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DECLARATION OF CONDOMINIUM OWNERSHIP
FOR
FAIRWAY GREENS AT ANTIOCH GOLF CLUB

LOT 41

CT# 589730

This instrument was prepared by and
after recording return to:

Windsor Development Corporation
385 Airport Rd., Suite M.
Elgin, Illinois 60123
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DECLARATION OF CONDOMINIUM OWNERSHIP
FOR FAIRWAY GREENS AT
ANTIOCH GOLF CLUB CONDOMINIUMS

THIS DECLARATION (hereinafter "Declaration") made and entered into by WINDSOR DEVELOPMENT CORPORATION, (hereinafter for convenience referred to as "Declarant" or "Developer").

W I T N E S S E T H:

WHEREAS, Declarant is the legal title holder of the real estate described on Exhibit "A", attached hereto and by this reference made a part hereof (hereinafter for convenience referred to as "Parcel"), all of said real estate being located in the Township of Antioch, County of Lake and State of Illinois; and

WHEREAS, Declarant is construction on said Parcel various lowrise residential buildings, each building containing (a) either seven (7) or eight (8) dwelling units (as hereinafter defined) and intends to submit said property to the terms and conditions of this Declaration as set forth herein; and

WHEREAS, Declarant desires and intends by this to submit the Property (as hereinafter defined) to the provisions of the Condominium Property Act of the State of Illinois, as amended from time to time (hereinafter sometimes referred to as the "Act"), and is further desirous of establishing for its own benefit and that of all future owners or occupants of the Property, or any part thereof (which shall be known as the FAIRWAY GREENS AT ANTIOCH GOLF CLUB CONDOMINIUMS) certain easements and rights in, over and upon the Property and mutually beneficial restrictions and obligations with respect to the use and maintenance thereof; and

WHEREAS, Declarant desires and intends that the several owners, mortgagees, occupants (as hereinafter defined) and other persons hereafter acquiring any interest in said property shall at all times enjoy the benefits of, and shall hold their interest subject to, the rights, easements, privileges and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of ownership and to

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facilitate the proper administration of such Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property;

NOW, THEREFORE, Declarant, as the Owner of the real estate, or Parcel, hereinbefore described, and for the purposes above set forth, DECLARES AS FOLLOWS:

ARTICLE I
Definitions

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

1. Act. The Condominium Property Act of the State of Illinois, as amended.
2. Association. THE FAIRWAY GREENS AT ANTIOCH GOLF CLUB Condominium Association.
3. Board. The Board of Directors of the Association selected pursuant to the terms of this Declaration, the Articles of Incorporation of the Association and the By-Laws thereof.
4. Building or Buildings. The Building or Buildings constructed by Developer, located on the Parcel and forming part of the Property and containing the Units as indicated by the Plat or Plats for the FAIRWAY GREENS AT ANTIOCH GOLF CLUB Condominiums.
5. Common Elements. All portions of the Property, except the units.
6. Common Expenses. The expenses of administration (including management and professional services), maintenance, operation, repair and replacement of the Common Elements; the cost of additions, alterations, or improvements to the Common Elements; the cost of insurance required or permitted to be obtained by the Board; utility expenses for the Common Elements; any expenses designated as Common Expenses by the Act, this Declaration, or the

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By-Laws; if not separately metered or charged to the Owners, the cost of waste removal, water, sewer, or other necessary utility services to the Condominium Property; and any other expenses lawfully incurred by the Association for the common benefit of all of the Owners.

7. Declarant or Developer. WINDSOR DEVELOPMENT CORPORATION. For purposes of this Declaration, the terms Declarant and Developer shall be considered interchangeable as to the rights and obligations contained herein. The term Declarant, as defined herein, shall also include such of their successors and assigns who are specifically assigned the respective rights and obligations of Declarant hereunder and Declarant shall have the right to assign any or all of its rights and obligations to any such successor or assign.

8. Declaration. This instrument, by which the Property as hereinafter defined, is submitted to the provisions of the Act, and which shall include such Amendments, if any, to this instrument as may be adopted from time to time pursuant to the terms hereof.

9. First Mortgagee. The holder of a bona fide first mortgage, first trust deed or equivalent security interest covering a Unit.

10. Limited Common Elements. A portion of the Common Elements so designated in this Declaration as shown on Plat of Survey as being reserved to a certain Unit or Units, to the exclusion of other Units, including but not limited to, garage spaces and decks.

11. Lot. A platted lot in the Plat of Subdivision (as hereinafter defined) on which a Building is located. The lots are part of the Property (as hereinafter defined).

12. Master Declaration. The Declaration of Easements, Covenants and Restrictions recorded in the Office of the Recorder of Deeds of Lake County, Illinois as Document Number 1920598;

13. Occupant. Person or person, other than an Owner, in lawful possession of one (1) or more Units.

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

15. Parcel. The tract of real estate described on said attached Exhibit "A" which is hereby submitted to the provisions of the Act.

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

17. Plat. The Plat or Plats of Survey of the Parcel and all Units in the Property submitted to the provisions of the Act, which Plat or Plats are attached hereto as Exhibit "B", and recorded this Declaration. Declarant reserves the right to make corrections to said Plat.

18. Plat of Subdivision. The plat of subdivision for the property known as Fairway Manor at Antioch Golf Club as recorded in the Office of the Recorder of Deeds of Lake County, Illinois on May 22, 1995 as Document No. 3675959, as amended from time to time.

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

20. Undivided Interest. The percentage of ownership interest in the Common Elements appurtenant to a Dwelling Unit as herein and hereafter allocated on Exhibit "C" hereto, as Exhibit "C" may be amended from time to time.

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21. Unit or Dwelling Unit. A part of the Property designated and intended for any type of independent use.

22. Unit Ownership. A part of the Property consisting of one (1) Unit and the undivided interest in the Common Elements appurtenant thereto.

23. Voting Member. One (1) Person with respect to each Unit Ownership designated and entitled to vote at any meeting of the Unit Owners.

ARTICLE II

UNITS

1. Description and Ownership. All Units in the Buildings located on the parcel are delineated on the surveys attached hereto as Exhibit "B". The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on the Plat. Every deed, lease, mortgage or other instrument may legally describe a Unit by its identifying number or symbol as shown on the Plat, and every such description shall be deemed good and sufficient for all purposes, as provided in the Act.

Each Unit is bounded by and shall consist of the space enclosed and bounded by the horizontal and vertical planes as delineated on Exhibit "B". Furnaces, air conditioning and heating systems located within each Unit, subject to the provisions of this Article II, Paragraph 2 as hereinafter set forth, are deemed to be part of a Unit. Said Unit shall include the entire front and rear door (if any), and any windows or glass surfaces along the wall of any Unit, including the frames or other parts thereof. The interior space of a basement is part of a Unit.

Except as otherwise provided by the Condominium Property Act, no Unit Owner shall, by deed, plat or otherwise, combine or subdivision or in any other manner cause his Unit to be separated into any tracts or parcels different from the whole Unit as shown on the Plat.

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

ARTICLE III

Common Elements

1. **Description.** Except as otherwise provided in this Declaration, the Common Elements shall consist of all portions of the Property, except the individual Units. Without limiting the generality of the foregoing, the Common Elements shall include the land on which a condominium building is located, entrances and exits, interior garage spaces, storage areas, sump pumps, attics, roofs, incinerators, pipes, ducts, flues, chutes, electrical wiring and conduits, piping, sewers, sewer lines, public utility lines and other utility installations to the outlets, such component parts of air conditioning piping, floors, ceilings, and perimeter walls not considered as part of a Unit as shown on the Plat, and all structural parts of the Buildings, including all structural columns located within the boundaries of a Unit. The Common Elements shall also be deemed to include all areas outside of the condominium buildings which are part of the Property, including, but not limited to, all open areas around and between the Buildings, landscaping areas, certain other designated parking areas, if any, service walks from garages to the Units, including, but not limited to, any improvements, structures or personal property on the foregoing, service walks from garages to the Units, entry monuments and fencing, if any.

2. **Ownership and Use of Common Elements.** Each Unit Owner shall be entitled to and own an undivided interest in the Common Elements, and, except as otherwise limited in this Declaration, shall have the right to use the Common Elements for all purposes of residence, and such other incidental uses permitted by this Declaration, which right

shall be appurtenant to and run with his Unit. Such right to use the Common Elements shall extend to each Unit Owner, his agents, tenants, family members, invitees and all Occupants and shall be subject to the Act, this Declaration and rules and regulations of the Board of Managers of the Association. Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, as set forth in the schedule attached hereto as Exhibit "C" which is by this reference made a part hereof as though fully set forth herein. The aforesaid percentages of ownership interest have been computed and determined in accordance with the Act, and shall remain constant unless hereafter changed by recorded Amendment to this Declaration, including a revised Exhibit "C", either in accordance with the Act or as otherwise provided in this Declaration. Each Unit Owner's right to vote is set forth in the By-Laws in Exhibit "D" attached hereto and made a part hereof.

3. Limited Common Elements.

a. A portion of the Common Elements are composed of "Limited Common Elements" which are reserved for the use of a certain Unit or Units to the exclusion of other Units. The following is a designation of Limited Common Elements: decks (all these, if any), interior garage spaces, interior and exterior stairs, walkways, hallways and separate utility meter areas, are hereby designated as Limited Common Elements, and each Unit Owner shall be entitled to the exclusive use and possession of decks, garage spaces and driveways, direct access to which is provided from any part of his respective Unit, and which is or are located outside of and adjoining any part of his respective Unit and which may service one (1) Building or a particular group of Buildings.

b. Those parts of the Common Elements serving exclusively each Building as an inseparable appurtenance thereto, including, without limitation, the structural components of each Building (the exterior walls of and contained in each Building, floors, ceilings, roofs, foundations, support columns, conduits and pipes relating to utility facilities placed in each building and all

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associated fixtures and structures therein, all as may lie outside the Unit boundaries), are hereby designated as Limited Common Elements for the exclusive use and benefit of the Units contained in each Building.

c. The Board is responsible for the repair, maintenance, operation and appearance of the Limited Common Elements. Notwithstanding the foregoing, at the discretion of the Board, the repair, maintenance, operation and appearance of the Limited Common Elements may be assessed in whole or in part to the Unit Owners benefited thereby. The Unit Owners of any Building shall not alter the Limited Common Elements of a Unit or a particular building, except to the extent and in conformance with the rules and regulations adopted by the Board.

ARTICLE IV

General Provisions as to Units and Common Elements

1. Submission of the Property to the Act. The property is hereby submitted to the Condominium Property Act of the State of Illinois, as amended.

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

3. No Partition of Common Elements or Units. There shall be no partition of the Common Elements and/or Units through judicial proceedings or otherwise until this Declaration is terminated and the Property is withdrawn from its terms or from the terms of any statute applicable to condominium ownership.

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4. Maintenance of Common Elements: Common Expenses. Except as otherwise provided herein, management, repair, alteration and improvement of the Common Elements (including the Limited Common Elements) shall be the responsibility of the Board or Association. Each Unit Owner shall pay his proportionate share of the Common Expenses (as hereinafter defined), including a contribution covering applicable common expenses incurred by the Master Association. In the event of the failure of a Unit Owner to pay his proportionate share when due, the amount thereof shall constitute a lien on the interest of such Unit Owner as provided by the Act. Except as otherwise expressly provided herein, the Declarant hereby agrees to maintain the Common Elements as to and until the date the first Unit is conveyed to a Purchaser. From and after the date of said conveyance, the Association agrees to maintain, repair and replace the Common Elements.

5. Garage Spaces and Decks. All garage spaces and any decks to the extent not part of a Unit, if any, shall be part of the Limited Common Elements and not a part of any individual Unit; however, each Unit Owner shall be entitled to the exclusive use and possession of that garage space, driveways leading to each parking space and deck, if any, direct access to which is provided from his respective Unit. Owner shall not change a garage space and deck in any manner contrary to such rules and regulations as may be established by the Board or Association.

6. Air Conditioning Compressors. There may be adjoining each Building air conditioning compressors serving units in each Building, which compressors are located on concrete pads. Each air conditioning compressor and the concrete pad upon which it is located are hereby deemed owned by the Owner of the unit which it serves and said Unit Owner shall have all incidents of Ownership in connection with said compressor and concrete pad, including the risk of loss, damage, destruction, maintenance and repair.

7. Easements.

a. Encroachments. In the event that, by reason of the construction, settling or shifting of all or any of the Buildings, or the design or construction of any Unit, any part of the Common Elements encroaches or shall

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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 other Unit, or if, by reason of the design or construction of utility systems, any main pipes, ducts or conduits serving more than one (1) Unit encroach or shall hereafter encroach upon any part of any Unit, valid mutual easements for the maintenance of such encroachment and for such use and occupancy of the Common Elements are hereby established and shall exist for the Owners of such Units or the Common Elements, as the case may be, so long as all or any part of the Unit shall remain standing; provided, however, that in no event shall a valid easement for any encroachment or use of the Common Elements be created in favor of any Owner if such encroachment or use is detrimental to or interferes with the reasonable use and enjoyment of the Property by the other Owners or if such encroachment or use occurred or is occasioned due to the intentional, willful or negligent conduct of any Owner or Occupant or the agent of either.

b. (i) Utility and Cable Television Easements.

The Illinois Bell Telephone Company, Commonwealth Edison Company, Northern Illinois Gas Company, Lake County Public Works Department, the Township of Antioch Illinois, and all other suppliers of utilities serving or proposing to serve the Property or any portion thereof are hereby granted the right to install, lay, construct, operate, maintain, renew, alter, remove and replace conduits, cables, mains, pipes, wires, transformers, switching apparatus and other equipment, and water, sewer and other utilities, into, over, under, on and through the Common Elements for the purpose of providing utility services to the Property or any portion thereof. This is in addition to the easements provided as stated in the Plat of Subdivision. The board may hereafter grant additional utility easements for the benefit of the Property over, under, along and on any portion of the Common Elements, and each Owner hereby grants to the Board an irrevocable power of attorney coupled with an interest to execute, acknowledge, register and record for and in the name of all the Owners, such instruments as may be necessary or appropriate to effectuate the foregoing. Easements are also hereby declared and granted to the Developer or its assignee to install, lay, construct, operate, maintain, renew, repair and replace any conduits, cables, pipes, wires or other equipment or components of a community antenna

television service system into, over, under, on and through the Common Elements for the purpose of providing such television service to the Property or to other property.

(ii) Upon the majority vote or more than fifty percent (50%) of the total votes of the Unit Owners at a meeting duly called for such purpose, the Board may grant an easement for the laying of cable television cable.

c. Reservation of Rights. Anything contained in this Declaration to the contrary notwithstanding, Declarant hereby reserves for itself, its agents, employees, contractors, subcontractors, workmen, materialmen, invitees and any successor builders an easement for ingress and egress under, over and across the Common Elements (as amended from time to time by add-on amendments) located thereon or any part thereof, for the purposes of constructing, completing, repairing, maintaining, inspecting, exhibiting, selling and renting any Units or Buildings then owned by Declarant and for the purposes of constructing, completing, repairing, maintaining, inspecting and exhibiting facilities permitted herein on the Common Elements.

d. Water Charges; Watering Common Areas; Certain Exterior Water Faucets. All water used by the Declarant, Association or Unit Owners for maintenance of the Common Elements shall be deemed a Common Expense. The Declarant reserves for itself, the Association and their designees, their successors and assigns, the right to attach hoses and other water sprinkling devices to, and obtain water from, the water faucets on the exterior of the first floor of each Building on the Property to furnish water to clean and maintain the Common Elements. If said water faucets are "metered" to a particular Unit Owner, he shall be promptly reimbursed by the Association as to said costs incurred. The duty to maintain, repair and replace the exterior portion of said outside water faucets shall remain in the Owner of each Unit to which said water faucet is connected, but said Unit Owner shall be promptly reimbursed by the Association as to said costs incurred. This grant is perpetual and cannot be terminated without the consent of

the Board and so long as Declarant owns Units in the Property without the consent of the Declarant.

e. Easements to Run with Land. All easements and rights described herein are easements appurtenant to and running with the land, perpetually in full force and effect, and at all times shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any Owner, purchaser, mortgagee and other persons having an interest in the Property or any part or portion thereof. Reference in any deed of conveyance or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Article or described in any other part of this Declaration shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and 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.

8. Survey Amendments. Declarant reserves the right to and shall cause to be recorded from time to time until all of said structural components are in place, an amended survey or surveys showing the actual locations and dimensions of the boundaries of those Units in the Buildings that are completed after the date Exhibit "B" was prepared. Whenever in this Declaration the term "survey", "surveys" or "Exhibit B" appears, it shall be deemed to include such amended survey or surveys as shall be hereafter recorded pursuant to this Paragraph.

9. Separate Mortgages of Units. Each Unit Owner shall have the right to mortgage or encumber his own respective Unit, together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever the Property or any part thereof, except his own Unit and his own respective ownership interest in the Common Elements as aforesaid. Within fifteen (15) days of the recording of a mortgage or trust deed against a Unit given by the Owner of that Unit to secure a debt, the Owner shall inform the Association of the identity of the lender

together with a mailing address at which the lender can receive notices from the Association.

10. Separate Real Estate Taxes. It is intended that real estate taxes are to be separately taxed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements. Upon authorization by the affirmative vote of not less than a majority of the Unit Owners at a meeting duly called for such purpose, the Board of Managers, acting on behalf of all Unit Owners, shall have the power to seek relief from or in connection with the assessment or levy of any such taxes, special assessments or charges, and any such taxes levied and assessed on any open common areas, and to charge and collect all expenses incurred in connection therewith as Common Expenses.

11. Utilities. Each Unit Owner shall pay for his own telephone, electricity and other utilities which are separately metered or billed to each user by the respective utility company. Utilities which are not separately metered or billed shall be treated as part of the Common Expenses.

12. Insurance; Unit Owners. Each Unit Owner shall be responsible for obtaining and keeping in full force and effect his own insurance on the decorating and furnishings and personal property therein, and his personal property stored elsewhere on the Property, and his personal liability insurance as Owner of said Unit, all to the extent not covered by the fire and liability insurance for all of the Unit Owners obtained as part of the Common Expenses as provided below in the By-Laws of this Declaration.

The Board shall not be responsible for obtaining insurance on any additional alterations or improvements made by any Unit Owner to his own Unit (for example, wall treatments affixed to the Unit walls, etc.) unless and until such Unit Owner shall request the Board, in writing,

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to do so and shall make arrangements satisfactory to the Board to either pay for or reimburse the Board for any additional premiums attributable thereto; and upon the failure of such Unit Owner to do so, the Board 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.

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

13. Maintenance, Repairs and Replacement of Common Elements and the Units.

a. By the Board. The Board or Association, at its expense, shall be responsible for the maintenance, repair and replacement of the exterior portions of the Buildings, the garage door for each Unit, and those portions, if any, of each Unit which contribute to the support of the Buildings, excluding, however, interior wall, ceiling and floor surfaces, except to the extent insurance proceeds received by the Board resulting from said damage or destruction, covers said repairs. In addition, the Board or Association shall maintain, repair and replace all conduits, ducts, plumbing, wiring and other facilitates for the furnishing of utility services which may be located within the Unit boundaries as specified in Article II, Paragraphs 1 and 2, exclusive of any portions of the foregoing which may be located at or beyond the wall outlets, or which may be the responsibility of an individual Owner under any other provision of this Declaration. The Association by the Board shall authorize any painting of the exterior of the Buildings and any maintenance within the Buildings outside of the Units, including, but not limited to, hallways,

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storage facilities, outside of a Unit, if any. The Board shall further be responsible for any maintenance as hereinabove set forth in this subparagraph in order to meet the requirements of any maintenance code adopted by the Township of Antioch. In addition, the Board or Association, at its expense, shall be responsible for the maintenance, repair and replacement of all landscaping and open areas between the Buildings made a part of the property, the detention areas, if any, maintenance, repair, replacement of entry monuments, signage and any fencing, if any; maintenance responsibility for the detention areas, if any, and all snow removal from driveways on the Property, payment of real estate taxes, if any, on any of the Common Elements; and insurance required on any of the Common Elements including, but not limited to, exterior portions of all Buildings.

b. By the Owner. Except as otherwise provided in subparagraph a above, each Unit Owner shall furnish and be responsible for, at his own expense:

(i) All of the maintenance, repairs and replacements within his own Unit, including the windows and doors of his own Unit, and all internal installations in such Unit such as refrigerators, ranges and other kitchen appliances, lighting fixtures and other electrical fixtures, and heating, plumbing and air conditioning fixtures or installations and any portion of any other utility service facilities located within the Unit boundaries as specified in Article II, Paragraphs 1 and 2. The Board or Association may provide, by its rules and regulations, for ordinary maintenance and minor repairs and replacements to be furnished to Units by Building personnel as a Common Expense.

(ii) All of the decorating within his own Unit from time to time, including painting, wallpapering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating. Each Unit Owner shall be entitled to exclusive use of such portions of the perimeter walls, floors and ceilings as lie within the boundaries of his Unit as shown on the Plat, and such Unit Owner shall maintain such portions in good condition, at his sole expense, as

may be required from time to time, which said maintenance and use shall be subject to the rules and regulations of the Board or Association. The interior and exterior surfaces of all windows forming part of a perimeter wall of a Unit shall be cleaned or washed at the expense of each respective Unit Owner. Decorating of the Common Elements (other than interior surfaces within the Units as above provided), and any redecorating of Units to the extent made necessary by any damage to existing decorating of such units caused by maintenance, repair or replacement work on the Common Elements by the Association, shall be furnished by the Association as part of the Common Expenses. The respective obligations of the Association and Unit Owners set forth in this Declaration shall not be limited, discharged or postponed by reason of the fact that any such maintenance, repair or replacement is required to cure a latent or patent defect in material or workmanship in the construction of the Property, nor because they may become entitled to the benefit of any construction guarantee or proceeds under policies of insurance. In addition and notwithstanding anything hereinabove to the contrary, no Unit Owner shall have a claim against the Board, Association or another Unit Owner for any work (such as certain exterior window cleaning or decorating) ordinarily the responsibility of the Board or Association, but which the Unit Owner himself has performed or paid for, unless the same shall have been agreed to in writing in advance by the Board or Association or, upon proper request, by the Unit Owner that the Board perform said work, the Board fails to do so.

14. Negligence of Owner. Unit Owners, the Board and the Association hereby waive any and all claims which they may have against any other Unit Owner due to the negligent act or omission of said Unit Owner, or a member of his family or household pet or of a guest or any other authorized Occupant or visitor of such Unit Owner for damage caused to the Common Elements or Units owned by others, to the extent that such damage is covered by insurance carried by the Association or Board of Managers or the Unit Owner who has suffered damage. Except as otherwise set forth in this Declaration, if due to the negligent act or omission of a Unit Owner, or a member of his family or household pet or of a guest or other authorized Occupant or visitor of such Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or

maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements as may be determined by the Board, which determinations shall be uniformly applied considering the particular circumstances of each situation.

15. Joint Facilities. To the extent that equipment, facilities and fixtures within any Unit or Units shall be connected to similar equipment facilities or fixtures affecting or serving other Units or the Common Elements, then the use thereof by the individual Unit Owners shall be subject to the rules and regulations of the Board. The authorized representatives of the Association or the Board, or the manager or managing agent for the Buildings, shall be entitled to reasonable access to the individual Units as may be required in connection with maintenance, repairs or replacements of or to the Common Elements or any equipment, facilities or fixtures affecting or serving other Units or the Common Elements.

16. Alterations, Additions or Improvements. No alterations of any Common Elements, or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board, including, but not limited to, the construction of any additional decks or fencing.

ARTICLE V
COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

The Units and Common Elements shall be occupied and used as follows:

1. Use. No part of the Property will be used for other than housing and related common purposes for which the Property was designed. Each Dwelling Unit shall be used as a residence for a single family and for no other purposes. The parking spaces and driveways in front of garage spaces and other parking areas, if any, shall be used for parking operable automobiles, motorcycles and other motor vehicles and for no other purposes, subject to such reasonable rules and regulations as may be adopted by the Board. Campers, trailers, pick-up trailers,

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recreational vehicles, and other types of non-passenger vehicles and accessories, including boats and snowmobiles, shall be stored in garages only, if the garage door can be closed. The Board may authorize such vehicles and items parked in violation of this provision to be towed away and any such towing charge shall become a lien on the Unit Owner if he owns the vehicle or item or his Occupant owns same.

2. Restrictions. There shall be no obstruction of the Common Elements nor shall anything be stored in, on, under or above the Common Elements (except in areas designed for such purpose) without the prior written consent of the Board except as hereinafter expressly provided. Owners shall be obligated to maintain and keep in good order and repair their respective Units.

3. Prohibited Use. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance without the prior written consent of the Board. Owners shall not permit anything to be done or kept in their respective Units or in the Common Elements which will result in the cancellation of insurance or which would be in violation of any law. No waste shall be committed on the Common Elements.

4. Owner's Insurance. Owners shall be individually responsible for insuring their personal property in their respective Units, their personal property stored elsewhere on the Property and their personal liability insurance to the extent not covered by the liability insurance for all the Owners obtained by the Board as hereinabove provided.

5. Exterior Surfaces. Owners shall not cause or permit anything to be placed on outside walls, doors and windows of the Building, and no sign, awning, canopy, shutter, air conditioning unit, radio or television antenna shall be affixed to or placed in, through or upon the exterior walls, doors, windows or roof or any part thereof, without the prior consent of the Board. No fencing or patios shall be built adjoining any Unit except those built by Declarant. No basketball backboards or free standing basketball poles or apparatus of any kind shall be constructed or permitted, even if a portable kind.

6. Pets. No animals of any kind shall be raised, bred or kept in any Unit or in the Common Elements, except that

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up to two (2) dogs, cats or other usual household pets may be kept in Units, subject to rules and regulations adopted by the Board; provided that they are not kept, bred or maintained for any commercial purposes; and provided further that any such pet kept in violation of rules and regulations adopted by the Board or causing or creating a nuisance or unreasonable disturbance (after causing more than one (1) violation) shall be permanently removed from the Property upon three (3) days' written notice from the Board.

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

8. Structural Integrity. Nothing shall be done in any Unit or in, on, or to the Common Elements which will impair the structural integrity of a Building or the Common Elements, or which would structurally change them except as is otherwise provided herein.

9. Unsightliness. No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of litter, rubbish, debris and other unsightly materials which must be kept in receptacles provided for such purposes.

10. Commercial Activity. No industry, business, trade occupation or profession of any kind, commercial, religious, educational or otherwise, designated for profit, altruism, exploration or otherwise, shall be conducted, maintained or permitted in any Unit. This prohibition shall also apply to the Common Elements unless permission from the Board is obtained.

11. "For Sale" and "For Rent" Signs. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the Property except for those signs advertising an open house which shall be permitted for a 24-hour period. Notwithstanding the foregoing, the right is reserved by the Developer or its

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agents to place and maintain on the Common Elements or any Unit it owns, as long as Development is engaged in sales or leasing activities in connection with the Property, sales models, a sales or leasing office, advertising signs or banners and lighting in connection therewith, at such locations and in such forms as the Developer shall determine.

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

13. Developer Rights. Notwithstanding any provision hereof to the contrary, at all times and from time to time prior to the sale of the last Unit in the Property, the Developer, the Declarant, beneficiaries of Declarant, their agents, successors and assigns, hereby reserve the right: (a) to lease or sell such Units as the Developer shall determine; (b) to erect and maintain on the Property all advertising signs, banners, lighting and other sales devices for the purpose of aiding the sale or leasing of the Units in the Property; (c) to maintain sales and business offices on the Property to facilitate the sale or leasing of Units therein; and (d) to utilize the Common Elements for ingress and egress in connection with the sale and leasing of Units in the Property, an easement being hereby granted to Developer for said purposes.

14. Exceptions. The Unit restrictions in Paragraphs 1 and 10 of this Article shall not, however, be construed in such a manner as to prohibit an Owner from: (a) maintaining a personal professional library therein; (b) keeping personal business or professional records or accounts therein; or (c) handling personal business or professional business calls or correspondence therefrom, or inviting personal business or professional clients therein, so long as the Unit is not advertised to the general public in any manner as a business establishment. Such uses are expressly declared customarily incident to the principal use for residential purpose and not in violation of Paragraphs 1 and 10 of this Article.

15. Obstructions. There shall be no obstructions of any stairs or hallways, if any, entrances, exits or other portions of the Common Elements nor shall ready access

thereto be obstructed or impeded in any manner. Every Owner, Occupant and other person shall be responsible for his personal property in any storage areas and in other portions of the Common Elements such as the Outlots. Neither the Board nor the Association shall be considered the bailee of any such personal property, nor shall either be responsible for any loss or damage thereto, whether or not due to negligence of the Board and/or the Association.

16. Leases. Any lease or rental agreement relating to a Unit must be in writing and shall be subject to all the terms, conditions and requirements of the Declaration, By-Laws and rules and regulations of the Association. No Unit may be leased or rented for a period less than thirty (30) days. The Owner shall provide a copy of the lease or rental agreement to the Board within ten (10) days after its execution or the date of occupancy, whichever occurs first. If the lease is oral, a memorandum of lease shall be provided according to the same time restrictions. The Association is hereby expressly deemed to be a third party beneficiary of any such lease; and any violation of the Declaration, By-Laws or rules and regulations shall be deemed a default under such lease entitling the Association to exercise any and all remedies under the lease or available at law or equity, regardless of the Owner's action or inaction in response to such default.

17. Required Carpeting and Sound Absorbent Materials. Each Unit Owner of a Unit shall be required to keep all floor areas of each Unit covered with wall to wall carpeting, including separate padding beneath said carpeting, except for the first floor of the kitchen, utility room and bathroom(s). As to washing machines, dryers, trash compactors or similar appliances or devices which may vibrate or cause noise, the Unit Owner housing said appliance shall install sound absorbent material, insulation or devices to reduce the transmission of sound.

18. Rules and Regulations. The Association by the Board or its various committees shall have the right to establish rules and regulations concerning the use of the Common Elements.

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ARTICLE VI
Damage or Destruction and Restoration of Buildings

1. Insurance.

a. Sufficient Insurance. In the event the improvements forming a part of the Property, or any portion thereof, including any Unit, shall suffer damage or destruction from any cause, the proceeds of any policy or policies insuring against such loss, or damage, and payable by reason thereof, shall be sufficient to pay the cost of repair or restoration or reconstruction and shall be undertaken and the insurance proceeds which shall be applied by the Board or the payee of such insurance proceeds in payment therefor; provided, however, that in the event, within thirty (30) days after said damage or destruction, the Unit Owners elect either to sell the Property as hereinafter provided in Article VII or to withdraw the Property from the provisions of this Declaration and from the provisions of the Act, as therein provided, then such repairs, restoration or reconstructions shall not be undertaken. In the event such repair, restoration or reconstruction is not undertaken, the net proceeds of insurance policies shall be divided by the Board or the payee of such insurance proceeds among all Owners according to each Owner's percentage of ownership in the Common Elements as set forth in Exhibit "C", after first paying out of the share of each Owner the amount of any unpaid liens on that Owner's Unit, in the order of the priority of such liens. This Paragraph shall not apply to the application of any proceeds of any policy or policies insuring against the loss of or damage to the contents of a Unit, which policy or policies were maintained by the Owners of the Unit.

b. Insufficient Insurance. In the event that the Property or the improvements thereon so damaged are not insured against the risk causing the loss or damage, or the insurance proceeds are not sufficient to pay the cost of repair, restoration or reconstruction, and the Unit Owners and all other parties in interest do not voluntarily make provision for the reconstruction of the improvements within one hundred eighty (180) days after said damage or destruction, then the provisions of the Act in such event shall apply.

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2. Repair, Restoration or Reconstruction. Repair, restoration or reconstruction of the improvements, as used in this Article, means restoring the improvements to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and the Common Elements having the same vertical and horizontal boundaries as before. Except to the extent otherwise provided by the Condominium Property Act, the By-Laws, Paragraphs 1 and 2 of this Article VI, and Paragraph 5 of Article X of the Declaration, the Association shall not use hazard insurance proceeds for other than repair, replacement or reconstruction purposes, unless Owners (other than the Declarant) having two-thirds (2/3) or more of the total votes in the Association give their prior written consent thereto and fifty-one (51%) percent of all First Mortgagees.

ARTICLE VII

SALE OF THE PROPERTY

The owners by affirmative vote of the Owners having three-fourths (3/4) or more of the total votes, at a meeting duly called for such purpose, may elect to sell the Property as a whole. Within ten (10) days after the date of the meeting at which such sale is approved, the Board shall give written notice of such action to the holder of any duly recorded first mortgage or trust deed against any Unit Ownership entitled to notice under Article X hereof. Such action shall be binding upon all Owners, and it shall thereupon become the duty of every Owner to execute and deliver such instruments and to perform all acts as in manner and form may be necessary to effect such sale; provided, however, that any Owner who did not vote in favor of such action and who files written objection thereto with the Board within twenty (20) days after the date of the meeting at which such sale is approved shall be entitled to receive from the proceeds of such sale an amount equivalent to the fair market value of such Owner's interest, as determined by a fair appraisal, less the amount of any unpaid assessments or charges due and owing from such Owner. In the absence of agreement on an appraiser, such Owner and the Board may each select an appraiser, and the two (2) so selected shall select a third. The Owner shall bear the cost of his appointed appraiser and one-half (1/2) of the

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cost of the third appraiser; the cost of the Board-appointed appraiser and one-half (1/2) of the cost of the third appraiser shall be a Common Expense. The fair market value shall be determined by a majority of the three appraisers so selected. If either party shall fail to select an appraiser, then the one designated by the other party shall make the appraisal.

ARTICLE VIII
Remedies for Breach of Covenants,
Restrictions and Regulations

1. Abatement and Enjoinment. The violation of any restriction, condition or regulation adopted by the Board, or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to the rights as set forth in the next succeeding paragraph:

a. To enter upon 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 Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof and Declarant, Developer, or their successors or assigns, or the Board, or its agents, shall not thereby be deemed guilty in any manner of trespass or conversion of or damage to Property; or

b. To enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

All expenses of the Board in connection with such actions or proceedings, including court costs and attorneys' fees and other fees and expenses and all damages, liquidation or otherwise, together with interest thereon at the maximum legal rate until paid, shall be charged to and assessed against the defaulting Owner and shall be added to and be deemed part of his respective share of the Common Expenses, and the Board shall have a lien for all of the same upon the Unit Ownership of such defaulting Owner and upon all of his additions and improvements thereto. All said rights and remedies are cumulative and may be exercised at any time and from time to time by the Board.

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2. Involuntary Sale. If any Owner (either by his own conduct or by the conduct of any other Occupant of his Unit) shall violate any of the covenants, restrictions or provisions of his Declaration or the regulations adopted by the Board, and such violation shall continue for ten (10) days after notice is sent in writing from the Board to said Owner, or shall occur repeatedly during any ten (10) day period after written notice or request to cure such violation from the Board is sent to said Owner, then the Board shall have the power to issue and to serve upon the defaulting Owner notice in writing from the Board allowing the Board or its agents the right to possession of said Unit and denying the Owner the right to continue as an Owner and to continue to occupy, use or control his Unit and the Common Elements; if said violation shall continue for seven (7) days after said notice is given an action in equity may be filed by the members of the Board against the defaulting Owner for a decree of mandatory injunction against the Owner or Occupant or, in the alternative, a decree declaring the termination of the defaulting Owner's right to occupy, use or control the Unit and/or the Common Elements owned by him on account of the breach of covenant, and ordering that all the right, title and interest of the Owner in the Property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and terms as the court shall establish. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting 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 Owner. Upon the confirmation of such sale, the purchaser thereof shall thereupon be entitled to a deed to the Unit Ownership and to immediate possession of the Unit sold and may apply to the court for writ of assistance for the purpose of acquiring such possession. 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 and the purchaser shall become a member of the Association in the place and stead of the defaulting Owner.

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ARTICLE IX

ANNEXING ADDITIONAL PROPERTY

1. In General. Declarant hereby reserves the right from time to time, prior to seven (7) years from the date of recording of this Declaration, to add portions of the Development Area legally described in Exhibit "E", appended hereto and made a part hereof, to the Property and submit such portions to this Declaration and the By-Laws by recording an Amendment to this Declaration, as hereinafter provided. For the purposes of this Article, any portion of the Development Area which is made subject to the Declaration and By-Laws by an Amendment to the Declaration shall be referred to as "Added Property", and any Unit from a Building in the Added Property shall be referred to as "Added Unit". In making Added Property part of the Property, the following shall apply:

(a) The development plan may be changed by the Developer at any time or from time to time without notice, and the Developer may amend or supersede the Declaration to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities. Such change will occur by recording an Amendment.

(b) Added Property may be made part of the Property at different times; there is no limitation on the order in which Added Property may be made part of the Property; and no particular portion of Development Area must be made part of the Property;

(c) The approval of any of the Unit Owners, including their mortgage holders (First Mortgagees), if any, to future condominium Amendments for said additional parcels shall not be required and said Unit Owners may not prohibit such adding on of said additional Property.

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2. **Reservation of Right to Annex Additional Property.** Declarant hereby reserves the right and option at any time and from time to time, within a period of seven (7) years after the date the recording of this Declaration in the Office of the Recorder of Deeds, Lake County, Illinois, to add-on and annex to the Property, all or any portion of the Development Area, and in connection therewith to reallocate percentage interests in the Common Elements as hereinafter described, by recording an Amendment or Amendments to this Declaration executed solely by Developer (each such instrument being hereinafter referred to as "Amendment to Condominium Declaration") which shall set forth the legal description of the additional parcel or parcels within the Development Area to be annexed to the Property and which shall otherwise be in compliance with the requirements of the Act. Upon the recording of each such Amendment to the Condominium Declaration, the Additional parcel or parcels therein described shall be deemed submitted to the Act and governed in all respects by the provisions of the condominium instruments and shall thereupon become part of the Property. No portion or portions of the Development Area shall be subject to any of the provisions of the condominium instruments unless and until an Amendment to Condominium Declaration is recorded annexing such portion or portions to the Property as aforesaid. The Unit Owners shall have no rights whatsoever in or to any portion of the Development Area unless and until an Amendment to Condominium Declaration is recorded annexing such portion to the Property as aforesaid. Upon the expiration of said Seven (7) year period, no portions of the Development Area which have not theretofore been made part of or annexed to the Property shall thereafter be annexed to the Property. No portion or portions of the Development Area must be added to the Property by Developer. Portions of the Development Area may be added to the Property at different times within such seven (7) year period. Except as may be required by applicable laws and ordinances, there shall be no limitations:

(a) On the order in which portions of the Development Area may be added to the Parcel;

(b) Fixing the boundaries of these portions; or

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(c) On the location of improvements which may be made on the Development Area. Structures, improvements, Buildings and Units to be constructed on portions of the Development Area which are added to the Property need not (except to the extent required by applicable laws and ordinances) be compatible with the configuration of the Property in relation to density, use, construction and architectural style.

Subject to any limitation imposed by applicable laws and ordinances, the maximum number of Units which will be created on the entire Property shall be Eight-Six (86) Units and the maximum number of residential Buildings which may be made a part of the Property in total shall be Eleven (11). In all cases in which the Developer exercises the option to add part of the Development Area to the Property, the contracts for the construction and delivery of such part of the Development Area shall contain a date for the completion and delivery of such part of the Development Area to be constructed.

Each Amendment to Condominium Declaration shall include:

(a) An Amendment to the legal description on Exhibit "A" of this Declaration which shall add to the legal description of the Parcel that portion or portions of the Development Area annexed to the Property;

(b) An Amendment to the Plat (Exhibit "B" attached hereto) which shall show the boundaries of the portion or portions of the Development Area annexed to the Parcel, and delineating and describing the Units constructed or to be constructed on the portions of the annexed Development Area;

(c) An Amendment to Exhibit "C" attached hereto which shall set forth the amended percentages of ownership interest in the Common Elements, including the Common Elements attributable to those portions of the Development Area annexed to the Property; allocable to each Unit, including all existing Units and additional Units added by such Amendment to the Condominium Declaration; and

(d) An Amendment to Exhibit "E" attached hereto which shall subtract from the legal description of the Development Area those portions of the Development Area annexed to the Property by such Amendment to the Condominium Declaration

The percentages of ownership interest in the Common Elements allocable to each Unit, as amended by each Amendment to the Condominium Declaration, shall be determined as follows:

(a) The Common Elements, as amended by such Amendment to the Condominium Declaration, shall be deemed to consist of the Common Elements as existing immediately prior to the recording of such Amendment to Condominium Declaration (the "Existing Common Elements") and the Common Elements added by such Amendment to the Condominium Declaration (the "Added Common Elements");

(b) The Units, as amended by such Amendment to the Condominium Declaration, shall be deemed to consist of the Units as existing immediately prior to the recording of such Amendment to Condominium Declaration (the "Existing Units") and the Units added by such Amendment to Condominium Declaration (the "Added Units");

(c) The value of each of the Added Units (which value shall be determined by Developer) shall be added to the value of each of the Existing Units (which value shall be determined by Developer) and the total of all such values shall be deemed to be the new value of the Units as a whole. Each of such values shall be determined by Developer as of the date of recording each Amendment to Condominium Declaration and each of such values determined by Developer shall be unconditionally binding and conclusive for all purposes notwithstanding the sale price of any Unit or Units;

(d) The percentage of ownership interest in the entire Common Elements (both the Existing Common Elements and the Added Common Elements) to be allocated to each of the Units (both the Existing Units and the Added Units) shall be computed by dividing the value of such Unit (as determined by Developer as described in the preceding subparagraph c) by the value of the Units as a whole (as determined by Developer as described in the preceding subparagraph c);



(e) The Existing Units shall be entitled to their respective percentages of ownership interest in the Common Elements as set forth in such Amendment to the Condominium Declaration, in the Added Common Elements and in the Existing Common Elements;

(f) The Added Units shall be entitled to their respective percentages of ownership interest in the Common Elements as set forth in such Amendment to Condominium Declaration, in the Added Common Elements and in the Existing Common Elements;

(g) All of the provisions of the condominium instruments, as amended by each successive Amendment to Condominium Declaration, shall be deemed to apply to all of the Units (both the Added Units and the Existing Units) and to all of the Common Elements (both the Added Common Elements and the Existing Common Elements); and

(h) The recording of an Amendment to the Condominium Declaration shall not alter or affect the amount of any lien for Common Expenses due from the Unit Owner of any Existing Unit prior to such recording, to the respective amounts theretofore assessed to or due from Unit Owners of Existing Units for Common Expenses or other assessments.

3. Existing Mortgages. Upon recording of each Amendment to Condominium Declaration, the lien of each mortgage encumbering an Existing Unit, together with its appurtenant percentage of ownership interest in the Existing Common Elements, shall automatically be deemed to be adjusted and amended to encumber such Unit and the respective percentage of ownership interest in the Common Elements for such Existing Unit as set forth in such Amendment to Condominium Declaration, and the lien of such mortgage shall automatically attach to such percentage interest in the Added Common Elements.

4. Binding Effect. Each Unit Owner and each mortgagee, grantee, heir, administrator, executor, legal representative, successor and assign of such Unit Owner, by such person's or entity's acceptance of any deed or mortgage or other interest in or with respect to any Unit Ownership shall be deemed to have expressly agreed and consented to:

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(a) Each and all of the provisions of this Article IX;

(b) The recording of each Amendment to the Condominium Declaration which may amend and adjust such person's or entity's respective Common Elements and the Added Common Elements, including the Existing Common Elements and the Added Common Elements from time to time as provided in this Article IX; and

(c) All of the provisions of each Amendment to the Condominium Declaration which may hereafter be recorded in accordance with the provisions of this Article IX.

The acceptance by any of such persons or entities of any deed, mortgage or other instrument with respect to any Unit Ownership shall, in addition to the foregoing, be deemed to constitute a consent and agreement to and acceptance and confirmation by such person or entity of each of the following provisions as though fully set forth in such deed, mortgage or other instrument:

(i) The percentage of ownership interest in the Common Elements appurtenant to such Unit shall automatically be deemed reconveyed effective upon the recording of each Amendment to the Condominium Declaration and reallocated among the respective Unit Owners in accordance with the amended and adjusted percentages set forth in each such Amendment to Condominium Declaration;

(ii) Such deed, mortgage or other instrument shall be deemed given upon a conditional limitation to the effect that the percentage of ownership interest in the Common Elements appurtenant to such Unit shall be deemed divested pro tanto upon the recording of each such Amendment and revested and reallocated with the amended and adjusted percentages set forth in each such Amendment;

(iii) To the extent required for the purposes of so amending and adjusting such percentages of ownership interest in the Common Elements as aforesaid, a right of revocation shall be deemed reserved by the Grantor of such deed, mortgage or other instrument with respect to such percentage of ownership interest in the Common Elements granted therein;

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(iv) Such adjustments in the percentages of ownership interest in the Common Elements, as set forth in each such Amendment, shall be deemed to be made by agreement of all Unit Owners and other Persons having any interest in the Property, and shall also be deemed to be an agreement of all Unit Owners and such other Persons to such changes within the contemplation of the act; and

(v) Each Unit Owner, by acceptance of the deed conveying his Unit Ownership, agrees for himself and all those claiming under him, including mortgagees, that the condominium instruments and each Amendment to the Condominium Declaration is and shall be deemed to be in accordance with the Act.

ARTICLE X

RIGHTS OF FIRST MORTGAGEES

In addition to all other right of First Mortgagees pursuant to this Declaration, and notwithstanding any other provisions herein to the contrary:

1. Unless at least fifty-one percent (51%) of the First Mortgagees (based upon one vote for each first mortgage owned) of individual Units have given their prior written approval, the Association shall not be entitled to:

(a). By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association for the benefit of the Units and the Owners. The granting of easements for public utilities or for other purposes consistent with the intended use of such property by the Association shall not, for purposes of the foregoing, be deemed to be a transfer

(b) Change the method of determining the obligations, assessments, dues, reserves or maintenance, repair and replacement of Common Elements, or other charges which may be levied against a Unit and the Owner thereof as provided in the By-Laws.

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(c) By act or omission, waive, abandon or materially change any scheme or regulations or enforcement thereof pertaining to the architectural design or the exterior appearance of any Dwelling Unit, the exterior maintenance of any such Dwelling Unit, the maintenance or the upkeep of the Property.

(d) Fail to maintain fire and extended coverage insurance on the insurable improvements to the Common Elements in an amount not less than one hundred percent (100%) of the full insurable replacement cost.

(e) Use hazard insurance proceeds for losses to any improvements to the Common Elements for other than the repair, replacement or reconstruction of such improvements in substantial conformity with the original plans and specifications and this Declaration.

(f) Change the responsibility for maintenance and repairs of the Common Elements and/or Lots thereof as provided in Article IV.

(g) Change to self-management when professional management had been required previously by any governmental or quasi governmental agency.

(h) Change the interest in the Common Elements or Limited Common Elements or right to their use, whether as a result of partial condemnation, destruction or otherwise.

(i) Change the boundaries of any Unit.

(j) Change the voting rights of any member of the Association.

(k) Impose any restrictions on a Unit Owner's right to sell or transfer his or her Unit.

(l) By act or omission, seek to terminate the legal status of the Association after substantial destruction or condemnation.

(m) Change the insurance requirements or fidelity bond requirements stated herein.

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(n) Change any provisions herein as to leasing of Units.

(o) Change any provisions herein covering the conversion of Units into Common Elements or Common Elements into Units.

Approval of the amendments in this paragraph by First Mortgagees may be implied when a First Mortgagee fails to submit a written response to any written proposal for an amendment within thirty (30) days after it receives notice of said proposal, if the notice was delivered by certified or registered mail, with a "return receipt" requested.

2. First Mortgagees shall have the right to examine the books and records of the Association at reasonable times during normal business hours.

3. First Mortgagees may, jointly or singularly, pay taxes or other charges which are in default and which may or have become a charge against the Common Elements and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for the Common Elements and First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

4. Any First Mortgagee, at its written request, shall be entitled to written notice from the Board of any default by the mortgagor of such Unit in the performance of such mortgagor's obligations hereunder or under the By-Laws or rules and regulations of the Association which is not cured within thirty (30) days.

5. First Mortgagees are entitled to timely written notice if requested in writing of:

(a) Any condemnation or casualty loss that affects either a material portion of the project or the Unit securing its mortgage;

(b) Any sixty (60) day delinquency in the payment of the assessments or charges owed by the Owner of any Unit on which it holds the mortgage;

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(c) A lapse; cancellation or material modification of any insurance policy or fidelity bond maintained by the Owner's Association;

(d) Any proposed action that requires the consent of a specified percentage of legible mortgage holders;

(e) Changes in the boundaries of any Unit or the exclusive easement rights appurtenant thereto;

(f) The interests in the Common Elements or Limited Common Elements pertaining to any Unit or the liability for Common Expenses pertaining to any Unit;

(g) The number of votes in the Association pertaining to any Unit, or the purposes to which any Unit or the Common Elements are restricted; and

(h) Any proposed termination of the condominium;

The request must include the Owner's Association, stating both its name and address and the Unit address of the Unit it has a mortgage on.

6. This Article X may be amended only with the written consent of seventy-five percent (75%) of the First Mortgagees (based upon one vote for each first mortgage owned).

7. All Unit owners shall furnish the Board with the identity and mailing address of any lender of a Unit within fifteen (15) days of the recording of a mortgage against said Unit.

ARTICLE XI

DEVELOPER'S RESERVED RIGHTS

1. In General. In addition to any rights or powers reserved or granted to the Developer under the Act, this Declaration or the By-Laws, the Developer shall have the rights and powers set forth in this Article. In the event of a conflict between the provisions of this Article and any other provisions of this Declaration or the By-Laws,

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the provisions of this Article shall govern. Except as otherwise provided in this Article, Developer's rights under this Article shall terminate at such time as the Developer is no longer vested with or controls title to a portion of any Dwelling Unit.

2. Promotion Efforts. Developer or its assignee shall have the right, in its discretion, to maintain on the Parcel model Dwelling Units, sales and leasing offices, displays, signs and other forms of advertising and, to the extent not prohibited by law, to come upon any portion of the Condominium Property for the purpose of showing the Condominium Property to prospective purchasers or lessees of Dwelling Units, all without the payment of any fee or charge whatsoever. The Developer or Trustee shall have the right and power to sell or lease a Dwelling Unit to whomever it chooses on whatever terms it, in its sole discretion, shall deem appropriate.

3. Construction. Developer, its agents and contractors shall have the right to come upon the Condominium Property for the purpose of making alterations or improvements to the Condominium Property and shall have the right to store equipment and materials used in connection with such work on the Condominium Property without payment of any fee or charge whatsoever.

4. Control of the Board. Until the initial meeting of the Owners and the election of the initial Board as provided for in the By-Laws, the rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Board by the Act, this Declaration or the By-Laws shall be held and performed by the Developer. The Developer may hold and perform such rights and obligations through the Board which, prior to the initial meeting, shall consist of three individuals designated by the Developer from time to time. If the initial Board of Directors is not elected by the Owners at the time so established, the Developer or Directors designated by the Developer shall continue in office for a period of thirty (30) days whereupon written notice of resignation shall be sent to all Unit Owners entitled to vote at such election. Within sixty (60) days following the initial meeting of the Owners the Developer shall turn over all documents to the new Board as required by Section 18.2(d) of the Act.

5. Dedication Rights Reserved. Developer hereby reserves the right at its sole discretion to dedicate or otherwise convey portions of the Parcel (but not those portions on which a Building is situated) to any public agency or governmental authority or quasi-public utility for purposes of utilities, and right-of-way and easements therefor. Such right to make such dedications or conveyances shall not require the consent, approval or signatures of either the Board or any Unit Owner, and such dedication or conveyance shall be considered fully accomplished and conclusively binding upon each of said Unit Owners and upon the Association when set forth in writing or in a Plat of Dedication executed by the Developer which has been recorded in the Office of the Recorder of Deeds of Lake County, Illinois, provided, however, that nothing in this paragraph shall be construed to in any manner require or obligate Developer to make any such conveyance or dedication.

In furtherance of the foregoing, an irrevocable power coupled with an interest is hereby granted to the Developer, as agent and attorney-in-fact to make such dedications of conveyances. Each deed, mortgage, trust deed or other instrument with respect to a Unit and the acceptance thereof shall be deemed a grant and acknowledgment of and consent to such power to said attorney-in-fact and shall be deemed to reserve to it the foregoing powers and rights. This right shall expire upon the sale of all the Units.

ARTICLE XII

GENERAL PROVISIONS

1. Provisions of the Declarant and Developer. Until such time as the Board of Managers provided for in this Declaration is formed, pursuant to the By-Laws as hereinafter set forth and until such time thereafter as Declarant shall have consummated the sale and conveyance of Units aggregating seventy-five percent (75%) of the then Units computed as set forth in Exhibit "C" attached hereto, including any amendments to Exhibit "C" by reason of the provisions of Article IX, Declarant (or its nominee, its designee or beneficiary) shall exercise the powers, rights, duties and functions of the Board of Managers and

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Association, including the right to determine annual and special assessments and to collect same from the Unit Owners (as herein provided) and further including the right to enter into contracts with a managing agent for the Property, provided; however, that the term of said contract shall not exceed one (1) year.

2. Declarant and Developer's Successors and Assigns.

All rights granted to Declarant under this Declaration shall inure to and all obligations of Declarant under this Declaration shall be binding upon the successors and assigns of Declarant; provided, however, that the Unit owners purchasing individual Units for their own occupancy, shall not be deemed to be successors or assigns of Declarant.

3. Enforcement. In addition to all other rights

herein granted to the Association, the Association may enforce the provisions of this Declaration and the Articles of Incorporation, By-Laws and rules and regulations of the Association by any proceeding in law or in equity against any person or persons violating or attempting to violate any such provisions. All rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, and failure of the Association to enforce any such provisions shall in no way be deemed a waiver of the right to do so thereafter. All expenses incurred by the Association in connection with any proceedings, including court costs and attorneys' fees, together with interest thereon at ten percent (10%) per annum, shall be charged to and assessed against any Owner violating any such provisions and shall be added to and deemed a part of his assessment and constitute a lien on his Unit and enforceable as provided in Article VIII. If any Owner, or his occupants or guests, violates any provision of this Declaration, the Articles of Incorporation, the By-Laws of the rules and regulations of the Association, the Board may, after affording the Owner an opportunity to be heard, levy a reasonable fine against such Owner, and such fine shall be added to and deemed a part of his assessment and constitute a lien on his Unit and be enforceable as provided in Article VIII.

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4. Rights of The Townships of Antioch.

(a) The Property shall at all times conform to and be maintained in accordance with any Ordinance and Development Plan approved by the County or Township and as amended from time to time.

(b) All maintenance, repairs and replacements of the Common Elements shall be made in accordance with the provision of this Declaration and the applicable requirements of the Township and County.

(c) The County and Township shall have the right to enter upon the Property for the purposes of furnishing municipal or emergency services to the Unit Owners or the Common Elements, to enforce all easement provisions as per the Plat of Subdivision and to enforce its traffic and other ordinances and regulations including the provisions of subparagraphs 3(c) and 3(d) hereof.

(d) The Township and County are hereby authorized to provide necessary maintenance of site improvements within or upon any guest parking areas and landscaped areas constituting a portion of the Common Elements, also including without limitation, all municipally owned utilities, any detention areas, street lights, traffic signs and related equipment.

(e) In the event that the Township or County should elect to furnish services pursuant to the preceding subparagraph, which services were in fact the obligation of the Condominium Association to so provide and the Condominium Association has failed or refused to so provide, then the Association shall be obligated to repay to the above-mentioned parties for all expenses incurred in connection with said maintenance, including reasonable attorneys' fees, if any, incurred by the above parties in enforcing the rights herein established. The Township and County shall have the right, in the furtherance of its enforcement of its claim for reimbursement to record a lien against the Common Elements which said lien shall be effective as of the date of recordation. All such costs and expenses are hereby declared to be a Common Expense of the Association.

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(f) Notwithstanding any other provisions of this Declaration, the provisions of this Paragraph may not be altered, amended, or deleted without the written consent of the Township of Antioch and County of Lake.

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

6. Special Amendment. Declarant and Developer reserve the right and power to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (b) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Units, (c) to bring this Declaration into compliance with the Act, or (d) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto. In furtherance of the foregoing, an irrevocable power coupled with an interest is hereby reserved and granted to the Declarant and Developer, severally, to vote in favor of, make, consent to, execute

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and record a Special Amendment on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of Declarant and Developer's authority to execute and record Special Amendments. The right of the Declaration and Developer to act pursuant to rights reserved or granted under this Paragraph shall terminate five (5) years from such time as the Declarant and Developer no longer holds or controls title to a Unit.

7. Waiver of Claims. The Antioch Golf Club course ("golf course") is designed such that certain portions of the course are adjacent to the property being sold to a unit owner. Each unit owner waives any claims he may have for damage to himself or the property or his personal property as a result of the activities conducted on the golf course, including without limitation being struck by a golf ball and hereby indemnifies and holds the Seller, the Antioch Golf Club and Antioch Golf Venture and the Antioch Golf Venture L. L. C., and their successors and assigns, harmless from any loss arising out of death, injury or damage to the person or property of the Owner or the members of his family, his tenants, guests, invitees or contract purchasers who reside on the Property, as a result of the activities conducted on the golf course, including without limitation being struck by a golf ball.

Each Owner hereby waives and releases any and all claims which such Owner may have against any other Owner, Occupant, the Association, its officers, members of the Board, the Declarant and its beneficiaries, the Developer, the managing agent, if any, and their respective employees and agents, for damage to the Common Elements, the Units, or to any personal property located in the Units or Common Elements, caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance. Neither Declarant nor its respective representatives or designees shall be liable for any claim whatsoever arising out of or by reason of any actions performed pursuant to any authority granted to or delegated to it by or pursuant to this Declaration, or in Declarant's capacity as developer, contractor, owner, manager or seller of the Property, nor shall Developer, whether or not such claim:

a. Shall be asserted by an Owner, Occupant, the Board or the Association, or by any person or entity claiming through any of them;

b. Shall be on account of injury to person or damage to or loss of property wherever located and however caused; or

c. Shall arise ex contract or (except in case of gross negligence) ex delictu.

Without limiting the generality of the foregoing, the foregoing enumeration includes all claims for, or arising by reason of, the Property or any part thereof being or becoming out of repair or containing any patent or latent defects, or by reason of any act or neglect of any Owner, Occupant, the Board, the Association and their respective agents, employees, guests and invitees or by reason of any neighboring property or personal property located on or about the Property, or by reason of the failure to function, or disrepair of, any utility services (heat, air conditioning, electricity, gas, water, sewage, etc.).

8. Damages. Each Owner shall be responsible for any damages to the Common Elements or to any Unit or Units and also for the maintenance, repairs or replacements caused by or resulting from his negligent act or omission, or the negligent act or omission of a member of his family, his household pet, his guests, visitors or his invitees or of an Occupant of his Unit, including the household pets, guests, visitors or invitees of an Occupant of his Unit.

9. Notices. Notices provided for in this Declaration and in the Condominium Property Act shall be in writing, and shall be addressed to the Board or Association, or any Owner, as the case may be, at the address of the Unit, or at such other address as herein provided. The president of the Association is hereby designated as the person to mail and receive all notices as provided for in the Condominium property Act and in his Declaration; provided, however, that the Board may designate a different address for notices to the Board or the Association by giving written notice of such change of address to all Owners. Any Owner may also designate a different address for notices by giving written notice of such change of address for notices by giving

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