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DECLARATION OF CONDOMINIUM PURSUANT TO THE CONDOMINIUM PROPERTY ACT FOR MUSEUM PARK LOFTS

This Declaration made and entered into this 21st day of January, 2004, by 13TH STREET LOFTS, L.L.C., an Illinois limited liability company (hereinafter referred to as "Owner"):

WITNESSETH:

WHEREAS, Owner is the owner in fee simple of certain real estate, hereinafter described, in Chicago, Cook County, Illinois; and

WHEREAS, Owner intends to, and does hereby submit such real estate together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in anyway pertaining thereto, to the provisions of the Illinois Condominium Property Act; and

WHEREAS, Owner desires to establish certain rights and easements in, over and upon said real estate for the benefit of itself and all future owners of any part of said real estate and any unit or units thereof or therein contained, and to provide for the harmonious, beneficial and proper use and conduct of the real estate and all units; and

WHEREAS, Owner desires and intends that the several unit owners, mortgagees, occupants, and other persons hereafter acquiring any interest in the Property, hereinafter defined, shall at all times enjoy the benefits of, and shall hold their interests subject to the rights, easements, privileges, and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of the Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property.

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NOW, THEREFORE, Owner DECLARES as follows:

1. Definitions. Certain words and terms used in this Declaration are defined as follows:

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

(b) Association: The Association of all the Unit Owners acting pursuant to the by-laws, as amended, through its duly elected Board.

(c) Board: The Board of Managers of the Association as constituted at any time and from time to time. In the event the Association is incorporated, the Board shall mean the Board of Directors of the incorporated Association.

(d) Building: The structure containing the Units.

(e) By-laws: The by-laws of the Association.

(f) Common Elements: All portions of the Property except the Units, including without limiting the generality of the foregoing, the Parcel, roof, exercise area, exterior walls, the storage room and structural parts of the improvements on the Parcel, wherever located. Also referred to herein as Common Areas.

(g) Common Expenses: The proposed or actual expenses affecting the Property, including Reserves, if any, lawfully assessed by the Board.

(h) Condominium Instruments: All documents and authorized amendments thereto Recorded pursuant to the provisions of the Act, including the Declaration, by-laws and Plat.

(i) Developer: EDC DEVELOPMENT, L.L.C., an Illinois limited liability company, and its successors and assigns, or such other persons or entities as Owner may from time to time designate.

(j) First Mortgagee: The holder of a note secured by a bona fide first mortgage or first trust deed covering any portion of the Property.

(k) Limited Common Elements: That part of the Common Elements contiguous to and serving a single Unit exclusively as an inseparable appurtenance thereto including specifically such portions of the perimeter walls, floors and ceilings, windows, doors, and all fixtures and structures therein which lie outside the Unit boundaries, pipes, ducts, flues, shafts, electrical wiring or conduits or other system or component part thereof which serve a Unit exclusively to the extent such system or component part is located outside the boundaries of a Unit and portions of the Common Elements which

have been designated by this Declaration or the Plat as Limited Common Elements including balconies, roof terraces and storage lockers, if any, which have been designated on the plat as such Limited Common Elements. Each storage locker, roof terrace or balcony serving a single Unit shall be a Limited Common Element appurtenant to the Unit benefited thereby. The Commercial Storage Unit shall not be considered a Limited Common Element hereunder.

(l) Maintenance Fund: All monies collected or received by the Association pursuant to the provisions of the Condominium Instruments.

(m) Majority of Unit Owners: The owners of more than 50% in the aggregate in interest of the undivided ownership of the Common Elements. Any specified percentage of the Unit Owners means such percentage in the aggregate in interest of such undivided ownership.

(n) Occupant: A person or persons, other than a Unit Owner, in possession of a Unit.

(o) Parcel: The lot or lots, tract or tracts of land, submitted to the provisions of the Act pursuant to the Declaration, as amended.

(p) Person: A natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

(q) Plat: A plat or plats of survey of the Parcel and of all Units in the Property submitted to the provisions of the Act, which shall consist of a three dimensional horizontal and vertical delineation of all such Units and such other data as may be required by the Act.

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

(s) Record: To record in the Office of the Recorder of Deeds of Cook County, Illinois.

(t) Reserves: Those sums paid by Unit Owners which are separately maintained by the Board for purposes specified by the Board or the Condominium Instruments.

(u) Unit: Any part of the Property designed and intended for any type of independent use and which is designated on the Plat as a Unit. A Unit located in the Building and used primarily for living purposes shall be referred to herein as a "Dwelling Unit"; a Unit used for the purpose of parking permitted vehicles shall be referred to

herein as a "Garage Unit." The Unit located in the Building and used primarily for the storage and operation of computers, high tech communication devices and other equipment servicing the Building and the Dwelling Units therein, shall be referred to herein as the "Commercial Storage Unit" (identified on the Plat and Exhibits as CSU-1) and shall not be deemed a part of the Common Elements or the Limited Common Elements. The Commercial Storage Unit and the Dwelling Units together with the Garage Units, shall be collectively referred to herein as "Unit," unless otherwise specified.

(v) Unit Owner: The person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit.

2. Legal Description of Parcel. The Parcel hereby submitted to the provisions of the Act are legally described as follows:

THAT PART OF CERTAIN LOTS, BLOCKS, STREETS, PRIVATE STREETS AND ALLEYS AND PART OF THE LANDS OF THE ILLINOIS CENTRAL RAILROAD COMPANY ALL IN THE NORTHWEST FRACTIONAL QUARTER OF SECTION 22, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID TRACT BEING DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE EAST LINE OF SOUTH MICHIGAN AVENUE WITH THE SOUTH LINE OF ROOSEVELT ROAD AS DEDICATED PER DOCUMENT 93954909; THENCE NORTH 89 DEGREES 55 MINUTES 25 SECONDS EAST ALONG SAID SOUTH LINE 324.58 FEET TO THE WEST LINE OF SOUTH INDIANA AVENUE AS DEDICATED PER DOCUMENT NUMBER 93954909; THENCE SOUTH 00 DEGREES 01 MINUTES 19 SECONDS WEST ALONG THE WEST LINE OF SOUTH INDIANA AVENUE, AFORESAID, 575.78 FEET TO THE POINT OF BEGINNING, SAID POINT BEING ALSO A POINT ON THE EASTERLY EXTENSION OF THE SOUTH LINE OF EAST 13TH STREET, THENCE SOUTH 89 DEGREES 58 MINUTES 42 SECONDS WEST ALONG THE EASTERLY EXTENSION OF THE SOUTH LINE OF EAST OF EAST 13TH STREET AFORESAID, 177.42 FEET TO THE EAST LINE OF AN 18 FOOT PUBLIC ALLEY; THENCE SOUTH 00 DEGREES 03 MINUTES 35 SECONDS WEST ALONG THE EAST LINE OF AN 18 FOOT PUBLIC ALLEY, 134.00 FEET, THENCE NORTH 89 DEGREES 58 MINUTES 42 SECONDS EAST 177.51 FEET TO THE WEST LINE OF SOUTH INDIANA AVENUE AFORESAID; THENCE NORTH 00 DEGREES 01 MINUTES 19 SECONDS EAST ALONG THE WEST LINE OF SOUTH INDIANA, AFORESAID, 134.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

3. Description of Units. All Units are delineated on the Plat attached hereto as Exhibit D and made a part of this Declaration. It is understood that when Exhibit D was prepared, additional improvements to be made to the Parcel may not have been wholly completed. Owner Reserves the right to prepare, and shall cause to be recorded when any additional improvements are completed, an amended Plat showing the actual locations and dimensions of all improvements that are completed after the date Exhibit D was prepared. Whenever in this Declaration the term Plat or Exhibit D appears, it shall be deemed to include such amended Plat as may be hereafter recorded pursuant to this Section. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on the Plat. Said Units are legally described on Exhibit A attached hereto and made a part hereof. The Dwelling Unit Owners shall have an unrestricted right of ingress and egress to their respective Units, subject to such reasonable rules and regulations as may be established by the Association. The Commercial Storage Unit Owner, its successors or assigns, affiliates, employees, tenants, licensees and other

authorized personnel, shall have an unrestricted right of ingress and egress to the Commercial Storage Unit, provided that such ingress and egress shall not create a material and substantial nuisance to the other Unit Owners. The Association shall not have the right to promulgate rules and regulations which interfere with the use of the Commercial Storage Unit for its intended purposes. The Association shall place no restrictions upon the sale, transfer, assignment, leasing, subleasing, licensing or other conveyance of the Commercial Storage Unit. All Garage Units, access thereto and the use thereof shall be subject to such reasonable rules and regulations as may be established by the Association. Garage Units may only be sold, transferred, assigned, leased, subleased or otherwise conveyed to the owners of Dwelling Units.

4. Use and Ownership of the Common Elements.

(a) The use of the Common Elements and the right of the Unit Owners with respect thereto shall be subject to and governed by the Act, the Condominium Instruments and the rules and regulations of the Board.

(b) Each Unit Owner shall own an undivided interest in the Common Elements, in the percentage set forth in Exhibit B attached hereto and made a part hereof, as a tenant in common with all the other Unit Owners. Except for the Limited Common Elements serving other Units, each Unit Owner, his agents, permitted Occupants, family members and invitees shall have the right to use the Common Elements for all purposes incident to the use and occupancy of his Unit as a place of residence and such other incidental uses permitted by the Condominium Instruments (including without limitation those uses permitted herein with respect to the Commercial Storage Unit), which right shall be appurtenant to, and run with, his Unit. Any conveyance, encumbrance, judicial sale or other transfer, whether voluntary or involuntary, of an interest in the Common Elements shall be void unless the Unit to which that interest is allocated is also so transferred. Each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements contiguous to and serving only his Unit and the Limited Common Elements access to which is available only through his Unit. The right to the exclusive use and possession of the Limited Common Elements as aforesaid shall be appurtenant to and run with the Unit of such Unit Owner.

(c) (1) The Garage Units on the Premises as they relate to Garage Units GU-1 through GU-151 (the "Garage Units") shall all be considered as separate units herein. The legal description of each Garage Unit shall consist of the identifying symbol of such Garage Unit as shown on the survey and every such description shall be deemed good and sufficient for all purposes.

The Owner will assign by Deed certain Garage Units along with the Deed of conveyance for each Dwelling Unit and if so, the percentage of ownership in the Common Elements appurtenant to each such Unit may include an allocation of Common Elements attributable thereto for said Garage Unit and Dwelling Unit on account of such assignment. Prior to the conveyance by the Owner of a particular Garage Unit to a Dwelling Unit Owner, the Owner shall have the authority, without joinder or consent of

any other party, to make any allocation, sale, assignment or lease of such Garage Unit to any Dwelling Unit Owner.

2) The Storage Lockers on the premises are identified as: S-1 through S-149 and shall be part of the Limited Common Elements. Each of the particular storage lockers contained therein are expressly declared Limited Common Elements serving the particular unit as designated and assigned by the Developer in the Deed of conveyance for each Unit. The legal description of each Storage Locker ("Storage Lockers") shall consist of the identifying symbol of such Storage Locker as shown on the survey and every such description shall be deemed good and sufficient for all purposes. The owner of each Unit served by a Limited Common Element Storage Locker as set forth in the Deed of conveyance for that Unit shall have as a right and benefit appurtenant to his ownership of such Unit, that certain Storage Locker assigned to his Unit in the Deed of conveyance for that Unit, for his perpetual and exclusive use for storage purposes. Each deed, lease, mortgage, or other instrument affecting such Unit shall include the perpetual and exclusive use of the specific Storage Locker appurtenant thereto. Any such deed, lease, mortgage or other reference to the Storage Locker appurtenant thereto shall be deemed and taken to include the said Storage Locker and the perpetual and exclusive use thereof even though not expressly mentioned or described therein.

3) The Owner will assign by Deed certain Limited Common Element Storage Lockers to certain Units along with the Deed of conveyance for each Unit and the percentage of ownership in the Common Elements appurtenant to each such Unit includes an allocation of Common Elements attributable thereto on account of such assignment. Prior to the conveyance by the Owner of the particular Units involved, the Owner shall have the authority, without joinder or consent of any other party, to make any allocation and assignment of the Limited Common Element Storage Locker to be assigned to such Units.

4) Storage Lockers are Limited Common Elements, the exclusive use of which may be transferred between Unit Owners at their own expense in accordance with Section 26 of the Illinois Condominium Property Act and this Declaration. Each such transfer shall be made by an Amendment to the Declaration executed by the Unit Owners who are parties to the transfer and shall be subject to the approval by the Board. The Board shall also have the right to prescribe the form of the Amendment to be recorded. Any costs and fees related to such transfer shall be paid by the Unit Owners requesting the transfer. No transfer shall become effective until the Amendment has been recorded.

5) Each Dwelling Unit shall have a balcony or roof terrace appurtenant to such Unit as designated in the Plat. These balconies and roof terraces shall be Limited Common Elements appurtenant to such Unit as designated in the Plat. All balconies and roof terraces are subject to those reasonable rules and regulations as may be adopted from time to time by the Board.

6) All Garage Units and all Limited Common Element Storage Lockers, balconies and roof terraces, and access thereto shall be subject to such reasonable rules

and regulations as may be established by the Board, as hereinafter provided. A Storage Locker, balcony, roof terrace, or Garage Unit may be used by the Unit Owner's guests, licensee or assignees provided such use is at all times in accordance with the rules and regulations of the Board.

7) The Board shall maintain the Garage Units, Limited Common Element Storage Lockers, balconies and roof terraces from and out of the Common Expense assessments. The Garage Units may be sold transferred, assigned, leased and subleased or otherwise conveyed only to the owner of a Dwelling Unit.

(d) The cable lines, wires and other such items which run through the Building, pursuant to an easement described below, and serving the computers and other such communications equipment located in the Commercial Storage Unit, shall be for the sole and exclusive use of the Owner of the Commercial Storage Unit, its affiliates, employees, tenants, licensees or other authorized personnel.

5. Encroachments and Easements.

(a) If any part of the Common Elements or Limited Common Elements encroaches or shall hereafter encroach upon any part of any Unit or its Limited Common Elements, or any part of any Unit or its Limited Common Elements encroaches or shall hereafter encroach upon any part of the Common Elements, or any portion of any Unit encroaches upon any part of any other Unit as a result of the construction, repair, reconstruction, settlement or shifting of the Building, valid easements for the maintenance of such encroachment are hereby established and shall exist for the benefit of such Unit or Common Elements so encroaching so long as all or any part of the Building containing such Unit or Common Elements so encroaching shall remain standing; provided, however, that after the date this Declaration is recorded, a valid easement for an encroachment shall in no event be created in favor of any owner of a Unit other than the Owner or in favor of the owners of the Common Elements if such encroachment occurred due to the willful conduct of said owner or owners.

(b) (1) Easements are hereby declared and granted to the appropriate utility companies, including the City of Chicago, for utility purposes, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, and electrical conduits, wires and equipment over, under, along and on any part of the Common Elements, as such utilities exist on the date the Parcel is submitted to the Act. (2) A blanket easement is hereby declared and granted to the Owner of the Commercial Storage Unit, its successors and assigns, and those communications companies, which shall lease or have a license to use the Commercial Storage Unit, including without limitation those companies which may be affiliates of the Owner, to install operate, maintain and remove from time to time those facilities, cable lines, wires and equipment which have been placed over, under, along and on any part of the Common Elements, as such exists on the date the Parcel is submitted to the Act and which are used in connection with the operation of those communications devices located in the Commercial Storage Unit. In addition, the aforementioned Owner and the above

referred communications companies shall have the right to install and maintain required service connections on the Property and within the Building without notice as may be reasonably necessary, and to enter the Property and Building in order to exercise their rights hereunder. The aforementioned Commercial Storage Unit Owner and the above referred communications companies, at their own expense, shall be responsible for returning the Property and Building to substantially the same condition as existed prior to the commencement of any installation or maintenance work permitted hereunder. The Owner may, but shall not be required, to record a separate easement agreement, setting forth any additional terms of this easement.

(c) A blanket easement is created and granted in favor of Owner and the Owner's representatives, agents, associates, employees, contractors, subcontractors, successors and assigns for the purpose of (i) access and ingress to and egress from the Parcel or any part thereof, (ii) construction, installation, repair, replacement and restoration of utilities, roads, buildings, landscaping and any other improvements on the Parcel or any part thereof including the right to restrict and regulate access to the Common Elements and Units for the purposes of completing construction and renovation of these areas or the improvements thereon, and (iii) the installation and maintenance of signs advertising the Units on the Parcel or any part thereof, and signs directing potential purchasers to the sales office and models erected in connection with marketing for sale of such Units and for such purposes as described in Paragraph 12 hereof. The foregoing easements in favor of Owner shall continue until such time as Owner no longer holds legal title to, or the beneficial interest in any trust holding legal title to, any Units at which time such easements shall cease and be of no further force and effect without the necessity of any further action.

(d) Upon approval by at least 67% of the Unit Owners, portions of the Common Elements may be dedicated to a public body for purposes of streets or utilities. Where such a dedication is made, nothing in the Act or any other law shall be construed to require that the real property taxes of every Unit must be paid prior to recordation of the dedication. Upon approval by a Majority of the Unit Owners, an easement may be granted for the laying, maintenance, and repair of cable television cable. Upon approval by a Majority of the Unit Owners, an easement may be granted to a governmental body for construction, maintenance, and repair of a project for protection against water damage or erosion. Any action pursuant to this subparagraph (c) of paragraph 5 must be taken at a meeting of Unit Owners duly called for that purpose.

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

(f) Reference in the respective Deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Declaration, shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of such Parcel as fully and completely as

though such easements and rights were recited fully and set forth in their entirety in such documents.

6. Pipes, etc. All pipes, wires, ducts, flues, chutes, conduits, public utility lines (to tie outlets), and structural components located in or running through a Unit and serving more than one Unit or another Unit or serving, or extending into, the Common Elements, or any part thereof, shall be deemed part of the Common Elements but shall not be deemed to be Limited Common Elements. No Unit Owner may take any action which would interfere with the ability of the Association to repair, replace or maintain said Common Elements as provided herein.

7. Lease of Units or Sublease or Assignment of Lease Thereof. Any Unit Owner shall have the right to lease, or permit a subsequent sublease or assignment of all (but not less than all) of his Unit or such Owner's Garage Unit(s) upon such terms and conditions as the Unit Owner may deem acceptable, except that no Unit shall be leased, subleased or assigned for transient or hotel purposes, which are hereby defined as being for a period of less than thirty (30) days or for a period of more than thirty (30) days where hotel services normally furnished by a hotel (such as room service and maid service) are furnished. Any such lease, sublease or assignment shall be in writing, a copy of which must be delivered to the Association not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first, and shall provide that the lease, sublease or assignment shall be subject to the terms of this Declaration and that any failure of the lessee, sublessee or assignee to comply with the terms of this Declaration shall be a default under the lease, sublease or assignment. The Unit Owner making any such lease, or permitting such sublease or assignment shall not be relieved thereby from any of his obligations under the Declaration. In addition to any other remedies, by filing an action jointly against the Unit Owner and the lessee, sublessee or assignee, the Association may seek to enjoin a lessee, sublessee or assignee from occupying a Unit or seek to evict a lessee, sublessee or assignee under the provisions of Article IX of the Code of Civil Procedure for failure of the lessor-Unit Owner to comply with the leasing requirements prescribed by this Section or by the Declaration, By-laws, and rules and regulations.

In addition to the rights set forth above, the Commercial Storage Unit Owner shall have the right to enter into a license agreement for all (but not less than all) of the Commercial Storage Unit, together with all the cable lines, wires and other such items which run through the Building and which serve the computers and other such communications equipment to be located in the Commercial Storage Unit, upon such terms and conditions as the Commercial Storage Unit Owner may deem acceptable. Any such license agreement shall provide that the license agreement shall be subject to the terms of this Declaration and that any failure of the licensee to comply with the terms of this Declaration shall be a default under the license agreement. A memorandum of such license agreement, setting forth the names and addresses of the parties to the agreement together with the commencement and termination dates of such agreement, shall be delivered to the Association not later than the date of occupancy or ten (10) days after the license agreement is signed, whichever occurs first. The Commercial Storage Unit Owner making any such license agreement shall not be relieved thereby from any of his

obligations under the Declaration. In the event the Commercial Storage Unit Owner, or such licensee, shall fail to comply with the Declaration, By-laws, and rules and regulations lawfully promulgated by the Board, the Association may seek to enjoin the licensee from occupying the Commercial Storage Unit or seek to evict the licensee under the provisions of Article IX of the Code of Civil Procedure.

8. Association.

(a) The Owner, prior to the first annual meeting of Unit Owners, or the Association, thereafter, may cause the formation of an Illinois not-for-profit corporation for the purpose of facilitating the administration and operation of the Property and to act as the Association.

(b) Whether or not the Association is incorporated,

(i) each Unit Owner shall be a member of such Association, which membership shall terminate upon the sale or other disposition by such member of his Unit, at which time the new Unit Owner shall automatically become a member therein;

(ii) the provisions of Exhibit C of this Declaration shall be adopted as the initial By-laws of such Association;

(iii) the name of such Association shall be MUSEUM PARK LOFTS CONDOMINIUM ASSOCIATION, or a similar name.

9. Insurance. Repair and Reconstruction.

(a) The Association shall acquire and pay for out of the Maintenance Fund herein provided for, the following:

(i) Such insurance as the Association is required to obtain under the provisions of the Act and such other insurance as the Association deems advisable in the operation, and for the protection, of the Common Elements and the Units. The Association shall also comply with the insurance requirements of the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA"), the U.S. Department of Housing and Urban Development ("HUD"), the Federal Housing Authority ("FHA") or the Veteran's Administration ("VA") to the extent that: (y) such agency is a mortgagee, assignee of a mortgagee or an insurer or guarantor of a first mortgage with respect to any Unit and the Association is so notified thereof; and (z) such agency's requirements do not conflict with those contained in the Act. Any losses under such policies of insurance shall be payable, and all insurance proceeds recovered thereunder shall be applied and disbursed, in accordance with the provisions of this Declaration and the Act.

The Association may engage the services of any bank or trust company authorized to do business in Illinois to act as trustee or agent on behalf of the Association for the purpose of receiving and disbursing the insurance proceeds resulting from any

loss, upon such terms as the Association shall determine consistent with the provisions of this Declaration. In the event of any loss resulting in the destruction of the major portion of one or more Units, occurring after the first annual meeting of the Unit Owners is held pursuant to the provisions of the By-laws, the Association shall engage a corporate trustee as aforesaid upon the written demand of the mortgagee or owner of any Unit so destroyed. The fees of such corporate trustee shall be Common Expenses.

Each individual Unit Owner, other than the Owner/Developer, shall notify the Association in writing of any additions, alterations or improvements to his Unit and he shall be responsible for any deficiency in any insurance loss recovery resulting from his failure so to notify the Association. The Association shall use its reasonable efforts to obtain insurance on any such additions, alterations or improvements if such Unit Owner requests it to do so and if such Unit Owner shall make arrangements satisfactory to the Association to reimburse it for any additional premiums attributable thereto; and in the absence of insurance on such additions, alterations or improvements, the Association shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements. All such policies of insurance shall contain standard mortgage clause endorsements in favor of the mortgagee of each Unit and shall provide that such policies shall not be terminated, canceled or substantially modified without at least thirty (30) days' prior written notice to the mortgagee of each Unit.

(ii) Comprehensive public liability and property damage insurance in such limits as the Association shall deem desirable provided that such limit shall not be less than \$1,000,000.00 per occurrence, for personal injury and/or property damage, insuring the Association, the members of the Board, the managing agent, if any, and their respective agents and employees, from any liability in connection with the property, and the Unit Owners from any liability in connection with that portion of the Property not reserved for their exclusive use. Such policy shall provide that the insurance coverage shall not be canceled or substantially modified without at least thirty (30) days' written notice to the Association and the mortgagee of each Unit.

(iii) Such other forms of insurance as the Association shall elect to effect including such Workmen's Compensation insurance as may be necessary to comply with applicable laws.

(iv) Fidelity or Fiduciary insurance coverage to protect against dishonest or fraudulent acts on the part of all officers, directors, employees or other persons who either handle or are responsible for funds held or administered by the Association, if such insurance is mandated by law, required by FHLMC, FNMA, HUD, FHA or VA as a mortgagee, an assignee of a mortgagee, or an insurer or guarantor of a first mortgage with respect to any Unit, or if the Association shall elect to effect it. Such insurance coverage shall name the Association as an insured or obligee and shall be in an amount at least equal to the maximum amount of funds that will be in the custody of the Association plus Reserves.

(v) In the event FHLMC, FNMA, HUD, FHA or VA is a mortgagee, an assignee of a mortgagee, or an insurer or guarantor of a first mortgage with respect to any Unit and the Association is so notified, a fidelity bond or bonds, unless the insurance coverage in (iv) above is acceptable to such of FHLMC, FNMA, HUD, FHA or VA to protect against dishonest acts on the part of the officers, directors, trustees and

employees of the Association and all others who handle, or are responsible for handling, funds of the Association. Such bond or bonds shall name the Association as an obligee and shall be in an amount at least equal to 150% of the estimated annual Common Expenses including Reserves, unless a higher amount is required or a lower amount is acceptable by the FHLMC, FNMA, HUD, FHA or VA, in which case the bond or bonds shall be in the higher or lower amount as applicable. Such bond or bonds shall contain a waiver of defense based upon the exclusion of persons who serve without compensation from the definition of "employee." Such bonds shall provide that the bonds shall not be canceled or substantially modified without at least ten (10) days prior written notice to the Association.

(b) Except as otherwise provided in this Declaration, premiums for all insurance obtained or maintained by the Association, and the cost of any appraisal which the Association deems advisable in connection with any insurance, shall be Common Expenses.

(c) The Association shall secure insurance policies that will provide for the following:

(i) with respect to hazard insurance, for recognition of any insurance trust agreement, a waiver of any rights to subrogation by the insuring company against any named insured, the insurance will not be prejudiced by any acts or omissions of individual Unit Owners that are not under the control of the Association, and the policy is primary in the event the Unit Owner has other insurance covering the same loss; and

(ii) with respect to the insurance provided for in (a)(ii) of this paragraph, for coverage of cross liability claims of one insured against another and to preclude the insurer's denial of a Unit Owner's claim because of negligent acts of the Association or of other Unit Owners; and

(iii) a waiver of any rights to subrogation by the insuring company against any named insured.

(d) The Association may, but shall not be required to, secure policies providing:

(i) with respect to the insurance provided for in (a)(i) of this paragraph, that the policy cannot be canceled, invalidated or suspended on account of the conduct of any one or more individual Unit Owners; and

(ii) with respect to the insurance provided for in (a)(i) of this paragraph, that the insurer shall not have the option to restore the Property, if the Property is sold or removed from the provisions of the Act.

(e) Each Unit Owner shall be responsible for insurance coverage on the furnishings and other items of personal property belonging to a Unit Owner which are contained in a Unit and not a part of the Unit, and not insured pursuant to sub-paragraph 9(a)(i) hereof, and insurance for his personal liability to the extent not covered by insurance maintained by the Association.

(f) Upon the cancellation of any policy of insurance which the Association is required to obtain hereunder, the Association shall notify each party insured thereunder of such cancellation.

(g) In the event of fire or other disaster, the insurance proceeds, if sufficient to reconstruct the Building, shall be applied to restore the Building to

substantially the same condition in which it existed prior to the fire or other disaster, with each Unit and Common Elements to have the same vertical and horizontal boundaries as before the fire or other disaster.

(h) If, in the event of fire or other disaster, the insurance proceeds are insufficient to restore the Building as set forth in the preceding sub-paragraph then:

(i) The Board shall call a meeting of Unit Owners to be held not later than the first to occur of (i) the expiration of thirty (30) days after the final adjustment of the insurance claims or (ii) the expiration of ninety (90) days after the fire or other disaster which caused the damage.

(ii) At such meeting, the Board shall present an estimate of the cost of repair or reconstruction, together with an estimate of the part thereof which must be raised by way of special assessment.

(iii) The Building shall be restored and the proposed special assessment shall be levied only upon the vote of 75% of the Unit Owners.

(iv) If the Unit Owners do not vote to restore the Building at the meeting provided for in (i) above, then the Board may, at its discretion, call another meeting or meetings of Unit Owners to reconsider the question. If the Unit Owners do not vote to restore the Building within one hundred eighty (180) days after the fire or other disaster, then the Board may (but shall not be required to) Record a notice as permitted under the Act.

(v) If the Unit Owners do not vote to restore the Building under the provisions of the immediately preceding sub-paragraph and the Board does not Record a notice as permitted under the Act, then the Unit Owners may, upon the affirmative vote of at least 67% of Unit Owners and with the consent of at least 67% of the First Mortgagees, authorize the President or Vice President and the Secretary or Assistant Secretary to execute and Record an amendment to this Declaration for the purpose of withdrawing any portion of the Building so affected by such fire or other disaster from the Act. Upon the withdrawal of any Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit shall be reallocated among the remaining Units on the basis of the relative percentage interest of the remaining Units. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution of the market value of the Unit, as determined by the Board. The allocation of any insurance, or other proceeds to any withdrawing or remaining Unit Owners shall be on an equitable basis, which need not be a Unit's percentage of interest in the Common Elements. Any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage of interest in the Common Elements. Any such proceeds available from the withdrawal of Limited Common Elements shall be distributed in accordance with the interests of those entitled to their use. Upon the withdrawal of any Unit or portion thereof, assessments attributable to the period after such withdrawal shall no longer be required for such withdrawn Unit or shall be equitably reduced to reflect such withdrawn portion.

10. Separate Real Estate Taxes. It is understood that real estate taxes are to be separately taxed to each Unit Owner for his Unit and its corresponding percentage of

ownership of the Common Elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, then the Association shall collect from each Unit Owner of a Unit not separately taxed, the proportionate share of the tax bill attributable to his Unit based on the relative percentages of ownership of the Common Elements of each such Unit not separately taxed in proportion to the total percentage of ownership of the Common Elements of all of the Units located on the property affected by such tax bill. Such taxes shall be considered a Common Expense of each such Unit.

11. Use and Occupancy of Dwelling Units, Garage Units, Commercial Storage Unit and Common Elements. The Units and Common Elements shall be occupied and used as follows:

(a) No part of the Property, except the Commercial Storage Unit as more fully set forth in subsection (q) below, shall be used for other than housing and the related common purposes for which the Property was designed. Each Dwelling Unit or any two or more adjoining Dwelling Units used together shall be used as a residence for a single family, or such other uses permitted by this Declaration and for no other purposes. That part of the Common Elements separating any two or more adjoining Dwelling Units used together may be altered to afford ingress and egress to and from such adjoining Dwelling Units in accordance with the rules and regulations of the Association and upon such conditions as shall reasonably be determined by the Association, provided that a Unit Owner intending to so alter the Common Elements as aforesaid shall notify the Association at least twenty-one (21) days prior to the commencement of any such alteration. Garage Units shall be used only for the parking of passenger vehicles and the Storage Lockers for the storage of household and personal goods.

(b) Except as permitted in the Commercial Storage Unit as set forth in subsection (q), no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designed for profit, altruism, exploration, or otherwise, shall be conducted, maintained, or permitted on any part of the Property, except that home office type businesses such as physicians, accountants, attorneys, interior decorators and artists may use their residence as a business office or studio and that other limited use home office type businesses may exist so long as they do not interfere with or are disruptive to the residential nature of the condominium as determined by the Board. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the Property except at such location and in such form as shall be determined by the Association. The right is reserved by the Owner or its agent or agents, to place "For Sale" or "For Rent" signs on any unsold or unoccupied Units, and on any part of the Common Elements, and the right is hereby given to any First Mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such First Mortgagee. Until all the Units are sold and conveyed, the Owner shall be entitled to access, ingress and egress to the Property as it shall deem necessary in connection with the sale of, or work in, the Building or any Unit. The Owner shall have the right to use any unsold Unit or Units as a model apartment or for sales or display purposes, and to relocate the same from time to time, and to maintain on the

Property, until the sale of the last Unit, all models, sales offices and advertising signs or banners, if any, and lighting in connection therewith.

(c) There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior consent of the Association except as herein expressly provided. Each Unit Owner shall be obligated to maintain and keep his own Unit in good, clean order and repair. The use 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 Association.

(d) Except as provided in subsection (q), nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Property, or contents thereof, applicable for residential use, without the prior written consent of the Association. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of any insurance maintained by the Association, or which would be in violation of any law. No waste shall be committed in the Common Elements.

(e) Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the Building or upon the Limited Common Elements and no sign, awning, canopy, shutter, radio or television antenna (except as installed as of the date this Declaration is recorded or except as thereafter installed by Owner or the Association) shall be affixed to or placed upon the exterior walls or roof or any part thereof or on the Common Elements, or Limited Common Elements, without the prior written consent of the Association. No air conditioning unit of whatever type, other than those installed as of the date this Declaration is recorded or those thereafter installed by the Owner or the Association, may be installed without the prior written permission of the Association.

(f) No animals, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any Unit or in the Common Elements, except that household pets, including dogs and cats, may be kept in Units, subject to rules and regulations adopted by the Association, which rules or regulations may exclude any kind of pet, other than dogs or cats, by type or category, provided that permitted household pets are not kept, bred, or maintained for any commercial purpose; and provided further that any such authorized pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days' written notice from the Association.

(g) 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.

(h) Except as provided in subsection (q) below, and except as constructed or altered by or with the permission of the Owner or the Association, nothing shall be done in any Unit or in, on or to the Common Elements or Limited Common Elements

which would impair the structural integrity, safety or soundness of the Building or which would structurally change the Building.

(i) No clothes, sheets, blankets, laundry or other articles of any kind shall be hung out or exposed on any part of the Common Elements or Limited Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(j) No benches, chairs or other personal property shall be left on, nor shall any playing, lounging, parking of baby carriages, playpens, bicycles, wagons, toys or vehicles be permitted on, any part of the Common Elements without the prior consent of, and subject to the rules and regulations of, the Association.

(k) Except as constructed or altered by the Commercial Storage Unit Owner, its affiliates, lessees, sublessees, licensees, independent contractors or employees pursuant to Paragraph 5 herein, nothing shall be altered or constructed in or removed from the Common Elements or Limited Common Elements, except as constructed or altered by or with the permission of the Owner at any time prior to the first annual meeting of the Unit Owners, without the written consent of the Association.

(l) Each Unit Owner and the Association hereby waive and release any and all claims which he or it may have against any other Unit Owner, the Association, members of the Board, the Owner 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 or any act or omission referred to in Paragraph 11(m), to the extent that such damage is covered by fire or other form of hazard insurance.

(m) If the act or omission of a Unit Owner, or of a member of his family, a household pet, guest, Occupant or visitor of such Unit Owner, shall cause damage 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, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Association, to the extent such payment is not waived or released under the provisions of Paragraph 11(l).

(n) Any release or waiver referred to in Paragraph 11(l) and 11(m) hereof shall be valid only if such release or waiver does not affect the right of the insured under the applicable insurance policy to recover thereunder.

(o) 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 Association, an unreasonable disturbance to others.

(p) This Paragraph 11 shall not be construed to prevent or prohibit a Dwelling Unit Owner from maintaining a personal professional library, keeping personal

business or professional records or accounts, handling personal business or professional telephone calls, or conferring with business or professional associates, clients or customers, in his Dwelling Unit.

(q) Additional provisions relating to the Commercial Storage Unit: (i) The Commercial Storage Unit shall be used for the storage and operation of computers, processing equipment, other electronic and mechanical devices, and other related equipment used in the normal and ordinary course of the communications and information business for which the Commercial Storage Unit was designed. (ii) No other industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designed for profit, altruism, exploration, or otherwise, shall be conducted, maintained, or permitted in the Commercial Storage Unit except as provided in subsection (i) above. (iii) The affiliates, employees, independent contractors, lessees, sublessees or licensees of the Commercial Storage Unit Owner and any such employees or independent contractors of the foregoing or other authorized personnel, shall be permitted unrestricted ingress and egress to the Commercial Storage Unit and the Common Elements and the right to work within the Commercial Storage Unit twenty-four hours a day and seven days a week and the right to work in the Common Elements during normal business hours. (iv) The Commercial Storage Unit Owner, its affiliates, employees, independent contractors, lessees, sublessees or licensees shall not cause the obstruction of the Common Elements nor shall anything be stored in the Common Elements by such individuals without the prior consent of the Association. The Commercial Storage Unit Owner shall be obligated to maintain and keep the Commercial Storage Unit in good, clean order and repair. (v) The personal property located in the Commercial Storage Unit shall not be deemed to increase the rate of insurance on the Property, and shall not require the prior written consent of the Association. The Owner of the Commercial Storage Unit shall be responsible for maintaining its own insurance policy covering the personnel property located within the Commercial Storage Unit.

12. Rights Reserved to Owner. The following rights and easements are hereby reserved:

(a) Promotional Rights: The right is reserved to Owner to place and maintain on any area of the Parcel, construction trailers, sales offices, fencing, flag poles, advertising signs, banners and lighting in connection therewith and other promotional facilities at such locations and in such forms as shall be determined by Owner for construction, sales and leasing purposes. There is also reserved to Owner their agents, employees and prospective purchasers and tenants, the right of ingress, egress and transient parking in and throughout the Parcel for such sales and leasing purposes. The Owner also reserves the right to maintain on the Parcel without charge (i) a general office for the purpose of exercising the rights reserved herein, (ii) a general construction office for Owner's contractors and subcontractors and (iii) appropriate parking facilities for the employees of Owner's agents and contractors. Owner's aforesaid reserved rights shall continue for so long as Owner or any successor owner of the Parcel is engaged in the construction, sale or leasing of Units on any portion of the Parcel.

(b) Owner's Easements: The Owner reserves unto itself those easements more fully set forth in Paragraph 5(c) above, for the purpose of implementing the overall development of the Parcel, including, without limitation, the planning, construction, marketing, leasing, management and maintenance of any of the Common Elements. All rights and easements in favor of the Unit Owners created by this Declaration shall be subject and subordinate to the above described development rights and easements as more fully set forth in Paragraph 5(c) above, whether or not inconvenience to any Unit Owner shall result therefrom.

(c) Contracts: The Owner shall have the right to enter into contracts on behalf of the Association prior to the date of the first annual meeting subject to the provisions of the Act. Owner reserves the right to engage an initial manager for the Association, which manager may be an affiliate of Owner, and in furtherance of such right, to enter into a contract with any such management company for such purposes, provided that the contract expires no later than two (2) years from the date of the election of the first Unit Owner Board at the first annual meeting of the members. Such management contract, if any, shall be paid for out of the Common Expenses.

(d) Right to Grant and Allow Dedications, Grant Utility Easements and Grant Easements Pertaining to the Museum Park North Development: Owner hereby reserves, for itself and its successors and assigns, the following: (i) the right to grant and allow the dedication of space in the Common Elements on the Property to any public or other utility or to any governmental authority for the location of utilities serving any portion of the Parcel, including the right to grant easements, permits and/or licenses for ingress and egress, drainage, utility service, maintenance, telecommunications or other services, over, under, across or upon the Parcel so long as any such grants and/or easements do not materially and adversely interfere with the intended use of Units previously conveyed to Purchasers; (ii) the right to grant and allow easements in, over, under to and across the Common Elements for ingress and egress to, and for installation, construction and maintenance of, any or all of the Utilities; provided, however, that Owner shall not exercise any of such rights in a manner so as to prevent the exercise of the rights of use and enjoyment of the Common Elements as granted in this Declaration; and (iii) prior to the date of the first annual meeting of the Unit Owners, Owner shall have the right to grant and allow easements in, over, under and across the Common Elements for ingress and egress and for construction, use and maintenance of adjacent properties located within the Museum Park North Development and the right to accept easements over adjacent properties allowing for ingress and egress and for construction, use and maintenance of the Condominium Property; which may include without limitation those easements set forth in paragraph 5(b)(6) above, and including the right to amend and/or revise any such easements which have heretofore been recorded.

A power coupled with an interest is hereby reserved and granted to the Owner to complete and record the aforesaid easements or dedications, or to make any amendment or termination of any easements which have previously been recorded, and to sign, execute and acknowledge any such easements or dedications or any amendments or terminations of any easements, on behalf of each Unit Owner and mortgagee as attorney

in fact for such Unit Owner and Mortgagee, and to cause the interim Board for the Association, which Board shall have been appointed by the Owner, to execute the same on behalf of the Condominium Association as may be required. The sole signature of Owner upon said easements shall be deemed as a good and valid signature and acknowledgement by each Unit Owner and Mortgagee hereunder. Each deed, mortgage, trust deed, or other evidence of obligation affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of and a covenant and reservation of the power of the Owner as aforesaid.

Any such easement or dedication or amendment or termination of easement shall become effective upon recording in the office of the Recorder of Deeds for Cook County, Illinois. Each Unit Owner (on behalf of themselves and as members of the Condominium Association) and their respective mortgages, grantees, heirs, administrators, executors, legal representatives, successors and assigns, by their acceptance of any deed or mortgage or other interest in or with respect to any Units shall be deemed to have expressly agreed, assented, and consented to each of the provisions of this Declaration, with respect to the recording of the easements or dedications as aforesaid.

13. Violation of Declaration. The violation of any rule or regulation adopted by the Association or the breach of any covenant or provision herein or in the By-laws contained, shall, in addition to any other rights provided for in this Declaration or the by-laws, give the Association the right: (a) to enter upon the Unit, or any portion of the Property upon which, or as to which, such violation or breach exists and to 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 meaning of the provisions hereof, and neither the Association nor the officers, employees or agents thereof shall thereby be deemed guilty in any manner of trespass except, however, that judicial proceedings must be instituted prior to alteration or demolition of any items of construction; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession of such Unit Owner's interest in the Property and to maintain an action for possession of such Unit in the manner provided by law.

Provided, however, that, except in cases of emergency where damage to persons or property is threatened, the Association shall not take any such action unless it has (a) first given the Unit Owner alleged to have violated any restriction, condition or regulation adopted by the Association or to be in breach of any covenant or provision herein or in the by-laws contained, a hearing on such allegations pursuant to rules and regulations adopted by the Association, (b) the Association shall have determined such allegations to be true and (c) the Unit Owner shall not have desisted from such violation or breach or shall not have taken such steps as shall be necessary to correct such violation or breach within such reasonable period of time as determined by the Association and communicated to the Unit Owner. Any and all costs and expenses incurred by the Association in the exercise of its authority as granted in this paragraph 12, including but not limited to court costs, reasonable attorneys' fees as determined by a court of competent jurisdiction, and cost of labor and materials shall be paid by the Unit Owner in

violation, and, until paid by such Unit Owner, shall constitute a lien on the interest of such Unit Owner in the Property, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Act with respect to liens for failure to pay a share of the Common Expenses. Any such lien shall be junior and subordinate to the lien of a First Mortgagee with respect to such Unit.

Furthermore, if after hearing and finding as aforesaid and failure of the Unit Owner to desist from such violation or to take such corrective action as may be required, the Association shall have the power to issue to the defaulting Unit Owner a ten (10) day notice in writing to terminate the rights of the said defaulting Unit Owner to continue as a Unit Owner and to continue to occupy, use or control his Unit and thereupon an action in equity may be filed by the Association against the defaulting Unit Owner 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 violation of a rule or breach of covenant or provision as aforesaid and ordering that all the right, title and interest of the Unit Owner in the Property shall be sold at a judicial sale upon such notice and terms as the court shall establish, except that the court shall enjoin and restrain the defaulting Unit Owner from reacquiring his interest at such judicial sale or by virtue of the exercise of any right of redemption which may be established, and except that the court shall direct that any existing first mortgage be retired out of the proceeds of such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting Unit Owner in said decree. Any balance of proceeds after satisfaction of such charges and any unpaid assessments hereunder or any liens shall be paid to the Unit Owner. Upon the confirmation of such sale, the purchaser thereof shall thereupon be entitled to a deed to the Unit and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Property sold subject to this Declaration.

Any Unit Owner in default hereunder or under the provisions of the By-laws or any rule or regulation adopted by the Association shall pay to the Association, as an agreed Common Expense with respect to his Unit, all interest, late charges, reasonable attorneys' fees, cost of collection and amount of any fine by the Association in enforcing the provisions of the By-laws, this Declaration or the rules and regulations of the Association as to which the Unit Owner is in default. Until such amounts are paid by the Unit Owner, the total amount thereof shall constitute a lien on the interest of the Unit Owner in the Property, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Act with respect to liens for failure to pay a share of the Common Expenses. Any such liens shall be junior and subordinate to the lien of a First Mortgagee with respect to such Unit.

14. Entry by Association. The Association or its officers, agents or employees may enter any Dwelling Unit or Garage Unit when necessary in connection with any painting, maintenance, repair or reconstruction for which the Association is responsible, or which the Association has the right or duty to do. Such entry shall be

made with as little inconvenience to the Unit Owner as practicable, and except in the event of emergency shall be done upon reasonable notice to the Unit Owner. Any damage caused thereby shall be repaired by the Association as a Common Expense. The Association shall not have the right to enter the Commercial Storage Unit at any time whatsoever, *except* in the event of an emergency. In the event of an emergency which requires entry by the Association, its affiliates, employees or other personnel. The Association shall notify the Commercial Storage Unit Owner immediately or as soon as practicable under such circumstances.

15. Grantees. Each grantee of the Owner, each purchaser under Articles of Agreement for Deed and each tenant, subtenant or assignee under a lease, sublease or assignment accepts the same subject to all easements, restrictions, conditions, covenants, reservations, liens and charges, the By-laws, the rules and regulations of the Association, and the jurisdiction, rights and powers created or reserved by this Declaration, and the provisions of the Act, as at any time amended, and all easements, 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 said land, and shall inure to the benefit of each grantee in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance.

16. Failure to Enforce. No terms, obligations, covenants, conditions, restrictions or provisions imposed hereby or contained herein shall be abrogated or waived by any failure to enforce the same, no matter how many violations or breaches may occur.

17. Notices. Whenever any notice is required to be given under the provisions of this Declaration or the By-laws, a waiver thereof in writing by the person or persons entitled to such notice, whether before or at the time stated therein, shall be deemed equivalent to the giving of such notice, provided such waiver or the time of giving same is not contrary to the provisions of the Act. Notices required to be given to any devisee or personal representative of a deceased Unit Owner shall be delivered by mail to such party at his or its address appearing in the records of the court wherein the estate of such deceased owner is being administered. Other notices required or permitted to be given shall be in writing and shall be given in the manner set forth in the Condominium Instruments.

18. Amendments. (a) Except as hereinafter otherwise provided, the provisions of paragraphs 1, 2, 3, 4, 5, 6, 12, 24, 25 and this paragraph 17(a) of this Declaration, may be amended, changed or modified by an instrument in writing setting forth such amendment, change or modification, signed and acknowledged by all members of the Board, all of the Unit Owners and each mortgagee having a bona fide lien of record against any Unit. Except as herein otherwise provided, other provisions of this Declaration may be amended, changed or modified, upon approval by at least 67% of the Unit Owners, by an instrument in writing setting forth such amendment, change or modification, signed and

acknowledged by the President or Vice-President and the Secretary or Assistant Secretary of the Association and containing an affidavit by an officer of the Association certifying that (i) at least 67% of the Unit Owners have approved such amendment, change or modification, and (ii) a copy of the amendment, change or modification has been mailed by certified mail to all mortgagees having bona fide liens of record against any Unit, not less than ten (10) days prior to the date of such affidavit. The approval of at least 67% of First Mortgagees of Units shall be required to materially amend any provisions of the Declaration or By-laws or to add any material provisions thereto, which establish, provide for, govern or regulate any of the following:

- (1) Voting;
- (2) Increases in assessments that raise the previously assessed amount by more than 25%, assessment liens, or subordination of such liens; or subordination of such liens;
- (3) Reductions in reserves for maintenance, repair and replacement of the Common Elements;
- (4) Hazard or fidelity insurance requirements;
- (5) Responsibility for maintenance and repair of the Common Elements;
- (6) The addition, annexation or withdrawal of property to or from MUSEUM PARK LOFTS;
- (7) Redefinition of boundaries of any Unit;
- (8) Reallocation of interests in the Common Elements or Limited Common Elements;
- (9) Convertibility of Units into Common Elements or of Common Elements into Units;
- (10) Imposition of any restrictions on the leasing of Units;
- (11) Imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, or transfer his Unit; or
- (12) Any provisions that expressly benefit First Mortgagees, insurers or guarantors or FHLMC, FNMA, HUD, FHA or VA. insurers or guarantors or FHLMC, FNMA, HUD, FHA or VA.

The approval of First Mortgagees shall be implied when such a mortgagee fails to submit a response to any written proposal for an amendment within 30 days after it receives proper notice of the proposal, delivered by certified or registered mail, with a "return receipt" requested. Any amendment, change or modification shall conform to the provisions of the Act and shall be effective upon Recordation thereof. No change, modification or amendment which affects the rights, privileges or obligations of the Owner shall be effective without the prior written consent of the Owner. The By-laws may be amended in accordance with the provisions of Article XII thereof.

(b) The Association may not pass an amendment to this Declaration which in any way limits, interferes with or takes away any rights given to the Owner of the Commercial Storage Unit Owner. Any such amendment shall be considered null and void and shall be given no force or effect.

19. Arbitration. Any controversy between Unit Owners or any claim by a Unit Owner against the Association or another Unit Owner arising out of or relating to the Declaration, By-laws, or rules and regulations of the Association may be settled by arbitration in accordance with the Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof.

20. Condemnation. To the fullest extent permitted by law, the Association is hereby designated to represent the Unit Owners, and each Unit Owner hereby appoints the Association as such Unit Owner's attorney-in-fact in any proceeding, negotiation, settlement or agreement regarding any loss or proceeds from condemnation of all or any part of the Property for this purpose. In the event of a taking or condemnation by competent authority of any part of the Property, the Association shall, if necessary, restore the improvements on the remaining portion of the Property to conform as closely as possible to the general design, structure and materials used with respect to the improvements as they existed prior to the taking or condemnation. In the event that part or all of one or more Units is taken or condemned, then the portions so taken or condemned shall be deemed to have been removed from the provisions of the Act and the percentage of ownership interest in the Common Elements allocated to such Unit or portion thereof (as determined by the Board on the basis of diminution in market value of the Unit) shall be reallocated among the remaining Units on the basis of the relative percentage of ownership interests in the Common Elements of the remaining Units. In such cases, this Declaration and the Plat shall be amended accordingly by an instrument executed by the President or Vice-President and the Secretary or Assistant Secretary of the Association, which the Board shall Record. 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 of interest in the Common Elements. 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 of interest in the Common Elements. Any such proceeds available from the withdrawal of Limited Common Elements shall be distributed in accordance with the interests of those entitled to their use, as determined by the Board. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof so withdrawn shall cease or shall be equitably reduced. Nothing contained herein shall be construed to prevent an aggrieved Unit Owner from instituting an action against either the Association or any Unit Owner for failure to comply with the provisions of the Declaration or the decisions of the Association.

21. Violations of Certain Rules. If any of the options, privileges, covenants or rights created by this Declaration shall be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of William Jefferson Clinton, the

President of the United States, and Albert Gore, Jr. the Vice-President of the United States.

22. Severability. The invalidity of any restriction hereby imposed, or of any provision hereof, or of any part of such restriction or provision, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration and all of the terms hereof are hereby declared to be severable.

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

24. Changes or Modifications by Owner. Until the first annual meeting of Unit Owners is called, Owner, or its successors or assigns, shall have the right from time to time to change or modify the Condominium Instruments, which change or modification shall be effective upon the Recording thereof; provided, however, that the provisions of paragraph 24 of this Declaration shall not be amended, modified or changed without the consent of any First Mortgagee affected thereby, and provided further that such right shall only be exercised (i) to bring the Declaration into compliance with the Act or to conform the Declaration to the requirements of FHLMC, FNMA, HUD, FHA or VA, or (ii) to correct clerical or typographical errors in the Declaration; or (iii) to revise or update the Plat and legal description(s) as may be necessary to show fully completed Units, Common Elements and Limited Common Elements. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Owner to make any change or modification as authorized hereunder on behalf of each Unit Owner as attorney-in-fact for such Unit Owner. Each deed, mortgage, trust deed, other evidence of obligation or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to Owner as aforesaid.

25. Rights of First Mortgagees. Any mortgage or trust deed owned or held by a First Mortgagee and recorded prior to the recording or mailing of a notice by the Association of the amount owing by a Unit Owner who has refused or failed to pay his share of the monthly assessment when due shall be superior to the lien of such unpaid Common Expenses set forth in said notice and to all assessments for Common Expenses which become due and are unpaid subsequent to the date of Recording of such first mortgage or first trust deed. Any First Mortgagee who comes into possession of a Unit pursuant to the remedies provided in the mortgage or trust deed, foreclosure of the mortgage or trust deed or deed (or assignment) in lieu of foreclosure shall not be liable for, and shall take the Unit and its proportionate interest in the Common Elements free from, claims for unpaid common or special assessments levied by the Association which accrue prior to the date of possession as aforesaid.

A First Mortgagee, or an insurer or guarantor of the note held by a First Mortgagee, upon written request to the Association (such request to state the name and

address of such First Mortgagee, insurer or guarantor and the Unit number), shall be entitled to timely written notice of:

(a) Any proposed amendment of the Condominium Instruments or other action requiring the consent of the First Mortgagees pursuant to Sections 17 and 25 hereof;

(b) Any condemnation loss or any casualty loss which affects a portion of the Common Elements, which loss exceeds \$10,000.00, or which affects any Unit securing its mortgage, which loss exceeds \$1,000.00;

(c) Any delinquency in the payment of assessments or charges owed by an owner of a Unit subject to the mortgage of such First Mortgagee, insurer or guarantor, where such delinquency has continued for a period of 60 days; and,

(d) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.

26. Additional Rights of First Mortgagees. (a) Any restoration or repair of the Property after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with the Declaration and the original plans and specifications for the Building unless the approval is obtained from at least 67% of the Unit Owners and at least 67% of the First Mortgagees of Units.

(b) Any election to terminate MUSEUM PARK LOFTS as a condominium project after substantial destruction or substantial taking by condemnation of the Property shall require the approval of at least 67% of the Unit Owners and at least 67% of the First Mortgagees of Units.

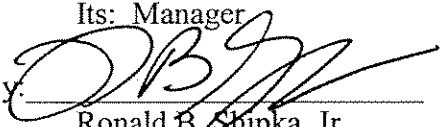
(c) Any election to terminate MUSEUM PARK LOFTS as a condominium project for reasons other than substantial destruction or condemnation of the Property

shall require the approval of at least 67% of the Unit Owners and at least 67% of the First Mortgagees of Units.

27. Assignments. All rights which are specified in this Declaration to be rights of the Owner are mortgageable, pledgeable, assignable and transferable. The term "Owner" shall be deemed to include any assignee of the rights of Owner hereunder (whether as a result of voluntary assignment, foreclosure, assignment in lieu of foreclosure or otherwise), and any such assignee shall hold and be entitled to exercise the rights of Owner hereunder as fully as if named as such party herein. No party exercising rights as Owner hereunder shall have or incur any liability for the acts of any other party that previously exercised or subsequently shall exercise such rights.

This instrument is executed by 13TH STREET LOFTS, L.L.C., an Illinois Limited Liability Company as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Limited Liability Company. All the terms, provisions, stipulations, covenants and conditions to be performed by 13TH STREET LOFTS, L.L.C. are undertaken by it solely as the limited liability company aforesaid.

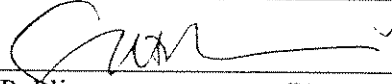
IN WITNESS WHEREOF, 13TH STREET LOFTS, L.L.C., an Illinois Limited Liability Company, has caused its seal to be affixed hereunto and has caused its name to be signed to these presents on the day and year first above written.

13TH STREET LOFTS, L.L.C.
an Illinois limited liability company
By: EDC 13th Street Lofts, L.L.C.,
an Illinois limited liability company
By: EDC *Management*, Inc.
an Illinois corporation
Its: Manager
By: 
Ronald B. Shipka, Jr.
Its: President

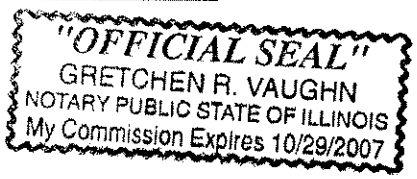
STATE OF ILLINOIS)
)SS
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Ronald B. Shipka, Jr., as President of EDC Development Company, Inc., the Manager of EDC 13th Street Lofts, L.L.C., the Manager of 13TH STREET LOFTS, L.L.C. and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such President he signed and delivered the said instrument as Manager of said Limited Liability Companies as his free and voluntary act, and as the free and voluntary act and deed of said corporation and companies, for the uses and purposes therein set forth.

Given under my hand and official seal this 21st of January, 2004.



Notary Public



CONSENT OF MORTGAGEE

LaSalle Bank National Association holder of a note secured by a mortgage on the Property dated May 20, 2002 and recorded with the Recorder of Deeds of Cook County, Illinois, on June 6, 2002 as Document No. 0020635467 hereby consents to the execution of and recording of the above and foregoing Declaration of Condominium, and said mortgage is subject to the provisions of the foregoing Declaration of Condominium and the Condominium Property Act of the State of Illinois.

IN WITNESS WHEREOF, the said Bank has caused this instrument to be signed by its duly authorized officers on its behalf on this 17th day of December, 2003.

By: [Signature]
Its: 1st V.P.

ATTEST:
By: [Signature]
Its: [Signature]

STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

I, the undersigned a Notary Public in and for said County and State, do hereby certify that THOMAS KEARNEY and JAMES PAPE, the FIRST V.P. and Senior V.P. respectively, of LASALLE BANK, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such FIRST V.P. and Senior V.P. appeared before me this day in person and acknowledged that they signed, sealed and delivered said instrument as their free and voluntary act, and as the free and voluntary act of said Bank, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 17th day of December, 2003.

Barbara Jean Chambers
Notary Public

