

DECLARATION OF COVENANTS AND RESTRICTIONS

and

PLAN FOR CONDOMINIUM OWNERSHIP

for

INVERRARY

THIS DECLARATION, made and entered into this Nineteenth day of June, 19 71, by R. H. MARKUS & ASSOCIATES, INC., an Illinois corporation, (hereinafter referred to as the "Developer")

W I T N E S S E T H:

WHEREAS, the Developer is the owner in fee simple of certain real estate (sometimes referred to as the "Development Area") in the County of Lake and State of Illinois described on Exhibit "1" attached hereto; and

WHEREAS, the Developer desires to cause to be constructed on the Development Area in conformity with the Illinois Condominium Property Act (hereafter referred to as the "Act") a residential community of dwelling units to be owned by the Developer and each grantee or other successor in interest of the Developer under that type or method of ownership commonly known as condominium; and

WHEREAS, the Developer intends to record on one or more portions of the Development Area, one or more declarations of condominium pursuant to the terms of which the real estate described in any such declaration of condominium shall be submitted to the provisions of the Act, subject to all of the terms, covenants, easements, restrictions, charges and liens hereafter in this instrument set forth; and

WHEREAS, the Developer desires to provide for the preservation of the values and the harmonious, beneficial and proper use of each portion or portions thereof with respect to which a Declaration of Condominium is hereafter recorded, and the maintenance of the common elements, and to this end the Developer desires to subject, from time to time, such portions of the Development Area with respect to which a Declaration of Condominium is hereafter recorded to the covenants, restrictions, terms, easements, charges and liens hereinafter set forth; and

WHEREAS, the Developer intends to incorporate under the laws of the State of Illinois a not-for-profit corporation (hereinafter referred to as the "Association") under the name of "The Inverrary Association", or a similar name, for the purpose of administering and providing for the maintenance of the common elements of each parcel of real estate with respect to which a Declaration of Condominium is recorded by the Developer as herein provided and for such other purposes as are hereinafter provided; and

WHEREAS, the Developer desires and intends that the several unit owners, mortgagees, occupants, and other persons hereafter acquiring any interest in the Development Area, with respect to which a Declaration of Condominium is executed by the Developer and recorded as herein provided, shall at times enjoy the benefits of, and shall hold their interests subject to the rights, easements, terms, covenants 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 such property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of such property.

NOW, THEREFORE, the Developer declares that, with respect to any and all portions of the Development Area with respect to which a Declaration of Condominium executed by the Developer is hereafter at any time recorded, such portions of real property shall be held, transferred, conveyed, sold, occupied, mortgaged and encumbered subject to the rights, easements, terms, covenants, restrictions and liens hereinafter set forth, each and all of which shall attach to and constitute covenants running with the land as to such portions of real property.

1. Definitions: As used herein, unless otherwise provided, the following words and terms shall have the following meanings:

(a) Development: All of the portion or portions of the Development Area with respect to which one or more Declarations of Condominium executed by the Developer are hereafter at any time recorded.

(b) Single Condominium: A portion of the Development Area with respect to which a Declaration of Condominium executed by the Developer is hereafter at any time recorded submitting such entire portion to the provisions of the Act.

(c) Unit: A part of a Single Condominium including one or more rooms, occupying one or more floors or parts thereof, designed or intended for independent use as a single family dwelling and delineated on the Plat attached to the Declaration of Condominium with respect to such Single Condominium.

(d) Common Elements: All portions of the Development except the units. All pipes, wires, ducts, flues, chutes, conduits, public utility lines (to the outlets) and structural components running through a unit and serving more than one unit or serving, or extending into, the common elements, or any part thereof, shall be deemed part of the common elements.

(e) Developer: R. H. MARKUS & ASSOCIATES, INC., an Illinois corporation.

(f) Occupant: A person or persons, other than an owner, in possession of one or more units.

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

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

(i) Record: To record in the office of the Recorder of Deeds of Lake County, Illinois.

(j) Majority of the Unit Owners of a Single Condominium: The owners of more than 50% in the aggregate in interest of the undivided ownership of the common elements of such Single Condominium. Any specified percentage of the unit owners of a Single Condominium means such percentage in the aggregate in interest of such undivided ownership.

(k) Majority of the Unit Owners of the Development: The owners of more than a majority in the aggregate in interest of the total value of all units in the Development at the time such majority is computed.

(l) Property: All portions of the Development Area which are, pursuant to the terms of Paragraph 2 hereof, subject to this Declaration.

(m) Board: The Board of Directors of the Association.

2. Property Subject to this Declaration: Any portion of the Development Area which is submitted to the provisions of the Act by the recording at any time hereafter of a Declaration of Condominium executed by the Developer shall be subject to, and shall or may thereafter be held, transferred, conveyed, sold, occupied, mortgaged or encumbered, subject to the rights, easements, terms, covenants, restrictions and liens set forth or provided for in this instrument.

3. Easements: (a) The Developer shall have the right at any time, or from time to time, to grant to Illinois Bell Telephone Company, Commonwealth Edison Company, and any other public utility or utilities, such easements and rights, and upon such terms and conditions, as the Developer deems necessary for the purpose of providing utility services to the Property.

(b) The unit owners and their guests and invitees shall at all times have the right of ingress and egress over, upon and across those portions of the property identified as "ingress and egress" and "common areas" and "common walks" on any plat of condominium hereafter executed and recorded by the Developer.

(c) The unit owners, their guests and invitees shall at all times have the right of ingress and egress to and use and enjoyment of those portions of the property identified as swimming pool, play ground, or recreational areas on any plat of condominium hereafter executed and recorded by the Developer, subject,

however, to the rules and regulations as may hereafter be adopted by the association of owners known as the Inverrary Association.

(d) All easements and rights described herein are easements appurtenant, running with the land, 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 the Development, or any part or portion thereof.

(e) 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.

4. Use and Occupancy. Repair Obligations of Unit Owners: The units and common elements shall be occupied and used as follows:

(a) 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 Board. The right is reserved by the Developer or its agent or agents, to place "For Sale" or "For Rent" signs on any unsold or unoccupied units, and on any part of the common elements, and the right is hereby given to any mortgagee, who may become the owner of any unit, to place such signs on any unit owned by such mortgagee. Until all the units which the Developer intends to construct on the Existing Property and the Additional Property are sold, the Developer shall be entitled to access, ingress and egress to the Property as it shall deem necessary in connection with the construction or sale of any building or any unit. 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 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.

(b) There shall be no obstruction of the common elements nor shall anything be stored in the common elements without the prior consent of the Board except as herein expressly provided.

(c) Nothing shall be done or kept in any unit or in the common elements which will increase the rate of insurance on the building in which such unit is located, or contents thereof, applicable for residential use, without the prior written consent of the Board. 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 insurance on such building, or contents thereof, or which would be in violation of any law. No waste shall be committed in the common elements.

(d) No animals, rabbits, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any unit or in the common elements, except that dogs, cats, or other 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 purpose.

(e) No noxious or offensive activity shall be carried on in any unit or in the common elements, nor shall anything be done therein, either wilfully or negligently, which may be or become an annoyance or nuisance to the other unit owners or occupants.

(f) Nothing shall be done in any unit or in, on or to the common elements which will impair the structural integrity of any building or which would structurally change any building except as otherwise provided herein.

(g) 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 rubbish, debris and other unsightly materials.

(h) Nothing shall be altered or constructed in or removed from the common elements, except upon the written consent of the Board, or subject to any rules and regulations of the Board.

(i) Each unit owner hereby waives and releases any and all claims which he may have against any other unit owner, the officers and members of the Board, the Developer, 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.

(j) If, due to the act or neglect of a unit owner, or of 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 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 Board, to the extent not covered by insurance.

(k) No unit owner shall operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others.

(l) Each unit owner shall abide by the rules and regulations established from time to time by the Association for the use, occupancy and enjoyment of any swimming pools, play ground areas, or other recreational areas as defined and delineated in any plat of condominium hereafter filed for a portion of the Development Area by the Developer.

5. Administration: (a) The administration of the Development shall be vested in the Association, which shall be incorporated under the Illinois Not-for-profit Corporation Act and shall be known as the Inverrary Association or a similar name.

(b) The duties and powers of the Association and its Board shall be those set forth in the Articles of Incorporation, the by-laws and this Declaration; provided, however, that (i) the terms and provisions of the Act shall control in the event of any inconsistency between the Act, on the one hand, and this Declaration, the Articles of Incorporation and the by-laws on the other hand, and (ii) the terms and provisions of this Declaration shall control in the event of any inconsistency between this Declaration, on the one hand, and the Articles of Incorporation and the by-laws on the other hand.

(c) All funds collected by the Association shall be held and expended for the purposes designated herein and in the Articles of Incorporation and the by-laws. All such funds (except for such special assessments as may be levied against less than all the unit owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of each of the unit owners in the ratio that his proportionate interest, as defined in Paragraph 5(a) hereof, bears to the proportionate interests of all of the unit owners.

(d) The members of the Board and the officers thereof shall not be liable to the unit owners for any mistake of judgment, or any acts or omissions made in good faith as such members or officers. The unit owners shall indemnify and hold harmless each of such members or officers against all contractual liability to others arising out of contracts made by such members or officers on behalf of the unit owners unless any such contract shall have been made in bad faith or contrary to the provisions of this Declaration.

(e) In the event of any dispute or disagreement between any unit owners relating to the Property, or any question of interpretation or application of the provisions of this Declaration, the determination thereof by the Board shall be final and binding on each and all of such unit owners.

(f) The Board shall have the power:

(i) to engage the services of a manager or managing agent, who may be any person, firm or corporation, upon such terms and compensation as the Board deems fit, and to remove such manager or managing agent at any time;

(ii) to engage the services of any persons deemed necessary by the Board at such compensation deemed reasonable by the Board, in the operation, repair, maintenance and management of the Property, and to remove, at any time, any such personnel;

(iii) to establish or maintain one or more bank accounts for the deposit of any funds paid to, or received by the Board.

(g) The Board shall acquire and make arrangements for, and pay for out of the maintenance fund, in addition to the manager, managing agent or other personnel above provided for, the following:

(i) water, waste removal, electricity and telephone and other necessary utility services for the common elements and such services to the units as are not separately metered or charged to the owners thereof;

(ii) such insurance as the Board is required or permitted to obtain pursuant to the terms of this Declaration hereinafter contained;

(iii) landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the common elements (but not including those portions of the common elements which the respective unit owners are obligated to maintain and repair) and such furnishings and equipment for the common elements as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same for the common elements;

(iv) any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, or assessments which the Board deems necessary or proper for the maintenance and operation of the Property as a first class Development or for the enforcement of any restrictions or provisions contained herein;

(v) any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property or any part thereof which may in the opinion of the Board constitute a lien against the Property or against the common elements, rather than merely against the interests therein of particular unit owners. Where one or more unit owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be specially assessed to said unit owners and shall, until paid by such unit owners, constitute a lien on the interest of such unit owners 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;

(vi) maintenance and repair of any unit or any other portion of the Property which a unit owner is obligated to maintain or repair under the terms hereof, if such maintenance or repair is necessary, in the discretion of the Board, to protect the common elements, or any other portion of the Property, and the owner or owners of said unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said unit owner or owners; provided that the Board shall levy a special assessment against such unit for the cost of said maintenance or repair and the amount of such special assessment shall constitute a lien on the interest of such unit owner or owners 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.

(h) The Association is hereby irrevocably appointed and shall conclusively be deemed the manager (as that term is used in the Act) for each Single Condominium in the Development and its Board of Managers.

(i) The Board may, from time to time, adopt or amend such rules and regulations governing the operation, maintenance, beautification and use of the common elements and the units, not inconsistent with the terms of this Declaration,

as it sees fit, and the unit owners shall conform to, and abide by, such rules and regulations. Written notice of such rules and regulations shall be given to all unit owners and occupants. A violation of such rules or regulations shall be deemed a violation of the terms of this Declaration.

6. Assessments. Maintenance Fund: (a) Each year on or before December 1st, the Board shall estimate the annual budget of common expenses (the "annual budget") including the total amount required for the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements, and shall on or before December 15th notify each unit owner in writing as to the amount of such estimate with reasonable itemization thereof. Said annual budget shall be assessed to the unit owners in the following manner: The Board shall first allocate to each Single Condominium that portion of the annual budget which is equal to the ratio that the aggregate value of all of the units in such Single Condominium bears to the total value of all units in the Development. The portion of the annual budget so allocated to each Single Condominium shall then be assessed to the unit owners in such Single Condominium according to each such unit owner's percentage of ownership in the common elements of such Single Condominium as set forth in the Declaration of Condominium for such Single Condominium. The percentage of the total budget so assessed to each unit owners is sometimes herein referred to as such owner's "proportionate interest". On or before January 1st of the ensuing year, and the 1st of each and every month of said year, each unit owner shall be obligated to pay to the Board, or as it may direct, 1/12th of the assessment made pursuant to this paragraph. On or before the 1st day of February of each calendar year commencing 1974, the Board shall supply to all unit owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each owner's proportionate interest to the next monthly installments due from owners under the current year's estimate, until exhausted, and any net shortage shall be added according to each unit owner's proportionate interest to the installments due in the succeeding six months after rendering of the accounting. The Board shall build up and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year, shall be charged first against such reserve. If said annual budget proves inadequate for any reason, including non-payment of any owner's assessment, the Board may at any time levy a further assessment, which shall be assessed to the unit owners according to each unit owner's proportionate interest. The Board shall serve notice of such further assessment on all unit owners by a statement in writing giving the amount and the reasons therefor, and such further assessment shall become effective with the monthly maintenance payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All unit owners shall be obligated to pay the adjusted monthly amount.

When the first Board elected by the members under the by-laws of the Association takes office, it shall determine the estimated budget, as hereinabove defined, for the period commencing thirty (30) days after said election and ending on December 31 of the calendar year in which said election occurs. Assessments shall be levied against the unit owners during said period as provided in this paragraph.

The failure or delay of the Board to prepare or serve the annual or adjusted budget on the unit owners shall not constitute a waiver or release in any manner of the unit owner's obligation to pay the maintenance and other costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, the unit owners shall continue to pay the monthly assessment charges at the then existing monthly rate established for the previous period until the monthly assessment payment which is due more than ten (10) days after such new annual or adjusted budget shall have been mailed or delivered.

(b) The Board shall keep full and correct books of account and the same shall be open for inspection by any unit owner or any representative of a unit owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the unit owner.

(c) Until such time as the first Board is elected by the members in accordance with the by-laws of the Association, the Developer may assess each unit owner a maintenance fee. All of the rights, duties and functions of the Board set forth in this Declaration, the Articles of Incorporation and the by-laws of the Association, shall be exercised by the Developer for a period ending thirty (30) days after the date on which the first annual meeting of the members of the Association is called pursuant to the terms of the by-laws of the Association.

(d) In addition to any remedies or liens provided by law, if a unit owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the Board may bring suit for and on behalf of itself and as representative of all unit owners, to enforce collection thereof or to foreclose the lien therefor as provided herein or by law; and there shall be added to the amount due the costs of said suit, together with interest and reasonable attorney fees to be fixed by the Court. No owner may waive or otherwise escape liability for the assessments provided for herein by non-user of the common elements or abandonment of his or her unit.

(e) Upon ten (10) days' notice to the Board, and the payment of a reasonable fee fixed by the Board not to exceed Fifteen Dollars (\$15.00), any unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

(f) Any first mortgage or first trust deed made, owned or held by a bank, savings and loan association or insurance company, and recorded prior to the recording or mailing of a notice by the Board of the amount owing by a unit owner who has refused or failed to pay his share of the monthly assessment when due shall be superior to the lien of such unpaid common expenses set forth in said notice and to all assessments for common expenses which become due and are unpaid subsequent to the date of recording of such first mortgage or first trust deed.

(g) The amount of any delinquent and unpaid charges or assessments, and interest, costs and fees, as herein provided, shall be and become a lien upon the unit of the unit owner involved in accordance with the provisions of Section 9 of the Act. All assessments and charges levied or assessed by the Board hereunder shall be irrevocably deemed to be expenses lawfully agreed upon by each unit owner and shall irrevocably be deemed assessed and levied, with respect to each unit owner, by the Board of Managers of the Single Condominium of which his unit is a part.

(h) The members of the Board of Managers of each Single Condominium in the Development shall take such legal action as the Board may direct to foreclose a lien on any unit in such Single Condominium. The costs and expenses of such legal action shall be common expenses hereunder. Nothing herein contained, however, shall be deemed to preclude or prevent the Board, in its own name, from taking any legal action (whether the same be a foreclosure action or otherwise) with respect to or against a unit or unit owner which it is permitted or required to take by law or under the terms of this Declaration.

(i) Assessments and charges, and all installments thereof, not paid on or before fifteen (15) days after the date when due shall bear interest at the rate of seven percent (7%) per annum from the date when due until paid. All payments on account shall be credited first to interest due and then to the assessment. All interest collected shall be credited to the maintenance fund.

7. Insurance: (a) The Board, on behalf of the Association and as the manager of each Single Condominium in the Development, shall acquire and pay for out of the maintenance fund herein provided for, the following:

(1) A separate policy or policies of insurance with respect to each Single Condominium against loss or damage by fire and such other hazards as are covered under standard extended coverage provisions, and such other casualty insurance as the Board deems advisable, for the full insurable replacement cost of the common elements and the units in each such Single Condominium. Each such insurance policy shall be written in the name of, and the proceeds thereof shall be payable to, the Board as trustee for each of the unit owners in the Single Condominium to which the respective policy relates in the percentages established in the Declaration of Condominium with respect to such Single Condominium.

Each unit owner, other than the Developer, shall notify the Board 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 Board. The Board shall use reasonable effort to obtain insurance on any such additions, alterations or improvements if such owner requests it do so and if such owner shall make arrangements satisfactory to the Board to reimburse it for any additional premiums attributable thereto; and in the absence of insurance on such additions, alterations or improvements, 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. All such policies of insurance shall insure additions, alterations or improvements made by the Developer. All such policies of insurance shall contain standard mortgage clause endorsements in favor of the mortgagee of each unit and that such policy shall not be terminated, cancelled or substantially modified without at least ten (10) days prior written notice to the mortgagee of each unit.

(ii) Comprehensive public liability and property damage insurance in such limits as the Board shall deem desirable insuring the Association, the members of the Board, the members of the Board of Managers of each Single Condominium, 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 common elements not under the exclusive control or occupancy of the unit owners.

(iii) Workman's compensation insurance as may be necessary to comply with applicable laws and such other forms of insurance as the Board shall elect to effect.

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

(c) The Board may (but shall not be required to), in its sole discretion, secure insurance policies that will provide for one or more of 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;

(ii) 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;

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

(d) The Board 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 Board for the purpose of receiving and disbursing the insurance proceeds under any policy provided for in (a) (i) of this paragraph and resulting from any loss, upon such terms as the Board 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, the Board 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.

(e) Insurance coverage on the furnishings and other items of personal property belonging to a unit owner and insurance on his personal liability to the extent not covered by insurance maintained by the Board shall be the responsibility of each such unit owner.

8. Damage or Destruction and Restoration of Buildings: (a) 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 and the proceeds of any policy or policies of insurance payable by reason thereof are sufficient to pay the cost of repair or restoration or reconstruction, then such repair, restoration or reconstruction shall be undertaken and the insurance proceeds shall be applied by the Board or the payee of such proceeds in payment thereof.

(b) In the event the Property or the improvements so damaged or destroyed are not insured against the peril 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 in each Single Condominium so damaged or destroyed do not voluntarily make provision for reconstruction of the improvements within 180 days from the date of such damage or destruction, then the provisions of the Act in such event shall apply. The costs of all repair, restoration or reconstruction necessitated by damage or destruction in or to the improvements forming part of a Single Condominium, when and to the extent the insurance proceeds are insufficient to pay such costs, shall be borne solely by the owners of the units in such Single Condominium and not by the owners of units in any other part of the Development.

(c) Repair, restoration or reconstruction of improvements as used in this Paragraph means restoring such 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.

9. Sale of the Development or of a Single Condominium: (a) The affirmative vote of 100% of the unit owners of a Single Condominium shall be required to effect the sale of such Single Condominium in the manner provided in Section 15 of the Act.

(b) The affirmative vote of 75% of the unit owners of all Single Condominiums in the Development shall be sufficient to sell the entire Development, and each Single Condominium therein, in the manner provided in Section 15 of the Act.

10. Sale or Removal From the Act of a Single Condominium, etc.: Upon the occurrence at any time of one or more of the following events with respect to a Single Condominium: (i) such Single Condominium is removed from the provisions of the Act, in the manner provided in Section 16 of the Act, or (ii) the unit owners of such Single Condominium elect, in the manner provided in Paragraph 9 (a) hereof and Section 15 of the Act, to sell such Single Condominium; or (iii) a notice is recorded with respect to such Single Condominium in accordance with the provisions of Section 14 of the Act as a result of which such Single Condominium is deemed to be owned in common by its unit owners, then:

(a) each unit owner in such Single Condominium shall, upon the occurrence of such event, cease to be a member of the Association, anything herein or in the Articles of Incorporation or by-laws of the Association to the contrary notwithstanding, but each such unit owner shall be entitled to receive from the Association that share of the funds of the Association to which he would then be entitled if the Association were then dissolved and its net assets (after payment of all charges, liabilities or indebtednesses) were distributed to all the unit owners in accordance with their proportionate interests and each such unit owner shall also be entitled to receive any net proceeds of insurance which he is entitled to receive under the terms of the Act.

11. Separate Real Estate Taxes: It is understood 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 Condominium Property Act. In the event that for any year such taxes are not separately taxed to each unit owner, but are taxes on the Property as a whole, or on any portion of the Property, then each unit owner in the portion of the Property so taxed shall pay his proportionate share thereof in accordance with the determination thereof by the Board.

12. Violation of Declaration: The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to any other rights provided for in this Declaration: (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 the Board, or its employees or agents, shall not 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.

Furthermore, if any unit owner (either by his own conduct or by the conduct of any other occupant of his unit) shall violate any of the covenants of this Declaration or the regulations adopted by the Board and such violation shall not be cured within thirty (30) days after notice in writing from the Board or shall re-occur more than once thereafter, then the Board shall have the power to issue to the defaulting unit owner a ten (10) day notice in writing to terminate the rights of 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 Board against the defaulting unit owner for a decree of mandatory injunction against the unit owner or occupants or, in the alternative 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 breach of covenant and ordering that all the right, title and interest of the unit owner in the property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and 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. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorney 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 Board's right as provided in Paragraph 6(b) 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, and the Declaration of Condominium which relates to the Single Condominium in which such unit is located.

13. Entry by Board: The Board or its agents or employees may enter any unit when necessary in connection with any painting, maintenance or reconstruction for which the Board is responsible, or which the Board has the right or duty to do. Such entry shall be made with as little inconvenience to the unit owners as practicable, and any damage caused thereby shall be repaired by the Board at the expense of the maintenance fund.

14. Grantees: Each grantee of the Developer, by the acceptance of a deed of conveyance, or each purchaser under Articles of Agreement for Deed, 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.

15. Amendments: No provisions of this Declaration may be amended, changed or modified in any manner prior to the first annual meeting of the members of the Association without the prior written consent of the Developer. No change, modification or amendment which affects the rights, privileges or obligations of the Developer shall be effective without the prior written consent of the Developer. 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, at least 75% of the unit owners and containing an affidavit by an officer of the Board certifying that a copy of the amendment, change or modification has been mailed by certified mail to all mortgagees having bona fide liens of record against any unit, not less than ten (10) days prior to the date of such affidavit. Any amendment, change or modification shall conform to the provisions of the Condominium Property Act and shall be effective upon recordation thereof.

16. 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.

IN WITNESS WHEREOF, the said R. H. MARKUS & ASSOCIATES, INC. 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 by its President and attested by its Asst. Secretary, the 19th day of June, 1973.

R. H. MARKUS & ASSOCIATES, INC.

By R. H. Markus
President

ATTEST:

Thomas L. Bouchor, Jr.
Asst. Secretary

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Gertrude Sandgren, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Ralph H. Markus, President of R. H. MARKUS & ASSOCIATES, INC., and Thomas L. Bouchor, Jr. Asst. Secretary thereof, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Asst. Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, and as the free and voluntary act of said Company, for the uses and purposes therein set forth; and the said Asst. Secretary did also then and there acknowledge that he as custodian of the corporate seal of said Company did affix the said corporate seal of said Company to said instrument as his own free and voluntary act, and as the free and voluntary act of said Company for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 19th day of June, 1973

Gertrude Sandgren
My Commission Expires
Dec. 12, 1975

EXHIBIT "C"

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS

<u>UNIT OWNERS</u>			<u>UNIT OWNERS</u>		
<u>Building</u>	<u>Unit</u>	<u>Percentage</u>	<u>Building</u>	<u>Unit</u>	<u>Percentage</u>
1	AZ	1.618	9	A	1.618
	BZ	1.618		B } 2	1.618
	CZ	1.618		C } 2	1.618
	DZ	1.479		DZ	1.479
2	A1	1.506	10	A	1.618
	B1	1.506		B } 2	1.618
	C1	1.506		C } 2	1.618
	D1	1.450		DZ	1.479
3	AZ	1.618	11	A	1.618
	B1	1.506		B } 2	1.618
	C1	1.506		C } 2	1.618
	D1	1.450		D1	1.450
4	AZ	1.618	12	A1	1.506
	B1	1.506		BZ	1.618
	C1	1.506		CZ	1.618
	D1	1.450		DZ	1.479
5	AZ	1.618	13	A	1.618
	BZ	1.618		B } 2	1.618
	CZ	1.618		C } 2	1.618
	D1	1.450		D1	1.445
6	AZ	1.618	14	A	1.618
	B1	1.506		B } 2	1.618
	C1	1.506		C } 2	1.618
	D1	1.450		DZ	1.479
7	AZ	1.618	15	A	1.618
	BZ	1.618		B } 2	1.618
	CZ	1.618		C } 2	1.618
	DZ	1.479		DZ	1.479
8	AZ	1.618	16	A	1.618
	BZ	1.618		B } 2	1.618
	CZ	1.618		C } 2	1.618
	DZ	1.479		DZ	1.479

EXHIBIT "C"

16772

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS

UNIT OWNERS

UNIT OWNERS

BUILDING	UNIT	PERCENTAGE	BUILDING	UNIT	PERCENTAGE
17	A	1.61353	25	A	1.61353
	B	1.61353		B	1.61353
	C	1.61353		C	1.61353
	D Z	1.48321		D I	1.45657
18	A	1.61353	26	A Z	1.61353
	B	1.61353		B I	1.50922
	C	1.61353		C I	1.50922
	D I	1.45657		D I	1.45657
19	A	1.61353	27	A	1.61353
	B	1.61353		B	1.61353
	C	1.61353		C	1.61353
	D Z	1.48321		D I	1.45657
20	A	1.61353	28	A	1.61353
	B	1.61353		B	1.61353
	C	1.61353		C	1.61353
	D I	1.45657		D I	1.45657
21	A	1.61353	29	A Z	1.61353
	B	1.61353		B I	1.50922
	C	1.61353		C I	1.50922
	D I	1.45657		D I	1.45657
22	A	1.61353	30	A	1.61353
	B	1.61353		B	1.61353
	C	1.61353		C	1.61353
	D I	1.45657		D I	1.45657
23	A Z	1.61353	31	A Z	1.61353
	B I	1.50922		B I	1.50922
	C I	1.50922		C I	1.50922
	D I	1.45657		D I	1.45657
24	A	1.61353	32	A	1.61353
	B	1.61353		B	1.61353
	C	1.61353		C	1.61353
	D I	1.45657		D Z	1.48321

EXHIBIT "C"

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS:

UNIT OWNERS

UNIT OWNERS

BUILDING UNIT PERCENTAGE

BUILDING UNIT PERCENTAGE

33 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D | 1.4570

41 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D | 1.4570

34 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D | 1.4570

42 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D | 1.4570

35 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D | 1.4570

43 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D Z 1.4829

36 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D | 1.4570

44 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D | 1.4570

37 A Z 1.6087
 B | 1.5075
 C | 1.5075
 D | 1.4570

45 A } 2 1.6087
 B } 1.5075
 C } 1.5075
 D | 1.4570

38 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D | 1.4570

46 A } 2 1.6087
 B } 1.5075
 C } 1.5075
 D | 1.4570

39 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D Z 1.4829

49 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D | 1.4570

40 A } 2 1.6087
 B } 1.6087
 C } 1.6087
 D | 1.4570

50 A } 2 1.6087
 B } 1.5075
 C } 1.6087
 D Z 1.4829

1687326

EXHIBIT "C"

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS:

<u>UNIT OWNERS</u>			<u>UNIT OWNERS</u>		
<u>Building</u>	<u>Unit</u>	<u>Percentage</u>	<u>Building</u>	<u>Unit</u>	<u>Percentage</u>
47	A	1.5991	57	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 1	1.4186		D 2	1.4426
48	A	1.5991	58	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 2	1.4426		D 1	1.4186
51	A	1.5991	59	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 1	1.4186		D 2	1.4426
52	A	1.5991	60	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 1	1.4186		D 1	1.4186
53	A	1.5991	61	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 1	1.4186		D 2	1.4426
54	A	1.5991	62	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 1	1.4186		D 1	1.4186
55	A	1.5991	63	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 1	1.4186		D 2	1.4426
56	A	1.5991	64	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 2	1.4426		D 2	1.4426

D PERCENTAGE TOTAL -
100 %

EXHIBIT "C"

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS

<u>UNIT OWNERS</u>			<u>UNIT OWNERS</u>		
<u>Building</u>	<u>Unit</u>	<u>Percentage</u>	<u>Building</u>	<u>Unit</u>	<u>Percentage</u>
65	A-2	1.59875	73	A-2	1.59875
	B-2	1.61025		B-2	1.61025
	C-2	1.61025		C-2	1.61025
	D-1	1.42340		D-1	1.42340
66	A-2	1.59875	74	A-2	1.59875
	B-2	1.61025		B-2	1.61025
	C-2	1.61025		C-2	1.61025
	D-2	1.44692		D-2	1.44692
67	A-2	1.59875	75	A-2	1.59875
	B-2	1.61025		B-2	1.61025
	C-2	1.61025		C-2	1.61025
	D-1	1.42340		D-2	1.44692
68	A-2	1.59875	76	A-2	1.59875
	B-2	1.61025		B-2	1.61025
	C-2	1.61025		C-2	1.61025
	D-1	1.42340		D-1	1.42340
69	A-2	1.59875	77	A-2	1.59875
	B-2	1.61025		B-2	1.61025
	C-2	1.61025		C-2	1.61025
	D-1	1.42340		D-2	1.44692
70	A-2	1.59875	78	A-2	1.59875
	B-2	1.61025		B-2	1.61025
	C-2	1.61025		C-2	1.61025
	D-1	1.42340		D-1	1.42340
71	A-2	1.59875	79	A-2	1.59875
	B-2	1.61025		B-2	1.61025
	C-2	1.61025		C-2	1.61025
	D-1	1.42340		D-1	1.42340
72	A-2	1.59875	80	A-2	1.59875
	B-2	1.61025		B-2	1.61025
	C-2	1.61025		C-2	1.61025
	D-1	1.42340		D-2	1.44692

The above percentages total 100%

EXHIBIT "C"

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS:

<u>UNIT OWNERS</u>			<u>UNIT OWNERS</u>		
<u>Building</u>	<u>Unit</u>	<u>Percentage</u>	<u>Building</u>	<u>Unit</u>	<u>Percentage</u>
81	A	1.5991	89	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D	1.4186		D 2	1.4426
82	A	1.5991	90	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 2	1.4426		D	1.4186
83	A	1.5991	91	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D	1.4186		D 2	1.4426
84	A	1.5991	92	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D	1.4186		D	1.4186
85	A	1.5991	93	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D	1.4186		D 2	1.4426
86	A	1.5991	94	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 2	1.4426		D	1.4186
87	A	1.5991	95	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D	1.4186		D 2	1.4426
88	A	1.5991	96	A	1.5991
	B	1.6109		B	1.6109
	C	1.6109		C	1.6109
	D 2	1.4426		D 2	1.4426

SAID PERCENTAGE TOTAL -
100 %

1797083

EXHIBIT "C"
UNIT VII

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS

UNIT OWNERS

<u>Building</u>	<u>Unit</u>	<u>Percentage</u>	<u>Building</u>	<u>Unit</u>	<u>Percentage</u>
97	A	1.9648	104	A	1.9648
	B	1.9752		B	1.9752
	C	1.9752		C	1.9752
	D z	1.7933		D (1.7670
98	A	1.9648	105	A	1.9648
	B	1.9752		B	1.9752
	C	1.9752		C	1.9752
	D l	1.7670		D z	1.7933
99	A	1.9648	106	A	1.9648
	B	1.9752		B	1.9752
	C	1.9752		C	1.9752
	D (1.7670		D l	1.7670
100	A	1.9648	107	A	1.9648
	B	1.9752		B	1.9752
	C	1.9752		C	1.9752
	D l	1.7670		D (1.7670
101	A	1.9648	108	A	1.9648
	B	1.9752		B	1.9752
	C	1.9752		C	1.9752
	D z	1.7933		D z	1.7932
102	A	1.9648	109	A	1.9648
	B	1.9752		B	1.9752
	C	1.9752		C	1.9752
	D z	1.7933		D l	1.7670
103	A	1.9648			
	B	1.9752			
	C	1.9752			
	D l	1.7670			

SAID PERCENTAGES TOTAL 100 %

1831786

EXHIBIT "C"

EXHIBIT "1"

That part of Sections 34 and 35, Township 43 North, Range 11 East of the Third Principal Meridian, bounded by a line described as follows: Commencing in the center line of Milwaukee Avenue at a point in the North line of premises conveyed in Book 30 of Deeds, page 41; thence South 88 degrees 15 minutes West along said North line to a point 2.5 chains West of the East line of the West half of the South West quarter of said Section 34; thence North 405.56 feet; thence North 88 degrees 43 minutes East to the center of Milwaukee Avenue; thence South along the center of Milwaukee Avenue to the place of beginning (except all that part lying West of the East right of way line of the Chicago and Wisconsin Railroad Company) in Lake County, Illinois.

351807

DECLARATION OF CONDOMINIUM
PURSUANT TO THE CONDOMINIUM
PROPERTY ACT FOR
INVERRARY

This Declaration made and entered into this 25th day of June, 1973, by R. H. MARKUS & ASSOCIATES, INC., an Illinois corporation (hereinafter sometimes referred to as the "Developer"):

W I T N E S S E T H:

WHEREAS the Developer has heretofore executed a certain Declaration of Covenants and Restrictions and Plan for Condominium Ownership for Inverrary (hereinafter referred to as the "Master Declaration") which was recorded on June 25, 1973 as Document NO. 1621021; and

WHEREAS, the Developer is the owner in fee simple of certain real estate, hereinafter described, in Lake County, Illinois, which real estate is a portion of the Development Area as set forth and described in the Master Declaration; and

WHEREAS, the Developer intends to and does hereby subject such real estate to each and all of the rights, easements, terms, covenants, restrictions and liens set forth and provided for in the Master Declaration; and

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

WHEREAS, the Developer 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 property and all units; and

WHEREAS, the Developer 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.

MAIL TO

*R. H. Markus Assoc., Inc
337 LaSalle, Lincoln
Newfield Ill 60015*

CHICAGO TITLE INSURANCE CO.

NOW, THEREFORE, the Developer 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:

"Parcel", "Property", "Unit", "Common Elements", "Person", "Unit Owner", "Majority", "Majority of the unit owners", "Plat", "Record".

(b) The word "Occupant" means a person, or persons, other than an owner, in possession of one or more units.

(c) The following words and terms, whenever used herein, shall have the same meaning as provided for such words and terms in the Master Declaration:

"Developer", "Development Area", "Association".

2. Legal Description of Parcel: The parcel hereby submitted to the provisions of the Condominium Property Act is legally described on Exhibit A attached hereto and made a part hereof.

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 of such unit as shown on the Plat, which units are legally described on Exhibit B attached hereto and made a part hereof.

4. Percentage of Ownerships: Each unit owner shall own an undivided interest, in the percentage set forth in Exhibit C attached hereto and made a part hereof, in the common elements as a tenant in common with all the other unit owners, and, except as otherwise limited in this Declaration and the Master Declaration, 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 this Declaration and the Master Declaration, which right shall be appurtenant to and run with his unit.

5. Subjection of Property to Master Declaration: As hereinabove provided, the Developer does hereby subject the property to each and all of the rights, easements, terms, covenants, restrictions and liens set forth and provided for in the Master Declaration. The property shall be governed by and administered in accordance with the terms and provisions of the Master Declaration, as at any time amended, and of this Declaration to the extent hereinafter provided.

6. Encroachment and Easements: (a) In the event that by reason of the construction, reconstruction, settlement, or shifting

of the building, or the design or construction of any unit, 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, valid easements for the maintenance of such encroachment are hereby established and shall exist for the benefit of such unit and the owners of the common elements so long as all or any part of the building containing such suit shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of the owner of any unit 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) There is hereby incorporated herein, by this reference thereto, the provisions of Paragraph 3 of the Master Declaration.

(c) 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 or the Master 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.

7. Pipes, etc.: All pipes, wires, ducts, flues, chutes, conduits, public utility lines (to the outlets) and structural components running through a unit and serving more than one unit or serving, or extending into, the common elements, or any part thereof, shall be deemed part of the common elements.

8. By-Laws: The provisions of this Paragraph 8 shall constitute the by-laws by which, in addition to the other provisions of this Declaration, the administration of the property shall be governed, subject to the provisions of the Master Declaration, as follows:

(a) As hereinabove provided, the terms "majority" or "majority of the unit owners" whenever used herein have the same meaning provided for such terms in Section 2 of the Condominium Property Act. Any specified percentage of the unit owners, whether majority or otherwise, for purposes of voting and for all purposes and wherever provided in this Declaration, shall mean such percentage in the aggregate in interest of the undivided ownership of the common elements.

If any unit is owned by more than one person, the voting rights with respect to such unit shall not be divided, but shall

be exercised as if the unit owners consisted of only one person in accordance with the proxy or other designation made by the persons constituting such unit owner.

(b) The direction and administration of the property shall be vested in a Board of Managers (herein referred to as the "Board"), consisting of three persons who shall be elected in the manner hereinafter provided. Each member of the Board shall be one of the unit owners; provided, however, that in the event a unit owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any shareholder, officer or director of such corporation, partner of such partnership, beneficiary or individual trustee of such trust, or manager of such other legal entity, shall be eligible to serve as a member of the Board.

(c) At each annual meeting of the unit owners, the unit owners shall, by a vote of a majority of the unit owners present at such meeting, elect the entire Board for the forthcoming year. Members of the Board shall serve without compensation for a term of one (1) year, and until their successors are elected. Vacancies on the Board shall be filled by the unanimous vote of the members of the Board. A majority of the members of the Board shall constitute a quorum. The Board shall act by the vote of the majority of those members present at a meeting of the Board when a quorum is present.

(d) A regular annual meeting of the Board shall be held immediately after, and at the same place as, the annual meeting of the unit owners. Other meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may, from time to time, adopt.

(e) Any member of the Board may be removed from office by the affirmative vote of 66 2/3 percent of the unit owners at a special meeting of the unit owners called for such purpose.

(f) The members of the Board and the officers thereof shall not be liable to the unit owners for any mistake of judgment, or any acts or omissions made in good faith as such members or officers. The unit owners shall indemnify and hold harmless each of such members or officers against all contractual liability to others arising out of contracts made by such members or officers on behalf of the unit owners unless any such contract shall have been made in bad faith or contrary to the provisions of this Declaration. The liability of any unit owner arising out of any contract made by such members or officers or out of the aforesaid indemnity shall be limited to such proportion of the total liability thereunder as his percentage interest in the common elements bears to the total percentage interest of all the unit owners in the common elements. Each agreement made by such members or officers shall be executed by such members or officers, as agents for the unit owners.

(g) In the event of any dispute or disagreement between any unit owners relating to the Property, or any question of interpretation or application of the provisions of the Declaration, the determination thereof by the Board of Directors of the Association shall be final and binding on each and all of such unit owners.

(h) The Board shall have the same powers with respect to the administration of the property as are vested in or granted to the Board of Directors of the Association by virtue of the Master Declaration and the Articles of Incorporation and By-Laws of the Association; provided, however, that such powers shall at all times abate in favor of the powers of the Board of Directors of the Association and no power may be exercised by the Board in any manner inconsistent or in conflict with any act or decision of the Board of Directors of the Association.

(i) The first annual meeting of the unit owners shall be called by the Developer, upon ten (10) days written notice, not later than thirty (30) days after the date when the sales to purchasers by the Developer have been consummated with respect to all units which the Developer intends to construct on the Development Area. Thereafter, an annual meeting of the unit owners shall be held on the first Monday in June in each year for the purpose of electing members of the Board and such other business as may come before the meeting. Special meetings of the unit owners may be called, for any reasonable purpose, either by the President, or not less than 33 1/3 percent of the unit owners, the notice for which shall specify the matters to be considered at such special meeting.

(j) All meetings of the unit owners shall take place at 8:00 P.M. in some section of the property designated by the person or persons calling a special meeting, or at such other reasonable place or time designated by the Board. Written notice of the holding of any regular or special meeting of the unit owners, stating the date, hour and place of such meeting shall be delivered or sent, in person or by mail, to each unit owner in care of his unit at least five (5) days before the date of such meeting. A majority of the unit owners shall constitute a quorum at all such meetings. A unit owner may vote either in person or by proxy at any regular or special meeting of the unit owners. Every proxy must be in writing and no proxy shall be valid after eleven months from the date of its execution.

(k) A president, one or more vice presidents, a secretary and a treasurer, shall be elected at each annual meeting of the Board from among its members. Any such officer may be removed by the vote of a majority of the Board at any time. A vacancy in any office may be filled by the Board for the unexpired term.

(l) The president shall preside over the meetings of the Board and the unit owners; he may sign, together with any other officer designated by the Board, any contracts, checks, drafts, or other instruments designated or approved by the Board, in the absence of the president, or in the event of his inability to act, the vice presidents (in the order elected) shall perform the duties of the president.

(m) The secretary shall, in addition to the duties provided by law, see that all notices (except the notice for the first annual meeting of the unit owners) are duly given as herein provided.

(n) All expenses, charges and costs of the maintenance, repair or replacement of the common elements, and any other expenses, charges or costs which the Board may incur or expend pursuant hereto, shall be approved by the Board, and a written memorandum thereof prepared and signed by the treasurer. There shall be no structural alterations, capital additions to, or capital improvements on, the common elements without the prior written consent of the Board of Directors of the Association. Any such alterations, capital additions or improvements undertaken by the Board (other than for purposes of replacing or restoring portions of the common elements) and requiring an expenditure in excess of Five Hundred Dollars (\$500.00) shall not be done without the prior approval of 66 2/3% of the unit owners.

(o) Assessments for common expenses and the manner of computing, estimating and collecting the same shall be as provided in the Master Declaration. The Board shall have the right to assess to the unit owners the amount of any funds which, in the opinion of the Board, are needed and not provided for in the Master Declaration and to provide for the manner of collecting the same.

(p) If requested so to do by the Association at any time, the Board shall assess to each unit owner the amount assessed to such unit owner at any time, or from time to time, by the Board of Directors of the Association. All assessments and charges levied or assessed by the Board of Directors of the Association shall be irrevocably deemed to be expenses lawfully agreed upon by each unit owner and shall irrevocably be deemed assessed and levied, with respect to each unit owner, by the Board.

(q) The Board shall take such legal action as the Board of Directors of the Association may direct at any time to foreclose a lien on any unit for the payment or collection of any delinquent assessment or other charge.

(r) The Board shall keep full and correct books of account with respect to any assessments levied or collected by

the Board and any expenditures made by the Board and the same shall be open for inspection by any unit owner or any representative of a unit owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the unit owner. All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the unit owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the unit owners in the percentages set forth in Exhibit C.

(s) Until such time as the first Board provided for herein is elected, the Developer may assess each unit owner a maintenance fee. All of the rights, duties and functions of the Board set forth in this Declaration shall be exercised by the Developer for a period ending thirty (30) days after the date on which the first annual meeting of the unit owners is called pursuant to the terms of paragraph (i) hereinabove.

(t) In addition to any remedies or liens provided by law, if a unit owner is in default in the monthly payment of the aforesaid charges or assessments of the Board or the Board of Directors of the Association, for thirty (30) days, the Board may bring suit for and on behalf of itself and as representative of all unit owners, to enforce collection thereof or to foreclose the lien therefor as provided by law; and there shall be added to the amount due the costs of said suit, together with interest and reasonable attorney fees to be fixed by the Court. No owner may waive or otherwise escape liability for the assessments provided for herein by non-user of the common elements or abandonment of his or her unit.

(u) Assessments and charges, and all instalments thereof, not paid on or before fifteen (15) days after the date when due shall bear interest at the rate of seven percent (7%) per annum from the date when due until paid. All payments on account shall be credited first to interest due and then to the assessment. All interest collected shall be credited to the maintenance fund.

(v) Upon ten (10) days' notice to the Board, and the payment of a reasonable fee fixed by the Board not to exceed Fifteen Dollars (\$15.00), any unit owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner to the Board.

(w) Any first mortgage or first trust deed made, owned or held by a bank, savings and loan association or insurance company and recorded prior to the recording or mailing of a notice by

the Board of the amount owing by a unit owner who has refused or failed to pay his share of the monthly assessment when due shall be superior to the lien of such unpaid common expenses set forth in said notice and to all assessments for common expenses which become due and are unpaid subsequent to the date of recording of such first mortgage or first trust deed.

(x) The Association is hereby irrevocably appointed and shall conclusively be deemed the manager (as that term is used in the Illinois Condominium Property Act) for the property and the Board.

(y) The Board may, from time to time, adopt or amend such rules and regulations governing the operation, maintenance, beautification and use of the common elements and the units (not inconsistent with the terms of this Declaration, the Master Declaration and the rules and regulations as at any time adopted or amended by the Board of Directors of the Association) as it sees fit, and the unit owners shall conform to, and abide by, such rules and regulations. Written notice of such rules and regulations shall be given to all unit owners and occupants. A violation of such rules or regulations shall be deemed a violation of the terms of this Declaration.

(z) Whenever any notice whatever is required to be given under the provisions of this Declaration, or 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.

(aa) Nothing hereinabove contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all the unit owners or any of them.

9. Separate Real Estate Taxes: It is understood 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 Condominium Property Act. In the event that for any year such taxes are not separately taxed to each unit owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the common elements.

10. Use and Occupancy of Units and Common Elements: The units and common elements shall be occupied and used as provided in, and subject to the provisions of, the Master Declaration. The Board shall give notice to the Association of any violation occurring on the property of the provisions of the Master Declaration, or

the rules or regulations at any time adopted or amended by the Board of Directors of the Association, promptly upon the Board obtaining knowledge thereof. The Board shall take such action with respect to any such violation as the Board of Directors of the Association may request. The Board shall at no time be required to take any legal action requested by the Board of Directors of the Association under the terms of this Paragraph or sub-paragraph (q) of Paragraph 8 hereof unless the Association agrees to pay all the costs and expenses, including attorney fees, of such action.

11. Violation of Declaration: The violation of any restriction or condition or regulation adopted by the Board or by the Board of Directors of the Association, or the breach of any covenant or provision herein or in the Master Declaration contained, shall give the Board the right, in addition to any other rights provided for in this Declaration: (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 the Board, or its employees or agents shall not 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.

Furthermore, if any unit owner (either by his own conduct or by the conduct of any other occupant of his unit) shall violate any of the covenants of this Declaration or the Master Declaration, or the regulations adopted by the Board or the Board of Directors of the Association, and such violation shall not be cured within thirty (30) days after notice in writing from the Board or shall recur more than once thereafter, then the Board shall have the power to issue to the defaulting unit owner a ten (10) day notice in writing to terminate the rights of 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 Board against the defaulting unit owner for a decree of mandatory injunction against the unit owner or occupants or, in the alternative, 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 breach of covenant and ordering that all the right, title and interest of the unit owner in the property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and 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 to redemption which may be established. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorney fees and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting unit owner in said decree. Any balance of proceeds after satisfaction of such charges and any unpaid assessments hereunder or any liens shall be paid to the unit owner. Upon the confirmation of such sale, the purchaser thereof shall thereupon be entitled to a deed to the unit and to immediate possession of the unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the property sold subject to this Declaration.

12. Grantees: Each grantee of the Developer, by the acceptance of a deed of conveyance, or each purchaser under Articles of Agreement for Deed, 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 Master Declaration, and the provisions of the Condominium Property Act, as at any time amended, and all easements, rights, benefits and privileges of every character hereby or by the Master Declaration granted, created, reserved or declared, and all impositions and obligations hereby or by the Master Declaration 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 and the Master Declaration were recited and stipulated at length in each and every deed of conveyance.

13. Annexing Additional Property: Developer reserves the right from time to time, within one (1) year of the date of the recording of this Declaration, to annex and add to the Parcel and thereby add to the condominium created by this Declaration, all or any portion of the real property described on Exhibit "E" hereto, which real property is hereinafter referred to as the "Additional Property". No rights of any character whatever within the "Additional Property" attach to any unit owner except as to that portion described in any recorded Amended Declaration annexing and adding such portion to this Declaration as part of the condominium created by this Declaration.

In furtherance of the foregoing, a power coupled with an interest is hereby granted to the Developer, Ralph H. Markus and Ray W. Fick, Jr., and each of them singly, as attorney-in-fact,

to shift the percentages of ownership in the common elements appurtenant to each unit to the percentages set forth in each such Amended Declaration recorded pursuant to this Paragraph 13. Each deed, mortgage 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 each of said attorneys-in-fact and shall be deemed to reserve to each of them the power to shift and reallocate from time to time the percentages of ownership in the common elements appurtenant to each unit to the percentages set forth in each such recorded Amended Declaration.

Each owner of a unit by acceptance of a deed thereto, further acknowledges, consents and agrees, as to each such Amended Declaration that is recorded, as follows:

(a) The portion of the Additional Property described in each such Amended Declaration shall be governed in all respects by the provisions of this Declaration.

(b) The percentage of ownership in the common elements appurtenant to each unit shall automatically be shifted and reallocated to the extent set forth in each such recorded Amended Declaration and upon the recording of each such Amended Declaration, the amount by which such percentage appurtenant to a unit is reduced, as set forth in each such recorded Amended Declaration, shall thereby be and be deemed to be released and divested from such unit owner and reconveyed and reallocated among the other unit owners as set forth in each such recorded Amended Declaration.

(c) Each deed, mortgage or other instrument affecting a unit shall be deemed given subject to the conditional limitation that the percentage of ownership in the common elements appurtenant to each unit shall, upon the recording of each Amended Declaration, be divested pro tanto to the reduced percentage set forth in such Amended Declaration and vested among the other owners, mortgagees and others owning an interest in the other units in accordance with the terms and percentages of each such recorded Amended Declaration.

(d) A right of revocation is hereby reserved by the grantor in each such deed, mortgage or other instrument of a unit to so amend and reallocate the percentages of ownership in the common elements appurtenant to each unit.

(e) The percentage of ownership in the common elements appurtenant to each unit shall include and be deemed to include any additional common elements annexed hereto by a recorded Amended Declaration and each deed, mortgage or other instrument affecting a

unit shall be deemed to include such additional common elements, and the ownership of any such unit and lien of any such mortgage shall automatically include and attach to such additional common elements as such Amended Declarations are recorded.

(f) Each unit owner shall have a perpetual easement, appurtenant to his unit, for the use of any additional common elements annexed thereto by and described in any recorded Amended Declaration, for the purposes therein set forth, except as to any portion the use of which is limited by exclusive easements granted to the owners of specific units as may be provided in any such Amended Declaration.

(g) The recording of each such Amended Declaration shall not alter the amount of the lien for expenses assessed to a unit prior to such recording.

(h) Each owner by acceptance of the deed conveying his unit, agrees for himself and all those claiming under him, including mortgagees, that this Declaration and each Amended Declaration is and shall be deemed to be in accordance with the Act and for the purposes of this Declaration and the Act, any changes in the respective percentages of ownership in the common elements as set forth in each such Amended Declaration shall be deemed to be made by agreement of all unit owners.

(i) The Developer reserves the right to amend this Declaration in such manner, and each unit owner agrees to execute and deliver such documents necessary or desirable to cause the provisions of this Paragraph 13 to comply with the Act as it may be amended from time to time.

(j) The foregoing provisions of this Declaration and in deeds and mortgages of the units and common elements contain and will contain clauses designed to accomplish a shifting of the common elements. None of said provisions shall invalidate the other, but each shall be deemed supplementary to the other toward the end that a valid shifting of the common elements can be accomplished.

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

15. Notices: Notices required or permitted to be given to the Board or any unit owner may be delivered to any member of the Board or such unit owner either personally or by mail addressed to such Board member or unit owner at his unit.

16. Amendments: The provisions of Paragraphs 2, 3, 4, 6, 7, sub-paragraph (w) of Paragraph 8, and this Paragraph 16 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 unit owners and all mortgagees having bona fide liens of record against any unit. The provisions of sub-paragraph (c) of Paragraph 1, Paragraph 5, sub-paragraphs (g), (h), (n), (o), (p), (q), (y) and (x) of Paragraph 8, Paragraph 10, and this Paragraph 16 may not be amended without the unanimous consent of the Board of Directors of the Association. 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, at least 75% of the unit owners and containing an affidavit by an officer of the Board certifying that a copy of the amendment, change or modification has been mailed by certified mail to all mortgagees having bona fide liens of record against any unit, not less than ten (10) days prior to the date of such affidavit. No provision of this Declaration may be amended, changed or modified so as to conflict with any provisions of the Master Declaration. Any amendment, change or modification shall conform to the provisions of the Condominium Property Act and shall be effective upon recordation thereof. No change, modification or amendment which affects the rights, privileges or obligations of the Developer shall be effective without the prior written consent of the Developer.

17. 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.

18. 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 development in accordance with the Master Declaration.

19. Changes or Modifications by Developer: Before the election of the first Board, the Developer, or its successors or assigns, shall have the right to change or modify any or all of the terms, restrictions and covenants herein contained, which change or modification shall be effective upon the recording thereof.

IN WITNESS WHEREOF, R. H. MARKUS & ASSOCIATES, INC. has caused its corporate seal to be affixed hereunto and has caused its name to be signed to these presents by its President and attested by its Att y the 25th day of June, 1973.

R. H. MARKUS & ASSOCIATES, INC.

ATTEST

Thomas L. Baughman

By:

R. H. Markus
President

EXHIBIT "A"

That part or portion of Section 35, Township 43 North, Range 11, East of the Third Principal Meridian, falling within a tract of land described as follows: Commencing in the Center Line of Milwaukee Avenue in said Section 35, at a point in the North Line of premises conveyed in Book 30 of Deeds, Page 41; thence South 88° 15' West along said North Line to a point 2.50 chains West of the East line of the West 1/2 of the Southwest 1/4 of Section 34, Township 43 North, Range 11, East of the Third Principal Meridian; thence North 405.56 feet; thence North 88° 43' East to the Center of Milwaukee Avenue; thence South along the Center Line of Milwaukee Avenue to the Place of Beginning (excepting from the above described tract that part lying West of a Line drawn at right angles to the North Line thereof at a point 336.74 feet Westerly of the Center Line of Milwaukee Avenue, as measured along said North Line and excepting also the North 45.00 feet as measured at right angles to the North Line thereof and also excepting from that tract the easterly 40.00 feet thereof, as measured at right angles to the Center Line of Milwaukee Avenue, also excepting from the above tract that part thereof described as follows: Commencing in the Center Line of Milwaukee Avenue in said Section 35, at a point in the North Line of premises conveyed in Book 30 of Deeds aforesaid; thence South 88° 15' West along said North Line 273.67 feet to the Place of Beginning of this description; thence North 1° 44' 41" West 59.75 feet; thence North 46° 17' 00" West 76.00 feet; thence South 43° 43' 00" West 54.66 feet; thence South 1° 44' 41" East 75.58 feet to a point in the North Line of premises aforesaid, said point being 92.27 feet West of the Place of Beginning; thence North 88° 15' East along said North Line 92.27 feet to the Place of Beginning) all in Lake County, Illinois.

1621330

EXHIBIT "B"

PROPERTY PURSUANT TO SECTION 13 OF THIS DECLARATION OF

"THAT PART, OR PORTION, OF SECTION 35, TOWNSHIP 43 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, FALLING WITHIN A TRACT OF LAND DESCRIBED AS FOLLOWS: COMMENCING IN THE CENTER LINE OF MILWAUKEE AVENUE IN SAID SECTION 35, AT A POINT IN THE NORTH LINE OF PREMISES CONVEYED IN BOOK 30 OF DEEDS, PAGE 41; THENCE SOUTH 88° 15' WEST ALONG SAID NORTH LINE TO A POINT 2.50 CHAINS WEST OF THE EAST LINE OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 34, TOWNSHIP 43 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE NORTH 105.56 FEET; THENCE NORTH 88° 43' EAST TO THE CENTER OF MILWAUKEE AVENUE; THENCE SOUTH ALONG THE CENTER LINE OF MILWAUKEE AVENUE TO THE PLACE OF BEGINNING (EXCEPTING FROM THE ABOVE DESCRIBED TRACT THAT PART THEREOF LYING WEST OF A LINE DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE NORTH LINE OF SAID TRACT, 1090.00 FEET WEST, AS MEASURED ON SAID NORTH LINE, OF THE CENTER LINE OF MILWAUKEE AVENUE; THENCE SOUTH 01° 17' 00" EAST AT RIGHT ANGLES TO SAID NORTH LINE, A DISTANCE OF 138.73 FEET; THENCE SOUTH 46° 17' 00" EAST ALONG A LINE FORMING AN ANGLE OF 45° TO THE LEFT OF THE PROLONGATION OF THE LAST DESCRIBED LINE, A DISTANCE OF 144.61 FEET; THENCE SOUTH 01° 17' 00" EAST ALONG A LINE FORMING AN ANGLE OF 45° TO THE RIGHT OF THE PROLONGATION OF THE LAST DESCRIBED LINE A DISTANCE OF 122.91 FEET TO A POINT ON THE SOUTH LINE OF SAID TRACT, SAID SOUTH LINE BEING THE NORTH LINE OF PREMISES CONVEYED IN BOOK 30 OF DEEDS, PAGE 41 AFORESAID, 1138.67 FEET WEST AS MEASURED ON SAID SOUTH LINE, OF THE CENTER LINE OF MILWAUKEE AVENUE AND EXCEPTING ALSO THAT PART THEREOF LYING EAST OF A LINE DRAWN AT RIGHT ANGLES TO THE NORTH LINE OF THE AFOREMENTIONED TRACT, FROM A POINT ON SAID NORTH LINE 336.74 FEET WESTERLY OF THE CENTER LINE OF MILWAUKEE AVENUE, AS MEASURED ALONG SAID NORTH LINE AND EXCEPTING ALSO THAT PART THEREOF LYING NORTH OF A LINE DESCRIBED AS COMMENCING AT THE INTERSECTION OF A LINE 45.00 FEET SOUTH OF, AS MEASURED AT RIGHT ANGLES AND PARALLEL WITH THE NORTH LINE OF SAID TRACT, WITH SAID LINE DRAWN AT RIGHT ANGLES TO SAID NORTH LINE OF SAID TRACT THRU SAID POINT ON SAID NORTH LINE 1090.00 FEET WESTERLY OF SAID CENTER LINE OF MILWAUKEE AVENUE AND RUNNING THENCE NORTH 88° 43' 00" EAST ALONG SAID LINE 45.00 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SAID TRACT, A DISTANCE OF 37.45 FEET TO A POINT OF CURVE; THENCE EASTERLY ALONG A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 477.50 FEET, A DISTANCE OF 100.01 FEET TO A POINT OF REVERSE CURVE; THENCE EASTERLY ALONG A CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 522.50 FEET, A DISTANCE OF 218.86 FEET TO A POINT OF REVERSE CURVE; THENCE EASTERLY ALONG A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 477.50 FEET, A DISTANCE OF 100.01 FEET TO A POINT OF TANGENCY; THENCE EASTERLY ALONG A LINE 45.0 FEET SOUTH OF AND PARALLEL TO SAID NORTH LINE OF SAID TRACT AND TANGENT TO THE LAST DESCRIBED CURVE TO A POINT ON THE CENTER LINE OF MILWAUKEE AVENUE 48.90 FEET SOUTHERLY AS MEASURED ON SAID CENTER LINE, OF THE NORTHEAST CORNER OF SAID TRACT; AND ALSO EXCEPTING FROM SAID TRACT THE EASTERLY 40.0 FEET THEREOF AS MEASURED AT RIGHT ANGLES TO THE CENTER LINE OF MILWAUKEE AVENUE) IN LAKE COUNTY, ILLINOIS.

AND 1621330
THAT PART OR PORTION OF SECTION 35, TOWNSHIP 43 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, FALLING WITHIN A TRACT OF LAND DESCRIBED AS FOLLOWS: COMMENCING IN THE CENTER LINE OF MILWAUKEE AVENUE IN SAID SECTION 35, AT A POINT IN THE NORTH LINE OF PREMISES CONVEYED IN BOOK 30 OF DEEDS, PAGE 41; THENCE SOUTH 88° 15' WEST ALONG SAID NORTH LINE TO A POINT 2.50 CHAINS WEST OF THE EAST LINE OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 34, TOWNSHIP 43 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE NORTH 105.56 FEET; THENCE NORTH 88° 43' EAST TO THE CENTER OF MILWAUKEE AVENUE; THENCE SOUTH ALONG THE CENTER LINE OF MILWAUKEE AVENUE TO THE PLACE OF BEGINNING, DESCRIBED AS FOLLOWS: COMMENCING IN THE CENTER LINE OF MILWAUKEE AVENUE IN SAID SECTION 35, AT A POINT IN THE NORTH LINE OF PREMISES CONVEYED IN BOOK 30 OF DEEDS AFORESAID; THENCE SOUTH 88° 15' WEST ALONG SAID NORTH LINE 273.62 FEET TO THE PLACE OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 1° 44' 41" WEST 59.75 FEET; THENCE NORTH 46° 17' 00" WEST 76.00 FEET; THENCE SOUTH 43° 43' 00" WEST 24.66 FEET; THENCE SOUTH 1° 44' 41" EAST 75.58 FEET TO A POINT IN THE NORTH LINE OF PREMISES AFORESAID, SAID POINT BEING 92.27 FEET WEST OF THE PLACE OF BEGINNING; THENCE NORTH 88° 15' EAST ALONG SAID NORTH LINE 92.27 FEET TO THE PLACE OF BEGINNING), ALL IN LAKE COUNTY, ILLINOIS.

EXHIBIT "C"

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS:

<u>UNIT OWNERS</u>		
<u>Building</u>	<u>Unit</u>	<u>Percentage</u>
1	A	3.744
	B	3.745
	C	3.745
	D	3.422
2	A	3.486
	B	3.486
	C	3.486
	D	3.357
3	A	3.744
	B	3.486
	C	3.486
	D	3.357
4	A	3.744
	B	3.486
	C	3.486
	D	3.357
6	A	3.744
	B	3.486
	C	3.486
	D	3.357
7	A	3.744
	B	3.745
	C	3.745
	D	3.422
8	A	3.744
	B	3.745
	C	3.745
	D	3.422

1621330

Send Bill (2)

FIRST AMENDMENT TO DECLARATION
OF CONDOMINIUM PURSUANT TO THE
CONDOMINIUM PROPERTY ACT FOR
INVERRARY

This Declaration made and entered into by R. H. MARKUS &
ASSOCIATES, INC., an Illinois corporation ("Developer");

W I T N E S S E T H:

WHEREAS, by Declaration of Condominium Pursuant to the
Condominium Property Act for Inverrary recorded in the office of
the Recorder of Deeds of Lake County, Illinois on June 27, 1973
as document No. 1261330 (the "Declaration"), the trustee submitted
certain real estate to the Condominium Property Act of the State of
Illinois (the "Act"); and

WHEREAS, under Paragraph 13 of the Declaration, the
right is reserved in the Developer to annex and add all or any por-
tion of certain real property described on Exhibit "E" to the
Declaration to the parcel submitted to the provisions of the Act
by the Declaration and thereby added to the condominium created by
the Declaration; and

WHEREAS, the Developer is the legal title holder of and
wishes to so annex and add to said parcel and property and thereby
submit to the Act as part of the condominium the real property
described on Exhibit "A" attached hereto and made a part hereof
("Additional Property"), the additional property being a portion
of that property described on Exhibit "E" to the Declaration and
is also a portion of the development area described in the Decla-
ration of Covenants and Restrictions and a Plan for Condominium
Ownership for Inverrary executed by the Developer and recorded in
the office of the Recorder of Deeds of Lake County, Illinois, on
June 25, 1973 as Document No. 1621021 (the "Master Declaration");
and

WHEREAS, the additional property is now improved with
eight apartment buildings containing four residential units each,
or a total of 32 residential units.

WHEREFORE, R. H. MARKUS & ASSOCIATES, INC., as
Developer, and for the purposes here set forth, hereby declares
that the Declaration heretofore is amended as follows:

1. The additional property described on Exhibit "A"
hereto is hereby annexed to the parcel and property as described
on Exhibit "E" attached to the Declaration and is hereby submitted
to the provisions of the Act as part of the condominium in accord-
ance with, and shall be deemed to be governed in all respects by,
the terms and provisions of the Declaration of the additional property;

shall also be subject to and deemed to be governed in all respects by the terms and provisions of the Master Declaration.

2. The legal description of the units as set forth in Exhibit "A" to the Declaration is hereby amended and shall read as set forth in Exhibit "B" attached hereto and made a part hereof.

3. Exhibit "C" attached to the Declaration is hereby amended and superseded in its entirety by Exhibit "C" attached hereto, and the respective percentages of ownership in the common elements appurtenant to each unit described in said Exhibit "C" prior to this Amendment is hereby reduced to the respective percentages set forth in Exhibit "C" as hereby amended and attached hereto.

4. All of the unit owners by Ralph H. Markus, their attorney in fact, hereby consent to this Amendment to the Declaration pursuant to the power of attorney set forth in Paragraph 13 of this Declaration.

5. The additional common elements are hereby granted and conveyed to the grantees of units heretofore conveyed, all as set forth in the Declaration.

6. Attached hereto is Exhibit "D" consisting of four pages designated as pages 5, 6, 7 and 8. Exhibit "D" of the Declaration is hereby amended by adding thereto as pages 5, 6, 7 and 8 thereof, pages 5, 6, 7 and 8 of Exhibit "D" attached hereto and any reference in the Declaration to Exhibit "D" shall be deemed to refer to Exhibit "D" as hereby amended.

7. Except as expressly set forth herein, the Declaration shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, R. H. MARKUS & ASSOCIATES, INC. has caused its corporate seal to be affixed hereunto and has caused its name to be signed by its president and attested by its assistant secretary the 31ST day of August, 1973.

R. H. MARKUS & ASSOCIATES, INC.

By: _____

Ralph H. Markus
President

(SEAL)

ATTEST:

Thomas L. Bauckhoff
Assistant Secretary

1631331

EXHIBIT "C"

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS:

<u>UNIT OWNERS</u>			<u>UNIT OWNERS</u>		
<u>Building</u>	<u>Unit</u>	<u>Percentage</u>	<u>Building</u>	<u>Unit</u>	<u>Percentage</u>
1	A.	1.726	9	A	1.726
	B	1.726		B	1.726
	C	1.726		C	1.726
	D	1.578		D	1.578
2	A	1.607	10	A	1.726
	B	1.607		B	1.726
	C	1.607		C	1.726
	D	1.547		D	1.578
3	A	1.726	11	A	1.726
	B	1.607		B	1.726
	C	1.607		C	1.726
	D	1.547		D	1.547
4	A	1.726	12	A	1.607
	B	1.607		B	1.726
	C	1.607		C	1.726
	D	1.547		D	1.578
6	A	1.726	13	A	1.726
	B	1.607		B	1.726
	C	1.607		C	1.726
	D	1.547		D	1.547
7	A	1.726	14	A	1.726
	B	1.726		B	1.726
	C	1.726		C	1.726
	D	1.578		D	1.578
8	A	1.726	15	A	1.726
	B	1.726		B	1.726
	C	1.726		C	1.726
	D	1.578		D	1.578
			16	A	1.726
				B	1.726
				C	1.726
				D	1.578

MAIL TO 

R. H. Markus
3 Fox Trail Lincolnshire
Deerfield, IL 60015

1631331

EXHIBIT "B"

UNITS A, B, C, D in BUILDING 1; UNITS A, B, C, D in BUILDING 2;
UNITS A, B, C, D in BUILDING 3; UNITS A, B, C, D in BUILDING 4;
UNITS A, B, C, D in BUILDING 6; UNITS A, B, C, D in BUILDING 7;
UNITS A, B, C, D in BUILDING 8; UNITS A, B, C, D in BUILDING 9;
UNITS A, B, C, D in BUILDING 10; UNITS A, B, C, D in BUILDING 11;
UNITS A, B, C, D in BUILDING 12; UNITS A, B, C, D in BUILDING 13;
UNITS A, B, C, D in BUILDING 14; UNITS A, B, C, D in BUILDING 15;
UNITS A, B, C, D in BUILDING 16 as delineated on survey of certain
lots or parts thereof in part of Section 35, Township 43 North,
Range 11, East of the Third Principal Meridian in Lake County,
Illinois, according to the plat thereof recorded June 27, 1973 as
Document No. 1621330 in Lake County, Illinois, which survey is
attached as Exhibit "A" to Declaration of Condominium Pursuant to
Condominium Property Act for Inverrary recorded in the office of
the Recorder of Deeds for Lake County, Illinois as Document No.
1621330, as amended.

1631331

EXHIBIT "A"

THAT PART, OR PORTION, OF SECTION 35, TOWNSHIP 43 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, FALLING WITHIN A TRACT OF LAND DESCRIBED AS FOLLOWS: COMMENCING IN THE CENTER LINE OF MILWAUKEE AVENUE IN SAID SECTION 35, AT A POINT IN THE NORTH LINE OF PREMISES CONVEYED IN BOOK 30 OF DEEDS, PAGE 41; THENCE SOUTH 20° 15' WEST ALONG SAID NORTH LINE TO A POINT 2.50 CHAINS WEST OF THE EAST LINE OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 34, TOWNSHIP 43 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE NORTH 405.56 FEET; THENCE NORTH 23° 43' EAST TO THE CENTER OF MILWAUKEE AVENUE; THENCE SOUTH ALONG THE CENTER OF MILWAUKEE AVENUE TO THE PLACE OF BEGINNING (EXCEPTING FROM THE ABOVE DESCRIBED TRACT, THAT PART THEREOF LYING WEST OF A LINE DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE NORTH LINE OF SAID TRACT, 1090.00 FEET WEST, AS MEASURED ON SAID NORTH LINE OF THE CENTER LINE OF MILWAUKEE AVENUE; THENCE SOUTH 01° 17' 00" EAST AT RIGHT ANGLES TO SAID NORTH LINE, A DISTANCE OF 138.73 FEET; THENCE SOUTH 46° 17' 00" EAST ALONG A LINE FORMING AN ANGLE OF 45° TO THE LEFT OF THE PROLONGATION OF THE LAST DESCRIBED LINE, A DISTANCE OF 144.61 FEET; THENCE SOUTH 01° 17' 00" EAST ALONG A LINE FORMING AN ANGLE OF 45° TO THE RIGHT OF THE PROLONGATION OF THE LAST DESCRIBED LINE A DISTANCE OF 122.91 FEET TO A POINT ON THE SOUTH LINE OF SAID TRACT, SAID SOUTH LINE BEING THE NORTH LINE OF PREMISES CONVEYED IN BOOK 30 OF DEEDS, PAGE 41 AS FOLLOWS: 1138.67 FEET WEST AS MEASURED ON SAID SOUTH LINE, OF THE CENTER LINE OF MILWAUKEE AVENUE ALSO EXCEPTING FROM THE ABOVE DESCRIBED TRACT THAT PART LYING EAST OF A LINE DRAWN AT RIGHT ANGLES TO THE NORTH LINE THEREOF AT A POINT 336.74 FEET WESTERLY OF THE CENTER LINE OF MILWAUKEE AVENUE, AS MEASURED ALONG SAID NORTH LINE AND EXCEPTING ALSO THAT PART THEREOF LYING NORTH OF A LINE DESCRIBED AS COMMENCING AT THE INTERSECTION OF A LINE 45.00 FEET SOUTH OF, AS MEASURED AT RIGHT ANGLES AND PARALLEL WITH THE NORTH LINE OF SAID TRACT, WITH SAID LINE DRAWN AT RIGHT ANGLES TO SAID NORTH LINE OF SAID TRACT THRU SAID POINT ON SAID NORTH LINE 1090.00 FEET WESTERLY OF SAID CENTER LINE OF MILWAUKEE AVENUE AND RUNNING THENCE NORTH 88° 43' 00" EAST ALONG SAID LINE 45.00 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SAID TRACT, A DISTANCE OF 37.45 FEET TO A POINT OF CURVE; THENCE EASTERLY ALONG A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 477.50 FEET, A DISTANCE OF 100.01 FEET TO A POINT OF REVERSE CURVE; THENCE EASTERLY ALONG A CURVE CONCAVE NORTHERLY, AND HAVING A RADIUS OF 522.50 FEET, A DISTANCE OF 215.86 FEET TO A POINT OF REVERSE CURVE; THENCE EASTERLY ALONG A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 477.50 FEET A DISTANCE OF 100.01 FEET TO A POINT OF TANGENCY; THENCE EASTERLY ALONG A LINE 45.0 FEET SOUTH OF AND PARALLEL TO SAID NORTH LINE OF SAID TRACT AND TANGENT TO THE LAST DESCRIBED CURVE TO A POINT 355.89 FEET WEST OF THE CENTER LINE OF MILWAUKEE AVENUE, AS MEASURED ALONG SAID PARALLEL LINE,) IN LAKE COUNTY, ILLINOIS.

1631331

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, RAY W. FICK, JR., a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that R. H. MARKUS, president of R. H. MARKUS & ASSOCIATES, INC., and THOMAS L. BOUCHER, JR., assistant secretary thereof, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Assistant Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, and as the free and voluntary act of said company, for the uses and purposes therein set forth; and the said Assistant Secretary did also then and there acknowledge that he as custodian of the corporate seal of said company did affix the said corporate seal of said company to said instrument as his own free and voluntary act, and as the free and voluntary act of said company for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 21ST day of AUGUST, 1973.

1631331

DOC. FILED FOR RECORDS IN RECORDERS OFFICE LAKE COUNTY, ILLINOIS

AUG 23 73 11 02 AM

Frank J. Nustra
FRANK J. NUSTRA RECORDER

Ray W. Fick
Notary Public
My commission expires JUNE 22, 1976

ALL UNIT OWNERS

By: Ralph H. Markus
Ralph H. Markus, Attorney in fact

DePage

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, RAY W. FICK, JR., a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Ralph H. Markus, attorney in fact, personally appeared before me, known to me to be the person whose name is subscribed to the above instrument and acknowledged that he executed the same.

Ray W. Fick
Notary Public
My commission expires JUNE 22, 1976

DePage

26/123

SECOND AMENDMENT TO DECLARATION
OF CONDOMINIUM PURSUANT TO THE
CONDOMINIUM PROPERTY ACT FOR
INVERRARY

This Declaration made and entered into by R. H. MARKUS &
ASSOCIATES, INC., an Illinois corporation ("Developer");

W I T N E S S E T H:

WHEREAS, by Declaration of Condominium Pursuant to the
Condominium Property Act for Inverrary recorded in the office of
the Recorder of Deeds of Lake County, Illinois on June 25, 1973
as document No. 1621330 (the "Declaration"), the trustee submitted
certain real estate to the Condominium Property Act of the State of
Illinois (the "Act"); and

WHEREAS, under Paragraph 13 of the Declaration, the
right is reserved in the Developer to annex and add all or any
portion of certain real property described on Exhibit "E" to the
Declaration to the parcel submitted to the provisions of the Act
by the Declaration and thereby added to the condominium created by
the Declaration; and

WHEREAS, the Developer is the legal title holder of and
wishes to so annex and add to said parcel and property and thereby
submit to the Act as part of the condominium the real property
described on Exhibit "A" attached hereto and made a part hereof
("Additional Property"), the additional property being a portion
of that property described on Exhibit "E" to the Declaration and
is also a portion of the development area described in the Decla-
ration of Covenants and Restrictions and a Plan for Condominium
Ownership for Inverrary executed by the Developer and recorded in
the office of the Recorder of Deeds of Lake County, Illinois, on
June 25, 1973 as Document No. 1621021 (the "Master Declaration")
and

WHEREAS, the additional property is now improved with
one apartment building containing four residential units

NOW THEREFORE, R. H. MARKUS & ASSOCIATES, INC., as
Developer, and for the purpose above set forth, hereby declares
that the Declaration be and hereby is amended as follows:

1. The additional property described on Exhibit "A"
hereto is hereby annexed to the parcel and property as described
Exhibit "A" attached to the Declaration and is hereby submitted
the provisions of the Act as part of the condominium in accord-
ance with, and shall be deemed to be governed in all respects by
the terms and provisions of the Declaration. The additional property

shall also be subject to and deemed to be governed in all respects by the terms and provisions of the Master Declaration.

2. The legal description of the units as set forth in Exhibit "B" to the Declaration is hereby amended and shall read as set forth in Exhibit "B" attached hereto and made a part hereof.

3. Exhibit "C" attached to the Declaration is hereby amended and superseded in its entirety by Exhibit "C" attached hereto and the respective percentages of ownership in the common elements appurtenant to each unit described in said Exhibit "C" prior to this Amendment is hereby reduced to the respective percentages set forth in Exhibit "C" as hereby amended and attached hereto.

4. All of the unit owners by Ralph H. Markus, their attorney in fact, hereby consent to this Amendment to the Declaration pursuant to the power of attorney set forth in Paragraph 13 of this Declaration.

5. The additional common elements are hereby granted and conveyed to the grantees of units heretofore conveyed, all as set forth in the Declaration.

6. Attached hereto is Exhibit "D" consisting of four pages designated as pages 9, 10, 11 and 12. Exhibit "D" of the Declaration is hereby amended by adding thereto as pages 9, 10, 11 and 12 thereof, pages 9, 10, 11 and 12 of Exhibit "D" attached hereto, and any reference in the Declaration to Exhibit "D" shall be deemed to refer to Exhibit "D" as hereby amended.

7. Except as expressly set forth herein, the Declaration shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, R. H. MARKUS & ASSOCIATES, INC. has caused its corporate seal to be affixed hereunto and has caused its name to be signed by its president and attested by its assistant secretary the 22nd day of August, 1973.

R. H. MARKUS & ASSOCIATES, INC.

By: R Markus
President



L. B. Bausky
Assistant Secretary

EXHIBIT "C"

PERCENTAGE OF OWNERSHIP IN COMMON ELEMENTS:

<u>Building</u>	<u>UNIT OWNERS</u>		<u>Building</u>	<u>UNIT OWNERS</u>	
	<u>Unit</u>	<u>Percentage</u>		<u>Unit</u>	<u>Percentage</u>
1	A	1.618	9	A	1.618
	B	1.618		B	1.618
	C	1.618		C	1.618
	D	1.479		D	1.479
2	A	1.506	10	A	1.618
	B	1.506		B	1.618
	C	1.506		C	1.618
	D	1.450		D	1.479
3	A	1.618	11	A	1.618
	B	1.506		B	1.618
	C	1.506		C	1.618
	D	1.450		D	1.450
4	A	1.618	12	A	1.506
	B	1.506		B	1.618
	C	1.506		C	1.618
	D	1.450		D	1.479
5	A	1.618	13	A	1.618
	B	1.618		B	1.618
	C	1.618		C	1.618
	D	1.450		D	1.445
6	A	1.618	14	A	1.618
	B	1.506		B	1.618
	C	1.506		C	1.618
	D	1.450		D	1.479
7	A	1.618	15	A	1.618
	B	1.618		B	1.618
	C	1.618		C	1.618
	D	1.479		D	1.479
8	A	1.618	16	A	1.618
	B	1.618		B	1.618
	C	1.618		C	1.618
	D	1.479		D	1.479

1640022

EXHIBIT "D"

UNITS A, B C, D in BUILDING 1 UNITS A, B, C, D in BUILDING 2
UNITS A, B C, D in BUILDING 3 UNITS A, B, C, D in BUILDING 4
UNITS A, B C, D in BUILDING 5 UNITS A, B, C, D in BUILDING 6
UNITS A, B C, D in BUILDING 7 UNITS A, B, C, D in BUILDING 8
UNITS A, B C, D in BUILDING 9 UNITS A, B, C, D in BUILDING 10
UNITS A, B C, D in BUILDING 11 UNITS A, B, C, D in BUILDING 12
UNITS A, B C, D in BUILDING 13 UNITS A, B, C, D in BUILDING 14
UNITS A, B C, D in BUILDING 15 UNITS A, B, C, D in BUILDING 16

as delineated on survey of certain lots or parts thereof in part of Section 35, Township 43rd North, Range 11, East of the Third Principal Meridian in Lake County, Illinois according to the plat thereof, recorded June 25, 1973 as Document No. 1621330 in Lake County Illinois, which survey is attached as Exhibit "D" to Declaration of Condominium pursuant to Condominium Property Act for inventory recorded in the office of the recorder of Deeds for Lake County, Illinois as document No. 1621330 as amended.

EXHIBIT "A"

That part or portion of Section 35, Township 43 North Range 21, East of the Third Principal Meridian described as commencing in the center line of Milwaukee Avenue in said Section 35 at a point in the North Line of premises conveyed in Book 30 of Deeds page 91 thence South 88°15' West along said North Line 273.62 feet to the place of beginning of this description thence North 1°44'41" West 59.75 feet thence North 46°17'00" West 76.00 feet; thence South 43°43'00" West 54.66 feet; thence South 1°44'41" East 75.58 feet to a point in the North Line of premises aforesaid; said point being 92.27 feet West of the place of Beginning; thence North 88°15' East along said North Line 92.27 feet to the place of Beginning, in Lake County, Illinois.

1640022

360426

Return to
Ray W. Felt, Jr.
1051 W. Madison Street
Chicago, 60602

CERTIFICATE OF CORRECTION

CERTIFICATE OF CORRECTION made this 31st day of August, 1973 by R. H. MARKUS & ASSOCIATES, INC. ("Developer"):

WHEREAS, the Developer recorded in the office of the Recorder of Deeds of Lake County, Illinois a certain First Amendment to Declaration of Condominium Pursuant to the Condominium Property Act for Inverrary on August 22, 1973 as Document No. 1631331; and

WHEREAS, in said First Amendment to Declaration of Condominium Pursuant to the Condominium Property Act for Inverrary there is in the first preamble clause thereto a reference to a Declaration Pursuant to the Condominium Property Act for Inverrary theretofore recorded in the office of the Recorder of Deeds of Lake County on June 27, 1973 as Document No. 1261330; and

WHEREAS, it appears that said reference to said Declaration of Condominium Pursuant to the Condominium Property Act for Inverrary recorded in the office of the Recorder of Deeds for Lake County on June 27, 1973 should have been to Document No. 1621330; and

WHEREAS, this Certificate of Correction is executed, delivered and recorded in the office of the Recorder of Deeds for Lake County for the sole purpose of correcting said error of the document number of said Declaration of Condominium Pursuant to the Condominium Property Act referred to in the first preamble clause of the First Amendment to Declaration of Condominium Pursuant to the Condominium Property Act for Inverrary heretofore recorded as Document No. 1631331.

NOW, THEREFORE, the First Amendment to Declaration of Condominium Pursuant to the Condominium Property Act for Inverrary is hereby corrected in its reference in the first preamble clause so that said first preamble clause shall read as follows:

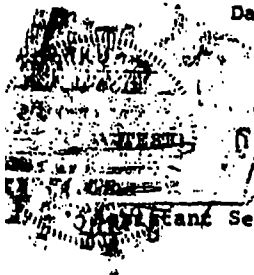
"WHEREAS, by Declaration of Condominium Pursuant to the Condominium Property Act for Inverrary recorded in the office of the Recorder of Deeds of Lake County, Illinois on June 27, 1973 as Document No. 1621330 (the "Declaration"), the trustee submitted certain real estate to the Condominium Property Act of the State of Illinois (the "Act"); and"

In all other respects the First Amendment to Declaration of Condominium Pursuant to the Condominium Property Act for Inverrary shall remain the same.

Dated this 31st day of August, 1973.

R. H. MARKUS & ASSOCIATES, INC.

By: Raymond H. Markus
President



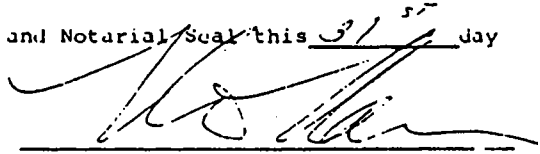
[Signature]
Assistant Secretary

CHICAGO TITLE INSURANCE CO.

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Ben Barrow, Notary Public
in and for said County, in the State aforesaid, DO HEREBY CERTIFY
that R. H. MARKUS, president of R. H. MARKUS & ASSOCIATES, INC.,
and THOMAS L. BOUCHER, JR., assistant secretary thereof, person-
ally known to me to be the same persons whose names are subscribed
to the foregoing instrument as such President and Assistant Secre-
tary, respectively, appeared before me this day in person and acknowledged
that they signed and delivered the said instrument as their own free
and voluntary act, and as the free and voluntary act of said company,
for the uses and purposes therein set forth; and the said Assistant
Secretary did also then and there acknowledge that he as custodian of
the corporate seal of said company did affix the said corporate seal
of said company to said instrument as his own free and voluntary act,
and as the free and voluntary act of said company for the uses and pur-
poses therein set forth.

GIVEN under my hand and Notarial Seal this 31st day
of August, 1973.



Notary Public
My commission expires 8-2-76



1633084

DOC. FILED FOR RECORD IN RECORDS OFFICE LAKE COUNTY, ILLINOIS

SEP 5 - 73 - 11:22 AM

Frank J. Nustra
FRANK J. NUSTRA RECORDER

AMENDED BY-LAWS OF THE INVERRARY ASSOCIATION

ARTICLE I - NAME

The name of this organization shall be The Inverrary Association.

ARTICLE II - OFFICES

The corporation shall continuously maintain in the State of Illinois a registered office and a registered agent whose business office is identical with such registered office and may have other offices within or without the state.

ARTICLE III - PURPOSE AND CONSTRUCTION

The purpose of the Inverrary Association shall be the administration and operation of property owned on a condominium basis. The term "Declaration" wherever used herein means that certain Declarations of Covenants and Restrictions for Inverrary recorded in Lake County, Illinois on June 25, 1973 as document no. 1621021. All words and terms used herein which are also used in the Declaration shall have the same meaning as provided for such words and terms in the Declaration.

ARTICLE IV - MEMBERS

SECTION 1. CLASSES OF MEMBERS, MEMBERSHIP AND TERMINATION

The corporation shall have one class of members. Each owner of a Unit shall be a member of the Inverrary Association, which membership shall terminate upon the sale or disposition of such Member's Unit, at which time the new Unit Owner shall automatically become a member of the Inverrary Association. Such termination shall not relieve or release any such former Owner from any obligation or liability incurred during the period of such ownership and membership.

SECTION 2. VOTING RIGHTS

There shall be one vote for each Unit. If a Unit is owned by more than one person, the voting rights to such Unit shall not be divided, but shall be exercised in accordance with the written designation of such Unit Owner. The purchaser of a Unit from a seller other than the developer pursuant to an installment contract for purchase shall, during such times as he or she resides in the Unit, be counted toward a quorum for purpose of election of members of the board, and shall have the right to vote for the election of members of the board of directors and to be elected to and serve on the board of directors unless the seller expressly retains in writing any or all of those rights. In no event may the seller and purchaser both be counted toward a quorum, be permitted to vote for a particular office, or be elected and serve on the board. Satisfactory evidence of the installment contract shall be made available to the Inverrary Association or its agents. For purposes of this

section, "installment contract" shall have the same meaning as set forth in subsection (e) of Section 1 of the Dwelling Unit Installment Contract Act. With respect to Units owned by a land trust, if a trustee designates in writing, a person to cast votes on behalf of the Unit Owner, the designation shall remain in effect until a subsequent document is filed with the Association.

SECTION 3. TRANSFER OF MEMBERSHIP

Membership in this corporation is not transferable or assignable, except only as is provided in Article IV, Section 1 hereof.

SECTION 4. MEMBERSHIP CERTIFICATES

The corporation may issue a certificate evidencing membership however, no membership certificates shall be required.

ARTICLE V - MEETING OF MEMBERS

SECTION 1. ANNUAL MEETING

An annual meeting of the members entitled to vote shall be held on the first Monday in the month of June of each year for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If such day be a legal holiday, the meeting shall be held at the same hour on the next succeeding business day.

SECTION 2. REGULAR MEETINGS

Regular meetings of the members shall be held on dates designated by the board of directors.

SECTION 3. SPECIAL MEETINGS

Special meetings of the members may be called either by the president or the board of directors, or not less than twenty-five percent (25%) of the members having voting rights, for the purpose or purposes stated in the call of the meeting.

SECTION 4. PLACE OF MEETING

The board of directors may designate any location as the place of meeting for any annual or regular meeting or for any special meeting called by the board of directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Illinois.

SECTION 5. NOTICE OF MEETINGS

Written notice stating the place, date, and hour of any meeting of members shall be delivered to each member not less than five (5) nor more than sixty (60) days before the date of such meeting, or, in the case of a removal of one or more directors, a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than twenty (20) nor more than sixty (60) days before the date of the meeting. However, each Owner shall receive written notice mailed or delivered no less than ten (10) and no more than thirty (30) days prior to any meeting of the board concerning the adoption of the proposed annual budget or any increase, or establishment of a budget. In case of a special meeting or when required by statute or by these By-Laws, the purpose for which the meeting is called shall be stated in the notice.

If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the corporation, with postage thereon prepaid. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken.

SECTION 6. INTENTIONALLY LEFT BLANK

SECTION 7. RECORD DATE

For the purpose of determining the members entitled to notice of or to vote at any meeting of members, or in order to make a determination of members for any other proper purpose, the board of directors of the corporation may fix in advance a date as the record date for any such determination of member, such date in any case to be no more than sixty (60) days and, for a meeting of members, not less than five (5) days, or in the case of a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than twenty (20) days immediately preceding such meeting. If no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members, the date on which notice of the meeting is delivered shall be the record date for such a determination of members. When a determination of members entitled to vote at any meeting of members has been made, such determination shall apply to any adjournment of the meeting.

SECTION 8. QUORUM

Members holding twenty percent (20%) of the votes entitled to be cast on a matter, represented in person or by proxy, shall constitute a quorum for consideration of such matter at any meeting of members. If a quorum is present, the affirmative vote of a majority of the votes represented at the meeting shall be the act of the members, unless the vote of a greater number of voting by classes is required by the General Not For Profit Corporation Act (the "Act"), the articles or incorporation or these By-Laws. If less than a

quorum is present at said meeting, a majority of the votes so represented may adjourn the meeting at any time without further notice. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting. Withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 9. PROXIES

A member entitled to vote may vote in person or by proxy executed in writing by the member or by that member's duly authorized attorney in fact. No proxy shall be valid after eleven (11) months from the date of execution.

SECTION 10. INSPECTORS

At any meeting of members, the chairman of the meeting may, or upon the request of any member, shall appoint one or more persons as inspectors for such meeting.

Such inspectors shall ascertain and report the number of votes represented at the meeting, based upon their determination of the validity and effect of proxies; count all votes and report the results; and do such other acts as are proper to conduct the election and voting with impartiality and fairness to all the members.

Each report of any inspector shall be in writing and signed by him or her or by a majority of them if there be more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of votes represented at the meeting and the results of the voting shall be prima facie evidence thereof.

SECTION 11. VOTING BY BALLOT/MAIL

Voting on any question or in any election may be by voice unless the chairman of the meeting shall order or any member shall demand that voting be by ballot. Elections for directors or any other question may be conducted by mail pursuant to procedures established by the board of directors.

ARTICLE VI - BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS

The affairs of the corporation shall be managed by or under the direction of its board of directors. The board of directors shall be vested with and shall possess all of the rights, powers, options, duties and responsibilities as are provided in the Declaration, the General Not For Profit Corporation Act of 1986, as amended from time to time, and the Condominium Property Act to the extent applicable, as amended from time to time.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS

The number of directors shall be seven (7). At the first annual meeting of the members of Inverrary Association after adoption and recording of these Amended By-Laws, the four (4) candidates receiving the highest number of votes shall be elected to serve as members of the Board for a term of two (2) years and until their successors have been elected and qualified; the three (3) candidates receiving the next highest number of votes shall be elected to serve as members of the Board for a term of one (1) year and until their successors have been elected and qualified. Upon expiration of the terms of the directors so elected at the first annual meeting of the members after adoption and recording of these Amended By-Laws, and at each annual meeting thereafter, the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed elected to the Board, and directors shall be elected to serve as members of the Board for a term of two (2) years and until their successors have been elected and qualified. Directors must be one of the members of Inverrary Association. If a director ceases to meet said qualifications, his/her status as a director shall automatically terminate. The number of directors may be decreased to not fewer than 3 or increased to any number from time to time by amendment of this section, unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment of the articles of incorporation. No decrease in the number of directors shall have the effect of shortening the term of an incumbent director. In the event a member is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any shareholder, officer or director of such corporation, partner of such partnership, beneficiary or individual trustee of such trust, or manager of such other legal entity, may be eligible to serve as a director.

SECTION 3. REGULAR MEETINGS

A regular annual meeting of the board of directors shall be held immediately after, and at the same place, as the annual meeting of members. The board of directors may provide, by resolution, the time and place for the holding of additional regular meetings of the board. Such meetings are open to all Unit Owners, except for the portion of any meeting held: (a) to discuss litigation when an action against or on behalf of the Inverrary

Association has been filed and is pending in a court or administrative tribunal, or when the board of the association finds that such an action is probable or imminent, (b) to consider information on regarding appointment, employment or dismissal of an employee, or (c) to discuss violations of rules and regulations of the Inverrary Association or unpaid common expenses owed to the Inverrary Association; provided that any vote on these matters shall be taken at a meeting or portion thereof open to any Unit Owner. Any Unit Owner may record the proceedings at meetings required to be open by this Act by tapē, film or other means; provided that the board may prescribe reasonable rules and regulations to govern the right to make such recordings.

SECTION 4. SPECIAL MEETINGS

Special meetings of the board of directors may be called by or at the request of the president or any two (2) directors. The person or persons authorized to call special meetings of the board may fix any place as the place for holding any special meeting of the board called by them.

SECTION 5. TELEPHONIC MEETINGS

Directors or nondirector members may participate in and act at any meeting of such board through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

SECTION 6. NOTICE

Notice of any regular or special meeting of the board of directors shall be mailed or delivered at least 48 hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened. No special meeting of directors may remove a director unless written notice of the proposed removal is delivered to all directors at least twenty (20) days prior to such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws.

SECTION 7. QUORUM

A majority of the board of directors then in office shall constitute a quorum for the transaction of business at any meeting of the board of directors. If less than a quorum is present at said meeting, a majority of the directors present may adjourn the meeting to another time without further notice.

SECTION 8. MANNER OF ACTING

The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of the greater number is required by statute, these By-Laws, or the articles of incorporation. No director may act by proxy on any matter.

SECTION 9. VACANCIES

Any vacancy occurring in the board of directors or any directorship to be filled by reason of an increase in the number of directors shall be filled by the board of directors unless the articles of incorporation, a statute, or these By-Laws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A director elected or appointed, as the case may be, to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

SECTION 10. RESIGNATION AND REMOVAL OF DIRECTORS

A director may resign at any time by written notice delivered to the board of directors, or to the president or secretary. A director may be removed with or without cause, as specified in the Act. Failure of a director to attend any three regular monthly meetings of the board of directors during a twelve (12) month period commencing with each annual meeting shall constitute a resignation from the board by said director. The remaining directors may fill the vacancy for the unexpired term. Nothing in this Section shall prohibit the directors from appointing the resigned director if they so decide.

SECTION 11. COMPENSATION/EXPENSE REIMBURSEMENT

Each director shall hold office without compensation. By resolution of the board of directors, the directors may be paid their expenses, if any, for attendance at each meeting of the board.

SECTION 12. PRESUMPTION OF ASSENT

A director of the corporation who is present at a meeting of the board of directors at which action on any corporation matter is taken shall be conclusively presumed to have assented

to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

ARTICLE VII - OFFICERS

SECTION 1. OFFICERS

The officers of the corporation shall be a president, one or more vice presidents (the number thereof to be determined by the board of directors), a treasurer, a secretary, and such other officers as may be elected or appointed by the board of directors. Officers whose authority and duties are not prescribed in these By-Laws shall have the authority and perform the duties prescribed, from time to time, by the board of directors. Any two or more offices may be held by the same person.

SECTION 2. ELECTION AND TERM OF OFFICE

The officers of the corporation shall be elected annually by and from among the board of directors at the regular annual meeting of the board of directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided or shall no longer qualify as a director. Election of an officer shall not of itself create contract rights.

SECTION 3. REMOVAL

Any officer elected or appointed by the board of directors may be removed by the board of directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not itself create any contract rights.

SECTION 4. PRESIDENT

The president shall be the principal executive officer of the corporation. Subject to the direction and control of the board of directors, he or she shall be in charge of the business and affairs of the corporation; he or she shall see that the resolutions and directives of the board of directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the board of directors; and, in general,

he or she shall discharge all duties incident to the office of president and such other duties as may be prescribed by the board of directors. He or she shall preside at all meetings of the members and of the board of directors.

SECTION 5. VICE-PRESIDENT

The vice-president (or in the event there be more than one vice-president, each of the vice-presidents) shall assist the president in the discharge of his or her duties as the president may direct and shall perform such other duties as from time to time may be assigned to him or her by the president or the board of directors. In the absence of the president or in the event of his or her inability or refusal to act, the vice-president (or in the event there be more than one vice-president, each of the vice-presidents, in the order designated by the board of directors, or by the president if the board of directors has not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure as vice president) shall perform the duties of the president and, when so acting shall have all the powers of and be subject to all the restrictions upon the president.

SECTION 6. TREASURER

The treasurer shall be the principal accounting and financial officer of the corporation. He or she shall (a) have charge of and be responsible for the maintenance of adequate books of account for the corporation; (b) have charge and custody of all funds and securities of the corporation, and be responsible therefor, and for the receipt and disbursement thereof and (c) perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him or her by the president or by the board of directors. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the board of directors shall determine.

SECTION 7. SECRETARY

The secretary shall (a) record the minutes of the meetings of the member and of the board of directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be a custodian of the corporate records and of the seal of the corporation; (d) keep a register of the post office address of each member which shall be furnished to the secretary of such member; (e) perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the board of directors; and (f) have the authority to certify the By-Laws, resolutions of the members and board of directors, and other documents of the corporation as true and correct copies thereof.

ARTICLE VIII - COMMISSIONS AND ADVISORY BOARDS

SECTION 1. INTENTIONALLY LEFT BLANK

SECTION 2. COMMISSIONS OR ADVISORY BODIES

Commissions or advisory bodies not having and exercising the authority of the board of directors in the corporation may be designated or created by the board of directors and shall consist of such persons as the board of directors designates. A commission or advisory body may or may not have directors as members, as the board of directors determines. The commission or advisory body may not act on behalf of the corporation or bind it to any actions but may make recommendations to the board of directors or to the officers of the corporation. The President shall have authority to appoint members to commissions or advisory boards with the advice and consent of the Board. The President shall be an ex-officio member of each commission or advisory board.

SECTION 3. TERM OF OFFICE

Each member of an advisory board or commission shall continue as such until the next annual meeting of the members of the corporation and until his or her successor is appointed, unless the advisory board or commission shall be sooner terminated, or unless such member be removed from such advisory board or commission by the board of directors, or unless such member shall cease to qualify as a member thereof.

SECTION 4. CHAIRMAN

One member of each advisory board or commission shall be appointed chairman. The President shall appoint the chairman.

SECTION 5. VACANCIES

Vacancies in the membership of any advisory board or commission may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 6. QUORUM

Unless otherwise provided in the resolution of the board of directors designating an advisory board or commission, a majority of the whole advisory board or commission shall

constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the advisory board or commission.

SECTION 7. RULES

Each advisory board or commission may adopt rules for its own governance not inconsistent with these By-Laws or with rules adopted by the board of directors. Unless otherwise provided in a resolution of the board of directors, the advisory board or commission by majority vote of its members shall determine the time and place of meetings and the notice required therefor.

SECTION 8. INTENTIONALLY LEFT BLANK

ARTICLE IX - CONTRACTS, CHECKS, DEPOSITS AND FUNDS

SECTION 1. CONTRACTS

The board of directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFTS, ETC.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the board of directors. In the absence of such determination by the board of directors, such instruments shall be signed by the treasurer and countersigned by the president or a vice-president of the corporation.

SECTION 3. DEPOSITS

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

SECTION 4. GIFTS

The board of directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

SECTION 5. FINANCES

Each Unit Owner shall receive, at least 30 days prior to the adoption thereof by the board of directors, a copy of the proposed annual budget. The board of directors shall annually supply to all Unit Owners an itemized accounting of the common expenses for the preceding year actually incurred or paid, together with a tabulation of the amounts collected pursuant to the budgets or assessment, and showing the net excess or deficit of income over expenditures plus reserves. Each Unit Owner shall receive written notice mailed or delivered not less than 10 and not more than 30 days prior to any meeting of the board of directors concerning the adoption of the proposed annual budget or any increase in the budget or establishment of an assessment.

ARTICLE X - BOOKS AND RECORDS

The board of the Inverrary Association shall maintain the following records of the association available for examination and copying at convenient hours of weekdays by any unit owners in a condominium subject to the authority of the board or their mortgagees and their duly authorized agents or attorneys.

- (i) Copies of the recorded declaration, other condominium instruments, other duly recorded covenants and bylaws and any amendments, articles of incorporation of the Association, annual reports and any rules and regulations adopted by the Inverrary Association or its board shall be available.
- (ii) Detailed accurate records in chronological order of the receipts and expenditures affecting the common areas, specifying and itemizing the maintenance and repair expenses of the common areas and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by The Inverrary Association shall be maintained.
- (iii) The minutes of all meetings of the Inverrary Association and the Board of the master association shall be maintained. The Inverrary Association shall maintain these minutes for a period of not less than 7 years.
- (iv) Ballots and proxies related thereto, if any, for any election held for the board of the Inverrary Association and for any other matters voted on by the unit owners shall be maintained for a period of not less than 1 year.
- (v) Such other records of the Inverrary Association as are available for inspection by members of a not-for-profit corporation pursuant to Section 107.75 of the General Note For Profit Corporation Act of 1986 shall be maintained.

ARTICLE XI - SEAL

The corporate seal shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Illinois." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced, provided that the affixing of the corporate seal to an instrument shall not give the instrument additional force or effect, or change the construction thereof, and the use of the corporate seal is not mandatory.

ARTICLE XII - WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of any statute or under the provisions of the articles of incorporation or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

ARTICLE XIII - INDEMNIFICATION

SECTION 1. INDEMNIFICATION IN ACTIONS OTHER THAN BY OR IN THE RIGHT OF THE CORPORATION

The corporation may indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceedings, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation or, with respect to any criminal action or proceedings, that the person had reasonable cause to believe that his or her conduct was unlawful.

SECTION 2. INDEMNIFICATION IN ACTIONS BY OR IN THE RIGHT OF THE CORPORATION.

The corporation may indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, provided that no indemnification shall be made in respect of any claims issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the corporation, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

SECTION 3. RIGHT TO PAYMENT OR EXPENSES

To the extent that a director, officer, employee or agent of the corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Sections 1 and 2 of this Article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys fees) actually and reasonably incurred by such person in connection therewith.

SECTION 4. DETERMINATION OF CONDUCT

Any indemnification under Sections 1 and 2 of this Article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case, upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article. Such determination shall be made (a) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or even if obtainable, if a quorum or disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the members entitled to vote, if any.

SECTION 5. PAYMENT OF EXPENSES IN ADVANCE

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition or such action, suit or proceeding, as authorized by the board of directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless

it shall ultimately be determined that he or she is entitled to be indemnified by the corporation as authorized in this Article.

SECTION 6. INDEMNIFICATION NOT EXCLUSIVE

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of members or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 7. INSURANCE

The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or who is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article.

SECTION 8. NOTICE TO MEMBERS

If the corporation has paid indemnity or has advanced expenses under this article to a director, officer, employee or agent, the corporation shall report the indemnification or advance in writing to any members entitled to vote with or before the notice of the next meeting of the members entitled to vote.

SECTION 9. REFERENCES TO CORPORATION

For purposes of this Article, references to "the corporation" shall include, in addition to the surviving corporation, any merging corporation (including any corporation having merged with a merging corporation) absorbed in a merger which, if its separate existence had continued, would have had the power and authority to indemnify its directors, officers, employees or agents, so that any person who was a director, officer, employee or agent of such merging corporation, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article with respect to the surviving corporation as

such person would have with respect to such merging corporation if its separate existence had continued.

SECTION 10. OTHER REFERENCES

For purposes of this Article, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries. A person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Article.

ARTICLE XIV - AMENDMENTS

The power to alter, amend, or repeal the By-Laws or adopt new By-Laws shall be vested in the board of directors. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given. In addition, the board shall alter, amend or repeal the By-Laws in accordance with the petition of at least fifty (50%) of the membership. The By-Laws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation.

ARTICLE XV - GENERAL

To the extent these By-Laws or the General Not For Profit Corporation Act are silent, the meetings of the board of directors and the membership shall be governed by the then most recent edition of Robert's Rules of Order.

Adopted March 11, 1998.

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