



0716515082

Doc#: 0716515082 Fee: \$226.00
Eugene "Gene" Moore RHSP Fee:\$10.00
Cook County Recorder of Deeds
Date: 06/14/2007 12:52 PM Pg: 1 of 47

DECLARATION OF CONDOMINIUM
OWNERSHIP AND BY-LAWS, EASEMENTS,
RESTRICTIONS AND COVENANTS
ESTABLISHING A PLAN FOR
CONDOMINIUM OWNERSHIP OF PREMISES
AT

711 WEST GRAND AVENUE
CHICAGO, ILLINOIS

PURSUANT TO CONDOMINIUM PROPERTY
ACT OF ILLINOIS

FOR

EDISON GRAND CONDOMINIUM

(The Above Space For Recorder's Use Only)

THIS DECLARATION PREPARED BY AND AFTER RECORDING MAIL TO:

Jonathan P. Sherry
Jonathan P. Sherry, P.C.
150 N. Wacker Drive, Suite 2020
Chicago, IL 60606

PINs: 17-09-104-004-000, 17-09-104-005-0000 and 17-09-104-006-0000

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**DECLARATION OF CONDOMINIUM OWNERSHIP
AND BY-LAWS, EASEMENTS, RESTRICTIONS AND COVENANTS
EDISON GRAND CONDOMINIUM**

THIS DECLARATION OF CONDOMINIUM OWNERSHIP AND BY-LAWS, EASEMENTS, RESTRICTIONS AND COVENANTS is made and entered into by GRAND AVENUE DEVELOPERS (together with its successors and assigns, the "Declarant"), an Illinois limited liability company.

WITNESSETH

WHEREAS, the Declarant is the legal titleholder of the parcel of real estate situated in the City of Chicago, County of Cook, State of Illinois, which is commonly known as 711 West Grand Avenue, Chicago, Illinois and which is legally described in Exhibit A attached hereto (the "Total Property");

WHEREAS, Declarant intends to develop five (5) story mixed-use building (the "Building") located on the Total Property, which total Property shall consist of the Residential Property and the Commercial Property (each as hereinafter defined). The following shall constitute the "Residential Property" hereunder: (i) all of floors two (2) through five (5) of the Building, (ii) approximately 430 square feet of space inside and outside of the Building (the "Residential Entrance") in the location specified on Exhibit B attached hereto, (iii) the Passenger Elevator, (iv) one stairwell (the "Stairwell") connecting the basement and floors one (1) through five (5) of the Building, (v) one (1) hallway and the electrical meter room on floor one (1) (collectively the "Common Hallways") in the location specified on Exhibit B attached hereto, (iv) the Garage and the remainder of the basement of the Building, (v) the roof of the Building, all as more particularly depicted on Exhibit B attached hereto, (vi) any and all other components of the Building or the Total Property which are designated as part of the Residential Property in the Operating Agreement (as defined herein) and (vi) any permanent fixtures of whatsoever kind now or hereafter thereon, and all rights and privileges belonging or in anyway pertaining thereto to be owned by Declarant and by each successor in interest of Declarant. In the event of any conflict or inconsistency between the definition or description of "Residential Property" under the Declaration and under the Operating Agreement, the provisions of the Operating Agreement relating thereto shall govern and control to the extent of any such conflict or inconsistency. The Residential Property is intended to be used as a residential condominium development containing approximately fifteen (15) residential condominium units, subject to unit combinations and divisions;

WHEREAS, the Total Property is also subject to an Operating Agreement, as defined herein, wherein the Residential Property and the Commercial Property shall operate in concert for the benefit of all owners of all such real estate;

WHEREAS, it is the desire and intention of the Declarant to enable the Residential Property under that certain type or method of ownership commonly known as "**CONDOMINIUM**", and to submit the Residential Property to the provisions of the Condominium Property Act of the State of Illinois, as amended from time to time;

WHEREAS, the Declarant has elected by this Declaration to establish for the mutual benefit of all future Unit Owners, occupants and mortgagee of the Residential Property, or any part thereof, which shall be known as the EDISON GRAND CONDOMINIUM, or such other name as may be subsequently adopted pursuant to the Act by the Declarant, certain easements and rights in, over and upon said real estate and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and

WHEREAS, the Declarant has further elected, by this Declaration, to declare that the several Unit Owners, occupants, mortgagees, and other persons acquiring any interest in the Residential Property shall at all times enjoy the benefits of, and shall at all times hold their interests subject to the rights,

easements, privileges, restrictions and obligations 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 such property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Residential Property.

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

1. DEFINITIONS.

The following words and terms used in this Declaration are defined as follows:

- 1.1.** "Act" means the "Condominium Property Act," as amended from time to time, of the State of Illinois.
- 1.2.** "Administrator" means Administrator of Veterans' Affairs.
- 1.3.** "Association" or "Unit Owner's Association" means the association of all of the Unit Owners, acting pursuant to the By-Laws through its duly elected Board of Managers, as more fully described in **Section 7** hereof.
- 1.4.** "Board of Managers" or "Board" has the meaning set forth in **Section 7.1** hereof.
- 1.5.** "Board Member" means any member of the Board of Managers duly elected and qualified hereunder.
- 1.6.** "Building" has the meaning set forth in the Recitals hereof.
- 1.7.** "Bylaws" or "By-Laws" has the meaning set forth in **Section 11** hereof.
- 1.8.** "Commercial Property" means, collectively, the parcel of real property described as the Commercial Property in the Operating Agreement, including, from time to time, all improvements, structures and fixtures constructed or located thereon and all easements, rights and appurtenances belonging thereto. Without limiting the generality or efficacy of the foregoing, the Commercial Property is generally comprised of a portion of the first (15') floor of the Building, excluding the portions thereof which are part of the Residential Property.
- 1.9.** "Common Elements" means all portions of the Residential Property except the Units, and including the roofs, exterior walls, structural components of the Building and the Limited Common Elements, unless otherwise expressly specified in this Declaration.
- 1.10.** "Common Expenses" means the proposed or actual expenses affecting the Residential Property, including Reserves, if any, lawfully assessed by the Board of Managers.
- 1.11.** "Common Hallways" has the meaning set forth in the Recitals hereof.
- 1.12.** "Condominium Instruments" means all documents and authorized amendments thereto recorded pursuant to the provisions of the Act, including this Declaration, the By-Laws and the Plat.
- 1.13.** "Creditor Owner", except where otherwise defined hereunder in a specific context, means an Owner to which a payment of money or other duty or obligation is owed under this Declaration by the other Owner which has failed to make such payment or to perform such duty or obligation as and when required hereunder.
- 1.14.** "Declarant" means Grand Avenue Developers, L.L.C., an Illinois limited liability company, and its successors and assigns.
- 1.15.** "Declaration" means this instrument by which the Residential Property is submitted to the provisions of the Act, as hereinafter provided, as supplemented and amended from time to time.

1.16. "Developer" means Grand Avenue Developers, L.L.C., an Illinois limited liability company and its successors and assigns.

1.17. "First Mortgage" means a *bona fide* first mortgage, first trust deed or equivalent security interest covering a Unit.

1.18. "First Mortgagee" means the holders of a *bona fide* First Mortgage.

1.19. "Garage" means the below-grade level parking ramp and garage constructed or to be constructed upon and within the Residential Property, including any entrance (either at grade, above-grade or below-grade or connecting grade or above-grade to below-grade), and ramps, driveways and walkways related thereto, if any.

1.20. "Including" means "including without limitation" irrespective of whether or not words of similar import are italicized in any particular context herein.

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

1.22. "Majority" or "majority of the Unit Owners" means the owners of more than one-half (1/2) in the aggregate in interest of the Total Member Votes. Any specified percentage of the Unit Owners means such percentage in the aggregate in interest of such Total Member Votes.

1.23. "Occupant" means a person, or persons, other than a Unit Owner, in possession of one or more Units.

1.24. "Operating-Agreement" or "Operating Agreement Declaration" means that certain Declaration of Covenants, Conditions, Restrictions and Easements of Record dated as of and recorded with the Recorder of Deeds of Cook County, Illinois, as it may be supplemented and amended from time to time. The Operating Agreement grants certain easements over, under, on, across and in the Total Property and sets forth certain rights, duties and obligations among the Unit Owners and occupants of the Residential Property and the owners and occupants of the Commercial Property, including the allocation of certain expenses which relate to all or part of the Total Property.

1.25. "Owner" means either an Owner of the Commercial Property or an Owner of the Residential Property.

1.26. "Owner of the Commercial Property" or "Commercial Owner" shall have the meaning(s) set forth in the Operating Agreement.

1.27. "Owner of the Residential Property" or "Residential Owner" shall have the meaning(s) set forth in the Operating Agreement.

1.28. "Parking Spaces" means those Units used solely and exclusively for the purposes of parking, which are depicted on **Exhibit B** hereto. If the vertical delineation of any particular Parking Space is not depicted on **Exhibit B** hereto or on the Plat, the vertical dimension of such Parking Space shall be deemed to begin at the floor and rise to the lower of the ceiling or the lowest improvement directly thereabove.

1.29. "Passenger Elevator" means the **[one (1)]** passenger elevator providing or to provide services to each level of the Building, which Passenger Elevator is or shall be part of the Residential Property.

1.30. "Person" means a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

1.31. "Plat" means the plat or survey and any amendments thereto of the Total Property and of all Units in the Residential Property submitted to the provisions of the Act which consists of a horizontal and vertical delineation of all such Units. The final Plat will be delivered at the Closing of each Unit to

the particular Unit Owners and shall be recorded as required under the Act concurrently with such Closings.

1.32. "Purchaser" means any person or persons other than the Declarant who purchases a Unit in a bona fide transaction for value.

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

1.34. "Residential Entrance" has the meaning set forth in the Recitals hereof.

1.35. "Residential Property" has the meaning set forth in the Recitals of this Declaration.

1.36. "Stairwell" has the meaning set forth in the Recitals hereof.

1.37. "Taxes" shall mean any or all real property taxes, special assessments, 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 Residential Property;

1.38. "Total Member Votes" has the meaning set forth in **Section 12.1.1** hereof.

1.39. "Total Proper" means the parcel or tract of real estate land, described in the Recitals to this Declaration and legally described on **Exhibit A** attached hereto.

1.40. "Units" means those certain fifteen (15) residential condominium units located on floors (2) and three (3) of the Building and those certain **[fifteen (15)]** Parking Spaces located in the Garage. The Units are depicted on **Exhibit B** attached hereto and are subject to combination or subdivision in accordance with the terms of this Declaration. Any such Unit, individually, shall hereinafter be referred to as a "Unit".

1.41. "Unit Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit.

1.42. "Unit Ownership" means a part of any portion of the Residential Property submitted to the Act consisting of one Unit and the undivided interest in the Common Elements attributable thereto.

1.43. "Voting Member" means the person entitled to exercise all voting power in respect to the ownership of a particular Unit.

2. UNITS.

2.1. Description.

(i) All Units located on the Residential Property are delineated on the Plat attached hereto as **Exhibit B** and made a part of this Declaration and are legally described in the attached **Exhibit D**.

(ii) It is understood that each Unit consists of the space enclosed or bounded by the horizontal and vertical planes set forth and identified as a Unit in the delineation thereof in the Plat. The legal description of each Unit shall consist of the identifying number or letter of such Unit followed by the legal description of the Residential Property, as shown on the Plat. Except as provided by the Act or Section 2.4 below, no Unit Owner (other than Declarant) shall, by deed, plat or otherwise subdivide or in any other manner, cause the Unit to be separated into any tracts or parcels different from the whole Unit as shown on the Plat.

(iii) 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 all or any portion of the Building, the Units, and the Limited Common Elements now or hereafter constructed on the Residential Property. In furtherance of the

foregoing, a power coupled with an interest is hereby granted to the Declarant acting by and through its duly authorized representatives, 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 said attorney-in-fact, and acknowledgment of and consent to such power, and shall be deemed to reserve to said attorney-in-fact the power to amend the Plat, as described above.

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

2.3. Plat. The Plat sets forth the measurements, elevations, locations and other data, as required by the Act, of the Total Property and the Building, and of each Unit, subject to the provisions of clause (iii) in **Section 2.1** above.

2.4. Subdivision and Combination of Units. Any Unit Owner, including the Declarant, wishing to combine or subdivide Units or relocate Common Elements or Limited Common Elements may do so only in accordance with the provisions of the Act and this Declaration and at such Unit Owner's sole cost and expense. Such Unit Owner, at its sole expense, shall furnish the Board with such plans, drawings and specifications as the Board shall reasonably require relating to the planned work, copies of all necessary building permits or other necessary governmental approvals, a proposed amendment to the Plat reflecting the changed boundaries and reflecting any such work and evidence that the First Mortgagees of the affected Unit Owner(s) have consented to the combination or subdivision. Notwithstanding anything to the contrary contained herein, the Declarant may subdivide or combine Units without seeking the approval of the a Board or the First Mortgagee of Units it owns.

3. COMMON ELEMENTS.

3.1. Description. Except as otherwise provided in this Declaration, the Common Elements shall consist of all portions of the Residential Property except the Units. Without limiting the generality of the foregoing and except as may otherwise be provided herein, the Common Elements shall include (to the extent part of the Residential Property) the following: the land, outside walks, landscaping, outside stairways, if any, roof (except to the extent, if any, that portions of said roof are designated as Limited Common Elements under this Declaration), the laundry room, if any, structural parts of the Building, the Limited Common Elements, component parts of walls, floors and ceilings and pipes, ducts, flues, shafts and public utility lines serving the Common Elements or more than one Unit.

3.2. Ownership of Common Elements. Each Unit Owner shall own an undivided interest in the Common Elements as a tenant in common with all the other Unit Owners of the Residential Property, and, except as otherwise limited in this Declaration, shall have the right to use the Common Elements for all purposes incident to the use and occupancy of its or her 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, 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, unless hereafter changed by recorded amendment to this Declaration, consented to in writing by all Unit Owners. The Declarant has so determined each Unit's corresponding percentage of ownership in the Common Elements as set forth in **Exhibit E** attached hereto; and each Unit Owner accepts such determination. Notwithstanding the foregoing, the undivided percentage of ownership in the Common Elements may be adjusted by the Declarant pursuant to **Section 2.1** f this Declaration, or by the Board as necessary as a result of a casualty loss to the Residential Property or arising out of a condemnation proceeding as hereinafter provided.

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

3.4. Limited Common Elements. Except as otherwise provided in this Declaration, the Limited Common Elements shall consist of all portions of the Common Elements set aside and allocated for the restricted use of particular Units. Without limiting the generality of the foregoing, the Limited Common Elements shall include the following: (i) any roof deck, patio, terrace, open porch, hallway, stairway, landing or balcony, direct access to which is provided from a Unit, and which is located outside of and adjoining such Unit or which is otherwise designated as a Limited Common Element on the Plat; (ii) the interior surface of the perimeter walls, ceilings and floors which define the boundary plans of a Unit; (iii) perimeter doors and windows (including skylights) which exclusively serve a single Unit; (iv) any system or component part thereof (including, without limitation, the furnaces, boilers, fittings, housings, ducts, flues, shafts, electrical wiring, conduits and the areas or rooms containing them), which serves a Unit exclusively, to the extent that such system or component part is located outside the boundaries of a Unit; and (v) any other space or item designated on the Plat as a Limited Common Element.

3.5. Deck and Roof-Top Deck Area Limited Common Elements. The decks and roof-top deck areas of the Building shall be Limited Common Elements for the exclusive use of the adjacent Unit and shall be a right and benefit appurtenant to said Unit. The deck and roof-top deck area may be used for any lawful purpose including, without limitation, the construction of decks, rails and related improvements. The Unit Owner granted the right to the exclusive use of the deck or roof-top deck area as a Limited Common Element shall be solely responsible for (i) any increase to the insurance premiums of the Association resulting from the deck or roof-top deck area Limited Common Element, (ii) all reasonable costs incurred to repair damage to the roof of the Building resulting from the use of the rooftop deck area Limited Common Element, and (iii) all maintenance of the deck and roof-top area Limited Common Element. Roof-top deck areas may be constructed with doors to permit other Unit Owners reasonable access in the case of fire or other emergency and all Unit Owners will cooperate to permit such access.

3.6. Use of the Common Elements. Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements) in common with all other Unit Owners as may be required for the purpose of access and ingress and egress to, and use and occupancy and enjoyment of, the respective Unit owned by such Unit Owner. Such right to use the Common Elements shall extend to each Unit Owner, and the agents, servants, tenants and invitees of each Unit Owner. Each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements contiguous to and serving such Unit alone or with adjoining Units. Such rights to use and possess the Common Elements, including the Limited Common Elements, shall be subject to and governed by the provisions of the Act and this Declaration and the By-Laws herein and the rules and regulations of the Association.

3.7. Maintenance and Repair of Limited Common Elements and Units. Each Unit Owner or combination thereof shall be responsible for and shall furnish, at its or their own expense, all the upkeep, maintenance, repair and replacements within its own Unit and the Limited Common Elements servicing exclusively its Unit or so designated as Limited Common Element for its Unit or a combination of Units.

3.8. 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 the provisions of this Declaration. Each transfer shall be made by an amendment to this Declaration executed by all Unit Owners who are parties to the transfer and consented to by all mortgagees who have any interest in the Limited Common Elements affected. The amendment shall also contain the consent of the Board. 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 shall decide such reapportionment. No transfer shall become effective unless and until the amendment has been recorded.

4. GENERAL PROVISIONS AS TO UNITS AND COMMON ELEMENTS.

4.1. Submission of Residential Property to Provision of Act. The Residential Property is hereby submitted to the provisions of the Act.

4.2. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage, lease or other instrument affecting title to the Unit Ownership, without including therein, both 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 including also the other shall be deemed and taken to include the interest so omitted even though the latter is not expressly mentioned or described therein.

4.3. Easements.

4.3.1. Encroachments. If 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 any building, a valid mutual easement shall exist in favor of the owners of the Common Elements and the respective Unit Owners involved to the extent of the encroachment. 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.

4.3.2. Utility Easement. Ameritech Corporation, Commonwealth Edison Company, Peoples Gas Company and any and all other public utilities serving the Residential Property are hereby granted the right to lay, construct, renew, operate and maintain conduits, cables, pipes, wires, transformers, switching apparatus and other equipment related to their service to the Residential Property, into and through the Common Elements and the Units, (but as to the Limited Common Elements and Units, only to the extent such utility facilities are in existence on the day this Declaration is recorded) where reasonably necessary for the purpose of providing utility services to the Residential Property, subject, however, to the rules and regulations of the Association.

4.3.3. Easements Reserved by the Developer. The Developer and each of its agents, employees, contractors, guests, invitees and licensees shall have the right and easement at all times to use the Common Elements: (i) to perform any construction, maintenance, repair, renovation, restoration or rehabilitation of, in or under all or any part of the Residential Property (including the placing and maintaining of construction equipment, vehicles and machinery on the Residential Property) which the Developer desires to perform; (ii) for the purpose of selling, displaying and having ingress to and egress from one or more of the Units and Limited Common Elements; (iii) for the purpose of erecting, maintaining and displaying one or more of the signs desired by Developer. Nothing in this Declaration shall in any way affect, alter, modify, amend or terminate any easements, covenants, conditions, restrictions or other encumbrances, if any, which Developer shall have placed upon and recorded against the Total Property, or any part thereof.

4.3.4. Other Easements. In addition to the easements provided for herein, the Board, on behalf of all of the Unit Owners, shall have the right and power, (i) to grant such easements with respect to the Common Elements (but excluding the Limited Common Elements) as the Board deems necessary and proper, including, without limitation, access easements for governmental authorities or private enterprise

providing services to the Residential Property, or easements related to the installation and operation of a cable television, satellite television or other forms of communication system, and/or (ii) to cancel, alter, change or modify any easement which affects the Residential Property and does not benefit a Unit Owner, as the Board shall, in its discretion, determine, excluding easements reserved by the **Developer in Section 4.3.3** above. Each person, by acceptance of a deed, mortgage, trust deed, other evidence of obligation, or other instrument relating to a Unit, shall be deemed to grant a power coupled with an interest to the Board, as attorney-in-fact, to grant, cancel, alter or otherwise change the easements provided for in this Section. Any instrument executed pursuant to the power granted herein shall be executed by the President and attested to by the Secretary of the Association and duly recorded.

4.3.5. 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 on the Declarant, its successors and assigns, and any Unit Owner, purchaser, mortgagee and other person thereof. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligations, to the easements and rights described in this Section, or described in any other part of this Declaration, shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and Declarants of such Unit Ownership as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

4.3.6. Operating Agreement Easements. Nothing contained herein shall in any manner limit the easements granted pursuant to the Operating Agreement and described more fully therein. In the event of any apparent conflict between the terms and provisions of the Operating Agreement and the terms and provisions of this **Section 4.3**, the terms and provisions of the Operating Agreement shall control.

5. COMMON EXPENSES, MORTGAGES AND REAL ESTATE TAXES.

5.1. Common Expenses. Each Unit Owner shall pay its proportionate share of the Common Expenses of administration, maintenance and repair of the Common Elements and of any other expenses incurred in conformance with the Declaration and By-Laws or otherwise lawfully agreed upon. Such proportionate share of the Common Expenses for each Unit Owner shall be in the same ratio as their 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.

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

5.3. Separate Real Estate Taxes. It is understood that any and all 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. For any year in which such Taxes are not separately taxed to each Unit Owner, but are taxed on the Residential Property as a whole, whether by operation of the Operating Agreement, by operation of governmental act or omission, or otherwise, then each Unit Owner shall pay its proportionate share of said Taxes attributable to the Residential Property as a whole, in accordance with its respective percentage of ownership interest in the Common Elements.

6. INSURANCE

6.1. Insurance Coverage.

The Board of Managers shall procure and maintain as a Common Expense, all policies of insurance, conforming to the requirements and generally in accordance with the terms and conditions of Section 9 of the Operating Agreement. The Board shall collect, as a Common Expense, any Service Fee (as defined in the Operating Agreement) or any other assessment or payment to be paid by the Owner of the Residential Property to the Owner of the Commercial Property under Section 9 of the Operating Agreement, including the insurance premiums payable on account of the insurance policies to be maintained by the Owner of the Commercial Property pursuant to Sections 9.1 (a) and 9.1(c) of the Operating Agreement, all as described more fully in Section 5.2 of the Operating Agreement. Nothing contained in this Section 6.1 shall bar or restrict the Board from obtaining additional types or amounts of insurance coverage under **Section 6.3** below.

6.2. Public Liability and Property Damage Insurance. In addition to the insurance policies required to be maintained pursuant to Section 9 of the Operating Agreement, the Board shall have the authority to and shall obtain comprehensive public liability insurance described in Section 9.1(b) of the Operating Agreement; provided, however, the same shall insure the Declarant, the Association, its officers, members of the Board, the manager and managing agent of the Residential Property, if any, and their respective employees and agents, from claims and liabilities arising in connection with the ownership, existence, use or management of the Residential Property and the streets and sidewalks adjoining the Residential Property, and insuring the officers of the Association and members of the Board from liability for good faith actions beyond the scope of their respective authorities. The Declarant shall be included as an additional insured in its capacity as unit owner and board member. The Unit Owners shall be included as additional insureds but only with respect to that portion of the premises not reserved to their exclusive use. Such insurance coverage shall include cross liability claims of one or more insured parties against other insured parties, and shall contain a waiver of any rights to subrogation by the insuring company against any insured parties. The premiums for such insurance shall be a Common Expense.

6.3. Other Insurance. In addition to the insurance policies required to be maintained pursuant to **Sections 6.1 and 6.2** above, the Board shall also have the authority to maintain the following insurance:

- (i) Fidelity bond indemnifying the Association, the Board and the Unit Owners for loss of funds resulting from fraudulent or dishonest acts or any employee of the Association or of any other person handling the funds of the Association, the Board or the Unit Owners in such amount as the Board shall deem desirable, but not less than 150 % of the annual operating expenses of the Association, including reserves. The premium for such fidelity bond shall be a Common Expense.
- (ii) Directors' and officers' liability insurance.
- (iii) Such workmen's compensation insurance as may be necessary to comply with applicable laws.
- (iv) Such other insurance in such reasonable amounts as is required under the Act or the Board shall deem desirable.

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

6.5. Notice. The Board of Managers shall notify insured persons concerning the cancellation of insurance obtained pursuant to the terms of this Section.

6.6. Contents Insurance. Each Unit Owner is required to procure and maintain (i) insurance on the contents of its own Unit at its own expense and (ii) its personal liability insurance to the extent not covered by the policies of liability insurance obtained by the Board as provided above.

7. ADMINISTRATION AND OPERATION.

7.1. Administration. The administration of the Residential Property shall be vested in the Board of Managers consisting of the number of persons, and who shall be elected in the manner, provided in the By-Laws contained herein as Sections 11, 12, 13, and 14. The Declarant, or the Board of Managers, may cause to be incorporated under the laws of the State of Illinois, the Association, which shall be a not-for-profit corporation, under the name of EDISON GRAND CONDOMINIUM or a name similar thereto, which corporation shall be the governing body for all the Unit Owners for the maintenance, repair, replacement, administration and operation of the Common Elements and for such other purposes as are hereinafter provided. The Board of Directors of the Association shall be deemed to be the "**Board of Managers**" or "**Board**" referred to herein and in the Act.

7.2. Duties and Powers of the Association. The Unit Owners' Association is responsible for the overall administration of the Residential 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, if any, the By-Laws and this Declaration; provided, however, that, (i) the terms and provisions of the Act shall control in the event of any inconsistency between the Act, on the one hand, and this Declaration (including the Bylaws) and the Articles of Incorporation, if any, on the other hand, and (ii) the terms and provisions of this Declaration shall control in the event of any inconsistency between this Declaration (including the Bylaws), on the one hand, and the Articles of Incorporation, if any, on the other hand.

7.3. Indemnity. The members of the Board and the officers thereof or of the Association shall not be liable to the Unit Owners for any mistake of judgment, or any acts or omissions or contracts made in good faith as such members or officers on behalf of the Unit Owners or the Association, unless any such contract shall have been made in bad faith or contrary to the provisions of this Declaration. The liability of any Unit Owner arising out of any contract made by such members or officers shall be limited to such proportion of the total liability thereunder as its percentage interest in the Common Elements bears to the total percentage interest of all the Unit Owners in the Common Elements. Each Agreement made by such members or officers or by the managing agent on behalf of the Unit Owners or the Association shall be executed by such members or officers of the managing agent, as the case may be, as agents for the Unit Owners or for the Association.

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

7.5. Administration of Residential Property Prior to Election of Initial Board of Managers.

(i) Until the election of the initial Board of Managers, the same rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Board of Managers by the Act and in this Declaration and By-Laws shall be held and performed by the Declarant. The election of the initial Board of Managers shall be held not later than sixty (60) days after the conveyance by the Declarant of three-fourths (3/4) 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.

(ii) 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 all of the documents and funds required by Section 18.2 of the Condominium Property Act of the State of Illinois, 765 ILCS 605/18.2.

8. MAINTENANCE, ALTERATION, DECORATING.

8.1. Maintenance, Repairs and Replacements.

(i) Each Unit Owner shall furnish and be responsible for, at its own expense, all of the maintenance, repairs and replacements within its own Unit. Maintenance, repairs and replacements of the Common Elements shall be **furnished by the Board as part of** the Common Expenses, subject to the rules and regulations of the Board. Notwithstanding the foregoing, at the discretion of the Board, maintenance, repairs and replacements of the Limited Common Elements may be assessed in whole or in part to Unit Owners benefited thereby, and further, at the discretion of the Board, the Board may direct such Unit Owner, in the name of and for the benefit of such Unit Owner, to arrange for such maintenance, repairs and replacements of the Limited Common Elements, to pay the cost thereof, at their own expense, and to provide and deliver to the Board such lien waivers, sworn statements and other instruments as may reasonably be requested by the Board with respect thereto.

(ii) 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 Residential Property or any portion thereof, or may adversely affect any easements or other rights in favor of the Residential Property, or cause a violation by the Residential Owner under the Operating Agreement, rather than against a particular Unit and its corresponding percentage of ownership in the Common Elements. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses (including attorneys' fees) incurred by reason of such lien.

(iii) Whenever the Board shall determine, in its discretion, that any maintenance or repair of any Unit is necessary to protect the Common Elements or any other portion of the Building, the Board may cause a written notice of the necessity for such maintenance or repair to be served upon such Unit Owners, which notice may be served by delivering a copy thereof to any occupant of such Unit, or by mailing the same by certified or registered mail, addressed to the owner of 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. The Board or its agents shall in such event have the right to enter any Unit, including any of the appurtenant Limited Common Elements, to cause such work to be performed and any damage that may be caused in connection therewith shall be repaired by the Board as a Common Expense.

(iv) If, due to the act or neglect of a Unit Owner, or of a guest or other authorized Occupant or visitor of such Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be at the common expense of the Unit Owners, 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.

(v) The Board shall have exclusive authority to take, or refrain from taking, any action pursuant to this Section. All expenses which, pursuant to this Section, are chargeable to any Unit Owner, may be specifically assessed to such Unit Owner and shall be considered additional assessments.

8.2. Alterations, Additions or Improvements. No alterations of any Common Elements or any additions or improvements thereto, shall be made by any Unit Owner without the prior written

approval of the Board or, prior to the last initial sale of each Unit, the Declarant. Any Unit Owner may make alterations, additions and improvements within its Unit without the prior written approval of the Board, but in any event such Unit Owner shall be responsible for any damage to other Units, the Common Elements, or the Total Property (or any portion thereof, including any portion of the Residential Property) as a result of such alterations, additions or improvements. Nothing shall be done in any Unit, or in, on or to the Common Elements which will impair the structural integrity of the Building or which would structurally change the Building.

8.3. Decorating. Each Unit Owner shall furnish and be responsible for, at its own expense, all of the decorating within its own Unit from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating. 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 and the Limited Common Elements appurtenant thereto (other than interior surfaces within the Units as above provided), and any redecorating of Units to the extent made necessary by any damage to existing decorating of such Units caused by maintenance, repair or replacement work on the Common Elements by the Board, shall be furnished by the Board as part of the Common Expenses

9. DAMAGE, DESTRUCTION, CONDEMNATION AND RESTORATION OF BUILDING.

9.1. Sufficient Insurance. In the event the improvements or any portion thereof, shall suffer damage or destruction from any cause, and the proceeds made available under the Operating Agreement from any policy or policies incurring 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 in the event within one hundred eighty (180) days after said damage or destruction, the Unit Owners shall elect either to sell the Residential Property as provided in **Section 10** hereof or to withdraw the Residential Property from the provisions of this Declaration and from the provisions of the Act as therein provided, then such repair, restoration or reconstruction shall not be undertaken. In the event such repair, restoration or reconstruction is not undertaken, the net proceeds of insurance policies made available under the Operating Agreement with respect to the Residential Property 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 E** 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.

9.2. Insufficient Insurance.

9.2.1. General Provisions. Subject to subsection 9.2.2 below, if the insurance proceeds made available under the Operating Agreement with respect to the Residential 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 eighty (180) days from the date of damage or destruction, the Board of Directors may record a notice setting forth such facts and upon the recording of such notice:

- (i) the Residential Property shall be deemed to be owned in common by the Unit Owners;
- (ii) The undivided interest in the Residential 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 Residential Property as provided herein and in the Act; and

(iv) the Residential 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 Residential 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 Residential 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 Residential Property owned by each Unit Owner.

9.2.2. Destruction of Less Than Half of the Units. In the case of damage or other destruction in which fewer than one half (1/2) of the Units are rendered unusable and the insurance proceeds made available under the Operating Agreement with respect to the Residential Property are insufficient to fully repair and reconstruct the Residential Property, upon the affirmative vote of not fewer than three fourths (3/4) of the Unit Owners voting at a meeting called for that purpose, the 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 Directors, 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.

9.2.3. 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 Residential Property are insufficient to fully repair and reconstruct the Residential Property, upon the affirmative vote of not fewer than three fourths (3/4) of the Unit Owners voting at a meeting called for that purpose, any portion of the Residential Property affected by such damage or destruction may be withdrawn from the Association and the Act, provided that only all or none of any individual Unit may be withdrawn from the Association and the Act. Upon the withdrawal of any Unit, the percentage of ownership interest in the Common Elements appurtenant to such Unit 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. 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, the responsibility for the payment of assessments on such Unit by the Unit Owner shall cease.

9.3. Eminent Domain. In the event any portion of the Residential Property is taken by condemnation or eminent domain proceedings, provision for withdrawal from the provisions of the Act of such portion so taken may be made by the Board. Upon the withdrawal of any Unit or portion thereof due to eminent domain, the percentage of interest in the Common Elements appurtenant to such Unit or the portion thereof shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage interest appurtenant to that Unit shall be reduced accordingly upon the basis of diminution in market value of the Unit, as determined by the Board. The allocation of any condemnation award or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common

Elements, shall be allocated on the basis of each Unit Owner's percentage interest therein. Proceeds available from the withdrawal of any Limited Common Element will be distributed in accordance with the interests of those entitled to their use. 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.

9.4. Repair, Restoration or Reconstruction of the Improvements. As used in this Article, "repair, restoration or reconstruction" of improvements means restoring the improvements to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and Common Element having the same vertical and horizontal boundaries as before.

10. SALE OF THE RESIDENTIAL PROPERTY.

At a meeting duly called for such purpose, the Unit Owners by affirmative vote of at least seventy-five percent (75%) of the Total Member Votes, may elect to sell the Residential Property as a whole. Within ten (10) days after the date of the meeting at which such sale was approved, the Board shall give written notice of such action to the holder of any duly recorded mortgage or trust deed against any Unit entitled to notice under **Section 17** 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 instructions and to perform all acts as in manner and form may be necessary to effect such sale, provided, however, that any Unit Owner who did not vote in favor of such action and who has filed written objection thereto with the Board within twenty (20) days after the date of the meeting at which such sale was approved shall be entitled to receive from the proceeds of such sale an amount equivalent to the value of its interest, as determined by an appraisal, less the amount of any unpaid assessments or charges due and owing from such Unit Owner. In the absence of agreement on an appraiser, such Unit Owner and the Board may each select a qualified appraiser, experienced in the appraisal of condominium units in Chicago, Illinois, and the two (2) appraisers so selected, shall select a third appraiser, experienced in the appraisal of condominium units in Chicago, Illinois, and the fair market value, as determined by a majority of the three (3) appraisers so selected, 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 of said cost shall be a Common Expense.

11. BY-LAWS.

The provisions of Sections 11, 12, 13, and 14, shall constitute the "ByLaws" of the Association and the "By-Laws" prescribed by the Act.

12. BOARD OF MANAGERS.

12.1. Board of Managers (Board of Directors)

12.1.1. The direction and administration of the Residential Property shall be vested in a Board of Managers, consisting of three (3) persons who shall be appointed or elected in the manner herein provided. Each member of the Board shall be one of the Unit Owners, 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 must reside on the Residential Property unless he is a Board Member nominated by the Declarant.

12.1.2. At the initial meeting, the Voting Members shall elect the three (3) Board Members. In all elections for members of the Board, each Voting Member shall be entitled to cumulate its votes in the

manner provided by law and the candidates receiving the highest number of votes (determined pursuant to **Section 13.1.1** hereof) with respect to the number of offices to be filled shall be deemed to be elected. Members of the Board elected at the initial meeting shall serve until the first annual meeting, and thereafter each Board Member shall serve for a term of one year. All members of the Board shall be elected at large. Board Members may be re-elected at the expiration of its or her term. Members of the Board shall receive no compensation for their services. 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 present at the meeting of the Voting Members called for such purpose. Vacancies may also be filled by the Board by a two-third (2/3) vote of the remaining members thereof at a special meeting of the Board which vacancy shall be filled until the next meeting of the Voting Members or for a period terminating no later than thirty (30) days following the filing of a petition signed by Voting Members holding twenty percent (20%) of the Total Member Votes of the Association requesting a meeting of the Voting Members to fill the vacancy for the balance of the term. A meeting of the Voting Members shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the Voting Members filing of a petition signed holding twenty percent (20%) of the Total Member Votes (as **defined in Section 13.1.1** hereof) requesting such a meeting. Except as otherwise provided in this Declaration, the Residential Property shall be managed by the Board and the Board shall act by majority vote of those present at its meeting when a quorum exists. A majority of the total number of the members of the Board shall constitute a quorum. Meetings of the Board may be called, held and conducted in accordance with such resolutions as the Board may adopt. The Board may disseminate to Units Owners biographical and background information about candidates for election to the Board if (i) reasonable efforts to identify all candidates are made and all candidates are given an opportunity to include biographical and background information in the information to be disseminated; and (ii) the Board does not express a preference in favor of any candidate.

12.1.3. The Board shall meet at least four (4) times annually, on the second Tuesday of February, May, August and November and at such other times as the Board deems necessary. Meetings of the Board shall be open to any Unit Owner, notice of any such meeting shall be mailed or delivered at least forty-eight (48) hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice. In addition, copies of notices of meetings of the Board shall be posted in entranceways, or other conspicuous places in the Residential Property at least forty-eight (48) hours prior to the meeting of the Board. All meetings of the Board, except as otherwise provided by the Act, shall be open to attendance by any Unit Owner.

12.1.4. The Board shall annually elect from among its members, a president who shall preside over both its meetings and those of the Voting Members and who shall be the chief executive officer of the Board and the Association and who shall execute amendments to the Condominium Instruments, and a Secretary who shall keep the minutes of all meetings of the Board and of the Voting Members; who shall mail and receive all notices, and who shall, in general, perform all the duties incident to the office of Secretary, a Treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect. Officers may succeed themselves. A successor to fill any vacant office on the Board may be elected at any meeting of the Board.

12.1.5. Any Board member may be removed from office by affirmative vote of the Voting Members having at least two-thirds (2/3) of the Total Member Votes, at any special meeting called for that purpose. A successor to fill the unexpired term of a Board Member removed may be elected by the Voting Members at the same meeting or any subsequent annual meeting or special meeting called for that purpose. Any vote on matters which may, under the Act, be discussed in a meeting not open to attendance by any Unit Owners, shall be taken at a meeting or portion thereof open to any Unit Owners. Any Unit Owner may record the proceedings at meetings required to be open under the Act by tape, film, or other means provided, however, that the Board may prescribe reasonable rules and regulations to be given the right to make such recordings.

12.1.6. In the event the Board adopts a budget requiring assessment against the Unit Owners in any fiscal or calendar year exceeding 115 % of the assessments for the immediately preceding year, the Board, upon written petition by the Voting Members with at least twenty percent (20%) of the Total Member Votes filed within fourteen (14) days of the Board action, shall call a meeting of the Voting Members within thirty (30) days of the date of filing 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, the budget shall be deemed to be ratified, regardless of whether or not a quorum is present. In any determination of whether assessments exceed one hundred fifteen percent (115 %) of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Residential Property, and anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, shall be excluded from the computation.

12.2. General Powers of the Board.

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

- (i) The Board shall be responsible for the operation, care, upkeep, maintenance, replacement and improvement of the Common Elements;
- (ii) The Board shall be responsible for the preparation, adoption and distribution of the annual budget for the Residential Property;
- (iii) The Board shall be responsible for the levying of assessments on Unit Owners;
- (iv) The Board shall be responsible for the collection of assessments from Unit Owners;
- (v) The Board shall be responsible for the employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements;
- (vi) The Board shall be responsible for owning, conveying, encumbering, leasing and otherwise dealing with Units conveyed to or purchased by it;
- (vii) The Board shall be responsible for the adoption and amendment of rules and regulations covering the details of the operation and use of the Residential Property;
- (viii) The Board shall be responsible and shall 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;
- (ix) The Board shall be responsible for the payment of water, waste removal, other operating expenses, electricity, telephone and other necessary utility service for the Common Element, except as otherwise set forth in this Declaration;
- (x) Except as otherwise set forth in this Declaration, the Board shall be responsible for the landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the windows and glass doors appurtenant to the Unit, if any, and the interior surfaces of the Units and of the hallway doors appurtenant thereto, which the Unit Owners shall paint, clean, decorate, maintain and repair, except if necessitated by repairs to the Common Elements made by, or on behalf of, the Association) and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same for the Common Elements;
- (xi) The Board shall be responsible for the procurement and/or payment for any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations or assessments which the Board is required to secure or pay pursuant to the terms of this Declaration (including the

Bylaws), the Operating Agreement or which in its opinion shall be necessary or proper for the maintenance and operation of the Residential Property, as a first-class condominium apartment building or for the enforcement of these restrictions;

(xii) The Board may pay for any amount necessary to discharge any mechanic's lien or other encumbrance against the Residential Property or any portion thereof which may, in the opinion of the Board, constitute a lien against the Total Property, or any portion thereof, or against the Common Elements, rather than merely against the interest therein of particular Unit Owners, or shall be required to be removed pursuant to the terms and provisions of the Operating Agreement Declaration. Where one or more Unit Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be specially assessed to said Unit Owners;

(xiii) The Board may 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 Building, and a Unit Owner of any Unit that has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been mailed or delivered by the Board to said Unit Owners, provided that the Board shall levy a special assessment against such Unit Owner for the cost of said maintenance or repair;

(xiv) 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. 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;

(xv) The Board's powers hereinabove enumerated and described in this Declaration shall be limited in that the Board shall have no authority to acquire and pay for any structural alterations, additions to, or improvements of the Common Elements (other than for purposes of replacing or restoring portions of the Common Elements, subject to all the provisions of this Declaration) requiring an expenditure in excess of Ten Thousand Dollars (\$10,000.00), without, in each case, the prior approval of Voting Members having at least seventy-five percent (75 %) of the Total Member Votes;

(xvi) The Board may assign the Association's right to future income, including the right to receive assessments for Common Expenses;

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

(xviii) The Board may adopt such reasonable rules and regulations, not inconsistent herewith or with the Operating Agreement Declaration, as it may deem advisable for the maintenance, administration, management, operation, use, conservation and beautification of the Residential Property, and for the health, comfort, safety and general welfare of the Unit Owners and Occupants of the Residential Property. Prior to the adoption of any such rules, there shall first be held a meeting of the Unit Owners specially called for such purpose to discuss the proposed rules and to furnish a copy of such rules to all Unit Owners. 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;

(xix) The Board may engage the services of any agent to manage the Residential Property to the extent deemed advisable by the Board;

(xx) The Board may pay any or all real property taxes, special assessments, 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 Residential Property;

(xxi) The Board may impose charges for late payments of a Unit Owner's proportionate share of the Common Expenses, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levy reasonable fines for violation of this Declaration, the Operating Agreement or rules and regulations of the Association;

(xxii) The Board shall have the power to take any and all actions with respect to the Unit Owners and the Units specified in **Section 14** hereof.

(xxiii) Nothing hereinabove contained shall be construed to give the Board, Association, or Unit Owners authority to conduct an active business for profit on behalf of all the Unit Owners or any of them;

(xxiv) Upon authorization by the affirmative vote of not less than a majority of the Total Member Votes at a meeting duly called for such purposes, and subject to the provisions of the Operating Agreement, 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 assessment 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;

(xxv) The Board shall perform any and all duties and obligations on behalf of the Owner of the Residential Property required to be performed pursuant to the Operating Agreement.

(xxvi) Notwithstanding anything contained herein, the Board may not enter into a contract with a current board member or with a corporation or partnership in which a Board member or a Board member's immediate family has 25% or more interest, unless notice of intent to enter into the contract is given to Unit Owners within 20 days after a decision is made to enter into the contract and the Unit Owners are afforded an opportunity by filing a petition, signed by 20% of the Unit Owners, for an election to approve or disapprove the contract; such petition shall be filed within 20 days after such notice and such election shall be held within 30 days after filing the petition. For purposes of this section, a Board member's immediate family means the Board member's immediate spouse, parents and children.

13. MEMBERS (Unit Owners).

13.1. Voting Rights

13.1.1. Except as otherwise provided in **Section 13.1.2** herein, there shall be one person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known (and herein referred to) as a **"Voting Member."** Such Voting Member may be the Unit Owner or one of the group composed of all the owners of a Unit Ownership, or be some person designated by such Unit Owner or Unit Owners or its duly authorized attorney-in-fact to act as proxy on its or her behalf and who may be a Unit Owner. Such designation shall be made in writing to the Board, shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator, or by written notice to the Board by the Unit Owner or its duly authorized attorney-in-fact, shall bear the date of its execution and shall be invalid after eleven (11) months from the date of execution unless otherwise provided in the proxy. Any or all such Unit Owners may be present at any meeting of the Voting Members and (those constituting a group acting as a single Voting Member) may vote or take any other action as a Voting Member either in person or by proxy. The person(s) designated by the Declarant with respect to any Unit Ownership owned by the Declarant shall also have the right to vote at any meetings of the Board for so long as the Declarant shall retain the right to so designate a Board member. If a Unit Owner is a trust, beneficiary of such trust, and if a Unit Owner or such a beneficiary is a corporation or partnership, then the voting rights of said Unit Owner or

beneficiary may be exercised by an officer, partner or employee of such Unit Owner or beneficiary. The total number of votes of all Voting Members shall be one hundred (100), and each Unit Owner or group of Unit Owners shall be entitled to the number of votes equal to the total of the percentage of ownership in the Common Elements applicable to its or their Unit Ownership as set forth in **Exhibit E** (collectively, the "**Total Member Votes**").

13.1.2. In the event the ownership of a Unit is composed of more than one Person, then if only one of the multiple owners of a Unit is present at a meeting of the Association, then such owner shall be entitled to cast all of the votes allocated to such Unit Ownership. In the event more than one Owner of a Unit is present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the group of owners comprising the Unit Owner. Majority agreement shall be deemed to have occurred if any one of the multiple owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

13.1.3. The Association may, upon adoption of the appropriate rules by the Board, conduct elections by secret ballot whereby the voting ballot is marked only with the percentage interest for the unit and the vote itself, provided that the Board further adopt rules to verify the status of the Unit Owner issuing a proxy or casting a ballot; and further, that a candidate for election to the Board or such candidate's representative shall have the right to be present at the counting of ballots of such election.

13.1.4. In the event of a resale of Unit, the Purchaser of a Unit from the seller other than the developer pursuant to an installment contract for purchase shall during such time as she or he resides in the Unit be counted towards a quorum for purposes of election of members of the Board at any meeting of the Unit Owners called for the purpose of electing a Board member, and shall have the right to vote for the election of Board Members and to be elected to and served on the Board unless the seller expressly retains in writing any or all of such rights. In no event may the seller and purchaser both be counted toward a quorum, be permitted to vote for a particular office or be elected and serve on the Board. Satisfactory evidence of the installment contract shall be made available to the Association or its agents. For purposes of this subsection, "installment contract" shall have the same meaning as set forth in Section 1(e) of "An Act relating to installment contracts to sell dwelling structures", as amended, 765 ILCS 75/1.

13.2. Meetings.

13.2.1. Meetings of the Voting Members shall be held at the Residential 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 Voting Members of the Voting Members holding at least fifty percent (50%) of the Total Member Votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Voting Members at which a quorum is present upon the affirmative vote of the Voting Members having a majority of the Total Member Votes represented at such meeting.

13.2.2. The initial meeting of the Voting Members shall be held upon written notice, not less than twenty-one (21) days, nor more than thirty (30) days after notice given by the Declarant. Such initial meeting of the Voting Members must be held not later than sixty (60) days after the conveyance by the Declarant of three-fourths (3/4) 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 Voting Members on the first Wednesday of November following such initial meeting and on the first Wednesday of each succeeding November thereafter at 7:30 P.M., or at such other reasonable time or date (not more than thirty (30) days before or after such date) as may be designated by written notice of the Board delivered to the Voting Members not less than ten (10) days or more than thirty (30) days prior to the date fixed for said meeting. Prior to the meeting to elect the Initial Board of Managers, the Declarant shall provide, to any Unit Owner, within three (3) working days of a request from said Unit Owner, the names, addresses, telephone numbers (if available), and weighted vote of each Unit Owner entitled to vote at said initial meeting. Any

Unit Owner shall be provided with the information requested above by the Board, upon request within three (3) working days with respect to any meeting to elect Members of the Board.

13.2.3. Special meetings of the Voting Members may be called at any time for the purpose of considering matters which, by the terms of this Declaration, require the approval of all or some of the Voting Members, or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by the President of the Board, a majority of the Board or by the Voting Members having at least twenty percent (20%) of the Total Member 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. Matters to be submitted at special meetings of the Voting Members shall first be submitted to the Board of Managers, at least ten (10) days prior to the special meeting, who shall then submit the matters to the Voting Members.

13.3. Notices of Meetings. Except as otherwise provided herein, notices of meetings of the Voting Members required to be given herein may be delivered either personally or by mail to the persons entitled to vote thereat, addressed to each such person at the address given by him to the Board for the purpose of service of such notice, or to the Unit of the Unit Owner with respect to which such voting right appertains, if no address has been given to the Board, provided that any such notice shall be delivered no less than ten (10) and no more than thirty (30) days prior to the date fixed for such meeting and shall state the time, place and purpose of such meeting. A copy of such notice of meeting required to be given herein shall be posted in a conspicuous place in the Residential Property portion of the Building at least forty-eight (48) hours prior to the time fixed for such meeting.

13.4. Miscellaneous. No merger or consolidation of the Association; or the purchase or sale of land or of Units on behalf of all Unit Owners shall be effectuated unless there is an affirmative vote of three-quarters (3/4) of the Total Member Votes, except where a greater percentage is otherwise provided for in this Declaration or in the Act.

14. ASSESSMENTS - MAINTENANCE FUND.

14.1. Estimated Annual Budget and Assessments. Each year on or before November 1, the Board shall estimate the total amount necessary to pay the cost of all Common Expenses which will be required during the ensuing calendar year for the rendering of all services of the Association, unless the payment of the Service Fee required pursuant to the Operating Agreement Declaration, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements. The annual budget shall set forth with particularity all anticipated Common Expenses by category as well as all anticipated assessments and other income. The budget shall also set forth each Unit Owner's proposed Common Expense assessment. Each Unit Owner shall receive, at least thirty (30) days prior to the adoption thereof by the Board of Managers, a copy of the proposed annual budget; the annual budget shall also take into account the estimated net available cash income for the year from the operation or use of the Common Elements, if any. The "estimated annual budget" shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in **Exhibit E** attached hereto. Each Unit Owner shall receive notice in the same manner as is provided in this Declaration for membership meetings, of any meeting of the Board of Managers concerning the adoption of the proposed annual budget or any increase, or establishment of an assessment, unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened. On or before every month of said year, said Unit Owner jointly and severally shall be personally liable for and obligated to pay any assessment against its Unit Ownership made pursuant to this Section. On or before April 1 of each calendar year following the year in which the initial meeting is held, the Board shall supply to all Unit Owners an itemized accounting of the Common Expenses for the preceding year actually incurred 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 credited according to each Unit Owner's percentage of ownership in the Common Elements to the next monthly installments due from Unit Owners under the current year estimate, until exhausted, and any net shortage shall be added according to each Unit Owner's percentage of ownership in the Common Elements to the installments due in the succeeding six (6) months after rendering of the accounting.

14.2. Reserves and Adjustments. The Board shall establish, segregate and maintain a reasonable reserve for contingencies and replacements. 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. Any extraordinary or non-recurring Common Expense, any Common Expense not set forth in the budget as adopted, and any increase in assessments over the amount adopted shall be separately assessed against all Unit Owners. Any such separate assessment shall be subject to approval by the affirmative vote of Unit Owners holding at least two-third (2/3) of the Total Member Votes voting at a meeting of such Unit Owners duly called for the purpose of approving the assessment if it involves proposed expenditures resulting in a total payment assessed to a Unit Owner equal to the greater of five (5) times the Unit's most recent Common Expense assessment calculated on a monthly basis, or **[Five Hundred Dollars (\$500.00)]**. All Unit Owners shall be personally liable for and obligated to pay their respective adjusted monthly amount. The Board may adopt separate assessments payable over more than one fiscal year. Notwithstanding anything contained herein, separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to Unit Owners' approval.

14.3. Initial Estimate of Annual Budget. When the first Board elected or appointed hereunder takes office, it shall determine the "estimated annual budget" as hereinabove defined for the period commencing thirty (30) days after said election and ending on December 31st of the calendar year in which said election occurs. Assessments shall be levied against the Unit Owners during said period as provided in **Section 14.1** above.

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

14.5. Records of the Association. The managing agent or Board shall maintain the following records of the Association available for examination and copying at convenient hours of weekdays by the Unit Owners or their mortgagees and their duly authorized agents or attorneys:

(i) Copies of: this Declaration and any amendments hereto, the Operating Agreement and any amendments thereto, the Articles of Incorporation of the Association, annual reports and any rules and regulations adopted by the Association or its Board. Prior to the organization of the Association, the Declarant shall maintain and make available the records set forth in this subsection (i) for examination and copying.

(ii) Detailed accurate records in chronological order of the receipts and expenditures affecting the Common Elements (including the monthly payment of the Service Fee required by the Operating Agreement Declaration), specifying and itemizing the maintenance and repair expenses of the

Common Elements and any other expense incurred, and copies of all contracts, leases, or other agreements entered into by the Association shall be maintained.

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

(iv) Such other records of the Association as are available for inspection by members of a not-for-profit corporation pursuant to the General Not-For-Profit Corporation Act, as amended.

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

(vi) 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 such Unit Owner.

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

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

14.8. Assessments. All assessments, or other charges or payments, together with interest thereon and costs of collection (including reasonable attorneys' fees) shall be a continuing lien on the Unit against which each such assessment is made. The lien on each Unit for assessments or other charges or payments shall be subordinate to the lien of any First Mortgage on the Unit recorded prior to the date that any such assessments or other charges or payments become due. Except as hereinafter provided, the lien 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 for any assessments or other charges or payments which became due prior to (1) 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 assessment or other charges or payments 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 nonpayment thereof shall result in a lien against the transferee's Unit.

In addition to the foregoing, the Board or its agents shall have such other rights and remedies to enforce such collection as shall otherwise be provided or permitted by law from time to time. Without limiting the generality of the foregoing, if any Unit Owner shall fail to pay the proportionate share of the Common Expenses or of any other expenses required to be paid hereunder when due, such rights and remedies shall include: (1) the right to enforce the collection of such defaulting Unit Owner's share of such expenses (whether due by acceleration or otherwise), together with interest thereon, at the rate of eighteen percent (18%) per annum or the maximum rate permitted by law, whichever is less, and all fees and costs (including reasonable attorney's fees) incurred in the collection thereof; (2) the right, by giving such defaulting Unit Owner five (5) days written notice of the election of the Board so to do, to accelerate the maturity of the unpaid installments of such expenses accruing with respect to the balance of the assessment year; (3) the right to take possession of such defaulting Unit Owner's interest in the Residential Property; and (4) the right to maintain for the benefit of all the other Unit Owners an action for possession in the manner prescribed in Article IX of the Code of Civil Procedure, and apply the rents derived therefrom against such expenses.

14.9. Lien. It shall be the duty of every Unit Owner to pay its proportionate share of the Common Expenses, in the proportions set forth on **Exhibit E** attached hereto and as assessed in the manner herein provided. If any Unit Owner shall fail or refuse to make any such payment of the Common Expenses when due, the amount thereof together with any interest, late charges, reasonable attorney fees for services actually incurred prior to the initiation of any court action and costs of collection shall constitute a lien on the interest of such Unit Owner in the Residential Property; 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 for the amount of the proportionate share of Common Expenses which become due and payable from and after the date on which the said mortgage owner or holder either takes possession of the Unit, accepts a conveyance of any interest therein (other than as security), or causes a receiver to be appointed. The Association or its successors and assigns, or the Board of its agents shall have the right to maintain a suit to foreclose any such lien, and there shall be added to the amount due, the costs of said suits and other fees and expenses, together with legal interest and reasonable attorneys' fees to be fixed by the Court. The Board or the Association shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Act, the Declaration or these By-laws or which may be available at law or in equity for the collection of all unpaid assessments.

14.10. Non-use. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of its Unit.

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

15. 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:

15.1. General Use. No part of the Residential Property shall be used for other than housing and related common purposes for which the Residential Property was designed, except that the Parking Spaces shall be used exclusively for vehicular parking purposes. Each Unit or any two or more adjoining Units used together shall be used as a residence for a single family or such other uses permitted by this Declaration and for no other purpose. That part of the Common Elements separating any two or more adjoining Units used together as aforesaid may be altered to afford ingress and egress to and from such adjoining Units in such manner and upon such conditions as shall be determined by the Board in writing.

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

15.3. Prohibited Use. 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 Building, or contents thereof, which would be in violation of any law, or which would be in violation of the Operating Agreement Declaration. No waste shall be contained in the Common Elements. No Unit Owner shall overload the electric wiring in the Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without prior written consent of the Board.

15.4. Unit Owner Insurance. Each Unit Owner shall be responsible for its own insurance on its personal property and business interruption insurance in its own Unit, its personal property stored elsewhere on the Residential Property and its personal liability to the extent not covered by the liability insurance for all the Unit Owners obtained by the Board as provided in the Operating Agreement.

15.5. Exterior Attachments. Unit Owners shall not cause or permit anything to be placed on the outside walls of the Building and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior consent of the Board, unless such consent of the Board has been preempted under applicable law.

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

15.7. Pets, Etc. No animals, reptiles, rabbits, pigs, 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, or other household pets may be kept in Units, subject to rules and regulations adopted by the Board, and provided further that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Residential Property upon three (3) days' written notice from the Board.

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

15.9. Unsignifcance. No clothes, sheets, blankets, laundry or any kind of other articles shall be hung out or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris, other unsightly materials and personal property owned by Unit Owners or other Occupants of Units.

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

15.11. Limits on Leases. No Unit in the Residential Property shall be leased by a Unit Owner, or occupied by any Occupant for a term less than six (6) months. Each lease of any one or more Units shall be in writing and a copy of every such lease shall be furnished to the Board on the first to occur of (a) ten (10) days after such lease is signed or (b) the date of occupancy. The lessee under every such lease shall be bound by and subject to all of the obligations under this Declaration (including the Bylaws) and rules and regulations of the Association, of the Unit Owner making such lease, and the failure of the lessee to comply therewith shall constitute a default under the lease which shall be enforceable by the Board or the Association, and the lease shall be deemed to expressly so provide. The Unit Owner making such lease shall not be relieved thereby from any of said obligations. In addition to any other remedies provided for in the Declaration, by filing an action jointly against the tenant and Unit Owner, the Association may seek to enjoin such tenant from occupying a Unit or seek to evict such tenant under the provisions of Article IX of the Code of Civil Procedure for failure of the Unit Owner to comply with the leasing requirements prescribed by this Section or elsewhere in this Declaration (including the Bylaws) and Rules and Regulations of the

Association. The Board may proceed directly against such tenant, at law or in equity, or under the provisions of Article IX of the Code of Civil Procedure, for any other breach by - such tenant of the provisions of this Declaration (including the By-Laws) or the Rules and Regulations of the Association. With the exception of the Commercial Property, prior to occupancy of a Unit by a lessee, the Unit Owner shall furnish to the Board the following information:

(a) The name, address and telephone number (both home and business) of such lessee;

(b) The names of all persons who will occupy the Unit; and

(c) Such other information regarding such lessee and other Occupants as the Board may prescribe through rules.

15.12. Limited Business Uses. Nothing in this Declaration shall be construed as prohibiting a Unit Owner from maintaining its personal professional library, keeping its personal business or professional records or accounts, handling its personal business or professional telephone calls or conferring on a limited basis with business or professional associates, client or customers within its Unit.

16. REMEDIES FOR BREACH OF COVENANTS, RESTRICTIONS AND REGULATIONS

16.1. Abatement and Enjoinment. The violation of any restriction or condition or regulation adopted by the Board, or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to the rights set forth in the next succeeding section: (i) to enter upon that part of the Residential Property where such violation or breach exists and summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and the provisions hereof, and the Declarant, or their successors or assigns, or the Board, or its agents shall not thereby be deemed guilty in any manner of trespass; or (ii) to enjoin, abate or remedy by appropriate legal proceeding, either at law or in equity, the continuance of any breach. All expenses of the Board in connection with such actions or proceedings, including court costs and attorneys' fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the rate of eighteen percent (18 %) *per annum* until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of its respective share of the Common Expenses, and the Board shall have a lien for all of the same upon the Unit Ownership of such defaulting Unit Owner and upon all of its property in its Unit or located elsewhere on the Residential Property. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise by the Board.

16.2. Violations of Declaration or By-Laws. 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 or restrictions or provisions of this Declaration, or the regulations adopted by the Board and such violation shall continue for thirty (30) days after notice in writing from the Board, or shall reoccur more than once after such notice, then 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 to continue as a Unit Owner and to continue to occupy, use or control its Unit and thereupon an action in equity may be filed by the members of the Board against the defaulting Unit Owner for a decree of mandatory injunction against said Unit Owner or Occupant or, in the alternative, for a decree declaring the termination of the defaulting Unit Owner's right to occupy, use or control the Unit owned by him on account of the said violation, and ordering that the right, title and interest of the Unit Owner in the Property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and such other terms as the court shall deem equitable. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceedings and sale, and all such items shall be taxed against the defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessment 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 Ownership 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 Residential Property sold subject to this Declaration.

16.3. Notice to Unit Owner. Prior to the imposition of any fine, the taking of any action pursuant to **Section 16.1**, and concurrently with the sending of the initial notices described in **Section 16.2**, the Board shall notify the Unit Owner or Occupant, as the case may be, in writing of the violation of

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

16.4. Enforcement by Unit Owners. Enforcement of the provisions contained in this Declaration and the rules and regulations adopted hereunder may be by any proceeding at law or in equity by any aggrieved Unit Owner against any person or persons violating or attempting to violate any such provisions, either to restrain such violation or to recover damages, and against a Unit to enforce any lien created hereunder. Any such enforcement actions taken by the Board hereunder and are cumulative and non-exclusive.

16.5. Fines. The Board may impose a reasonable fine upon the Unit Owners for a violation of a rule or regulation of the Board, in accordance with the procedures outlined in **Section 16.3** above.

16.6. Dedication. A three-quarter (3/4) majority of the Total Member Votes at a meeting of Unit Owners, duly called for such purpose, may elect to dedicate a portion of the Common Elements to a public body for use as, or in connection with, a street or utility.

17. RIGHTS OF FIRST MORTGAGEES.

17.1. Notice to First Mortgagees. Upon written request to the Board, the holder of any duly recorded First Mortgage against any Unit Ownership shall be given a copy of any and all notices permitted or required by this Declaration to be given to the Unit Owner whose Unit Ownership is subject to such First Mortgage. The First Mortgagee, only if requested by such First Mortgagee, shall receive copies of some or all of the following as designated:

- (i) Copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Association to the Owner of the Unit covered by the first mortgagee's mortgage;
- (ii) Copies of notices of meetings of the Owners and the right to be represented at any such meetings by a designated representative;
- (iii) Notice of substantial damage to or destruction of any Unit (in excess of \$1,000.00) or any part of the Common Elements (in excess of \$10,000.00);
- (iv) Notice of any default of the Owner of the Unit which is subject to the First Mortgagee's mortgage, where such default is not cured by the Owner within thirty (30) days after the giving of notice by the Association to the Owner of the existence of the default;
- (v) Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Residential Property;
- (vi) Notice of any default of the Owner of the Unit which is subject to the First Mortgagee's Mortgage, where such default is not cured by the Owner within The abandonment or termination of the condominium;

(vii) The partition of the Unit;

(viii) The abandonment, partition, subdivision, encumbrance, sale or transfer of the Common Elements (except for the granting of easements for public utilities or for other purposes consistent with the intended use of the Residential Property and except for the encumbrance, sale or transfer of a percentage ownership interest in connection with the encumbrance, sale or transfer of a Unit);

(ix) thirty (30) days after the giving of notice by the Association to the Owner of the existence of the default;

(x) The right to examine the books and records of the Association at any reasonable time; or

(xi) The effectuation of any decision by the Association to terminate professional management and assume self-management of the Residential Property. The request of a First Mortgagee or its servicer shall specify which of the above it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Association. Failure of the Association to provide any of the foregoing to a First Mortgagee who has made a proper request therefor shall not affect the validity of any action which is related to any of the foregoing. The Association need not inquire into the validity of any request made by a First Mortgagee hereunder and in the event of multiple requests from purported First Mortgagees of the same Unit Ownership, the Association shall honor the most recent request received.

17.2. Consent of First Mortgagees

17.2.1. In addition to any requirements or prerequisites provided for elsewhere in this Declaration, the consent of First Mortgagees holding First Mortgages on at least two-thirds (2/3) of the Units (by number) which are subject to First Mortgages will be required for the Association to do or permit to be done any of the following:

(i) Adoption of an amendment to this Declaration or the Operating Agreement, other than amendments pursuant to Section 20 of the Operating Agreement, which, (i) changes the percentage ownership interests, (ii) changes **Section 17** or any other provision of this Declaration which specifically grants rights to First Mortgagees; (iii) materially changes insurance and fidelity bond requirements, or (iv) imposes a right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer or otherwise convey its Unit;

(ii) The abandonment or termination of the condominium;

(iii) The partition of the Unit;

(iv) The abandonment, partition, subdivision, encumbrance, sale or transfer of the Common Elements (except for the granting of easements for public utilities or for other purposes consistent with the intended use of the Residential Property and except for the encumbrance, sale or transfer of a percentage ownership interest in connection with the encumbrance, sale or transfer of a Unit);

(v) The sale of the Residential Property;

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

(vii) The use of hazard insurance proceeds for losses to the Residential Property (whether to Units or to the Common Elements) for other than the repair, replacement or reconstruction of such Units or Common Elements;

provided that such consent of First Mortgagees will not be required with respect to any action under (i) through (vii) above which occurs as a result of (i) substantial damage due to fire or other casualty; (ii) a

taking of a portion or all of the Residential Property by condemnation or eminent domain; or (iii) changes in the percentage ownership interests as permitted and provided for in **Section 2** hereof as a result of the combination or subdivision of Units.

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

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

17.4. Administrator Approvals. Anything herein to the contrary notwithstanding, whenever in this Declaration, the Operating Agreement Declaration or the By-Laws provide for the approval or consent of the Administrator, such approval or consent shall not be required unless the Administrator, (i) has issued its condominium project approval of the condominium and such project approval has not terminated; (ii) has issued a guarantee of the first mortgage on at least one Unit which guarantee is then outstanding; (iii) is the owner or holder of a first mortgage on a Unit; or (iv) is a Unit Owner. Whenever required, such approval or consent shall be deemed granted unless the party seeking the consent or approval is advised to the contrary in writing within thirty (30) days of making the request for consent or approval.

18. OPERATING AGREEMENT.

The Residential 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 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 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 operating 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 in the performance of such obligations or as a contribution toward the payment of such obligations, such costs, expenses and reserves shall be assessed to the Unit Owners as part of the assessments otherwise due and owing hereunder, the payment of such shall be enforced in the same manner as for other assessments provided herein. The Association reserves the right and power to enter into any amendments and modifications to such 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 Association. In furtherance of such right to enter into amendments and modifications to the Operating

Agreement, a power coupled with an interest is hereby served and granted to 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 Association to make, execute and record such amendments and modifications to the Operating Agreement and to carry out all duties and obligations imposed thereunder. Without limitation on the foregoing terms, it is understood that the Declarant may exercise all rights, power and privileges of the Association and may perform all of its functions pursuant to this Section 18 prior to the election of the first Board of Directors by the Unit Owners pursuant to this Declaration.

19. GENERAL PROVISIONS.

19.1. 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, or at 711 W. Grand Avenue, Chicago, Illinois 60610 (indicating thereon the number of the respective Unit if addressed to a Unit Owner), or at such other address as herein provided. The Association or Board may designate a different address or addresses for notice to them, respectively, by giving written notice of its 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 the mailbox in the Building or at the door of its or her Unit in the Building.

19.2. Notices 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 its or her or its address appearing in the records of the court wherein the estate of such deceased Unit Owner is being administered.

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

19.4. 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 occur.

19.5. Amendments.

19.5.1. Except as otherwise provided in the Act and **Section 13** of this Declaration, 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 all of the members of the Board, at least three-fourths (3/4) of the Unit Owners and the approval of any mortgages required under the provisions of the Condominium Instruments, and 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 First 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 Condominium Property Act and shall be effective upon recordation thereof. 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 the 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, the number of Total Member Votes, or the liability for Common Expenses appertaining to a Unit. The provisions of **Sections 1 and 7 of this Section 19** may be amended only with the written consent of all first mortgagees.

19.5.2. The Declarant, its beneficiary, the Developer, the Declarant and their designee reserve the right and power to record a 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 Veterans Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities;

(ii) To induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Unit Ownership;

(iii) To bring this Declaration into compliance with the Act; or

(iv) To correct clerical or typographical 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 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 of the Declarant, its beneficiary, the Developer, the Declarant or their designee to vote in favor of, make, execute and record Special Amendments. The right of the Declarant, its beneficiary, the Developer, the Declarant or their designee to act pursuant to rights reserved or granted under this paragraph shall terminate at such time as the Declarant, its beneficiary, the Developer, the Declarant or their designee no longer holds or controls title to any Unit.

19.6. Invalidity. The invalidity of any covenants, restrictions, conditions, limitations or any other provisions of this Declaration, or of any part of the same, shall not impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration.

19.7. Perpetuities and Restraints. If any of the options, privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of (i) the rule against perpetuities or some analogous statutory provision, (ii) the rules restricting restraints on alienation, or (iii) 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 descendants of George Bush, former President of the United States.

19.8. Liens.

(i) 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 Owners of any such Unit so affected may remove such Unit and the undivided interest in the Common Elements appertaining thereto from such lien by payment of the proportional amount of such indebtedness attributable to such Unit. In the event such lien exists against the Units or against the Residential Property, the amount of such proportional payment shall be computed on the basis of the percentage set forth in the Declaration. Upon payment as herein provided, it is the duty of the party making the encumbrance 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.

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

If, as a result of work expressly authorized by the Board of Managers, a mechanics' lien claim is placed against the Residential Property or any portion of the Residential 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.

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

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

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

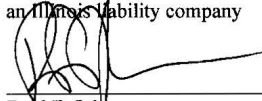
19.12. Land Trust Unit Owners Exculpation. In the event title to any Unit Ownership is conveyed to a land title holding trust, under the terms of which all powers of management, operation and control of the Unit Ownership remain vested in the trust beneficiary or beneficiaries, then the Unit Ownership 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 Ownership. No claim shall be made against any such titleholding Trustee personally for payment of any lien or obligation hereunder created and the Trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Unit Ownership and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title of such Unit Ownership.

19.13. Technical Corrections. A power coupled with an interest is hereby retained by and granted to the Declarant or the Developer, their successors, assigns or designees, as attorney-in-fact to amend this Declaration, subject to the rights of holders of First Mortgages or trust deeds under **Section 17** above, for the purpose of correcting, changing or providing further details as to any provision of this Declaration or any amendment hereto, which, as a result of a clerical error fails to fully set forth the intent or purpose of the Declarant and the Developer. The acceptance of each deed, mortgage or other instrument with respect to any Unit shall be deemed to be a confirmation of such power to such attorney-in-fact and shall be deemed to constitute a consent and agreement to and acceptance, confirmation and ratification of all such amendments.

19.14. Declarant Exculpation. This Declaration is executed by Grand Ave. Developers, 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 as such Declarant. All of the obligations, duties, covenants, indemnities and agreements of every nature herein set forth by Declarant, to be kept or performed, are intended to be kept, performed and discharged by the Declarant 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 partners or members or managers, 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.

IN WITNESS WHEREOF, GRAND AVENUE DEVELOPERS, L.L.C., as Declarant as aforesaid, has caused this Declaration to be made as of the 24 day of June, 2007.

GRAND AVENUE DEVELOPERS, L.L.C.,
an Illinois liability company

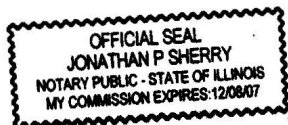


Reid F. Johnson
Manager

STATE OF ILLINOIS)
)SS
 COUNTY OF COOK)

I, Jonathan P. Sherry, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Reid F. Johnson, Manager of GRAND AVENUE DEVELOPERS, L.L.C., an Illinois limited liability company, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Manager, appeared before me this day in person and acknowledged that he signed and delivered the same instrument as his own free and voluntary act and as the free and voluntary act of said Company, as aforesaid, for the uses and purposes therein set forth.

GIVEN, under my hand and notarial seal, this 22nd day of June, 2007.



Jonathan P. Sherry
 Notary Public

CONSENT

The undersigned, American Chartered Bank, as mortgagee under that certain Mortgage recorded with the Recorder of Deeds of Cook County, Illinois, on February 28, 2002, as Document Nos. 0020234058 (the "Mortgage"), does hereby consent to the execution, delivery and recording of the above and foregoing Declaration and subordinates the lien of the Mortgage to the Declaration.

AMERICAN CHARTERED BANK

By: Ronellia G. Ziebart
 Its: Group Sr. V.P.

STATE OF IL)
) SS.
 COUNTY OF COOK)

I, Sarah M. Ransom, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Ronellia Ziebart of American Chartered Bank, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Group Sr. V.P., appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary acts and as the free and voluntary act and deed of said Bank, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 15 day of June, 2007.

Sarah M. Ransom
 Notary Public

My commission expires 1/18/2011



EXHIBIT A

LEGAL DESCRIPTION

Lots 39, 40, 41, 42 and 43 in Ogden and Others Subdivision of Lots 1, 2 and 3 and part of Lots 4, 9, 10 and 11 in Block 74 with Sub-Lots 25 and 26 of Dillion's Subdivision of part of said Block 74 in Russell Mater and Robert's Addition to Chicago in the West ½ of the Northwest ¼ of Section 9, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois

Permanent Index Numbers: 17-09-104-004-0000
 17-09-104-005-0000
 17-09-104-006-0000

Property Address: 711 West Grand Avenue
 Chicago, Illinois 60610

EXHIBIT B

EDISON GRAND CONDOMINIUMS DECLARATION
PLAT OF SURVEY
(DEPICTING THE RESIDENTIAL AND COMMERCIAL PROPERTY)
(TO BE ATTACHED UPON COMPLETION OF ALL UNITS)

B-1

EXHIBIT D

LEGAL DESCRIPTION OF THE UNITS

UNITS 201, 202, 203, 204, 301, 302, 303, 304, 401, 402, 403, 404, 501, 502, 503, P-1, P-2, P-3, P-4, P-5, P-6, P-7, P-8, P-9, P-10, P-11, P-12, P-13, P-14 AND P-15 IN THE EDISON GRAND CONDOMINIUM, AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE:

LOTS 39, 40, 41, 42 AND 43 IN OGDEN AND OTHERS' SUBDIVISION OF LOTS 1, 2 AND 3 AND PART OF LOTS 4, 9, 10 AND 11 IN BLOCK 74 WITH SUBLOTS 25 AND 26 OF DILLION'S SUBDIVISION OF PART OF SAID BLOCK 74 IN RUSSELL, MATHER AND ROBERT'S ADDITION TO CHICAGO IN THE WEST 1/2 OF THE NORTHWEST 1/4 OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

(EXCEPTING THEREFROM THE COMMERCIAL SPACE AS DESCRIBED AND DELINEATED ON THE SURVEY ATTACHED TO THE DECLARATION)

WHICH SURVEY IS ATTACHED AS EXHIBIT "-" TO THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT NUMBER -, TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, ALL IN COOK COUNTY, ILLINOIS

EXHIBIT E
PERCENTAGE INTEREST IN COMMON ELEMENTS

Unit	Percentage
201	5.07%
202	6.19%
203	6.16%
204	5.15%
301	5.33%
302	6.53%
303	6.49%
304	5.43%
401	5.60%
402	6.85%
403	6.82%
404	5.71%
501	5.89%
502	7.62%
503	7.66%
P-1	0.50%
P-2	0.50%
P-3	0.50%
P-4	0.50%
P-5	0.50%
P-6	0.50%
P-7	0.50%
P-8	0.50%
P-9	0.50%
P-10	0.50%
P-11	0.50%
P-12	0.50%
P-13	0.50%
P-14	0.50%
P-15	0.50%
Total	100.00%

Doc#: 0716515082 Fee: \$226.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 06/14/2007 12:52 PM Pg: 1 of 47

EXHIBIT

ATTACHED TO

40pg
7EX
47 total

0716515082
6-14-07

DOCUMENT

SEE PLAT INDEX