

THE UMBRELLA DECLARATION FOR WASHINGTON COURTE

(As Amended and Restated as of October 1, 1992)

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This Declaration, dated this 1st day of October, 1992, is made by the Board of Directors of the Washington Courte Umbrella Association, an Illinois not-for-profit corporation ("Board").

W I T N E S S E T H:

The Board administers the property for the Washington Courte Umbrella Association ("Umbrella Association"), Niles, Illinois, pursuant to the Declaration for the property legally described on Exhibit B attached to and made a part of this Amended and Restated Declaration. The Umbrella Association exercises certain powers of the Residential Associations with respect to the Common Area, as defined in this Declaration and, accordingly the Umbrella Association is a master association under Section 18.5 of the Illinois Condominium Property Act (Chapter 30, Paragraph 18.5, Illinois Revised Statutes (the "Act")). Pursuant to Section 18.5(h) of the Act, the Board deems it necessary to amend and restate the Declaration to conform to the Act.

NOW THEREFORE, the Board declares as follows:

ARTICLE ONE
Definitions

For the purpose of brevity and clarity, certain words and terms used in this Declaration are defined as follows. Any ambiguity shall be resolved by interpretation which is consistent with the Illinois Condominium Property Act, as amended.

1.01 **BY-LAWS**: The By-Laws of the Umbrella Association which are incorporated and made a part of this Declaration by reference.

1.02 **CHARGES**: The Common Assessment, any special assessment levied by the Umbrella Association and/or any other charges or payments which an Owner is required to pay or for which an Owner is liable under this Declaration or the By-Laws.

1.03 **COMMON AREA**: Those portions of the Premises which are described and designated as "Common Area" in Exhibit A hereto. The Common Area shall generally include a swimming pool, tennis courts, open space, feeder streets, walks and green areas, and shall not include any Dwelling Units, or condominium buildings.

1.04 COMMON ASSESSMENT: The amounts which the Umbrella Association shall assess and collect from the Owners to pay the Common Expenses and accumulate reserves for such expenses, as more fully described in Sections 6.02 and 6.08.

1.05 COMMON EXPENSES: The expenses of administration (including management, security, and professional services), maintenance, operation, repair, and replacement of the Common Area; the cost of insurance, real estate taxes and assessments, water, waste removal, electricity, telephone and other necessary utility expenses for the Common Area; the cost of, and the expenses incurred for, the maintenance, repair and replacement of personal property acquired and used by the Umbrella Association in connection with the operation of the Common Area; any expenses designated as Common Expenses by this Declaration; and any other expenses lawfully incurred by the Umbrella Association for the common benefit of all of the Owners.

1.06 DECLARATION: This instrument with all Exhibits hereto, as amended or supplemented from time to time.

1.07 DELEGATE: An individual who is appointed by the Board of the Residential Association of which he is a member to represent the members of the Residential Association and vote at Umbrella Association meetings.

1.08 DWELLING UNIT: A single family residential unit located on a portion of the Premises which is described and designated as a Dwelling Unit in Exhibit A. If two or more Dwelling Units are combined and occupied by a Family, each Dwelling Unit shall nevertheless be considered as a separate Dwelling Unit under this Declaration.

1.09 FAMILY: One or more persons each related to the other by blood, marriage, or law, and including foster children, together with such relatives' respective spouses, who are living together, and up to and including three persons not so related, provided, that such persons maintain a common household.

1.10 MORTGAGEE: The holder of a bona fide first mortgage or first trust deed secured by a Dwelling Unit.

1.11 NON-OWNER: A person other than an Owner or a Resident.

1.12 OWNER: A Record owner, whether one or more persons, of fee simple title to any Dwelling Unit, including the purchaser of a unit from a seller pursuant to an installment contract, but excluding those having such interest merely as security for the performance of an obligation.

1.13 PERSON: A natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

1.14 PREMISES: That portion of the Property Area which is described in Exhibit A hereto.

1.15 RECORD: To record in the office of the Recorder of Deeds for Cook County, Illinois.

1.16 RESIDENT: An individual who resides in a Dwelling Unit and who is either the Owner, a tenant of the Owner, a contract purchaser of the Dwelling Unit, or a member of the Family of any such Owner, tenant or contract purchaser.

1.17 RESIDENTIAL ASSOCIATION: A condominium association created pursuant to a declaration of condominium ownership recorded on portions of the Premises, the members of which are Owners of Dwelling Units which are part of a condominium; a homeowners' association created pursuant to a declaration of covenants, conditions, restrictions and easements recorded on portions of the Premises, the members of which are Owners of Dwelling Units which are not part of a condominium; or any other Person which may from time to time be responsible for administering structures containing Dwelling Units whose Owners are not members of a condominium association or a homeowners' association, including, without limitation, a Person who owns a structure which contains Dwelling Units and which is administered as a rental residential structure.

1.18 UMBRELLA ASSOCIATION: Washington Court Umbrella Association, an Illinois not-for-profit corporation, its successors and assigns.

1.19 UMBRELLA ASSOCIATION BOARD: The board of directors of the Umbrella Association, as constituted at any time or from time to time, in accordance with the applicable provisions of Article Five of this Declaration.

1.20 VILLAGE OF NILES: The Village of Niles, Illinois or any other political entity which may from time to time be empowered to perform the functions or exercise the powers vested in the Village of Niles as of the date of the Recording of this Declaration.

ARTICLE TWO Scope of Declaration

2.01 PROPERTY SUBJECT TO DECLARATION: All covenants, conditions, restrictions, easements, reservations, liens, charges, rights, benefits, and privileges which are granted, created, reserved or declared by this Declaration shall be deemed to be covenants appurtenant, running with the land and shall at all times inure to the benefit of and be binding on any Person having at any time any interest or estate in any part of the Premises.

Reference in any deed of conveyance, lease, mortgage, trust deed, other evidence of obligation, or other instrument to the provisions of this Declaration shall be sufficient to create and reserve all of the covenants, conditions, restrictions, easements, reservations, liens, charges, rights, benefits and privileges which are granted, created, reserved, or declared by this Declaration, as fully and completely as though they were set forth in their entirety in any such document.

2.02. DURATION: Except as otherwise specifically provided herein, the covenants, conditions, restrictions, easements, reservations, liens, and charges, which are granted, created, reserved or declared by this Declaration shall be appurtenant to and shall run with and bind the land for a period of forty (40) years from the date of Recording of this Amended and Restated Declaration and for successive periods of ten (10) years each unless revoked, changed or amended in whole or in part by a Recorded instrument executed by not less than three-fourths (3/4) of the then Owners.

ARTICLE THREE **The Common Area**

3.01 OWNERSHIP: The Umbrella Association shall own all of the Common Area.

3.02 ACCESS EASEMENT: Each Owner shall have a nonexclusive perpetual easement for ingress to and egress from his Dwelling Unit (and to and from any enclosed garage space or open parking space used exclusively by him) to public streets and roads over and across the Common Area, which easement shall run with the land, be appurtenant to and pass with the title to every Dwelling Unit. The Village of Niles shall have a nonexclusive easement of access over the Common Area for police, fire, ambulance, waste removal, snow removal and other vehicles under the control of the Village of Niles for the purpose of furnishing municipal or emergency services to the Premises.

3.03 RIGHT OF ENJOYMENT: Each Owner shall have the nonexclusive right and easement to use and enjoy the Common Area. Such rights and easements shall run with the land, be appurtenant to and pass with title to every Dwelling Unit, subject to and governed by the provisions of this Amended and Restated Declaration, the By-Laws, and the reasonable rules and regulations from time to time adopted by the Umbrella Association. Non-Owners may use and enjoy facilities located on the Common Area only to the extent permitted under rules and regulations adopted by the Umbrella Association and such rules and regulations may require that any such individual be a guest of a Resident who has the right to use such facility and/or pay a use fee set by the Umbrella Association.

3.04 DELEGATION OF USE: Subject to the provisions of this Declaration, the By-Laws, and the reasonable rules and regulations from time to time adopted by the Umbrella Association, any Owner may delegate his right to use and enjoy the Common Area to Residents of his Dwelling Unit. An Owner shall delegate such rights to tenants and contract purchasers of the Dwelling Unit who are Residents. An Owner who is not a Resident of his Dwelling Unit may only use and enjoy the Common Area as permitted under rules and regulations adopted by the Umbrella Association Board.

3.05 RULES AND REGULATIONS: The use and enjoyment of the Common Area shall at all times be subject to reasonable rules and regulations duly adopted by the Umbrella Association.

3.06 SUSPENSION OF RIGHTS: Upon the giving of written notice thereof to a Resident and an opportunity for a hearing, the Umbrella Association Board or its authorized committee may, in addition to any remedies it may have hereunder, suspend the right of such Resident to use any recreational facilities located on the Common Area as follows:

(a) For so long as any assessment against such Resident's Dwelling Unit remains unpaid, plus a reasonable time thereafter as determined by the Umbrella Association Board; or

(b) For so long as such Resident shall be and shall continue to be in violation of any provision of this Declaration, the By-Laws or the rules and regulations hereunder; or

(c) For a reasonable period for any infraction of any provision of this Declaration, the By-Laws or the rules and regulations hereunder.

Any such notice shall state the reason for the suspension and shall provide an opportunity for a hearing. At such a hearing a member of the Umbrella Association Board shall present to the Resident the grounds for the suspension notice and the Resident shall have an opportunity to challenge such grounds and to present any evidence on his behalf subject to such reasonable rules of procedure as may be established by the Umbrella Association Board or its authorized committee, which rules shall adhere to the generally accepted standards of due process. A Residents' suspension shall not become effective until the hearing has been held and notice of the decision of the Umbrella Association Board or its authorized committee confirming the suspension and the terms thereof has been given to the Resident. The decision of the Umbrella Association Board or its authorized committee shall be final and binding.

3.07 UTILITY EASEMENTS: Illinois Bell Telephone Company, Commonwealth Edison Company, Northern Illinois Gas Company, and all other public and private utilities serving the Premises are hereby granted the right to lay, construct, renew, operate, and maintain conduits, cables, pipes, wires, transformers, switching apparatus and other equipment, into and through the Common Area for the purpose of providing utility services to the Premises or any other portion of the Development Area.

3.08 MAINTENANCE, REPAIRS AND REPLACEMENTS: Maintenance, repairs and replacements of the Common Area shall be furnished by the Umbrella Association, and shall include, without limitation, the following:

(a) The maintenance (including street cleaning, waste and snow removal), repair and replacement of the streets, walks, paths, parking areas, access facilities, swimming pool, tennis courts, and of all other improvements on the Common Area; and

(b) Added planting, replanting, care and maintenance of trees, shrubs, flowers, grass and all other landscaping on the Common Area.

The cost of the maintenance, repairs, and replacements of the Common Area shall be Common Expenses. In the event that any of the improvements to the Common Area are damaged and such damage is covered by the insurance carried by the Umbrella Association under Section 3.12(a), then, unless a resolution to the contrary is adopted by the affirmative vote of at least seventy-five percent (75%) of the Delegates, the damaged improvements shall be repaired, replaced, or reconstructed and the insurance proceeds shall be used first to pay the cost thereof, and any excess shall be used to pay the Common Expenses.

3.09 DAMAGE BY RESIDENT: If, due to the act or omission of a Resident of a Dwelling Unit, or of a household pet or guest or other authorized occupant or invitee of the Owner of a Dwelling Unit, damage shall be caused to the Common Area and maintenance, repairs or replacements shall be required thereby, which would otherwise be a Common Expense, then the Owner of the Dwelling Unit shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Umbrella Association Board, to the extent not covered by insurance carried by the Umbrella Association.

3.10 ALTERATIONS, ADDITIONS OR IMPROVEMENTS: No alterations, additions or improvements shall be made to the Common Area without the prior approval of the Umbrella Association Board. The Umbrella Association may cause alterations, additions or improvements to be made to the Common Area, and the cost thereof shall be paid from a special assessment, as more fully

described in Section 6.05; except that, any such alteration, addition or improvement which shall cost more than One Hundred Dollars (\$100.00) multiplied by the number of Dwelling Units subject to this Declaration, shall be approved in advance by the affirmative vote of at least 51% of the Delegates.

3.11 EASEMENTS, LEASES, LICENSES AND CONCESSIONS: The Umbrella Association shall have the right and authority from time to time to lease or grant easements, licenses, or concessions with regard to any portions or all of the Common Area for such uses and purposes as the Umbrella Association Board deems to be in the best interests of the Owners and which are not prohibited hereunder, including, without limitation, the right to grant easements for utilities and similar and related purposes. Any and all proceeds from leases, easements, licenses or concessions with respect to the Common Area shall be used to pay the Common Expenses. Also, the Umbrella Association shall have the right and power to dedicate any part of all of the roads or parking areas to the Village of Niles by a two-thirds (2/3rds) vote of the Delegates.

3.12 INSURANCE:

(a) The Umbrella Association shall have the authority to and shall obtain fire and all risk coverage insurance covering the improvements to the Common Area (based on current replacement cost for the full insurable replacement value) of such improvements.

(b) The Umbrella Association shall obtain comprehensive public liability insurance, including liability for injuries to and death of persons, and property damage, in such limits as it shall deem desirable, and workmen's compensation insurance and other liability insurance as it may deem desirable, insuring each Owner, the Umbrella Association, its directors and officers, the managing agent, and their respective employees and agents, from liability resulting from an occurrence on or in connection with, the Common Area. The Umbrella Association Board may, in its discretion, obtain any other insurance which it deems advisable including, without limitation, insurance covering the directors and officers from liability for good faith actions beyond the scope of their respective authorities and covering the indemnity set forth in Section 5.06. Such insurance coverage shall include cross liability claims of one or more insured parties.

(c) Fidelity bonds indemnifying the Umbrella Association, the Umbrella Association Board and the Owners for loss of funds resulting from fraudulent or dishonest acts of any employee of the Umbrella Association or of any other person handling funds of the Umbrella Association shall be obtained by the Umbrella Association in such amounts as the Umbrella Association Board shall deem desirable.

(d) The Umbrella Association and each Owner hereby waive and release any and all claims which they may have against any Owner, including members of any Owner's Family, the Umbrella Association, its directors and officers, the Developer, the managing agent and their respective employees and agents, for damage to the Common Area, or to any personal property located in the Common Area caused by fire or other casualty, to the extent that such damage is covered by fire or other forms of casualty insurance, and to the extent this release is allowed by policies for such insurance. To the extent possible, all policies secured by the Umbrella Association Board under subsections (a) and (b) shall contain waivers of the insurer's rights to subrogation against any Owner, members of an Owner's Family, the Umbrella Association, its directors and officers, the Developer, the managing agent, and their respective employees and agents.

(e) The premiums for any insurance obtained under this Section shall be Common Expenses.

3.13 CONDEMNATION: In the case of a taking or condemnation by competent authority of any part of the Common Area, the proceeds awarded in such condemnation shall be paid to the Umbrella Association and such proceeds, together with any Common Area Capital Reserves being held for such part of the Common Area, shall, in the discretion of the Umbrella Association Board, either (i) be applied to pay the Common Expenses, (ii) be distributed to the Owners and their respective mortgagees, as their interests may appear, in equal shares, or (iii) be used to acquire additional real estate to be used and maintained for the mutual benefit of all Owners, as Common Area under this Declaration. Any acquisition by the Umbrella Association pursuant to this Section of real estate which shall become Common Area hereunder, shall not become effective unless and until a supplement to this Declaration, which refers to this Section and legally describes the real estate affected, is executed by the Umbrella Association and Recorded.

3.14 NO DEDICATION TO PUBLIC USE: Nothing contained in this Declaration shall be construed or be deemed to constitute a dedication, express or implied, of any part of the Common Area to or for any public use or purpose whatsoever.

3.15 COMMON AREA RESTRICTION: No industry, business, trade, occupation or profession of any kind shall be conducted, maintained or permitted on any part of the Common Area nor shall any "For Sale" or "For Rent" signs or any other advertising be maintained or permitted on any part thereof, except as permitted by the Umbrella Association Board.

3.16 OBSTRUCTIONS: There shall be no obstruction of the Common Area, and nothing shall be stored in the Common Area without the prior consent of the Umbrella Association Board.

3.17 PETS: No animal of any kind shall be allowed in the Common Area. The Unit Owner shall be responsible for any animal brought in the Common Area by the Unit Owner or a guest of the Unit Owner.

3.18 PROSCRIBED ACTIVITIES: No noxious or offensive activity shall be carried on in the Common Area nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the Residents.

3.19 STRUCTURAL IMPAIRMENT: Nothing shall be done in, on or to the Common Area which would impair the structural integrity of any building or structure located thereon.

3.20 NO UNSIGHTLY USES: No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out on any portion of any Dwelling Unit or the Common Area. The Common Area shall be kept free and clear of all rubbish, debris and other unsightly materials and no waste shall be committed thereon. All rubbish shall be deposited in such areas and such receptacles as shall be designated by the Umbrella Association Board.

3.21 USE OF WATER: The Umbrella Association shall have the right to use water from taps or spigots which are attached to structures which contain Dwelling Units for the purpose of watering the green areas contained in the Common Area. If the cost of the use of such water by the Umbrella Association is not separately charged or metered to the Umbrella Association, the Umbrella Association shall reimburse the Residential Association which pays for the water on a reasonable basis as agreed upon between the Umbrella Association Board and the Board of Directors of the Residential Association.

3.22 SERVICES TO RESIDENTIAL ASSOCIATIONS: Unless otherwise agreed between a Residential Association and the Umbrella Association, the Umbrella Association shall furnish landscaping, snow removal or other similar services with respect to property or improvements for which each Residential Association is responsible; provided that the Umbrella Association shall not be required to furnish any services other than those which it normally furnishes with respect to the Common Area. The cost of any such services shall be paid by the Residential Association and shall be determined by an allocation of expenses made by the Umbrella Association Board based on generally accepted accounting principles, and any allocation so made shall be final and binding.

3.23 RENTAL AGREEMENTS/LEASES: A lease or rental agreement for a Dwelling Unit shall state that the provisions of the Declaration, By-laws and Rules and Regulations shall be applicable to any person leasing a Dwelling Unit and shall be deemed incorporated into any lease executed or renewed for a Unit.

ARTICLE FOUR
Architectural Control

4.01 **OVERALL CONTROL:** The Umbrella Association Board, or a duly authorized committee thereof created pursuant to the By-Laws, shall have the right and power from time to time to adopt reasonable rules and regulations governing the architectural design and exterior finish of all structures or improvements from time to time located on the Premises, including, without limitation, structures which contain Dwelling Units; including the right to approve all structural, architectural or landscaping improvements or changes within an approximate ten (10) foot perimeter of any Residential Association Building, but as provided in the Residential Premises survey, the applicable perimeter shall include an approximate five (5) additional feet on the front and rear sides of each building.

4.02 **REMEDY:** If any Residential Association shall fail to maintain or repair any building exterior for which it is responsible or shall change (or permit a change to be made in) the color, material, finish or any other aspect of any such building, without complying with the provisions of Section 4.01 or the rules and regulations adopted thereunder, then in addition to any remedies which the Umbrella Association may have hereunder or by law and without waiving any of such remedies, the Umbrella Association shall have the right to enter upon such structure and to repair, maintain or restore the exterior and any improvements thereto or do whatever it deems necessary or appropriate to remedy any such failure or to correct and restore any improper condition. The cost (as determined by the Umbrella Association Board) of any such corrective work shall be charged to the Residential Association which is responsible for the maintenance of such structure. If the Residential Association fails to pay such cost to the Umbrella Association within thirty (30) days after demand, then the cost thereof shall be a charge hereunder payable directly to the Umbrella Association in such proportions as shall be set forth in the declaration which governs the Residential Association. If the corrective work becomes necessary as a result of the actions of an Owner or Owners, then in lieu of the foregoing collection procedure, the Umbrella Association may collect the cost thereof from such Owner or Owners as a Charge hereunder in the proportions determined by the Umbrella Association Board.

ARTICLE FIVE
The Umbrella Association

5.01 **IN GENERAL:** The Umbrella Association is incorporated as an Illinois general not-for-profit corporation. The Umbrella Association shall be the governing body for all of the Owners for the administration and operation of the Common Area.

5.02 MEMBERSHIP: Subject to the further provisions of this Section, each Owner shall be a member of the Umbrella Association. There shall be one membership per Dwelling Unit. Membership shall be appurtenant to and may not be separated from ownership of a Dwelling Unit. Ownership of a Dwelling Unit shall be the sole qualification for membership in the Umbrella Association.

5.03 ELECTION OF DELEGATES: Voting rights of the members of the Umbrella Association shall be vested exclusively in the delegates ("Delegates") elected pursuant to this Section. The board of directors of each Residential Association shall appoint one Delegate to the Umbrella Association for each eleven (11) Dwelling Units or fraction thereof, from time to time contained in such Residential Association. Such board shall supply the Umbrella Association Board with a current list of the names and addresses of all Delegates representing the Residential Association. The board of directors of the Residential Association which appointed the Delegate shall have the right to remove the Delegate at any time, in its sole discretion, by giving notice thereof to the Delegate and the Umbrella Association Board. Each Delegate shall be an Owner and if a Delegate ceases to be an Owner he shall be deemed to have resigned.

5.04 UMBRELLA ASSOCIATION BOARD: The Umbrella Association Board shall consist of seven (7) persons each of whom shall be a member under Section 5.02, except that said member must at all times during his term of office reside in a Dwelling Unit. The Umbrella Association Board shall be elected by the Delegates at the annual meeting of the Owners as provided in the By-Laws.

5.05 ACTION BY DELEGATES: All of the voting rights at any meeting of the Umbrella Association shall be vested in the Delegates. Each Delegate shall have one (1) vote. Any action may be taken by the Delegates at any meeting at which a quorum is present (as provided in the By-Laws) upon an affirmative vote of a majority of the Delegates present at such meeting.

5.06 DIRECTOR AND OFFICER LIABILITY: Neither the directors nor the officers of the Umbrella Association shall be personally liable to the Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors and officers except for any acts or omissions found by a court to constitute gross negligence or fraud. The Umbrella Association shall indemnify and hold harmless each of the directors and each of the officers, his heirs, executors or administrators, against all contractual and other liabilities to others arising out of contracts made by or other acts of the directors and officers on behalf of the Owners or the Umbrella Association or arising out of their status as directors or officers unless any such contract or act shall have been made fraudulently or with gross negligence. It is intended that the foregoing indemnification shall

include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceedings, whether civil, criminal, administrative, or other in which any such director may be involved by virtue of such person being or having been such director or officer; provided, however, that such indemnity shall not be operative with respect to (i) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such director or officer, or (ii) any matter settled or compromised, unless in the opinion of independent counsel selected by or in a manner determined by the Umbrella Association Board, there is not reasonable ground for such person being adjudged liable for gross negligence or fraud in the performance of his duties as such director or officer.

5.07 REPRESENTATION: The Umbrella Association shall have the power and right to represent the interests of all of the Owners in connection with claims and disputes affecting the Common Area. Without limiting the foregoing, the Umbrella Association shall have the power to settle warranty disputes or other disputes between the Umbrella Association and the Owners affecting the construction, use or enjoyment of the Common Area and any such settlement shall be final and shall bind all of the Owners.

ARTICLE SIX

Umbrella Association Assessments

6.01 PURPOSE OF ASSESSMENTS: The assessments levied by the Umbrella Association shall be exclusively for the purposes of promoting the recreation, health, safety, and welfare of members of the Umbrella Association, to administer the affairs of the Umbrella Association, to pay the Common Expenses, and to accumulate reserves for any such expenses.

6.02 COMMON ASSESSMENT: Each owner shall receive a copy of the proposed annual budget at least thirty (30) days prior to its adoption by the Umbrella Association Board. The Board shall adopt the budget by September 1 of each year. Each unit owner shall receive written notice at least ten (10) but no more than thirty (30) days prior to the date of the meeting concerning the adoption of the proposed annual budget. The budget shall show the following with reasonable explanations and itemizations:

- (a) The estimated Common Expenses;

(b) The estimated amount, if any, to maintain adequate reserves for Common Expenses including, without limitation, amounts to maintain the Capital Reserve;

(c) The estimated net available cash receipts from the operation and use of the Common Area, plus estimated excess funds, if any, from the current year's assessments;

(d) The amount of the "Common Assessment," which is hereby defined as the amount determined in (a) above, plus the amount determined in (b) above, minus the amount determined in (c) above;

(e) The "Total Dwelling Unit Assessment Months", which is hereby defined as the sum of the number of monthly assessments which the Umbrella Association Board estimates shall be payable with respect to Dwelling Units during the ensuing year;

(f) That portion of the Common Assessment which shall be payable each month by the Owner of each Dwelling Unit which is subject to assessment hereunder, which shall be equal to the Common Assessment divided by the Total Dwelling Unit Assessment Months.

6.03 PAYMENT OF COMMON ASSESSMENT: On or before the first day of the fiscal year, and on or before the first day of each and every month thereafter until the effective date of the next annual or revised Common Assessment, each Owner of a Dwelling Unit which is subject to assessment shall pay to the Residential Association of which such Owner is a member, or as the Umbrella Association Board may direct, that portion of the Common Assessment which is payable by each Owner of a Dwelling Unit under Section 6.02(f).

6.04 REVISED ASSESSMENT: If the Common Assessment proves inadequate for any reason (including nonpayment of any Owner's assessment) or proves to exceed funds reasonably needed, then the Umbrella Association Board may increase or decrease the assessment payable under Section 6.02(f) by giving written notice thereof (together with a revised budget and explanation for the adjustment) to each Owner not less than ten (10) nor more than thirty (30) days prior to any meeting of the Board concerning the adoption of a proposed increase or special assessment.

6.05 SPECIAL ASSESSMENT: The Umbrella Association Board may levy a special assessment as provided in this Section (i) to pay (or build up reserves to pay) expenses incurred (or to be incurred) by the Umbrella Association from time to time for a specific purpose including, without limitation, to make alterations, additions or improvements to the Common Area, or any other property owned or maintained by the Umbrella Association or

(ii) to cover an unanticipated deficit under the prior year's budget. Any special assessment shall be levied against all of the Owners, share and share alike. If during any calendar year a proposed expense which is to be paid from a special assessment levied against all the Owners and which, when added to other expenses, if any, which are to be paid from special assessments levied against the Owners during such year results in a sum which exceeds one-third (1/3) of the current Common Assessment, then such expense shall not be incurred without the affirmative vote of at least two-thirds (2/3) of the Delegates. The Umbrella Association Board shall serve notice of a special assessment on all Owners by a statement in writing giving the specific purpose and reasons thereof in reasonable detail, and the special assessment shall be payable in such manner and on such terms as shall be fixed by the Umbrella Association Board. The Board shall issue each owner notice of the special assessment at least ten (10) but not more than thirty (30) days prior to any meeting of the Board concerning the adoption of a proposed special assessment. Any assessments collected pursuant to this Section (other than those to cover an unanticipated deficit under the prior year's budget) shall be segregated in a special account and used only for the specific purpose set forth in the notice of assessment.

6.06 CAPITAL RESERVES: The Umbrella Association shall segregate and maintain special reserve accounts to be used solely for making capital expenditures in connection with the Common Area (the "Capital Reserve"). The Umbrella Association Board shall determine the appropriate level of the Capital Reserve based on a periodic review of the useful life of improvements to the Common Area and other property owned by the Umbrella Association and periodic projections of the cost of anticipated major repairs or replacements to the Common Area and the purchase of other property to be used by the Umbrella Association in connection with its duties hereunder. Each budget shall disclose that portion of the Common Assessment which shall be added to the Capital Reserve and each Owner shall be deemed to make a capital contribution to the Umbrella Association equal to such percentages multiplied by each installment of the Common Assessment paid by such Owner.

6.07 Intentionally Omitted

6.08 ASSESSMENTS: The assessment procedure set forth in this Section shall apply.

(a) The Basic Assessment. The basic assessment ("Basic Assessment") shall be the amount authorized by the Umbrella Board of Directors.

(b) Application of Assessments. Each month each Owner shall pay as his monthly Common Assessment the amount determined

under (a) and (b) above. Out of each such payment, the Umbrella Association shall add that portion of the payment which is designated in the budget as a capital contribution under Section 6.06 to the Capital Reserve. The balance of each such payment shall be used by the Umbrella Association to pay the Common Expenses.

6.09 PAYMENT OF ASSESSMENTS: Assessments levied by the Umbrella Association shall be collected from each Owner by the Residential Association of which the Owner is a member, or as otherwise directed by the Umbrella Association Board and shall be a lien on the Owner's Dwelling Unit and also shall be a personal obligation of the Owner in favor of the Umbrella Association, all as more fully set forth in Article Seven.

6.10 ANNUAL ITEMIZED ACCOUNTING: The Board shall annually supply to all 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 budget or assessment, and showing the net excess or deficit of income over expenditures.

ARTICLE SEVEN **Collection of Charges**

7.01 CREATION OF LIEN AND PERSONAL OBLIGATION: Each Owner of a Dwelling Unit by acceptance of a deed therefor (whether or not it shall be so expressed in any such deed or other conveyance) shall be and is deemed to covenant and hereby agrees to pay to the Umbrella Association, all Charges made with respect to the Owner on the Owner's Dwelling Unit. Each Charge, together with interest thereon and reasonable costs of collection, if any, as hereinafter provided, shall be a continuing lien upon the Dwelling Unit against which such Charge is made and also shall be the personal obligation of the Owner of the Dwelling Unit at the time when the Charge becomes due. The lien or personal obligation created under this Section shall be in favor of and shall be enforceable by the Umbrella Association.

7.02 COLLECTION OF CHARGES: Unless otherwise directed by the Umbrella Association Board, the Residential Association of which each Owner is a member shall collect from the Owner all Charges payable by the Owner under this Declaration. In making such collections, a Residential Association shall act as agent for the Umbrella Association, and shall receive and hold such collections in trust for the exclusive benefit of the Umbrella Association, shall remit such collections promptly to the Umbrella Association without any deduction or set-off. The Charges collected by a Residential Association hereunder shall not be

deemed to have been paid to the Umbrella Association by the Owner from which it is collected until it is actually received by the Umbrella Association.

7.03 NON-PAYMENT OF CHARGES: Any Charge which is not paid to the Umbrella Association when due shall be deemed delinquent. Any Charge which is delinquent for thirty (30) days or more shall bear interest at the highest legal contract rate of interest then permitted in Illinois from the due date to the date when paid and the Umbrella Association may (i) bring an action against the Owner personally obligated to pay the Charge to recover the Charge (together with interest, costs and reasonable attorneys' fees for any such action, which shall be added to the amount of the Charge and included in any judgment rendered in such action), and (ii) enforce and foreclose any lien which it has or which may exist for its benefit. No Owner may waive or otherwise escape personal liability for the Charges hereunder by non-use of the Common Area, by abandonment or transfer of his Dwelling Unit, or during any period of suspension under Section 3.06.

7.04 LIEN FOR CHARGES SUBORDINATED TO MORTGAGES: The lien for Charges, provided for in Section 7.01, shall be subordinate to the Mortgagee's mortgage on the Dwelling Unit which was recorded prior to the date that any such Charge became due and shall be on a parity with any lien for assessments levied by any Residential Association on any Dwelling Unit. Except as herein-after provided, the lien for Charges, provided for in Section 7.01, shall not be affected by any sale or transfer of a Dwelling Unit. Where title to a Dwelling Unit is transferred pursuant to a decree of foreclosure of the Mortgagee's mortgage or by deed or assignment in lieu of foreclosure of the Mortgagee's mortgage, such transfer of title shall extinguish the lien for unpaid Charges which became due prior to the date of the transfer of title. However, the transferee of the Dwelling Unit shall be personally liable for his share of the Charges with respect to which a lien against his Dwelling Unit has been extinguished pursuant to the preceding sentence where such Charges are reallocated among all the Owners pursuant to a subsequently adopted annual or revised Common Assessment or special assessment, and nonpayment thereof shall result in a lien against the transferee's Dwelling Unit, as provided in this Article.

ARTICLE EIGHT
Easement for Encroachment

8.01 EASEMENT FOR ENCROACHMENT: If by reason of the design, construction, reconstruction, settlement or shifting of any building or other improvement located on the Premises:

(a) A Dwelling Unit or any structure containing one or more Dwelling Units shall encroach upon another Dwelling Unit or upon the Common Area;

(b) Improvements to the Common Area shall encroach upon a Dwelling Unit or the common elements of a condominium;

then there shall be deemed to be an easement in favor of and appurtenant to such encroaching improvements for the continuance, maintenance, repair and replacement thereof. The person who is responsible for the maintenance of any encroaching improvement for which an easement for continuance, maintenance, repair and replacement thereof is granted under this Section shall continue to be responsible for the maintenance of such encroaching improvement and the person who is responsible for the maintenance of the real estate upon which such improvement encroaches shall not have the duty to maintain, repair or replace any such encroaching improvement unless otherwise provided in this Declaration.

ARTICLE NINE **Amendment**

9.01 **AMENDMENT**: Subject to Article Ten, the provisions of this Declaration may be amended, abolished, modified, enlarged, or otherwise changed in whole or in part by an instrument executed by not less than Seventy-Five Percent (75%) of the Dwelling Units; except, that (i) the provisions of this Section 9.01 may be amended only by an instrument executed by all of the Owners and all Mortgagees, and (ii) no amendment to the Declaration which changes the ratio of assessments against Owners shall become effective without the consent of all Mortgagees. No amendment which removes Premises from the provisions of this Declaration shall be effective if as a result of such removal, an Owner of a Dwelling Unit shall no longer have the legal access to a public way from his Dwelling Unit. No amendment shall become effective until properly recorded.

ARTICLE TEN **Mortgagees' Rights**

10.01 **ALIENATION OF COMMON AREA**: Except as permitted under Section 3.11, no part of the Common Area may be abandoned, partitioned, subdivided, sold, alienated, released, transferred, hypothecated or otherwise encumbered without the approval of the Owners of 75% of the Dwelling Units and such Owners' respective Mortgagees, if any.

10.02 NOTICE TO MORTGAGEES: Upon the specific, written request of a Mortgagee to the Umbrella Association Board, the Mortgagee shall receive some or all of the following:

(a) Copies of budgets, notices of assessments, or any other notices or statements provided under this Declaration by the Umbrella Association to the Owner of the Dwelling Unit covered by the Mortgagee's mortgage;

(b) Any audited or unaudited financial statements of the Umbrella Association which are prepared for the Umbrella Association and distributed to the Owners;

(c) Copies of notices of meetings of the Owners;

(d) Notice of the decision of the Owners to release any part or all of the Premises from the provisions of this Declaration;

(e) Notice of the decision of the Owners to make any material amendment to this Declaration, the By-Laws, or the Articles of Incorporation of the Umbrella Association;

(f) Notice of the decision of the Umbrella Association to terminate professional management and assume self-management of the Common Area;

(g) Notice of any substantial damage to any part of the Common Area;

(h) Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Common Area;

(i) Notice of any default by the Mortgagee's Mortgagor Owner under this Declaration, the By-Laws or the rules and regulations of the Umbrella Association which is not cured within thirty (30) days of the date of the default;

(j) The right to examine the books and records of the Umbrella Association at any reasonable time.

The request of a Mortgagee shall specify which of the above it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Umbrella Association. Failure of the Umbrella Association to provide any of the foregoing to a Mortgagee who has made a proper request therefor shall not affect the validity of any action which is related to any of the foregoing.

10.03 INSURANCE PROCEEDS/CONDEMNATION AWARDS: In the event of (i) any distribution of any insurance proceeds hereunder as a result of damage to, or destruction of, any part of the Common Area or (ii) any distribution of the proceeds of any award or settlement as a result of condemnation or eminent domain proceedings with respect to any part of the Common Area, any such distribution shall be made to the Owners and their respective Mortgagees, as their interests may appear, and no Owner or other party shall be entitled to priority over the Mortgagee of a Dwelling Unit with respect to any such distribution to or with respect to such Dwelling Unit; provided, that, nothing in this Section shall be construed to deny to the Umbrella Association the right (i) to apply insurance proceeds to repair or replace damaged Common Area as provided in Section 3.08 or (ii) to apply proceeds of any award or settlement as a result of eminent domain proceedings as provided in Section 3.13.

ARTICLE ELEVEN
Miscellaneous

11.01 ENFORCEMENT: Enforcement of any of the provisions contained in this Declaration or any rules and regulations adopted hereunder may be by proceeding at law or in equity by the Umbrella Association, the Village of Niles, or any aggrieved person against any person or persons violating or attempting to violate any such provision, either to restrain such violation, require performance thereof, to recover sums due or payable or to recover damages, and thereof, to recover sums due or payable or to recover damages, and against the land to enforce any lien created hereunder; and failure by the Umbrella Association, the Village of Niles, or any Owner to enforce any provision shall in no event be deemed a waiver of the right to do so thereafter.

11.02 NOTICES: Any notice required to be sent to any Owner under the provisions of this Declaration or the By-Laws shall be deemed to have been properly sent when (i) mailed, postage prepaid, to his or its last known address as it appears on the records of the Umbrella Association at the time of such mailing or (ii) when delivered personally to his Dwelling Unit.

11.03 CAPTIONS: The Article and paragraph headings are intended for convenience only and shall not be construed with any substantive effect in this Declaration. In the event of any conflict between statements made in recitals to this Declaration and the provisions contained in the body of this Declaration, the provisions in the body of this Declaration shall govern.

11.04 SEVERABILITY: Invalidation of all or any portion of any of the easements, restrictions, covenants, conditions, or reservations, by legislation, judgment or court order shall in no

way affect any other provisions of this Declaration which shall, and all other provisions, remain in full force and effect.

11.05 PERPETUITIES AND OTHER INVALIDITY: If any of the options, privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints alienation, or (c) any other statutory or common law rules imposing time limits, then such provisions shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of George Bush, President of the United States.

11.06 TITLE HOLDING LAND TRUST: In the event title to any Dwelling Unit is conveyed to a title holding trust, under the terms of which all powers of management, operation and control of the Dwelling Unit remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all Charges and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Dwelling Unit. No claim shall be made against any such title holding trustee personally for payment of any lien or obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Dwelling Unit and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Dwelling Unit.

IN WITNESS WHEREOF, the Board has duly executed this Umbrella Declaration for Washington Courte on the day and year first above written.

BOARD OF DIRECTORS OF WASHINGTON
COURTE UMBRELLA ASSOCIATION

Gerard Schlessinger
H. A. Blum
Pat Peterson
Roger J. ...
Fred Schlichter
David L. ...
Albert A. ...

STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

I, Dorothy Sklare, a Notary Public in and for the County, in the State aforesaid, do hereby certify that J. SCHLESINGER, H.A. BLUM, P. PETERSEN, R. PETERSON, F. SCHECHTER, D.L. DRAGON and A.A. ARONSON, personally known to me to be the same persons whose names are subscribed to the foregoing UMBRELLA DECLARATION FOR WASHINGTON COURTE, as the Board of Directors of the Washington Courte Umbrella Association, appeared before me this day in person and acknowledged that they signed and delivered the said Amendment as their free and voluntary act for the uses and purposes set forth therein.

Given under my hand and notarial seal this 12 day of October, 1992.

Dorothy Sklare
Notary Public

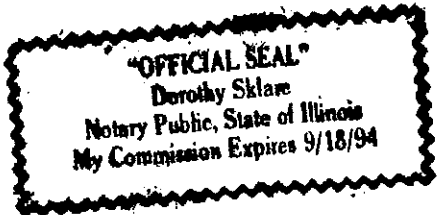


EXHIBIT A

All of Washington Courte, being a subdivision in the
Northeast 1/4 of the Northeast 1/4 of Section 14,
Township 41 North, Range 12 East of the Third Principal
Meridian in Cook County, recorded as Document No.
24 262 392.

FOURTH AMENDED AND RESTATED EXHIBIT B TO
UMBRELLA DECLARATION FOR WASHINGTON COURTE

The Premises

I. Common Area

All of Lot 6 in Washington Courte, being a subdivision in the Northeast Quarter of the Northeast Quarter of Section 14, Township 41 North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois.

II. Dwelling Units

- A. Dwelling Units 201 through 211, both inclusive, 301 through 311, both inclusive, 401 through 411, both inclusive, and 501 through 511, both inclusive, in Washington Courte Condominium - One, created by Declaration of Condominium recorded in Cook County, Illinois, as Document No. 24637307, together with the percentage interest in the Common Elements of the Condominium as set forth in the Declaration.
- B. Dwelling Units B201 through B211, both inclusive, B301 through B311, both inclusive, B401 through B411, both inclusive, and B501 through B511, both inclusive, in Washington Courte Condominium - Two, created by Declaration of Condominium recorded in Cook County, Illinois, as Document No. 24992540, together with the percentage interest in the Common Elements as set forth in the Declaration.
- C. Dwelling Units E201 through E211, both inclusive, E301 through E311, both inclusive, E401 through E411, both inclusive, and E501 through E511, both inclusive, in Washington Courte Condominium - Five, created by Declaration of Condominium recorded in Cook County, Illinois, as Document No. 25182427, together with the percentage interest in the Common Elements as set forth in the Declaration.
- D. Dwelling Units C201 through C211, both inclusive, C301 through C311, both inclusive, C401 through C411, both inclusive, and C501 through C511, both inclusive, in Washington Courte Condominium - Three, created by Declaration of Condominium recorded in Cook County, Illinois, as Document No. 25645643, together with the percentage interest in the Common Elements as set forth in the Declaration.

- E. Dwelling Units D201 through D211, both inclusive, D301 through D311, both inclusive, D401 through D411, both inclusive, and D501 through D511, both inclusive, in Washington Courte Condominium - Four, created by Declaration of Condominium recorded in Cook County, immediately prior to this document, together with the percentage interest in the Common Elements as set forth in the Declaration.