

THE DESCRIPTION OF UNITS
AND PERCENTAGE OF OWNERSHIP
INTEREST IN COMMON
ELEMENTS HEREIN IS
PRELIMINARY AND MAY BE
CHANGED IN MATERIAL
RESPECTS UPON THE
RECORDING OF THE
DECLARATION AND PLAT.

**DECLARATION OF CONDOMINIUM
PURSUANT TO THE CONDOMINIUM
PROPERTY ACT**

5100 MARINE DRIVE CONDOMINIUM

This Declaration made and entered into this ____ day of _____, 1979,
by AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national
banking association, as Trustee under Trust Agreement dated February 1, 1969 and known as
Trust No. 27838, and not individually (hereinafter sometimes referred to as “the Trustee”):

WITNESSETH:

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

WHEREAS, the Trustee 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 anywise pertaining thereto, to the
provisions of the Illinois Condominium Property Act; and

WHEREAS, the Trustee 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, the Trustee desires and intends that the several Unit Owners, mortgagees,
occupants, and other persons hereafter acquiring any interest in the Property 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.

APPENDIX B

NOW, THEREFORE, the Trustee DECLARES as follows:

1. Definitions. (a) The following words and terms, whenever used herein shall have the same meaning as provided for such words and terms in Section 2 of said Condominium

Property Act (“Act”):

“Parcel”, “Property”, “Unit”, “Common Elements”, “Person”, “Unit Owner”, “Majority”, “Majority of the Unit Owners”, “Plat”, “Record”, “Condominium Instruments”, “Common Expenses”, “Reserves”, “Association”, “Limited Common Elements”, “Building”.

(b) The word “Occupant” means a person, or persons, other than a Unit Owner, in possession of one or more Units.

(c) The word “Board” whenever used herein means the Board of Managers elected as hereinafter provided.

(d) The word “Developer” whenever used herein means Marine Partners, an Illinois limited partnership, and its successors and assigns, or such other persons or entities as the beneficiary of the Trustee may from time to time designate.

(e) The words “Maintenance Fund” whenever used herein mean all monies collected by the Association pursuant to the terms hereof.

(f) The words “Parking Area” mean that portion of the Common Elements designed for the parking of motor vehicles and so designated on the Plat attached hereto as Exhibit D.

(g) The words “First Mortgagee” mean a person, bank, savings and loan association, insurance company or other entity, which, or who, owns and holds a first mortgage or first trust deed, with respect to any portion of the Property.

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

Lots 15 and 16 in White Gait and Proudfoot’s Subdivision of Block 4 in Argyle in Section 8, Township 40 North, Range 14 East of the Third Principal Meridian, also Accretion to Lot 16 aforesaid lying Westerly of the West Boundary line of Lincoln Park as established by Plat recorded March 31, 1908 as Document Number 4179863 pursuant to decree entered July 18, 1907 in case number 280120 in Circuit Court of 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. 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.

4. Ownership and Use of the Common Elements. (a) The Common Elements consist of all portions of the Property except the Units, including without limiting the generality of the foregoing, the Parcel, stairways, corridors, roofs, storage areas, hospitality room, office, swimming pool, sundeck, shower rooms, laundry, mechanical rooms and equipment therein, elevators, refuse collection system, compactor, central heating and air conditioning systems and structural parts of the improvements on the Parcel, wherever located.

(b) The Limited Common Elements are that part of the Common Elements contiguous to and serving exclusively a single Unit 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.

(c) 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 as otherwise limited by the Condominium Instruments and the rules and regulations adopted from time to time by the Association, each Unit Owner, his agents, permitted tenants, 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, which right shall be appurtenant to, and run with, his Unit. 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. Except as set forth in the preceding sentence, Limited Common Elements may not be transferred between or among Unit Owners.

5. Encroachments and Easements. (a) If any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any

Unit encroaches or shall hereafter encroach upon any part of the Common Elements, or any portion of any Unit encroaches upon any part of any other Unit 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 Trustee or the Developer 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) Easements are hereby declared and granted for utility purposes, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, and electrical conduits, wires and equipment over, under, along and on any part of the Common Elements, as they exist on the date of the recording hereof.

(c) 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.

(d) 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 parcels 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 the 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. Sale, Leasing or Other Alienation. (a) Any Unit Owner who desires to sell his Unit or any interest therein to any person shall first obtain from the proposed purchaser a bona fide executed offer in writing, setting forth all the terms and conditions of said proposed transaction. The offer shall be expressly subject to the terms of this paragraph 7. If any Unit Owner receives such an offer which he intends to accept, he shall accept such offer subject to the terms of this paragraph 7 and give written notice to the Association of such offer and acceptance, stating the name and address of such proposed purchaser, the terms of the proposed transaction, and such other information as the Association may reasonably require, and shall furnish a copy of such executed offer and acceptance to the Association. The giving of such notice shall constitute a warranty and representation by the giver thereof that he believes such offer, and all information contained in said notice, to be bona fide, true and correct in all respects. During the period of thirty (30) days following receipt by the Association of such written notice, the Association shall have the first right and option to purchase such Unit (or to cause the same to be purchased by any designee or assignee, corporate or otherwise, of the Association) upon the same terms and conditions as stated in the aforesaid notice received by the Association. If the Association shall give written notice to the Unit Owner within said thirty (30) day period, of the exercise of its first right and option, the transaction between the Unit Owner and the Association or its designee shall be consummated upon the same terms as set forth in the notice to the Association.

If the Association shall give written notice to the Unit Owner within said thirty (30) day period that it has elected not to exercise such first right and option, or if the Association shall fail to give any notice within said thirty (30) day period, then the proposed transaction as described and set forth in the notice to the Association may be consummated within sixty (60) days after the expiration of said thirty (30) day period. If the Unit Owner fails to consummate such transaction within such sixty (60) day period, then such Unit and all rights with respect thereto shall again become subject to the first right and option of the Association as herein provided.

(b) Any Unit Owner who wishes to make a gift of his Unit or any interest therein, or who wishes to transfer his Unit or any interest therein for a consideration other than cash, or notes (secured or unsecured) of such transferee, or the assumption of

an existing indebtedness, to any person or persons who would not be heirs at law of the Unit Owner under the Rules of Descent of the State of Illinois were he or she to die within sixty (60) days prior to the contemplated date of such gift or other transfer, shall give to the Association notice of his or her intent to make such gift or other transfer not less than sixty (60) days prior to the contemplated date thereof. Said notice shall state the contemplated date of said gift or other transfer, the intended donee or transferee, and the terms in detail of such proposed other transfer and such other information as the Association may reasonably require. The Association shall have the first right and option to purchase said Unit or interest therein (or to cause the same to be purchased by any designee or assignee, corporate or otherwise, of the Association) for cash at fair market value which shall be determined by arbitration as hereinafter provided in sub-paragraph (d).

(c) In the event that any Unit Owner dies leaving a will devising his or her Unit, or any interest therein, to any person or persons not heirs at law of the deceased Unit Owner under the Rules of Descent of the State of Illinois, and said will is admitted to probate, the Association shall have the first right and option to purchase said Unit or interest therein (or to cause the same to be purchased by any designee or assignee, corporate or otherwise, of the Association) from the estate of the deceased Unit Owner, or from the devisee or devisees named in such will if no power of sale is conferred by said will upon the personal representative named therein, for cash at fair market value which shall be determined by arbitration as hereinafter provided in sub-paragraph (d).

(d) Within thirty (30) days after the appointment of a personal representative for the estate of the deceased Unit Owner, or the receipt by the Association of the written notice referred to in sub-paragraph (b) hereof, as the case may be, the Association on the one hand, and said owner of the Unit to be purchased, or devisee or devisees, or personal representative, as the case may be, on the other hand, shall each appoint a qualified real estate appraiser to act as an arbitrator and shall give written notice of such appointment to the other party to the arbitration. If either party fails to appoint an arbitrator, the arbitrator appointed by the one party shall act as sole arbitrator. If each party has so appointed an arbitrator, then within ten (10) days after the appointment of the last to be appointed of said arbitrators, the two arbitrators so appointed shall appoint another qualified real estate appraiser to act as the third arbitrator. If the two arbitrators so appointed fail to agree upon a third arbitrator, then such third arbitrator shall be

appointed by the American Arbitration Association upon application of either party to the arbitration. Within fifteen (15) days after the appointment of a third arbitrator, the three arbitrators shall determine the fair market value of the Unit or interest therein and shall thereupon give written notice of such determination to the Association and said owner or devisee or devisees, or personal representative, as the case may be. If the three arbitrators fail to agree on a fair market value, then the mean average of the values fixed by such three arbitrators shall be the fair market value. The Association's right to purchase the Unit or interest therein at the price so determined shall expire sixty (60) days after the date of receipt by it of notice of such fair market value; provided, however, that such first right and option to purchase shall expire seven (7) months after the appointment of a personal representative of a deceased Unit Owner who is not empowered to sell. The Association shall be deemed to have exercised its first right and option if it tenders the required sum of money to said owner or said devisee or devisees or to said personal representative, as the case may be, within said option period.

(e) In the event any Unit or interest therein is sold at a judicial or execution sale (other than a mortgage foreclosure sale), the person acquiring title through such sale shall, before taking possession of the Unit so sold, give thirty (30) days' written notice to the Association of his intention so to do, whereupon the Association shall have the first right and option to purchase such Unit or interest therein at the same price for which it was sold at said sale. If said first right and option is not exercised by the Association within said thirty (30) days after receipt of such notice, the aforesaid option shall thereupon expire and said purchaser may thereafter take possession of said Unit. The Association shall be deemed to have exercised its first right and option if it tenders the required sum of money to the purchaser within said thirty (30) day period.

(f) In the event any Unit Owner shall default in the payment of any monies required to be paid under the provisions of any mortgage or trust deed against his Unit, the Association shall have the right to cure such default by paying the amount so owing to the party entitled thereto and shall thereupon have a lien therefor against such Unit, which lien 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.

(g) If a lease, sublease or assignment of lease with respect to any Unit is made by any Unit Owner, lessee, sub-lessee, or assignee, a copy of the lease, sublease or assignment, as and when executed, shall be furnished by such lessor, sub-lessor or assignor

to the Association, and the lessee, sub-lessee or assignee thereunder shall be bound by and be subject to all of the obligations of the owner with respect to such Unit as provided in this Declaration, and the lease, sublease or assignment shall expressly so provide. The person making any such lease, sublease or assignment shall not be relieved thereby from any of his obligations hereunder.

(h) The Association shall not exercise any option hereinabove set forth without the prior written consent of 66-2/3 percent of the Unit Owners. The Association may bid to purchase at any auction or sale of the Unit or interest therein of any Unit Owner, deceased or living, which said sale is held pursuant to any order or direction of a court upon the prior written consent of 66-2/3 percent of the Unit Owners, which said consent shall set forth a maximum price which the Association is authorized to bid and pay for said Unit or interest therein.

(i) Where title to any Unit is held by a trust, the bequest, assignment, sale, conveyance or other transfer by a beneficiary of such trust of his or her beneficial interest in such trust (other than as security for a bona fide indebtedness) shall be deemed a devise of the Unit owned by the trust.

(j) Where title to any Unit is held by a corporation or a partnership, or where a corporation or a partnership is beneficiary of a trust in title to a Unit, the transfer or bequest of fifty percent (50%) or more of the issued and outstanding shares of such corporation, or fifty percent (50%) or more of the interest in such partnership, shall be deemed a devise of the Unit owned by the corporation or partnership or such trust.

(k) The terms of this Paragraph 7 and the first right and option herein provided for shall not be applicable to:

(i) the transfer or conveyance, by operation of law or otherwise, of the interest of a co-owner of any Unit, to any other co-owner of the same Unit or the interest of a co-owner of the beneficial interest in a land title holding trust in title to a Unit to any other co-owner of such beneficial interest, where such co-owners hold title to such Unit or such beneficial interest as tenants in common or as joint tenants;

(ii) the transfer by sale, gift, devise or otherwise of any Unit or interest therein or beneficial interest of a land title holding trust in title to a Unit to or for the sole benefit of any spouse, descendant, ancestor or sibling (or the spouse of any such person) of the transferor;

(iii) the execution of a bona fide trust deed, mortgage, or other security instrument;

(iv) the sale or conveyance of a Unit by the holder of a mortgage or trust deed who has acquired title to such Unit by deed in lieu of foreclosure or foreclosure of a mortgage or trust deed on the Property, or any Unit, or by any other remedy set forth in the mortgage or trust deed provided such holder is a bank, savings and loan association or insurance company; and

(v) any sale, conveyance or transfer of a Unit by the Trustee, or any beneficiary of the Trustee, or the Developer.

(1) Acquisition of Units or interests therein under the provisions of this paragraph shall be made from the Maintenance Fund. If said fund is insufficient, the Association shall levy a special assessment against each Unit Owner in the ratio that his percentage of ownership in the Common Elements bears to the total of all such percentages applicable to Units subject to said special assessment, which assessment shall become a lien and 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. Subject to the provisions of the Act and By-Laws, the Association may borrow money to finance the acquisition of Units or interests therein which acquisition is authorized by this paragraph; provided, however, that no financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit or interest therein to be acquired.

(m) Units or interests therein acquired pursuant to the terms of this paragraph, and all proceeds of any sale thereof, shall be held of record in the name of the Association for the use and benefit of the Unit Owners in the same proportions that the Association could levy a special assessment under the terms of sub-paragraph (1) hereof. Subject to the provisions of the Act and By-Laws, said Units or interests therein shall be sold by the Association for the benefit of such Unit Owners upon such price and terms as the Association shall determine.

(n) Upon the written consent of all the members of the Board, any of the rights or options contained in this Paragraph 7 may be released or waived and the Unit or interest therein which is subject to the right of first right and option of the Association set forth in this paragraph may be sold, conveyed, given or devised free and clear of the provisions of this paragraph.

(o) Upon the written request of any prospective transferor, purchaser or mortgagee of a Unit, the Association, by its Secretary, shall issue a written and acknowledged certificate evidencing:

(i) with respect to a proposed sale hereunder, that the provisions of this Paragraph 7 have been complied with or duly waived by the Association and that the first right and option of the Association has been terminated, if such is the fact;

(ii) that any conveyance or deed is, by the terms hereof, not subject to the provisions of this Paragraph 7, if such is the fact;

and such a certificate shall be conclusive evidence of the facts contained therein.

8. Association. (a) The Developer, 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 By—
Laws of such Association

(iii) the name of such Association shall be 5100 Marine Drive Condominium Association, or a similar name.

9. Insurance. (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. 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 Unit Owner, other than the Trustee or the 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, cancelled 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, and the Unit Owners from any liability in connection with those portions of the Property.

(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) In the event the Federal Home Loan Mortgage Corporation (“FHLMC”) is a Mortgagee of an assignee of a Mortgagee with respect to any Unit, a fidelity bond or bonds 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 such amount as is required by the FHLMC. 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.”

(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 the insurance provided for in (a)(ii) of this paragraph, for coverage of cross liability claims of one insured against another; and

(ii) 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 cancelled, invalidated or suspended on account of the conduct of any one or more individual Unit Owners;

(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) Insurance coverage on the furnishings and other items of personal property belonging to a Unit Owner and insurance for his personal liability to the extent not covered by insurance maintained by the Association shall be the responsibility of each such Unit Owner.

(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.

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 years such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then the Association shall collect from each Unit Owner his proportionate share thereof in accordance with his respective percentage of ownership of the Common Elements, and such taxes, levied on the Property as a whole, shall be considered a Common Expense.

11. Use and Occupancy of Units and Common Elements. The Units and Common Elements shall be occupied and used as follows:

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

(b) 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. 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 Trustee and the Developer or their 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 mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee. Until all the Units are sold and conveyed, the Trustee and the Developer shall be entitled to access, ingress and egress to the Property as they shall deem necessary in connection with the sale of, or work in, the Building or

any Unit. The Trustee and the Developer 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 and the Limited Common Elements appurtenant thereto 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) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Building, 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 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 Developer) shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior written consent of the Association. All air conditioning equipment which projects into the Common Elements and which is installed as of the date this Declaration is recorded, may be maintained, removed and replaced and shall be repaired as necessary by the Unit Owner owning the Unit which such air conditioning equipment serves. No air conditioning equipment of whatever type other than those installed as of the date this Declaration is recorded or those thereafter installed by the Developer 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 other than dogs or cats, may be kept in Units, subject to rules and regulations adopted by the

Association, which rule or regulation may exclude any kind of pet 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. Dogs or cats which are kept in Units as of the date this Declaration is recorded and dogs or cats owned by grantees of the Developer at the time Units are conveyed to such grantees may be kept in Units subject to the terms of this paragraph, but once said dog or cat dies, or is otherwise no longer kept in a Unit, the Unit Owner owning said dog or cat may not replace it with another dog or cat. Provided, further, that no Unit Owner may use any passenger elevator to transport his dog or cat to or from his Unit and if a Unit Owner shall use a passenger elevator for such purpose, the dog or cat shall be conclusively presumed to have created a nuisance. All pets shall be registered with 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) Nothing shall be done in any Unit or in, on or to the Common Elements which would impair the structural integrity of the Building or which would structurally change the Building except as constructed or altered by or with the permission of the Developer or the Association.

(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. 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 any regulations of the Association.

(k) Except as constructed or altered by or with the permission of the Developer at any time prior to the first annual meeting of the Unit Owners, nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Association.

(l) Each Unit Owner and the Association hereby waives and releases any and

all claims which he or it may have against any other Unit Owner, the Association, members of the Board, the Developer, the Trustee, the beneficiaries of the Trustee, 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(1).

(n) Any release or waiver referred to in Paragraph 11(1) 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. Nor shall any Unit Owner connect any machine, appliance, accessory or equipment to the heating system or plumbing system, without the prior written consent of the Association.

(p) This Paragraph 11 shall not be construed to prevent or prohibit a Unit Owner from maintaining his personal professional library, keeping his personal business or professional records or accounts, handling his personal business or professional telephone calls, or conferring with business or professional associates, clients or customers, in his Unit.

12. Parking. Until such time as all Units have been sold, the Developer shall have the sole and exclusive right to grant to any Unit Owner the privilege to use one or more portions of the Parking Area for the parking of one or more automobiles. After all the Units have been sold, the aforesaid right shall vest in the Association. Any Unit Owner who has been granted the privilege to use one or more portions of the Parking Area shall not be denied such privilege so long as such Unit Owner (i) is not in violation of the Declaration, By-Laws, or rules and regulations of the Association and (ii) pays the monthly parking charge as and when due. No Unit Owner shall have the right to assign, lease or otherwise transfer any privilege to use one or more portions of the Parking Area granted pursuant to this paragraph.

13. Violation of Declaration. The violation of any rule or regulation adopted by the Association or the breach of any covenant or provision herein contained, shall, in addition to any other rights provided for in this Declaration, 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; 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 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 13, including but not limited to court costs, reasonable attorneys' fees as determined by a court of competent jurists, 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 re-acquiring 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 thereat shall thereupon be entitled to a deed to the Unit and, subject to the first right and option of the Association as provided in Paragraph 7(e) hereof, 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.

14. Engineer's Apartment. The Developer reserves the right and agrees to cause the Trustee to convey Unit 2L to the Association subject to this Declaration, the Act, covenants, conditions, easements and restrictions of record, and, in general, all matters which buyers of Unit from the Developer take title subject to as set forth in real estate purchase contracts between Developer and buyers of Units, for use as an engineer's apartment or such other lawful use as the Association deems proper. From and after said conveyance to the Association, the Association shall perform, on behalf of all Unit Owners, all of the obligations appurtenant to such Unit. All costs incurred by the Association with respect to such Unit (including, but without limitation, real estate taxes, repairs, maintenance, decorating, utility charges, and similar expenses) shall be deemed to

be and shall be included as Common Expenses assessed pursuant to this Declaration in the same manner as would have been required had such Unit been established as part of the Common Elements rather than as a Unit, until such time as such Unit is no longer used as a building engineer's apartment, at which time the aforesaid costs shall be borne by the owner thereof, or the Association, as otherwise provided herein.

15. Entry by Association. The Association or its officers, agents or employees may enter any 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.

16. Grantees. Each grantee of the Trustee or the Developer, each purchaser under Articles of Agreement for Deed and each tenant under a lease accepts the same subject to all easements, restrictions, conditions, covenants, reservations, liens and charges, 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 such person in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance.

17. 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.

18. 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 shall 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.

19. 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.

20. Amendments. Except as hereinafter otherwise provided, the provisions of Paragraph 1, 2, 3, 4, 5, 6, sub-paragraph (k)(iv) of Paragraph 7, Paragraph 21 and this Paragraph 20 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 by an instrument in writing setting forth such amendment, change or modification, signed and acknowledged by all of the members of the Board and containing an affidavit by an officer of the Association certifying that (i) such amendment, change or modification has been approved by at least 75% of the Unit Owners 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. 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 Trustee or the Developer shall be effective without the prior written consent of the Trustee or Developer. The By-Laws may be amended in accordance with the provisions of Article XII thereof.

21. Combination and Division of Units. Anything herein contained to the contrary notwithstanding, any one or more Unit Owners may with respect to any Unit or Units owned by him or them:

(a) Divide a Unit or combine any part or all of a Unit with another Unit for the purpose of increasing or reducing the size of a Unit or eliminating a Unit; and

(b) Adjust or change the percentage of ownership of the Common Elements allocable to Units which have been so divided or combined as long as such adjustment does not increase or decrease the total percentage of ownership of the Common Elements allocable to all Units so divided or combined, before the division or combination. Any such division or combination, and adjustment or change, shall be subject to such reasonable rules and regulations as the Association may adopt with respect thereto and shall be set forth in an amendment to this Declaration and the Plat attached hereto as Exhibit D as may be necessary to reflect such division, combination, adjustment or change, including (but not limited to) the elimination of portions of the Common Elements which formerly separated one or more Units by converting the same into portions of Units, or the conversion of any portion of a Unit into Common Elements, or the conversion of any portion of Limited Common Elements into Common Elements, or the conversion of Common Elements into Limited Common Elements. Said division, combination, adjustment or change shall be effective upon the recording of the aforesaid amendment to Declaration and Plat prepared and executed as required by the Act, provided such division, combination, adjustment or change has been approved by the majority of the Board.

22. 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 the now incumbent President of the United States and the now incumbent Vice-President of the United States.

23. 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.

24. 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.

25. Changes or Modifications by the Developer. Until the first annual meeting of Unit Owners is called, the Developer, or its successors or assigns, shall have the right 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 (h) Section 2 of Article VI of the By-Laws hereof 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 (ii) to correct clerical or typographical errors in the Declaration. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Developer 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 acknowledgement of, and a consent to the reservation of, the power to the Developer as aforesaid.

26. Trustees. In the event title to any Unit should be conveyed to a land title holding trust, under which all powers of management, operation and control of the premises remain vested in the trust beneficiary or beneficiaries, then the trust estate under such trust, and the beneficiaries thereunder from time to time shall be liable for payment of any obligation, lien, or indebtedness chargeable or created under this Declaration against such Unit. No claim shall be made against any such titleholding trustee personally for payment of any claim, lien, or obligation hereby created, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against any such lien or obligation, but the amount thereof shall continue to be a charge or lien upon the premises notwithstanding any transfer of beneficial interest or the title of such real estate.

27. Execution by the Trustee. It is expressly understood and agreed, anything herein to the contrary notwithstanding, that each and all of the representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal representations, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against the American National Bank and Trust Company of Chicago or any of the beneficiaries under said Trust Agreement, on account of this instrument or on account of any representation, covenant, undertaking or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

IN WITNESS WHEREOF, the said American National Bank and Trust Company of Chicago as Trustee as aforesaid and not individually has caused its corporate seal to be affixed hereunto and has caused its name to be signed to these presents on the day and year first above written.

AMERICAN NATIONAL BANK AND
TRUST COMPANY OF CHICAGO
as Trustee as aforesaid, and not individually,

By _____

Its _____

ATTEST:

Its _____

FIRST AMENDMENT TO
PROPERTY REPORT

5100 MARINE DRIVE CONDOMINIUM

MARINE PARTNERS,
an Illinois Limited Partnership,
Developer

5100 North Marine Drive
Chicago, Illinois 60640
(312) 878-0500

CITY OF CHICAGO LAW SPECIFICALLY PROHIBITS ANY REPRESENTATION TO THE EFFECT THAT THE CITY HAS PASSED UPON THE MERITS OF OR GIVEN APPROVAL TO MAKE OR CAUSE TO BE MADE TO ANY PROSPECTIVE PURCHASER ANY REPRESENTATIONS WHICH DIFFER FROM THE STATEMENTS IN THIS PROPERTY REPORT. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER AND ARE NOT BINDING ON THE DEVELOPER. REFER TO THE PROPERTY REPORT FOR BINDING REPRESENTATIONS.

EFFECTIVE DATE - August 13, 1979

EVERY PROSPECTIVE PURCHASER SHOULD READ THIS DOCUMENT CAREFULLY

The Developer hereby amends the Property Report for 5100 Marine Drive Condominium, as follows:

1. Appendix A to the Property Report with an effective date of July 20, 1979 is hereby deleted in its entirety and Appendix A attached hereto is inserted in lieu thereof.

PURPOSE: One purpose of the current Appendix A is to indicate increases in the non-resident purchase price of some of the Units.

The second purpose of the current Appendix A is to indicate a slight increase in the amount of anticipated 1980 real estate taxes due to an increase in the 1978 real estate tax rate from the initially announced rate of \$8.985 per \$100.00 of equalized valuation to a final rate of \$9.016 per \$100.00 of equalized valuation. The increase in tax rate results in an estimated increase in 1980 real estate taxes from those initially set forth in Appendix A of approximately \$.074 per \$1,000.00 of purchase price.

2. Appendix D to the Property Report is hereby deleted in its entirety and Appendix D attached hereto is inserted in lieu thereof.

PURPOSE: To combine certain terms set forth in item V. D and E of the Contract Schedule and paragraph 10(d) of the Contract.

3. Appendix F to the Property Report is hereby amended by deleting the reference to "one bedroom" as shown on the floor plans for the A, B, L and M type Units and inserting in lieu thereof a reference to "two bedroom" units

4. The second sub-paragraph of paragraph 102.2R of the Property Report is hereby deleted and the following inserted in lieu thereof. (Deletions are noted by [brackets] and additions are underlined):

"Parking is available to Unit Owners in parking facilities, both inside and open, which are part of the Common Elements and are located on the premises. Parking charges will be set by the Board of Managers and are currently \$50.00 per month for an inside space and \$45.00 per month for an open space. The capacity of the parking facilities is approximately 146 automobiles. Rights to park in these garage facilities will be granted by the Developer to the first 146 Buyers who have an automobile, subject to the existing rights of tenants. Each party

granted the right to park in these parking facilities may park one automobile for as long as such Unit Owner (i) owns his unit, (ii) is not in violation of the Declaration or rules and regulations promulgated thereunder and [(ii)] (iii) pays the monthly parking charge as and when due. The right to park cannot be assigned[, leased] or otherwise transferred to anyone, including a person purchasing [or leasing] the Unit of a Unit Owner who has been granted the right to park in these facilities, but a Unit Owner who has been granted such right may allow his tenant, if any, to park in the facilities for as long as the Unit Owner owns the Unit and conditions (ii) and (iii) above, are satisfied.”

Paragraph 12 of the Declaration of Condominium (Appendix B to the Property Report) is hereby deleted and the following inserted in lieu thereof. (Deletions are noted by [brackets] and additions are underlined):

12. Parking. Until such time as all Units have been sold, the Developer shall have the sole and exclusive right to grant to any Unit Owner the privilege to use one or more portions of the Parking Area for the parking of one or more automobiles. After all the Units have been sold, the aforesaid right shall vest in the Association. Any Unit Owner who has been granted the privilege to use one or more portions of the Parking Area shall not be denied such privilege so long as such Unit Owner (i) owns his Unit, (ii) is not in violation of the Declaration, By-Laws, or rules and regulations of the Association and (iii) pays the monthly parking charge as and when due. No Unit Owner shall have the right to assign [,lease] or otherwise transfer any privilege to use one or more portions of the Parking Area granted pursuant to this paragraph, provided, however, that a tenant of a Unit Owner who has been granted such a privilege may park in the Parking Area subject to the terms of this Paragraph.

PURPOSE: To clarify the right of a Unit Owner who has been granted the right to park in the parking facilities to allow his tenant to park there (i) for as long as the Unit Owner owns the Unit, (ii) the parking charges are paid and (iii) the Unit Owner is not in violation of the Declaration, By-Laws or rules and regulations of the Association.

5. Paragraph 102.2G of the Property Report is hereby amended in the following respects:

(a) The word and figure “approximately \$172,256.00” are deleted from the third line of Page 11 and the word and figure “Approximately \$173,550.00” are inserted in lieu thereof.

(b) The figure “\$8.985” is deleted from the second to last line of the third paragraph on page 12 of the Property Report and the figure “\$9.016” is inserted in lieu thereof.

(c) The figure “2.15%” is deleted from the second line of the fourth paragraph and the figure “2.1589” is inserted in lieu thereof.

PURPOSE: To reflect the approximate amount of the 1978 real estate taxes and the revised 1978 real estate tax rate and, with respect to (c) above, to correct the percentage to be applied to the purchase price to determine estimated real estate taxes. Based on the revised tax rate, some slight upward modification will be required in the \$120.76 and \$140.28 figures and the “Total cash required by Closing” and “Total monthly costs” shown on page 16 of the Property Report.

The undersigned affirm that the Property Report and this First Amendment, any supplements, modifications and further amendments are true, full, complete and correct.

MARINE PARTNERS, an Illinois
Limited Partnership

By SARGO II, INC., a General
Partner

By (Signed) D Sheridan

its V. President