amendments thereto, Articles of Incorporation of the Association, annual reports, and any rules and regulations adopted by the Association or its Board of Managers shall be available. Prior to the organization of the Association, the Declarant shall maintain and make available the records set forth in this subsection (a) for examination and copying.

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

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

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

(e) Such other records of the Association as are available for inspection by members of a not-for-profit corporation pursuant to Section 107.75 of the General Not-For-Profit Corporation Act of 1986 as amended, shall be maintained.

A reasonable fee may be charged by the Association or its Board of Managers for the cost of copying.

ARTICLE IX MAINTENANCE, ALTERATIONS, DECORATING

1. Maintenance, Repairs, and Replacements.

(a) Each Unit Owner shall furnish and be responsible for, at its own expense, all of the maintenance, repairs, and replacements within its own Unit, including, without limitation, all additions, improvements, betterments and alterations, all windows and window frames appurtenant thereto, all interior and exterior doors appurtenant thereto, all screens, and all internal installations of such Unit such as refrigerators, ranges, and other kitchen appliances, lighting fixtures and electrical fixtures, furnaces, air conditioners, condensers and plumbing, and except as described in subsection (b) below, any portion of any other utility service facilities located within the Unit; provided, however, that such maintenance, repairs and replacements as may be required for the bringing of water and electricity to the Units, shall be furnished by the Association as part of the Common Elements. In order to maintain a uniform appearance for the exterior of the Property and the Common Elements, any maintenance, repairs and replacements performed under this Section 1(a) of any windows,

window frames, screens, exterior doors and other improvements, materials and equipment visible from the exterior of the Building or from the Common Elements shall be performed using such materials and in accordance with such specifications as may be designated by the Board from time to time.

(b) The Association, at its expense, shall be responsible for the maintenance, repair and replacement of those portions, if any, of each Unit which contribute to the support of the Improvements or the Building, but excluding, however, all window and window frames, all exterior doors and interior surfaces of walls, ceilings and floors. In addition, the Association shall maintain, repair, and replace all pipes, wires, conduits, ducts, flues, shafts, and other facilities for the furnishing of utility services which may be located within the Unit boundaries and forming part of any system not exclusively serving such Unit, as specified in Article II, Section 2 hereof, exclusive of any portions of the foregoing which may be located at or beyond the wall outlets. Maintenance, repairs and replacements of the Common Elements (but not the Limited Common Elements except as provided in Section 2 of this Article) shall be furnished by the Association acting by and through the Board as part of the Common Expenses, subject to the By-Laws or rules and regulations of the Association.

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

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

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

(f) The Board shall have exclusive authority to take, or refrain from taking, any action pursuant to this Article VIII, Section 1. All expenses which, pursuant to this Section 1, are chargeable to any Unit Owner, may be specifically assessed to such Unit Owner and shall be payable by such Unit Owner as prescribed by the Board.

2. Limited Common Elements. Each Unit Owner shall be responsible, at its own cost and expense, for all of the maintenance, repair and replacement of the Limited Common Elements benefitting its Unit, in whole or in part, except to the extent as otherwise directed by the Board or otherwise as follows. Without limiting any of the terms of this Section 2, each Unit Owner shall be responsible, at its own cost and

expense, for cleaning all windows located in or adjacent to any Terrace which is a Limited Common Element appurtenant to its Unit. In addition, each Unit Owner shall be individually responsible for the repair, maintenance and replacement of all door and window locks and hardware with respect to which each Unit Owner is entitled to the exclusive use. At the discretion of the Board, the Board may perform, or cause to be performed, such maintenance, repairs and replacements of the Limited Common Elements and the cost thereof shall be assessed in whole or in part to Unit Owners benefitted thereby, and further, at the discretion of the Board, the Board may direct such Unit Owners, in the name and for the account of such Unit Owners, to arrange for such maintenance, repairs and replacements, to pay the cost thereof with the funds of the Unit Owner, and to procure and deliver to the Board such lien waivers and contractor's or subcontractor's sworn statements as may be required to protect the Property from mechanics' or materialmen's lien claims that may arise therefrom. In order to maintain a uniform appearance for the exterior of the Property and the Common Elements, any maintenance, repairs and replacements performed by a Unit Owner under this Section 2 of any windows, window frames, window and door locks and hardware and other improvements, materials and equipment visible from the exterior of the Building or from the Common Elements shall be performed using such materials and in accordance with such specifications as may be designated by the Board from time to time.

3. Alterations, Additions or Improvements. Except as otherwise provided in Article XIV, Section 1 hereof, and without limiting the terms of Article IV, Section 11 hereof, no additions, alterations or improvements shall be made by a Unit Owner to any part of the Common Elements (including the Limited Common Elements) and no additions, alterations or improvements shall be made by a Unit Owner to its Unit where such work alters the wall or partition, configuration, ceiling, perimeter doors or windows, any Terrace appurtenant to such Unit, floor load or otherwise affects the structure of the Unit, the structural integrity or utility, mechanical, heating, ventilating, air conditioning, fire suppression, or other systems of the Building, or increases the cost of insurance required to be carried by the Board hereunder or pursuant to the Operating Agreement without the prior written consent of the Board, and then only in accordance with rules and regulations adopted by the Board. Any addition, alteration or improvement of a Unit by the Unit Owner which shall affect the structure of the Unit or the Common Elements or shall affect the structural integrity or utility, mechanical, heating, ventilating, air conditioning, fire suppression or other systems of the Building shall, further, conform with all documentation prepared or reviewed and approved by an architectural or engineering firm selected by the Declarant or the Board. The cost of such drawings or review and approval shall be paid by the Unit Owner. The Board may (but shall not be required to) condition its consent to the making of an addition, alteration or improvement by a Unit Owner under this Section 3 upon the Unit Owner's agreement either (i) to be solely responsible for the maintenance of such addition, alteration or improvement, subject to such standards as the Board may from time to time set, or (ii) to pay to the Association from time to time the additional costs of maintenance or insurance as a result of the addition, alteration or improvement. If an addition, alteration or improvement is made by a Unit Owner without the prior written consent of the Board, then the Board may, in its discretion, take any of the following actions, which actions shall not be exclusive of the remedies available to the Board under Article XV hereof:

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

(2) If the Unit Owner refuses or fails to properly perform the work required under clause (1) above, the Board may cause the work to be done and may charge the Unit Owner for the cost thereof as determined by the Board; or

(3) Ratify the action taken by the Unit Owner, and the Board may (but shall not be obligated to) condition such ratification upon the same conditions which it may impose upon the giving of its prior consent under this Section.

4. Decorating. Each Unit Owner shall furnish and be responsible for, at its own expense, all of the decorating within its Unit from time to time, including painting, wallpapering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps, and other furnishings and interior decorating. The use of and the covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the Building, shall be subject to the rules and regulations of the Board. Decorating of the Common Elements (other than interior surfaces within the Units as above provided), and any redecorating of Units to the extent made necessary by any damage to existing decorating of such Unit caused by maintenance, repair or replacement work on the Common Elements by the Board, shall be furnished as part of the Common Expenses, unless otherwise specified by rules and regulations issued by the Declarant or the Board.

ARTICLE X SALE, LEASING OR OTHER ALIENATION

1. Sale or Lease. Any Unit Owner, other than the Declarant, who wishes to sell or lease its Unit, or any owner of the beneficial interest in a Unit who wishes to sell or assign said beneficial interest, or any lessee of any Unit wishing to assign such lease, shall give to the Board, not less than sixty (60) days prior to the contemplated closing of such sale, assignment, commencement of such lease, or effective date of such assignment, a copy of the contract to sell, assign, lease or assign (as the case may be), entered into subject to the Board's option as hereinafter set forth, together with the name, address, and financial and character references of the proposed purchaser, assignee, lessee or assignee, and such other information concerning the proposed purchaser, assignee, lessee or assignee as the Board may reasonably require. The Board, acting on behalf of the other Unit Owners, shall at all times have the first right and option to purchase, accept an assignment, or lease such Unit upon the same terms as set forth in such contract, which option shall be exercisable by the Board for a period of thirty (30) days following the date of receipt of such contract and information by giving written notice of the exercise of such option to such Unit Owner. If said option is not exercised by the Board within said 30-day period, the Unit Owner (or lessee) may, at the expiration of said 30-day period and at any time within ninety (90) days after the expiration of said 30-day period, proceed to consummate the sale, assignment or lease (or assignment of lease) of such Unit to the proposed purchaser, assignee, lessee or assignee named in such contract upon the terms specified therein. If the Unit Owner (or lessee) fails to close said proposed transaction within said ninety (90) days, the Unit shall again become subject to the Board's right of first refusal as herein provided. In addition to and not in limitation of the terms of this Section 1, no lessee of any Unit (other than the Declarant) may sublease such Unit or any portion thereof, and no Unit Owner (other than the Declarant) may enter into a lease of any Unit having a term which is more than one (1) year (including any renewal rights or options), unless otherwise prescribed by rules and regulations issued by the Board or the Declarant.

2. Gift. Any Unit Owner, other than the Declarant, who wishes to make a gift of its Unit or any interest therein, shall give to the Board, not less than ninety (90) days prior to the contemplated effective date of such gift, written notice of its intent to make such gift, together with the name, address, and financial and character references of the intended donee and such other information concerning the intended donee as the Board may reasonably require. The Board, acting on behalf of the other Unit Owners, shall at all times have the first right and option to purchase such Unit or interest, which option shall be exercisable by the Board for a period of thirty (30) days following the date of receipt of such notice and information by giving written notice of the exercise of such option to such Unit Owner. If the Board exercises its option within said 30-day period, the Board shall purchase such Unit or interest therein, for cash, at the fair market value of such Unit or interest therein, and on such other terms and conditions as are then customary in connection with the purchase and sale of similar properties. In the event that the Board and the Unit Owner cannot agree on the fair market

value of such Unit or interest therein within fifteen (15) days after receipt of the Board's notice exercising its option, then within ten (10) days after the expiration of said 15-day period, the Board and such Unit Owner shall each select a qualified real estate appraiser, and the two appraisers so selected shall, within ten (10) days after their selection, appoint another qualified real estate appraiser to determine the fair market value. Within fifteen (15) days after the appointment of said third appraiser, such appraiser shall determine the fair market value of such Unit or interest therein, and said determination shall be conclusive upon the parties. If either party shall fail to select an appraiser, then the appraiser designated by the other party shall make the determination of fair market value. The closing of such purchase shall occur within thirty (30) days after the determination of fair market value. The cost of any appraisal shall be divided equally between such Unit Owner and the Board, and the Board's share shall be a Common Expense. If said option is not exercised by the Board within said 30-day period, the Unit Owner may, at the expiration of said 30-day period and at any time within ninety (90) days after the expiration of said 30-day period, proceed to make the gift of such Unit or interest therein to the donee identified in such Unit Owner's notice to the Board. If the Unit Owner fails to make such gift within said ninety (90) days, the Unit shall again become subject to the Board's right of first refusal as herein provided. Notwithstanding anything to the contrary contained herein, in the event a Unit Owner is dissatisfied with the result of the appraisal, such Unit Owner may revoke its offer of a gift.

3. Devise. In the event any Unit Owner dies leaving a will devising his or her Unit or any interest therein to any Person or Persons not heirs-at-law of the deceased Unit Owner under the Rules of Descent of the State of Illinois, and said will is admitted to probate, the Board, acting on behalf of the other Unit Owners, shall at all times have the first right and option to purchase such Unit or interest therein from the devisee or devisees thereof named in said will, or if a power of sale is conferred by said will upon the personal representative named therein, from such personal representative acting pursuant to said power. Such option shall be exercisable by the Board for a period of thirty (30) days following the receipt by the Board of notice of the appointment and identity of the personal representative for the estate of the deceased Unit Owner by giving written notice of the exercise of such option to such personal representative. If the Board exercises its option within said 30-day period, the Board shall purchase such Unit or interest therein, for cash, at the fair market value of such Unit or interest therein, and on such other terms and conditions as are then customary in connection with the purchase and sale of similar properties. In the event that the Board and such personal representative cannot agree on the fair market value of such Unit or interest therein within fifteen (15) days after receipt of the Board's notice exercising its option, then within ten (10) days after the expiration of said 15-day period, the Board and such personal representative shall each select a qualified real estate appraiser, and the two appraisers so selected shall, within ten (10) days after their selection, appoint another qualified real estate appraiser to determine the fair market value. Within fifteen (15) days after the appointment of said third appraiser, such appraiser shall determine the fair market value of such Unit or interest therein, and said determination shall be conclusive upon the parties. If either party shall fail to select an appraiser, then the appraiser designated by the other party shall make the determination of fair market value. The closing of such purchase shall occur within thirty (30) days after the determination of fair market value. The cost of any appraisal shall be divided equally between such personal representative or the Unit Owner's estate on the one hand, and the Board on the other hand, and the Board's share shall be a Common Expense.

4. Involuntary Sale.

(a) Judicial and Execution Sales. In the event any Unit or interest therein is sold at a judicial or execution sale (other than a mortgage foreclosure sale), the Person acquiring title through such sale shall give to the Board, not less than sixty (60) days prior to taking possession of such Unit, written notice of its intent to take possession of such Unit, together with such Person's name, address, and financial and character references and such other information concerning such Person as the Board may reasonably require. The Board, acting on behalf of the other Unit Owners, shall at all times have the first right and option to purchase such Unit, which option shall be exercisable by

the Board for a period of thirty (30) days following the date of receipt of such notice and information by giving written notice of the exercise of such option to such Person. If the Board exercises its option within said 30-day period, the Board shall purchase such Unit or interest therein, for cash, at the same price at which it was sold at said judicial or execution sale, and on such other terms and conditions as are then customary in connection with the purchase and sale of similar properties, but in any event the closing of such purchase shall occur within sixty (60) days after the Board's receipt of such notice and information. If said option is not exercised by the Board within said 30-day period, it shall thereupon expire and said Person may thereafter take possession of such Unit.

(b) Curing Mortgage Defaults. In the event any Unit Owner shall default in the payment of any monies required to be paid under the provisions of any mortgage or trust deed recorded against its Unit, the Board shall have the right to cure such default by paying the amount so owing to the party entitled thereto and shall thereupon have a lien therefor against such Unit, which lien shall have the same force and effect and may be enforced in the same manner as provided in Article XIX hereof. Notwithstanding the foregoing, the terms and provisions of this Section 4(b) shall not be applicable to any defaults under any blanket mortgage now or hereafter granted by the Declarant and encumbering the Property or any portion thereof.

5. Consent of Voting Members. The Board shall not exercise any option hereinabove set forth in this Article X to purchase or lease any Unit or interest therein without the prior consent of Voting Members having at least three-fourths (3/4) of the total votes. The Board or its duly authorized representative, acting on behalf of the other Unit Owners, may bid to purchase at any sale of a Unit or interest therein of any Unit Owner living or deceased, which said sale is held pursuant to an order or direction of a court, upon the prior consent of Voting Members having at least three-fourths (3/4) of the total votes, which consent shall set forth a maximum price which the Board or its duly authorized representative is authorized to bid and pay for said Unit or interest therein.

6. Release or Waiver of Option. Upon the consent of at least two-thirds (2/3) of the Board members, or if the Board fails to exercise any of the options contained in this Article X within the applicable time period set forth above in this Article X, then the applicable option shall be released or waived as to any particular proposed transaction, and upon any such release or waiver, the Unit or interest therein which is the subject of such release or waiver, shall be sold, conveyed, leased, given, or devised free and clear of the provisions of this Article, but only in connection with the specific transaction which was the subject of such release or waiver.

7. Proof of Termination of Option. A certificate executed and acknowledged by the acting secretary of the Board stating that the provisions of this Article X have been met by a Unit Owner or personal representative, or duly waived or released by the Board, or that the rights of the Board hereunder have terminated with respect to any particular proposed transaction, shall be conclusive upon the Board and the Unit Owners in favor of all Persons who rely thereon in good faith, and such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of this Article or in respect to whom the provisions of this Article have been waived, upon request and payment of a reasonable fee, not to exceed Twenty Dollars (\$20.00).

8. Financing of Purchase Under Option. If the Board, in its discretion, borrows money to finance the acquisition of any Unit or interest therein authorized by this Article, no financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit or interest therein to be acquired.

9. Title to Acquired Interest. Any Unit or interests therein acquired pursuant to the terms of this Article shall be held of record in the name of the Board and their successors in office, or such nominee as they shall designate, for the benefit of all the Unit Owners. Said Unit or interests therein shall be sold or leased by the Board in such manner as the Board shall determine without having to comply with the provisions of this Article relating to the Board's rights of first refusal. All proceeds of such sale and/or lease shall be deposited in the maintenance fund and credited to each Unit Owner in the same proportion as its percentage ownership interest in the Common Elements.

10. Exceptions to Board's Rights of First Refusal. The Board's rights of first refusal, as provided in Sections 1, 2, and 3 of this Article X, shall not apply to any sale, lease, gift, devise, or transfer: (a) by or to the Declarant; (b) by or to an institutional mortgagee, receiver or mortgagee-in-possession who acquires title via foreclosure or a deed in lieu of foreclosure; (c) to any corporation, trust, or other entity when the transferring Unit Owner or Persons having at least majority control of said Unit Owner control the transferee; (d) resulting from statutory merger or consolidation; (e) between co-owners of the same Unit, or any one or more of them; (f) to any trustee of a trust, the sole beneficiary or beneficiaries of which are the transferring Unit Owner, the spouse, or lawful child of the transferring Unit Owner, or any one or more of them; or (g) from any trustee of a trust to any one or more of the beneficiaries thereof.

11. Miscellaneous. If a proposed sale, lease, devise, gift or other transfer of any Unit is made by any Unit Owner, after compliance with the foregoing provisions of this Article, the purchaser, subsequent Unit Owner, lessee, devisee, or donee thereunder shall be bound by and be subject to all of the obligations of such Unit Owner with respect to such Unit as provided in this Declaration, and in the case of a lease, said lease shall expressly so provide. The Unit Owner making any such lease shall not be relieved thereby from any of its obligations hereunder. Upon the expiration or termination of such lease, or in the event of any attempted assignment or subleasing thereunder, the provisions of this Article with respect to the Board's rights of first refusal, shall apply to such Unit. If any sale, lease, devise, gift or other transfer of a Unit is made or attempted without complying with the provisions of this Article, such sale, lease, devise, gift or transfer shall be voidable by the Board and shall be subject to each and all of the rights and options of the Board hereunder and each and all of the remedies and actions available to the Board hereunder or at law or in equity in connection therewith. The provisions of this Article with respect to the Board's rights of first refusal as to any proposed sale, lease, devise, gift or other transfer shall be and remain in full force and effect until the Property as a whole shall be sold or removed from the provisions of the Act, as provided in the Act, unless sooner rescinded or amended by the Unit Owners in the manner herein provided for amendments of this Declaration. The Board may adopt rules and regulations from time to time, not inconsistent with the provisions of this Article, for the purpose of implementing and effectuating the same.

ARTICLE XI DAMAGE OR DESTRUCTION AND RESTORATION OF THE IMPROVEMENTS

1. Sufficient Insurance. In the event the Improvements, or any portion thereof (but excluding additions, alterations, improvements and betterments to the Units), shall suffer damage or destruction from any cause and the proceeds made available for the restoration of the Improvements under the Operating Agreement from any policy or policies insuring against such loss or damage, and payable by reason thereof, shall be sufficient to pay the cost of repair, restoration and reconstruction, then such repair, restoration, or reconstruction shall be undertaken and subject to the terms of the Operating Agreement, the insurance proceeds shall be applied by the Board or the trustee or agent holding such insurance proceeds in payment therefor; provided, however, that subject to the terms of the Operating Agreement, in the event within one hundred and eighty (180) days after said damage or destruction, the Unit Owners shall elect either to sell the Property as provided in Article XIII hereof or to withdraw the Property from the provisions of this Declaration

and from the provisions of the Act as therein provided, then such repair, restoration or reconstruction shall not be undertaken. Subject to the terms of the Operating Agreement, in the event such repair, restoration, or reconstruction is not undertaken, the net proceeds of insurance policies shall be divided by the Board or such trustee or agent among all Unit Owners according to each Unit Owner's percentage of ownership interest in the Common Elements as set forth in Exhibit B attached hereto, after first paying out of the share of each Unit Owner the amount of any unpaid liens on its Unit, in the order of the priority of such liens.

2. Insufficient Insurance.

(a) General Provisions. Subject to subsection (b) below of this Section 2, if the insurance proceeds made available under the Operating Agreement with respect to the Property are insufficient to reconstruct the Improvements and the Unit Owners and all other parties in interest do not voluntarily make provision for reconstruction of the Improvements within one hundred and eighty (180) days from the date of damage or destruction, the Board of Managers may record a notice setting forth such facts and upon the recording of such notice:

- (i) The Property shall be deemed to be owned in common by the Unit Owners;
- (ii) The undivided interest in the Property owned in common which shall appertain to each Unit Owner shall be the percentage of undivided interest previously owned by such Unit Owner in the Common Elements;
- (iii) Any liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Unit Owner in the Property as provided herein and in the Act; and
- (iv) The Property shall be subject to an action for partition at the suit of any Unit Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance made available under the Operating Agreement with respect to the Property, if any, shall be considered as one fund and shall be divided among all the Units in a percentage equal to the percentage of undivided interest owned by each Unit Owner in the Property, after first paying out of the respective shares of the Unit Owners, to the extent sufficient for the purpose, all liens on the undivided interest in the Property owned by each Unit Owner.

(b) Destruction of Less Than Half of the Units. In the case of damage or other destruction in which fewer than one-half ($\frac{1}{2}$) of the Units are rendered uninhabitable and the insurance proceeds made available under the Operating Agreement with respect to the Property are insufficient to fully repair and reconstruct the Property, upon the affirmative vote of not fewer than three-fourths ($\frac{3}{4}$) of the Unit Owners voting at a meeting called for that purpose, the Improvements shall be reconstructed. The meeting shall be held within the earlier of (i) ten (10) days following the final adjustment of insurance claims, if any, or (ii) thirty (30) days after the fire or other casualty. At such meeting the Board of Managers, or its representative, shall present to the Unit Owners an estimate of the total cost of repair or reconstruction, and the estimated amount of necessary special assessments against each Unit Owner to complete such repair and reconstruction.

(c) Partial Withdrawal from the Act. In the case of damage or other destruction and the insurance proceeds made available under the Operating Agreement with respect to the Property are insufficient to fully repair and reconstruct the Property, upon the affirmative vote of not fewer than three-fourths ($\frac{3}{4}$) of the Unit Owners voting at a meeting called for that purpose, any portion of the

Property affected by such damage or destruction may be withdrawn from the Association and the Act. Upon the withdrawal of any Unit or portion thereof, the percentage of ownership interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the relative percentage of ownership interests in the Common Elements of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of ownership interest in the Common Elements appurtenant to that Unit shall be reduced on the basis of diminution in market value of the Unit, as determined by the Board of Managers. The payment of just compensation, or the allocation of any insurance or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be based on such Unit's percentage of ownership interest in the Common Elements. Any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not including any Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage ownership interest in the Common Elements. Any proceeds available from the withdrawal of any Limited Common Elements will be distributed in accordance with the relative percentage of ownership interests in such Limited Common Elements of those Unit Owners entitled to their use. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof by the Unit Owner shall cease.

ARTICLE XII EMINENT DOMAIN

In the event any portion of the Property is taken by condemnation or eminent domain proceedings, provision for withdrawal of the portions of the Property so taken from the Association and from the provisions of the Act may be made by the Board. Upon the withdrawal of any Unit or portion thereof from the Association and the Act due to eminent domain, the percentage of ownership interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the relative percentages of ownership interests in the Common Elements of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of ownership interest in the Common Elements appurtenant to that Unit shall be reduced on the basis of diminution in market value of the Unit, as determined by the Board of Managers. The allocation of any condemnation award or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be based on such Unit's percentage of ownership interest in the Common Elements. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Elements, shall be allocated on the basis of each Unit Owner's percentage ownership interest in the Common Elements. Any proceeds available from the withdrawal of any Limited Common Elements will be distributed in accordance with the relative percentage of ownership interests in such Limited Common Elements of those Unit Owners entitled to their use. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof by the Unit Owner shall cease. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for the acquisition of the Common Elements or any part thereof, and the Association is hereby appointed as attorney-in-fact for each Unit Owner to represent the Unit Owners in any condemnation proceedings, or in negotiations, settlements and agreements with the condemning authority relating to such acquisitions of the Common Elements or any part thereof. In the event of the total taking of the Property by eminent domain, the condemnation award available in that connection shall be divided by the Association among all Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit B, after first paying from the share of each Unit Owner the amount of any unpaid liens on its Unit, in the order of the priority of such liens.

ARTICLE XIII
SALE OF THE PROPERTY

The Unit Owners, through the affirmative vote of Voting Members having at least seventy-five percent (75%) of the total votes, at a meeting duly called for such purpose, may elect to sell the Property as a whole. Within ten (10) days after the date of the meeting at which any such sale is approved, the Board shall give written notice of such action to the holder of any duly recorded mortgage or trust deed recorded against any Unit entitled to notice under Section 1 of Article XXI of this Declaration. Such action shall be binding upon all Unit Owners, and it shall thereupon become the duty of every Unit Owner to execute and deliver such instruments and to perform all acts as in manner or form may be necessary to effect such sale; provided, however, that any Unit Owner who did not vote in favor of such action and who has filed written objection thereto with the Board within twenty (20) days after the date of the meeting at which such sale was approved, shall be entitled to receive from the proceeds of such sale an amount equal to the fair market value of its Unit and the percentage ownership interest in the Common Elements appurtenant to such Unit, as determined as hereinafter provided, less the amount of any unpaid assessments or charges due and owing from such Unit Owner. If the Board and such Unit Owner fail to agree on the fair market value of such Unit and related ownership interest within fifteen (15) days after delivery of such Unit Owner's notice, such Unit Owner and the Board shall each select an appraiser, and the two appraisers so selected shall select a third appraiser, and the fair market value determined by the third appraiser shall control. If either party shall fail to select an appraiser, then the one designated by the other party shall make the appraisal. The cost of the appraisal shall be divided equally between such Unit Owner and the Board, and the Board's share shall be a Common Expense.

ARTICLE XIV
COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

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

1. General Use. No part of the Property shall be used for other than housing and related common purposes for which the Property was designed. Each Unit shall be used as a residence for a single family or such other uses permitted by this Declaration and for no other purpose. That part of the Common Elements separating any two or more adjoining Units which are owned by the same Unit Owner, including, without limitation, walls separating said Units and hallways serving only said Units, may be altered, moved or made part of said Units to afford ingress and egress to and from such adjoining Units, and new walls obstructing such hallways may be added to the Common Elements; provided, however, that (i) such alteration or removal shall not impair or weaken the structural integrity of any Unit or any portion of the Common Elements or the Building or adversely affect any systems serving any other Unit or any portion of the Common Elements or the Building; (ii) the Unit Owner shall furnish to the Board not less than thirty (30) days prior to the date the Unit Owner desires to commence such work all plans detailing the work to be done; (iii) the Board consents to the performance of such work and grants permission to the Unit Owner to use such Common Elements as Limited Common Elements; (iv) the expense of such alterations shall be paid in full by the Unit Owner making such alterations; (v) such Unit Owner shall pay in full the expense of restoring such Common Elements to their former condition prior to such alterations in the event such Units cease to be used together; and (vi) such work shall otherwise be performed subject to and in compliance with the terms and conditions of the Operating Agreement and in such manner and upon such conditions as shall be determined by the Board in writing; provided, however, that the foregoing subsections (ii) and (iii) shall not apply to the Declarant.

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

3. Prohibited Use. Nothing shall be done or kept in any Unit, or in the Common Elements, which will increase the rate of insurance on the Improvements or the Building or the contents thereof, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in its Unit or in the Common Elements which will result in the cancellation of insurance on the Improvements or the Building or the contents thereof, or which would be in violation of any law. No waste shall be committed in the Common Elements. No Unit Owner shall overload the systems or structural components of the Building or operate any machines, appliances, accessories, or equipment in such a manner as to cause, in the judgment of the Board, an unreasonable disturbance to others.

4. Exterior Attachments. Unit Owners shall not cause or permit anything to be placed on the outside walls of the Building, and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof of the Building or any part thereof without the prior written consent of the Board. In addition, the Declarant and the Board shall have the right, at any time and from time to time, to issue rules and regulations relating to the use of Terraces and the installation and maintenance of improvements, furniture, fixtures, equipment and personal property therein or thereon, and the Unit Owners shall comply with and shall cause their respective guests, tenants, invitees and Occupants to comply with any such rules and regulations.

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

6. Floor Covering and Demising Walls. In order to enhance the soundproof nature of the Improvements, the floor covering and demising walls for all occupied Units shall meet a certain minimum standard specified by rules and regulations hereafter promulgated by the Board or the Declarant.

7. Pets, etc. No animals, including, but not limited to, reptiles, rabbits, livestock, fowl, or poultry of any kind, shall be raised, bred, or kept in any Unit or in the Common Elements, except that dogs, cats, and other reasonable and customary household pets may be kept in Units (subject to such rules and regulations as may be promulgated by the Board from time to time), provided that they are not kept, bred, or maintained for any commercial purpose and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or violating any such rules and regulations shall be permanently removed from the Property upon ten (10) days' written notice from the Board.

8. Nuisances. No noxious or offensive activity shall be carried on in any Unit or in the Commons Elements, nor shall anything be done therein which may be or become an annoyance or nuisance to the other Unit Owners or Occupants.

9. Unsuitability. No clothes, sheets, blankets, laundry, or any kind of other articles shall be hung out or exposed on or from any part of the Common Elements, including, without limitation, on or from any Terraces. The Common Elements shall be kept free and clear of rubbish, debris, and other unsightly materials.

10. Personal Effects. There shall be no parking or storage of any personal property, including, without limitation, any baby carriages, playpens, bicycles, wagons, toys, benches, or chairs on any part of the

Common Elements, except that personal property may be stored in (i) the Storage Spaces, (ii) any common storage areas designated specifically for that purpose, and (iii) the Terraces, subject to Article IV, Section 11 hereof and Sections 4 and 9 above in this Article.

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

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

13. Common Elements. Nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board.

14. Exceptions. The Unit restrictions in Sections 1 and 11 of this Article XIV shall not be construed in such a manner as to prohibit a Unit Owner from: (a) maintaining his professional library therein, (b) keeping his personal business or professional records or accounts therein, or (c) handling his personal business or professional telephone calls or correspondence therefrom. Such uses are expressly declared customarily incident to the principal residential use and not in violation of Sections 1 and 11 of this Article XIV.

15. Rights of Declarant. During the period that the Declarant, or its respective agents, successors or assigns, are engaged in the marketing, sales or leasing of Units, or performing work in or about the Property, Declarant and its respective agents, employees, successors, assigns, contractors, subcontractors, brokers, licensees and invitees (and each of them) shall be entitled to (i) have access, ingress and egress to and from the Property and Common Elements and use such portion of the Property and Common Elements as may be necessary or desirable in connection with such marketing, sales, leasing of Units or performance of work; (ii) use or show one or more unsold Units and/or Units which are under contract but have not been closed, or portion or portions of the Common Elements as a model Unit or Units, sales office, construction, or refurbishment office or administrative or management office or for such other purposes deemed necessary or desirable in connection with such construction, refurbishment, administration, marketing, sales or leasing of Units or performing work in or about the Property; (iii) post and maintain such signs, or other advertising material in, on or about the Property and Common Elements in such form as deemed desirable by Declarant, and as may be deemed necessary or desirable in connection with the marketing, sales, leasing or management of Units or performing work in or about the Property or in connection with (i) and (ii) above; and (iv) complete or correct construction of, or make alterations of and additions and improvements to, the Units or the Common Elements in connection with any of the Declarant's activities in connection with the construction, promotion, marketing, sales or leasing of the Units or performing work in or about the Property. The provisions of this Section 15 are in addition to and not in limitation of the rights granted to and reserved by the Declarant under Article IV and Section 12 of this Article. The foregoing and the rights granted under Article IV and Section 12 of this Article shall not be amended or modified in any manner without the express written consent of the Declarant or its successors or assigns.

16. Tenants. The provisions of the Act, this Declaration 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 to be incorporated in any lease executed in connection with a Unit. The Board may proceed directly against a tenant, at law or in equity, or under the provisions of Article IX of the Code of Civil Procedure,

for any breach by a tenant of the Act or any covenants, rules, regulations or bylaws, without excluding any other rights or remedies. The remedies set forth in Article IX of the Code of Civil Procedure shall be available to the Association and against the Unit Owner and the Unit Owner's lessee in the event of any violation of this Section 16 or of any other provision of this Declaration concerning Unit leasing, without excluding any other rights or remedies.

17. Keys. Each Unit Owner shall deposit with the Board duplicate keys for all locks required for entry to its Unit, as well as security codes for all alarm systems relating to entry to its Unit.

18. Purchaser's Contractors Rules. Each Unit Owner shall comply with, and shall cause its Occupants, agents, contractors, tenants and invitees to comply with, the terms, covenants, conditions and restrictions set forth in the Purchaser's Contractors Rules of the Project, as the same may be amended by the Declarant from time to time (the "Purchaser's Contractors Rules"), including, without limitation, those terms, covenants, conditions and restrictions which require the payment or reimbursement of fees, charges and expenses to or for the benefit of the Declarant. The Purchaser's Contractors Rules are hereby incorporated in this Declaration by this reference as if set forth in this Declaration in their entirety. A copy of the Purchaser's Contractors Rules was delivered by the Declarant to each Purchaser of a Unit from the Declarant, and copies of the Purchaser's Contractors Rules are available from Declarant, upon request, at its office at 350 West Hubbard Street, Suite 301, Chicago, Illinois 60610. If any Unit Owner or any agent, contractor, tenant or invitee of a Unit Owner fails to observe or comply with any of the terms, covenants, conditions or restrictions set forth in the Purchaser's Contractors Rules, the Association and the Declarant shall have the same rights and remedies with respect thereto as are available to the Association and the Declarant under this Declaration (including, without limitation, under Article XV hereof) or at law or in equity, in the event of a failure to observe or comply with any of the terms, covenants, conditions or restrictions set forth in this Declaration.

ARTICLE XV REMEDIES FOR BREACH OF COVENANTS RESTRICTIONS AND REGULATIONS

1. Abatement and Enjoinment. The violation of any restriction, rule or regulation adopted by the Board or the Declarant, or the breach of any covenant or provision contained in the Operating Agreement or this Declaration, shall give the Declarant and the Board the right, in addition to the rights set forth in Section 2 of this Article: (a) to enter upon that part of the Property where such violation or breach exists and summarily abate, remove, correct and take any other actions necessary to cure the condition causing such violation or breach, all at the expense of the defaulting Unit Owner, and the Declarant, or its successors or assigns, or the Board, or its agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate, or remedy by appropriate legal proceeding, either at law or in equity, the continuance of any violation or breach.

2. Other Rights. If any Unit Owner (either by its own conduct or by the conduct of any Occupant of its Unit) shall violate any of the covenants, restrictions or provisions of the Operating Agreement or this Declaration or the restrictions, rules or regulations adopted by the Board or the Declarant (including, without limitation, the failure to pay assessments or other charges due hereunder), and such violation shall continue for thirty (30) days after notice in writing from the Board, or shall re-occur more than once within twelve (12) months after such notice of such initial violation, then the Board shall have the following rights and remedies, in addition to the rights and remedies described in Section 1 of this Article:

(a) The Board shall have the power to issue to the defaulting Unit Owner a ten (10) day notice in writing to terminate the rights of said defaulting Unit Owner as a Unit Owner and its rights

to continue to occupy, use, or control its Unit, and thereupon an action in equity may be filed by the Board against the defaulting Unit Owner for a decree of mandatory injunction against such Unit Owner or Occupant or, in the alternative, for a decree declaring the termination of the defaulting Unit Owner's right to occupy, use, or control its Unit on account of the said violation, and ordering that the right, title, and interest of the Unit Owner in the Property be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and terms as the court shall establish, except that the court shall enjoin and restrain the defaulting Unit Owner from re-acquiring its interest in the Unit and the Property at such judicial sale. All costs, charges, reasonable attorneys' fees, and all other expenses of the proceeding and sale, shall be taxed against the defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to the Unit Owner. Upon the confirmation of such sale, the purchaser thereof shall thereupon be entitled to a deed 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 provide, that the purchaser shall take the interest in the Unit and the Property sold subject to this Declaration.

(b) The Board shall have the right to immediate possession of the defaulting Unit Owner's Unit after service by the Board on such Unit Owner of a notice to quit and deliver up possession, which right may be enforced by an action for possession under Article IX of the Code of Civil Procedure, as amended.

(c) The Board shall have a lien on the interest of the defaulting Unit Owner in its Unit in the amount of any sums due from such Unit Owner (including, without limitation, any unpaid assessments of Parking Expenses or unpaid Special Parking Charges due from a Parking Space Unit Owner); provided, however, that such lien shall be subordinate to the lien of a prior recorded first mortgage on the interest of such Unit Owner. Except as hereinafter provided, the lien provided for in this Section shall not be affected by any transfer of title to the Unit. Where title to the Unit is transferred pursuant to a decree of foreclosure or by deed or assignment in lieu of foreclosure, such transfer of title shall, to the extent permitted by law, extinguish the lien described in this Section for any sums 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 shall be liable for its share of any sums with respect to which a lien against its Unit has been extinguished pursuant to the preceding sentence which are reallocated among the Unit Owners pursuant to a subsequently adopted annual revised or special assessment, and non-payment thereof by such transferee shall result in a lien against the transferee's Unit as provided in this Section.

(d) In addition to or in conjunction with the remedies set forth above, the Board or its agents shall have the right to bring an action at law or in equity against the Unit Owner or Occupant as permitted by law including, without limitation, an action (i) to foreclose a lien against the Unit, (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 the Act, this Declaration, the By-Laws, any contractual obligation to the Board or Association undertaken by such Unit Owner, or rules and regulations promulgated by the Board or the Declarant 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 exercise any such rights or remedies to enforce any provisions of this Declaration, the By-Laws or rules and regulations of the Board or the Declarant shall in no event be deemed a waiver of the right to do so thereafter.

3. Expenses. All expenses incurred by the Board in connection with any actions, proceedings or self-help in connection with the exercise of its rights and remedies under this Article, including, without limitation, court costs, reasonable attorneys' fees and all other fees and expenses, and all damages, together with interest thereon at an annual rate equal to the lesser of: (i) five percent (5%) over the "prime rate" of interest published from time to time in The Wall Street Journal (or any similar publication if The Wall Street Journal ceases to be published or ceases to publish a "prime rate" of interest), or (ii) the maximum rate of interest permitted by law, shall be charged to and assessed against the defaulting Unit Owner, and shall be added to and deemed part of its respective share of the Common Expenses, and the Board shall have a lien for all of the same upon the Unit of such defaulting Unit Owner and upon all of its additions and improvements thereto and upon all its personal property in its Unit or located elsewhere on the Property or in its Storage Space or Parking Space.

ARTICLE XVI BY-LAWS

The provisions of Articles XVII, XVIII, XIX and XX shall constitute the "By-Laws" of the Association and the By-Laws prescribed by the Act.

ARTICLE XVII BOARD OF MANAGERS

1. Board of Managers (Board of Directors).

(a) Qualifications. The direction and administration of the Property shall be vested in a Board of Managers consisting of five (5) Persons who shall be appointed or elected in the manner herein provided; provided, however, that, irrespective of anything else contained in this Declaration, for a period commencing on the date this Declaration is executed and ending upon the qualification of the directors elected at the initial meeting of Unit Owners, the Board of Managers shall consist of three (3) Persons and the Declarant shall have the right to designate and select such three (3) Persons who shall serve as members of the Board or shall exercise the powers of the Board as provided in the Act and in this Declaration. Except for directors so designated by the Declarant, each member of the Board shall be a Unit Owner and shall reside on the Property; provided, however, that in the event a Unit Owner is a corporation, partnership, trust, or other legal entity other than a natural person or persons, then any officer, director, or other designated agent of such corporation, partner of such partnership, beneficiary or other designated agent of such trust or manager of such other legal entity, shall be eligible to serve as a member of the Board, provided such person resides on the Property unless he or she is a Board member nominated by the Declarant.

(b) Election of Board Members. The initial Board of Managers designated by the Declarant pursuant to Article XVII, Section 1(a) hereof shall consist of three (3) directors who shall serve without compensation. Such initial Board shall serve for a period commencing on the date this Declaration is executed and ending upon the qualification of the directors elected at the initial meeting held as provided in Article XVIII, Section 2(b) hereof. At the initial meeting of the Association, the Voting Members shall elect at large the five (5) Board members. In all elections for members of the Board, each Voting Member shall be entitled to vote on a cumulative voting basis, and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. Five (5) Board members shall be elected at the first annual meeting, each for a term of one (1) year. The election as between candidates receiving the same number of votes shall

be determined by lot. Upon the expiration of the terms of office of the Board members so elected at the first annual meeting and thereafter, successors shall be elected for a term of one (1) year each. Members of the Board may succeed themselves. Members of the Board shall receive no compensation for their services unless expressly authorized by the Board with the approval of Voting Members having at least three-fourths (3/4) of the total votes. Vacancies in the Board, including vacancies due to any increase in the number of Persons on the Board, shall be filled by the Voting Members at a meeting of the Association called for such purpose. Vacancies may also be filled by the Board by a unanimous vote of the remaining Board members effective until the next meeting of the Association or for a period terminating no later than thirty (30) days following the filing of a petition signed by Unit Owners holding twenty percent (20%) of the votes of the Association requesting a meeting of the Association to fill the vacancy for the balance of the term. A meeting of the Association shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the filing of a petition signed by Unit Owners holding twenty percent (20%) of the votes of the Association requesting such a meeting. Except as otherwise provided in this Declaration, the Property shall be managed by the Board, and the Board shall act by majority vote of those present at its meeting when a quorum exists. A majority of the total number of the members of the Board shall constitute a quorum. Meetings of the Board may be called, held, and conducted in accordance with such regulations as the Board may adopt; provided, however, that (i) each Unit Owner shall be entitled to notice, in the same manner as provided in Article XVIII, Section 3 hereof, of any meeting of the Board called for the purpose of considering the adoption of the proposed annual budget or any increase or establishment of an assessment; and (ii) the Board shall meet no less than four (4) times each year.

(c) Officers. The Board shall elect for a term of one (1) year from among its members: (i) a president who shall preside over both the Board's meetings and those of the Association, and who shall be the chief executive officer of the Board and the Association and who shall execute amendments to the Condominium Instruments; (ii) a secretary who shall keep the minutes of all meetings of the Board and of the Association, who shall mail and receive all notices required or permitted under the Condominium Instruments, and who shall, in general, perform all the duties incident to the office of secretary; (iii) a treasurer who shall keep the financial records and books of account of the Association; and (iv) such additional officers as the Board shall see fit to elect. Any officer may be removed at any meeting by the affirmative vote of the majority of the members of the Board, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

(d) Removal of Board Members. Except for directors designated by Declarant pursuant to Article XVII, Section 1(b) hereof, any Board member may be removed from office by an affirmative vote of the Voting Members having at least three-fourths (3/4) of the total votes at any special meeting called for such purpose. A successor to fill the unexpired term of the Board member removed may be elected by the Voting Members at the same meeting or at any subsequent annual meeting or special meeting called for that purpose.

(e) Board Meetings. Meetings of the Board of Managers shall be open to any Unit Owner, except for the portion of any meeting held: (i) to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Board of Managers finds that such an action is probable or imminent; (ii) to consider information regarding appointment, employment or dismissal of an employee; or (iii) to discuss violations by a Unit Owner of this Declaration or rules and regulations of the Association or a Unit Owner's unpaid share of Common Expenses or Parking Expenses; provided, however, that any vote on these matters shall be taken at a meeting or portion thereof open to any Unit Owner. Any Unit

Owner may record the proceedings at any meetings required to be open by this Declaration by tape, film or other means, provided that the Board may prescribe reasonable rules and regulations to govern the right to make such recordings. Notice of meetings of the Board shall be posted in entranceways, elevators, or other conspicuous places in the Property at least 48 hours prior to such meeting, and shall be mailed or delivered to the Unit Owners at least 48 hours prior to such meeting, unless a written waiver of such notice is signed by the Person or Persons entitled to such notice pursuant to this Declaration, By-laws, other Condominium Instrument, or provision of law before the meeting is convened.

2. General Powers of the Board.

(a) Certain Enumerated Powers. The Board shall have the power to exercise all powers and duties of the Board of Directors referred to in this Declaration or the Act, as well as all powers, duties and authority vested in it by law. The powers and duties of the Board of Managers shall include, but shall not be limited to, the following matters:

- (1) Operation, care, upkeep, maintenance, replacement, and improvement of the Common Elements (other than the Limited Common Elements, except as expressly provided herein to the contrary).
- (2) Preparation, adoption, and distribution of the annual budget for the Property.
- (3) Levying of assessments (including, without limitation, assessments for Common Expenses and Parking Expenses) on Units.
- (4) Collection of assessments from Unit Owners, and collection of assessments for Parking Expenses and Special Parking Charges from Parking Unit Owners.
- (5) Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements.
- (6) Obtaining and maintaining the insurance required under the Operating Agreement and this Declaration and other adequate and appropriate kinds of insurance.
- (7) Owning, conveying, encumbering, leasing, and otherwise dealing with Units conveyed to or purchased by the Board.
- (8) Adoption and amendment of rules and regulations covering the details of the maintenance, administration, management, operation, use, conservation, and beautification of the Property, and for the health, comfort, safety, and general welfare of the Unit Owners and Occupants of the Property, after a meeting of the Unit Owners called for the specific purpose of discussing the proposed rules and regulations; provided, however, that no rules or regulations may impair any rights guaranteed by the First Amendment to the Constitution of the United States or Section 4 of Article I of the Illinois Constitution.
- (9) Keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property.

- (10) To have access to each Unit from time to time as may be necessary for the maintenance, repair, or replacement of any Common Elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Elements or to any other Unit or Units, or to confirm that such Unit is in compliance with the terms of this Declaration or any rules or regulations promulgated by the Board or the Declarant.
- (11) Pay real property taxes, special assessments, and any other special taxes or charges of the State of Illinois or of any political subdivision thereof, or other lawful taxing or assessing body, which are authorized by law to be assessed and levied upon the Property.
- (12) Impose charges for late payments of a Unit Owner's proportionate share of the Common Expenses, or a Parking Unit Owner's proportionate share of the Parking Expenses, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levy reasonable fines for violations of this Declaration, By-Laws, and rules and regulations of the Association or the Declarant.
- (13) Unless the Condominium Instruments expressly provide to the contrary, assign its right to future income, including the right to receive Common Expenses and Parking Expenses.
- (14) Record the dedication of a portion of the Common Elements to a public body for use as, or in connection with, a street or utility where authorized by the Unit Owners under this Declaration or the provisions of the Act.
- (15) Record the granting of an easement for utilities or for the laying of cable television cable or cable, conduit or facilities for internet access where authorized under this Declaration or under the provisions of the Act and permit continued use of television cables presently connected to the Residential Building subject to rules and regulations of the Association or the Declarant.
- (16) To pay for painting, cleaning, tuckpointing, maintenance, decorating, repair, and replacement of the Common Elements (but not including the Limited Common Elements, except as provided herein, or the inside of perimeter windows appurtenant to any Unit, and the interior surfaces of the Units and of the hallway doors appurtenant thereto, which the Unit Owners shall paint, clean, decorate, maintain, and repair, except if necessitated by repairs to the Common Elements) and such furnishings and equipment for the Common Elements (other than the Limited Common Elements, except as provided herein) 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 (other than the Limited Common Elements, except as provided herein).
- (17) To pay for any materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations or assessments which the Board is authorized or required to secure or pay for pursuant to the terms of this Declaration or By-Laws or which, in its opinion, are necessary or proper for the maintenance and operation of the Property as a first-class condominium apartment building or for the enforcement of the restrictions set forth in this Declaration.

- (18) To pay any amount necessary to discharge any mechanic's lien or other encumbrance against the entire Property or any part thereof which may, in the opinion of the Board, constitute a lien against the Property or against the Common Elements, rather than merely against the interests therein of particular Unit Owners. Where one or more (but less than all) 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.
- (19) To maintain and repair any Unit if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Elements or any other portion of the Property or the Project, and the Unit Owner of such Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair mailed or delivered by the Board to said Unit Owner, provided that the Board shall levy a special assessment against such Unit Owner for the cost of said maintenance or repair.
- (20) The Board or its agent, upon reasonable notice, may enter any Unit when necessary in connection with any maintenance or construction for which the Board is responsible or authorized. Such entry shall be made with as little inconvenience to the Unit Owner as practicable, and any damage caused thereby shall be repaired by the Board as a Common Expense.
- (21) The Board may engage the services of an agent to manage the Property to the extent deemed advisable by the Board.
- (22) Upon authorization by the affirmative vote of not less than a majority of the Voting Members at a meeting duly called for such purposes, or by a two-thirds (2/3) vote of the members of the Board of Managers, the Board, acting on behalf of all Unit Owners, shall have the power to seek relief from or in connection with the assessment or levy of any real property taxes, special assessments, and any other special taxes or charges of the State of Illinois or any political subdivision thereof, or any other lawful taxing or assessing body, which are authorized by law to be assessed and levied on real property and to charge and collect all expenses incurred in connection therewith as Common Expenses.
- (23) To pay for water, waste removal, other operating expenses, electricity, telephone, and other necessary utility service for the Common Elements.
- (24) To carry out all obligations imposed upon the Property, the Association or the Unit Owners pursuant to the Operating Agreement, and to exercise, enforce and administer (and promulgate and enforce rules and regulations in connection therewith), on behalf of the Unit Owners and Occupants, all rights, easements and benefits appurtenant to or inuring to the benefit of the Property, including, without limitation, the rights, easements and benefits inuring to the benefit of the Property, the Association or the Unit Owners under the Operating Agreement.

(25) Promulgate, adopt and amend, from time to time, rules and regulations governing (i) the Storage Spaces and the use thereof; (ii) the Parking Spaces and the use thereof; and (iii) any bicycle storage areas available for use by the Unit Owners.

(b) Execution of Contracts. All agreements, contracts, deeds, leases, vouchers for payment of expenditures, and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President and attested by the Secretary or Treasurer.

(c) Limitations on Board's Powers. The Board's powers, hereinabove enumerated and described in this Declaration, shall be limited in that the Board shall have no authority to acquire and pay for any structural alterations, additions to, or improvements of the Common Elements (other than for purposes of replacing or restoring portions of the Common Elements, subject to all the provisions of this Declaration) requiring an expenditure to be paid by Unit Owners (whether as Common Expenses or otherwise) in excess of \$50,000.00, without, in each case, the prior approval of Voting Members having at least a majority of the total votes. Nothing contained in this Article shall be construed to give the Board, the Association, or the Unit Owners authority to conduct an active business for profit on behalf of all the Unit Owners or any of them.

ARTICLE XVIII MEMBERS (UNIT OWNERS)

1. Voting Rights. There shall be one (1) Voting Member with respect to each Unit who shall be entitled to vote at any meeting of the Association. Such Voting Member shall be the Unit Owner or one (designated by majority agreement) of the group composed of all the Persons comprising the Unit Owner of a Unit. There shall be deemed to be a majority agreement if any one of the multiple Persons comprising a Unit Owner casts the votes allocated to that Unit without protest being made promptly to the Person presiding over the meeting by any of the other Persons comprising such Unit Owner. Such Voting Member may also be a Person designated by a Unit Owner to act as proxy on its behalf and who need not be a Unit Owner. Such designations shall be made in writing to the Board and shall be revocable at any time by written notice to the Board from the Unit Owner. A proxy shall be invalid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy, and every proxy must bear the date of execution. Any or all Persons comprising a Unit Owner of a Unit, and their designee, if any, may be present at any meeting of the Association, but only the Voting Member of the Unit may vote or take any other action as a Voting Member either in person or by proxy. If only one (1) of the Persons comprising a Unit Owner of a Unit is present at a meeting of the Association, he or she is entitled to cast all the votes allocated to that Unit. The total number of votes of all Voting Members shall be one hundred (100), and each Unit Owner shall be entitled to the number of votes equal to the percentage of ownership in the Common Elements appurtenant to its Unit as set forth in Exhibit B attached hereto, subject to the terms of Section 4(b) of this Article. The Declarant shall designate the Voting Member with respect to any Unit owned by the Declarant. The Association shall have one class of membership only and nothing contained in the Condominium Instruments shall permit or allow different classes of membership among the Unit Owners.

2. Meetings of the Association.

(a) Location and Quorum. Meetings of the Association shall be held at the Property or at such other place in Cook County, Illinois, as may be designated in any notice of a meeting. The

presence in person or by proxy at any meeting of the Association of Voting Members having at least twenty percent (20%) of the total votes shall constitute a quorum, unless Unit Owners holding a majority of the percentage interest in the Association provide for a higher percentage. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Association at which a quorum is present upon the affirmative vote of the Voting Members having a majority of the total votes represented at such a meeting.

(b) Annual Meetings of the Association. The initial meeting of the Association shall be held upon written notice delivered by the Declarant not less than twenty-one (21) or more than thirty (30) days before the date fixed for said meeting. Said initial meeting shall be held not later than sixty (60) days after the conveyance by the Declarant of seventy-five percent (75%) of the Units or three (3) years after the recording of this Declaration, whichever is earlier. Thereafter, there shall be an annual meeting of the Association each year within fifteen (15) days of the anniversary of the first meeting or at such other reasonable time or date (not more than thirty (30) days before or after such date) as may be designated by written notice of the Board delivered to the Unit Owners not less than ten (10) days or more than thirty (30) days prior to the date fixed for said meeting.

(c) Special Meetings of the Association. After the initial meeting of the Association described in Section 2(b) of this Article, special meetings of the Association may be called at any time for the purpose of considering matters which, by the terms of this Declaration, require the approval of all or some of the Voting Members, or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by the president of the Board, a majority of the Board, or by the Voting Members having at least twenty percent (20%) of the total votes and delivered not less than ten (10) days or more than thirty (30) days prior to the date fixed for said meeting. The notices shall specify the date, time, and place of the meeting and the matters to be considered at such meeting. Matters to be submitted at special meetings of the Association shall first be submitted to the Board of Managers at least ten (10) days prior to the special meeting, and the Board shall then submit the matters to the Voting Members.

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

4. Miscellaneous.

(a) Special Voting Matters. No (i) merger or consolidation of the Association; (ii) sale, lease, exchange, mortgage, pledge, or other disposition of all or substantially all of the Property and assets of the Association; or (iii) purchase or sale of land or of Units on behalf of all Unit Owners shall be effected unless there is an affirmative vote of Voting Members having at least three-fourths (3/4) of the total votes, at a meeting duly called for that purpose.

(b) Conversion of Voting Procedures. When thirty percent (30%) or fewer of the Units, by number, possess over fifty percent (50%) in the aggregate of the votes in the Association, any vote of Unit Owners specified in the Condominium Instruments or the Act, shall instead require the specified percentage by number of Units rather than by percentage of ownership interest in the Common Elements allocated to Units that would otherwise be applicable.

ARTICLE XIX
ASSESSMENTS - MAINTENANCE FUND

1. Estimated Annual Budget and Assessments.

(a) Adoption of Annual Budget. Each year on or before November 1, the Board shall estimate the total amount necessary to pay for all Common Expenses which will be required during the ensuing calendar year, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements. The annual budget shall set forth, in reasonable detail, all anticipated Common Expenses by category as well as all anticipated assessments and other income. The budget shall also set forth each Unit Owner's proposed Common Expense assessment, and shall also take into account the estimated net available cash income for the year from the operation or use of the Common Elements, if any. Each Unit Owner shall receive, at least thirty (30) days prior to the adoption thereof by the Board of Managers, a copy of the proposed annual budget. The Common Expenses set forth in the annual budget shall be assessed to the Unit Owners according to each Unit Owner's percentage ownership interest in the Common Elements as set forth in Exhibit B attached hereto. Each Unit Owner shall receive notice, in the same manner as is provided in this Declaration for notices of Association meetings, of any meeting of the Board of Managers concerning the adoption of the proposed annual budget or any increase, or establishment of an assessment.

(b) Payment of Regular Assessments. On or before January 1 of the ensuing year, and the first day of each and every month of said year thereafter, each Unit Owner (jointly and severally in the case of multiple Persons comprising a Unit Owner) shall be personally liable for and obligated to pay to the Board or as it may direct one-twelfth (1/12) of the annual assessment against its Unit made pursuant to the annual budget for such year. On or before March 1 of each calendar year following the year in which the initial meeting of the Association is held, the Board shall supply to all Unit Owners an itemized accounting of the Common Expenses actually incurred and paid during the immediately preceding year, together with a tabulation of the amounts collected pursuant to the budget or assessments, and showing the net excess or deficit of income over expenditures plus Reserves. Any amount accumulated in excess of the amount required for actual expenses and Reserves shall be applied to and transferred to the Reserve, or in the alternative, credited to each Unit Owner in accordance with its percentage ownership interest in the Common Elements to the next monthly installments of assessments due from the Unit Owners under the current year estimate until exhausted, and any net shortage shall be added to the assessments for each Unit Owner according to its percentage ownership interest in the Common Elements and shall be paid in installments over the immediately succeeding six (6) months after rendering of the accounting.

(c) Material Increase Assessments. Except as otherwise provided in Section 2 of this Article, in the event the Board adopts an annual budget or a supplemental budget or a separate or special assessment which would result in the sum of all regular and separate or special assessments against the Unit Owners in any calendar year (specifically excluding however any assessments for Parking Expenses) exceeding one hundred fifteen percent (115%) of the sum of all regular and separate or special assessments for the immediately preceding calendar year (specifically excluding however any assessments for Parking Expenses), the Board, upon written petition by the Voting Members having at least twenty percent (20%) of the votes of the Association delivered to the Board within fourteen (14) days of the Board action, shall call a meeting of the Unit Owners within thirty (30) days of the date of delivery of the petition to consider the budget. Unless a majority of the votes of the Voting Members present are cast at the meeting to reject the budget or separate or special assessment, the budget shall be deemed to be ratified, regardless of whether or not a quorum is present.

2. Reserve; Supplemental Budget. The Association shall segregate and maintain a special reserve account to be used solely for making capital expenditures and paying for the costs of deferred maintenance in connection with the Common Elements (the "Reserve"). The Board shall determine the appropriate level of the Reserve based on a periodic review of the useful life of improvements to the Common Elements and equipment owned by the Association as well as periodic projections of the cost of anticipated major repairs or improvements and maintenance, repairs and replacements necessary to the Common Elements or the purchase of equipment to be used by the Association in connection with its duties hereunder and those matters set forth in Section 9(c)(2) of the Act. Each budget shall disclose that percentage of the annual assessment which shall be added to the Reserve and each Unit Owner shall be deemed to make a capital contribution to the Association equal to such percentage multiplied by each installment of the annual assessment paid by such Unit Owner. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year shall be charged first against such portions of any specific contingency reserve or the Reserve, as applicable, which remains unallocated. If the estimated Common Expenses contained in the budget prove inadequate for any reason or in the event a nonrecurring Common Expense is anticipated for any year, then the Board may prepare and approve a supplemental budget covering the estimated deficiency or nonrecurring expense for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a special or separate assessment shall be made to each Unit Owner for its proportionate share of such supplemental budget. All Unit Owners shall be personally liable for and obligated to pay their respective adjusted monthly amount. In addition to the foregoing, any Common Expense not set forth in the annual budget or any increase in assessments over the amount set forth in the adopted annual budget shall be separately assessed against all Unit Owners. Assessments for additions and alterations to the Common Elements or to property owned by the Association not included in the adopted annual budget shall be separately assessed against all Unit Owners and, except if relating to an emergency or mandated by law, shall be subject to the affirmative vote of at least two-thirds (2/3) of the total votes of all Unit Owners at a meeting specifically called for the purpose of approving such special or separate assessment. The Board may adopt special or separate assessments payable over more than one fiscal year. Unless such multi-year assessment relates to an emergency or is mandated by law or is for an addition or alteration to the Common Elements or to the property owned by the Association and is not included in the adopted annual budget, the entire amount of such multi-year assessment shall be deemed considered and authorized in the first fiscal year in which such multi-year assessment is approved. Any separate or special assessment for expenditures relating to an emergency or mandated by law may be adopted by the Board without being subject to Unit Owner approval pursuant to Section 1(c) of this Article or otherwise. As used in this Section, "emergency" means an immediate danger to the structural integrity of the Common Elements or the Building or to the life, health, safety or property of the Unit Owners. Each Unit Owner shall receive notice, in the same manner as is provided for meetings of the Unit Owners, of any meeting of the Board concerning the adoption of any supplemental budget or any special or separate assessment.

3. Initial Annual Budget. The initial Board appointed by the Declarant shall determine and adopt, prior to the conveyance of the first Unit hereunder, an initial budget commencing with the first day of the month in which the sale of the first Unit is closed and ending on December 31 of the calendar year in which such sale occurs, and shall continue to determine the proposed annual budget for each succeeding calendar year until such time as the first Board elected hereunder takes office, and which may include such sums as collected from time to time at the closing of the sale of each Unit. Assessments shall be levied against the Unit Owners during said period as provided in Section 1 of this Article, except that if the closing of the sale of the first Unit is not on January 1, monthly assessments to be paid by Unit Owners shall be based upon the amount of the budget and the number of months and days remaining in such calendar year.

4. Failure to Prepare Estimates. The failure or delay of the Board to prepare or serve the annual or adjusted assessment estimate on any Unit Owner shall not constitute a waiver or release in any manner

of such Unit Owner's obligation to pay its share of Common Expenses, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Unit Owner shall continue to pay the monthly installments at the then existing monthly rate established for the previous period until notice of the new monthly rate or estimate is received; provided, however, that no Unit Owner shall be obligated to pay such higher monthly rate or estimate sooner than ten (10) days after such new rate or adjusted estimate shall have been mailed or delivered to such Unit Owner.

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

6. Use of Funds. All funds collected hereunder shall be held and expended for the purposes designated herein, and except for assessments for Parking Expenses as described in Article XX, and such special assessments as may be levied hereunder against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments, shall be deemed to be held for the benefit, use, and account of all the Unit Owners in the percentages set forth in Exhibit B.

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

8. Nonuse. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Elements or abandonment of its Unit.

9. Forbearance. Neither the Board nor the Association shall have any authority to forebear the payment of assessments by any Unit Owner.

10. Start-Up Costs. At the time the initial sale of each Unit is closed, the purchaser of the Unit shall pay to the Association an amount equal to three (3) times the first full monthly assessment for such Unit based on the latest budget adopted by the Declarant or the Association prior to closing. This sum shall be used and applied for start-up costs and as a working capital fund in connection with all initial operating expenses for the Common Elements and held for future working capital needs. This payment shall not be refundable or be applied as a credit against the Unit Owner's monthly assessments. The Board or the Declarant shall have the right to transfer such funds from time to time as may be necessary to fund the Reserve. The Declarant may not use the working capital fund to defray any of the Declarant's expenses, reserve contributions or construction costs, or to make up any budget deficits while the Declarant is in control of the Association.

11. User Charges. The Board may establish, and each Unit Owner shall pay, user charges to defray the expense of providing services, facilities, or benefits which may not be used equally or proportionately by all of the Unit Owners or which, in the judgment of the Board, should not be charged to every Unit Owner. Such expense may include such services and facilities provided to Unit Owners which the Board determines should not be allocated among all of the Unit Owners in the same manner as the Common Expenses. Such user charges may be billed separately to each Unit Owner benefited thereby, or may be added to such Unit Owner's share of the Common Expenses, as otherwise determined, and collected as a

part thereof. Nothing herein shall require the establishment of user charges pursuant to this Section, and the Board may elect to treat all or any portion thereof as Common Expenses.

ARTICLE XX ASSESSMENTS - PARKING EXPENSES

1. Assessment of Parking Expenses to the Association. The Owner of the Parking Property (as defined in the Operating Agreement), or its agent, shall assess the Parking Expenses against the Property in accordance with the terms of the Operating Agreement. Prior to the closing of the sale of the first Unit, the Declarant shall estimate the total amount of Parking Expenses which will be required to be paid to the Owner of the Parking Property during the period of time commencing with the first day of the month in which the sale of the first Unit is closed and ending on December 31 of the calendar year in which such closing occurs. Thereafter, on or before November 1 of each calendar year, the Board or the Declarant shall estimate the total amount of Parking Expenses which will be required to be paid to the Owner of the Parking Property during the ensuing calendar year, together with a reasonable amount considered by the Board or the Declarant to be necessary for a reserve for contingencies for Parking Expenses. The Board or the Declarant, as the case may be, may revise any estimate as additional information becomes available which may affect such estimate. Any estimate of Parking Expenses made pursuant to this Section 1 (a "Parking Expense Estimate") shall be set forth in a written statement prepared by the Board or the Declarant (a "Parking Expense Estimate Statement"), and the Board or the Declarant, as the case may be, shall deliver a copy of each Parking Expense Estimate Statement to the Parking Space Unit Owners.

2. Payment of Parking Expenses by Parking Space Unit Owners. Each Parking Space Unit Owner shall pay its proportionate share of Parking Expenses at the times and in the manner set forth in this Section 2. Such proportionate share shall be a percentage equal to the number of Parking Spaces assigned to the Unit owned by such Parking Space Unit Owner, divided by the total number of Parking Spaces; provided, however, that during any time period that the Owner of the Commercial Property (as defined in the Operating Agreement) has the right to use any Parking Spaces pursuant to Section 4.15 of the Sale Agreement Memorandum (as defined in the Operating Agreement), the proportionate share of the Parking Expenses for each Parking Space Unit Owner shall be a percentage equal to the number of Parking Spaces assigned to the Unit owned by such Parking Space Unit Owner, divided by the total number of Parking Spaces which have been paid for by the Declarant. On the first day of the month immediately following the month in which this Declaration is recorded, and on or before the first day of each and every month thereafter, each Parking Space Unit Owner (jointly and severally in the case of multiple Persons comprising a Parking Space Unit Owner) shall be personally liable for and obligated to pay to the Board or as it may direct, monthly estimated payments on account of such Parking Space Unit Owner's proportionate share of Parking Expenses, which monthly estimated payments shall be equal to one-twelfth (1/12) of such Parking Space Unit Owner's proportionate share of the Parking Expense Estimate for such calendar year as shown on the most recent Parking Expense Estimate Statement; provided, however, that for the balance of the calendar year in which this Declaration is recorded, such monthly estimated payments shall be equal to such Parking Space Unit Owner's proportionate share of the Parking Expense Estimate for the balance of such calendar year as shown on the Parking Expense Estimate Statement for the balance of such calendar year, divided by the number of full months in such calendar year following the recording of this Declaration. As soon as reasonably possible after the end of each calendar year, the Board or the Declarant shall deliver to each Parking Space Unit Owner a statement setting forth: (i) the actual Parking Expenses for the immediately preceding calendar year; (ii) the Parking Space Unit Owner's proportionate share of the actual Parking Expenses for the immediately preceding calendar year; and (iii) the total monthly estimated payments made by such Parking Space Unit Owner during such immediately preceding calendar year. If such statement discloses that a Parking Space Unit Owner's proportionate share of the actual Parking Expenses for such preceding calendar year exceeded the monthly estimated payments made by such Parking Space Unit Owner

during such calendar year, such Parking Space Unit Owner (jointly and severally in the case of multiple Persons comprising a Parking Space Unit Owner) shall be personally liable for and obligated to pay to the Board or as it may direct, within ten (10) days after delivery of the Board's statement, the excess amount due from such Parking Space Unit Owner as shown on the Board's statement.

3. Failure to Deliver Notices and Statements. The failure or delay of the Board or the Declarant to prepare or serve any notice, statement or reconciliation described in this Article XX (including, without limitation, any notice, statement or reconciliation to be prepared or served by or dependent upon the Owner of the Parking Property or its agent) on any Parking Space Unit Owner shall not constitute a waiver or release in any manner of such Parking Space Unit Owner's obligation to pay its proportionate share of Parking Expenses, as herein provided, whenever the same shall be determined, and in the absence of any Parking Expense Estimate Statement, each Parking Space Unit Owner shall continue to pay the monthly estimated payments at the then existing monthly rate established pursuant to the then most current Parking Expense Estimate Statement until the new Parking Expense Estimate Statement is received.

4. Nonuse. No Parking Space Unit Owner may waive or otherwise escape liability for its proportionate share of Parking Expenses provided for herein by nonuse or abandonment of the Parking Spaces assigned to its Unit.

5. Forbearance Neither the Board nor the Association shall have any authority to forbear the payment of any Parking Space Unit Owner's proportionate share of Parking Expenses as provided herein.

6. Special Parking Charges. If any Parking Space Unit Owner requests and receives special services or benefits from the Owner of the Parking Property or the operator of the Garage Property (for example, but not by way of limitation, valet parking services and car cleaning, waxing or detailing), such Parking Space Unit Owner shall be solely liable for, and shall pay directly to the Owner of the Parking Property or such operator, the cost of such special services or benefits (referred to herein as "Special Parking Charges"), and any Special Parking Charges shall not be included in Parking Expenses. If the Owner of the Parking Property or the operator of the Garage Property bills the Association for any Special Parking Charges, the Parking Space Unit Owner who requested the services to which such Special Parking Charges relate, shall pay the Association an amount equal to such Special Parking Charges within fifteen (15) days after receiving an invoice therefor from the Association, and the Association shall pay such Special Parking Charges to the Owner of the Parking Property or the operator of the Garage Property.

7. No Liability for Non-Parking Space Unit Owners. Notwithstanding anything contained herein to the contrary, a Unit Owner who is not a Parking Space Unit Owner shall have no liability for Parking Expenses or any portion thereof.

ARTICLE XXI GENERAL PROVISIONS

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

2. Notices to Board, Association, and Unit Owners. Notices provided for in this Declaration and in the Act shall be in writing and shall be addressed to the Board or Association, or any Unit Owner, as the case may be, at 800 North Michigan Avenue, Chicago, Illinois 60611 (indicating thereon, in the case of any notice to any Unit Owner, the number of such Unit Owner's Unit) or at such other address as herein provided.

The Association or Board may designate a different address or addresses for notices to them, respectively, by giving written notice of such change of address to all Unit Owners. Any Unit Owner may also designate a different address for notices to it by giving written notice of such change of address to the Board or Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail or when delivered in person with written acknowledgment of the receipt thereof, or if addressed to a Unit Owner, when deposited in its mailbox in the Building or at the door of its Unit.

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

4. Binding Effect. Each grantee accepting a deed of conveyance to any portion of the Property accepts the same subject to all restrictions, conditions, covenants, reservations, liens, and charges, and the jurisdiction, rights, and powers created or reserved by this Declaration. All rights, benefits, and privileges of every character hereby granted, created, reserved, or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land and shall bind any Person having at any time any interest or estate in the Property or any Unit, and shall inure to the benefit of such Unit Owner in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance.

5. Waiver. No covenants, restrictions, conditions, obligations, or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may have occurred.

6. Amendment. Except as otherwise provided in the Act, this Declaration and By-laws, the provisions of the Condominium Instruments may be amended, changed, or modified by an instrument in writing, setting forth such amendment, change, or modification, signed and acknowledged by not less than three-fourths (3/4) of the members of the Board, not less than three-fourths (3/4) of the Unit Owners, and if required by law, containing an affidavit by an officer of the Board certifying that a copy of the amendment, change, or modification has been mailed by certified mail to all mortgagees having bona fide liens of record against any Unit, not less than ten (10) days prior to the date of such affidavit. Any amendment, change, or modification shall conform to the provisions of the Act and shall be effective upon recordation thereof. Notwithstanding anything contained in this Section 6 to the contrary, no change, modification, or amendment which affects the rights, privileges, or obligations of the Declarant shall be effective without the prior written consent of the Declarant. Except to the extent authorized by provisions of the Act, no amendment to the Condominium Instruments shall change the boundaries of any Unit or the undivided interest in the Common Elements appurtenant to such Unit (except as expressly provided in Article III, Section 4 hereof), the number of votes in the Association, or the liability for Common Expenses appertaining to a Unit. Notwithstanding the terms of this Section 6, to the extent not otherwise prohibited by the Act, the Declarant hereby reserves to itself the right, without the consent of any Unit Owner or mortgagee of a Unit, while the Association is under Developer Control, to record an amendment to this Declaration, provided such amendment does not materially adversely affect the value of any Unit. 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 any such amendment on behalf of each Unit Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit, and the acceptance thereof, shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Declarant to vote in favor of, make, execute and record such amendments.

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

8. Perpetuities and Restraints. If any of the options, privileges, covenants, or rights created by this Declaration would otherwise be unlawful or void as violations of (a) the rule against perpetuities or some analogous statutory provision, (b) the rules restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the last to die of the now living lawful descendants of Robert Kennedy, the former Senator of the Commonwealth of Massachusetts.

9. Liens. In the event any lien exists against two (2) or more Units and the indebtedness secured by such lien is due and payable, the Unit Owner of any such Unit so affected may remove such Unit and the undivided interest in the Common Elements appertaining thereto from such lien by payment of the proportionate share of such indebtedness attributable to such Unit. In the event such lien exists against all of the Units or against the Property as a whole, the amount of such proportionate share shall be equal to the percentage of ownership interest in the Common Elements appurtenant to such Unit as set forth on Exhibit B attached hereto. Upon payment as herein provided, it is the duty of the encumbrancer to execute and deliver to the Unit Owner a release of such Unit and the undivided interest in the Common Elements appertaining thereto from such lien. Except as expressly provided below in this Section 9, a Unit Owner shall not be liable for any claims, damages, or judgments entered as a result of any action or inaction by the Board or the Association. Each Unit Owner's liability for any judgment entered against the Board or the Association, if any, shall be limited to its proportionate share of the indebtedness as set forth above in this Section 9, whether collection is sought through assessments or otherwise. A Unit Owner shall be liable for any claim, damage, or judgment entered as a result of the use or operation of its Unit, or caused by its own conduct. Before conveying a Unit, the Declarant shall record or furnish the purchaser with releases of all liens affecting that Unit and its percentage ownership interest in the Common Elements which the purchaser does not expressly agree to take subject to or assume, or the Declarant shall provide a surety bond or substitute collateral for or insurance against such liens. After conveyance of such Unit, no mechanic's lien shall be created against such Unit or its percentage interest in the Common Elements by reason of any subsequent contract by the Declarant to improve or make additions to the Property. If, as a result of work expressly authorized by the Board of Managers, a mechanic's lien claim is placed against the Property or any portion of the Property, each Unit Owner shall be deemed to have expressly authorized it and consented thereto and shall be liable for the payment of its Unit's proportionate share of any due and payable indebtedness as provided above in this Section 9.

10. Responsibility for Occupants and Others. Each Unit Owner shall be responsible and liable for any and all acts and omissions of, and any and all breaches or violations of the Operating Agreement, this Declaration, any of the other Condominium Instruments or any rules or regulations promulgated by the Board or the Declarant by, any of such Unit Owner's employees, agents, servants, family members, guests and invitees or any Occupant of such Unit Owner's Unit, as fully and with the force and effect as if such act, omission, breach or violation was caused or created by such Unit Owner.

11. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a first-class condominium apartment building.

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

13. Word Construction. Forms of words in the singular, plural, masculine, feminine or neuter shall be construed to include the other forms as context may require.

14. Certain Rights of the Declarant. Until the time established by the Declaration for the election of the initial Board by the Unit Owners, the rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Board in the Act and in this Declaration shall be held and performed by the Declarant, which may be exercised by the designation of an initial Board in accordance with the terms of this Declaration.

15. Special Amendment. In addition to and not in limitation of the rights granted to the Declarant under Section 6 of this Article, the Declarant reserves the right and power to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Department of Veteran's Affairs (formerly known as the Veteran's Administration), or any other governmental agency or any other public, quasi-public or private entity which performs (or may perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Units, (iii) to bring this Declaration into compliance with the Act, or (iv) to correct clerical or typographical or similar errors in this Declaration or any Exhibit hereto 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 Unit Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit, and the acceptance thereof, shall be deemed to be a grant and acknowledgment 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 of the Declarant to act pursuant to rights reserved or granted under this Section shall terminate at such time as the Declarant no longer holds or controls title to a Unit.

16. Assignments by Declarant. All rights which are specified in this Declaration to be rights of the Declarant are mortgageable, pledgeable, assignable or transferable. Any successor to, or assignee of, the rights of the Declarant hereunder (whether as the result of voluntary assignment, foreclosure, assignment in lieu of foreclosure or otherwise) 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.

17. Land Trust Unit Owner's Exculpation. In the event title to any Unit is conveyed to a land 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 Unit under such trust and the beneficiaries thereunder from time to time shall be responsible for payment of all obligations, liens, or indebtedness and for the performance of all agreements, covenants, and undertakings chargeable or created under this Declaration against such Unit. 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 and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title of such Unit.

18. Declarant Exculpation. This Declaration is executed by PARK TOWER, L.L.C., not personally but solely in its capacity as Declarant as aforesaid, in the exercise of the power and authority conferred upon and vested in it in its capacity as such Declarant. All of the obligations, duties, agreements, covenants, and

conditions to be performed by Declarant under this Declaration are undertaken by it solely in its capacity as Declarant aforesaid, and not individually, and no personal liability shall be asserted or be enforceable against Declarant, its members, managers, partners, or any of their respective officers, directors, shareholders, agents or employees by reason of any of the terms, provisions, statements, obligations, duties, agreements, covenants, and conditions contained in this Declaration.

[no further text on this page--signature page to follow]

IN WITNESS WHEREOF, Declarant has caused its name to be signed in these presents this 31
day of July, 2000

PARK TOWER, L.L.C., an Illinois limited liability company

By: LR Tower, L.L.C., an Illinois limited liability company, its
Managing Member/Manager

By: LR Development Company LLC, a Delaware
limited liability company, its sole member and
manager

By: [Signature]
Name: Stephen F. Conlin
Title: Senior Vice President

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 Stephen F. Carlson, a Sr Vice President of LR Development Company LLC, the sole member and manager of LR Tower, L.L.C., an Illinois limited liability company, the Managing Member/Manager of PARK TOWER, L.L.C., an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Sr Vice Pres, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said limited liability companies, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 31 day of July, 2000

Notary Public

My commission expires _____

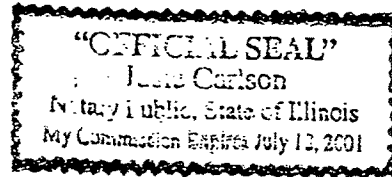


EXHIBIT A

Plat of Survey

EXHIBIT B
TO CONDOMINIUM DECLARATION

800 NORTH MICHIGAN CONDOMINIUM

UNIT	OWNERSHIP PERCENTAGE
2001	1.01 %
2002	.44 %
2003	.40%
2101	.96 %
2102	.49 %
2103	.38 %
2201	1.03 %
2202	.42 %
2203	.38 %
2301	.78 %
2302	.68 %
2303	.39 %
2401	.79 %
2402	.68 %
2403	.39 %
2501	.79 %
2502	.69 %
2503	.39 %
2601	1.21 %
2602	.67 %
2701	.84 %
2702	.62 %
2703	.43 %
2801	.99 %
2802	.50 %
2803	.40 %
2901	.85 %
2902	.62 %
2903	.44 %
3001	.80 %
3002	.70 %
3003	.40 %
3101	.81 %
3102	.71 %
3103	.40 %
3201	.81 %
3202	.71 %
3203	.41 %

3301	.81 %
3302	.71 %
3303	.41 %
3401	.82 %
3402	.72 %
3403	.41 %
3501	1.26 %
3502	.70 %
3601	.87 %
3602	.64 %
3603	.44 %
3701	1.02 %
3702	.52 %
3703	.42 %
3801	.89 %
3802	.65 %
3803	.45 %
3901	.89 %
3902	.66 %
3903	.45 %
4001	.89 %
4002	.66 %
4003	.45 %
4101	1.13 %
4102	.45 %
4103	.42 %
4201	1.13 %
4202	.46 %
4203	.42 %
4301	.86 %
4302	.75 %
4303	.42 %
4401	.87 %
4402	.75 %
4403	.43 %
4501	1.33 %
4502	.73 %
4601	1.34 %
4602	.73 %
4701	.87 %
4702	.75 %
4703	.43 %
4801	1.16 %
4802	.47 %
4803	.43 %
4901	1.17 %

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4902	.47 %
4903	.44 %
5001	1.18 %
5002	.47 %
5003	.44 %
5101	1.66 %
5103	.44 %
5201	1.09 %
5202	1.03 %
5301	1.09 %
5302	.57 %
5303	.45 %
5401	1.07 %
5402	1.00 %
5501	1.06 %
5502	1.00 %
5601	1.07 %
5602	1.00 %
5701	1.08 %
5702	1.01 %
5801	1.36 %
5802	.73 %
5901	1.38 %
5902	.73 %
6001	1.35 %
6002	1.25 %
61 PH	2.58 %
62 PH	2.59 %
63 PH	2.60 %
64 PH	2.61 %
65 PH	2.63 %
66 PH	2.42 %
67 PH	2.50 %

TOTAL = 100%

CERTIFICATE OF DEVELOPER

Stephen F. Gauch hereby certifies that:

1. He is the Sr. Vice Pres. of LR Development Company LLC, which is the sole member and manager of LR Tower, L.L.C., which is the Managing Member/Manager of PARK TOWER, L.L.C. which is the Developer of the 800 North Michigan Condominiums.

2. That No Notice of Intent ("Notice") in the form of and substance required by Section 30 of the Illinois Condominium Property Act were required to be served inasmuch as no tenants reside or have resided in the property for over six months prior to the recording of this Declaration.

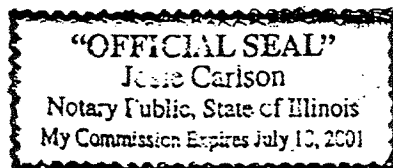
Stephen F. Gauch, Sr. Vice Pres. of LR Development Company LLC, the sole member and manager of LR Tower, L.L.C., which is the Managing Member/Manager of PARK TOWER, L.L.C.

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 Stephen F. Gauch, as Sr. Vice Pres. of LR Development Company LLC, the sole member and manager of LR Tower, L.L.C., an Illinois limited liability company, the Managing Member/Manager of PARK TOWER, L.L.C., an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Sr. Vice Pres., appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said limited liability companies, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 31 day of July, 2000

[Signature]
Notary Public



CONSENT AND SUBORDINATION OF MORTGAGEE

LaSalle Bank National Association, a national banking association, holder of that certain Construction Mortgage on the Property dated as of July 31, 2000 and recorded _____ with the Cook County, Illinois Recorder of Deeds (the "Recorder") as Document No. _____ (the "Mortgage"), hereby consents to the execution and recording of the foregoing Declaration of Condominium Ownership and By-Laws, Easements, Restrictions, and Covenants for the 800 North Michigan Condominium Association (the "Declaration") and agrees that the Mortgage is subject and subordinate to the provisions of Declaration.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be signed by its duly authorized officers on its behalf, at Chicago, Illinois, on this 31 day of July, 2000

LASALLE BANK NATIONAL ASSOCIATION

By: _____

Its: _____

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Sheila Davis, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that Julie Anne Eck, as AVP of LaSalle Bank National Association, a national banking association, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such AVP, appeared before me this day in person and acknowledged that he signed, sealed and delivered said instrument as his free voluntary act and as the free and voluntary act of said bank for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 31 day of July, 2000

My Commission Expires: 7/25/04

Sheila Davis

