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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

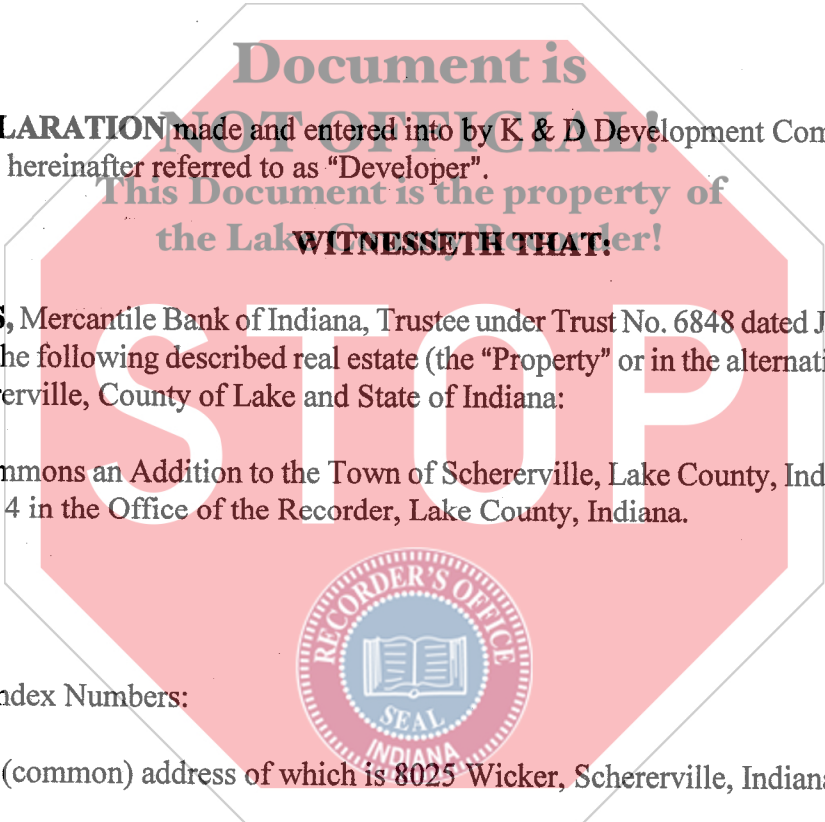
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MICHAEL A. BROWN
RECORDER

FOR RECORDERS USE ONLY

DECLARATION OF CONDOMINIUM OWNERSHIP AND BYLAWS,
EASEMENTS, RESTRICTIONS AND COVENANTS FOR
TRI-TOWN COMMONS



THIS DECLARATION made and entered into by K & D Development Company, Inc., an Illinois corporation, hereinafter referred to as "Developer".

WITNESSETH THAT:

WHEREAS, Mercantile Bank of Indiana, Trustee under Trust No. 6848 dated June 30, 2005, is the legal title holder of the following described real estate (the "Property" or in the alternative, the "parcel") in the Village of Schererville, County of Lake and State of Indiana:

Lot 1, Tri Town Commons an Addition to the Town of Schererville, Lake County, Indiana as recorded in plat book 100, page 4 in the Office of the Recorder, Lake County, Indiana.

Permanent Index Numbers:

the property (common) address of which is 8025 Wicker, Schererville, Indiana; and

WHEREAS, the above described real estate zoned "commercial/retail" is now improved with a ten (10) unit commercial/retail building; and

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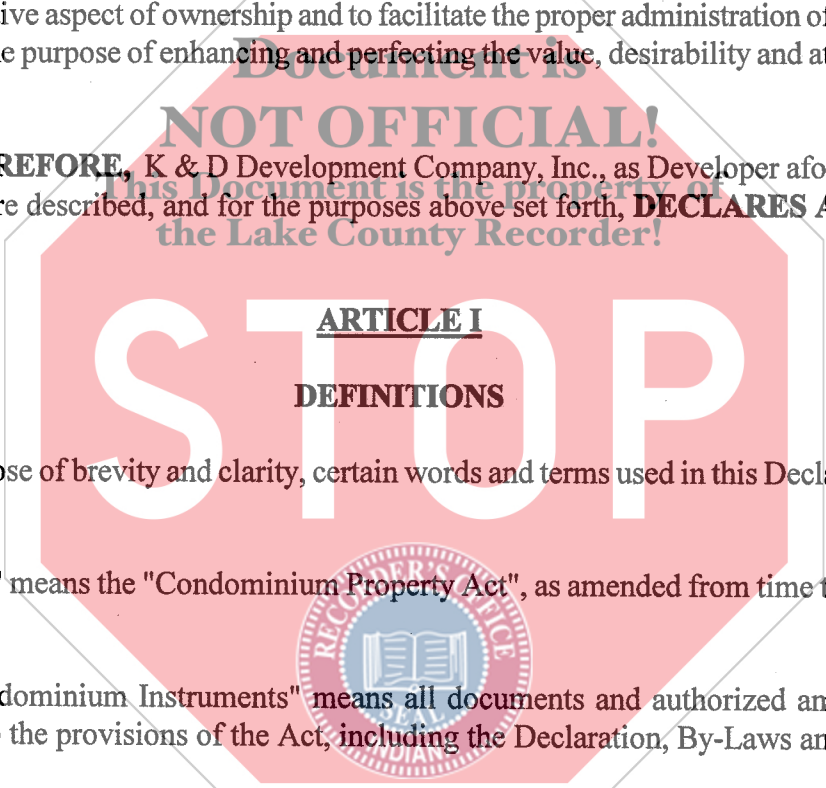
DULY ENTERED FOR TAXATION SUBJECT TO
FINAL ACCEPTANCE FOR TRANSFER
PLATED FROM KEY 13-832-1
JUN 05 2007
NEW KEYS 13-847-1 TO 11
PEGGY HOLINGA KATONA
LAKE COUNTY AUDITOR
UNITS A TO J &
COMMON AREA

WHEREAS, it is the desire and intention of the Developer to enable the Property (as hereinafter defined) which includes, but is not limited to, said real estate together with the buildings, structures, improvements and other permanent fixtures of whosoever kind now or hereafter thereon, and all rights and privileges belonging or in any way pertaining thereto to be owned by Developer and by each successor in interest of Developer, under that certain type or method of ownership commonly known as "CONDOMINIUM", and to submit the Property to the provisions of the Condominium Property Act of the State of Indiana, as amended from time to time; and

WHEREAS, the Developer, acting under direction of the parties authorized to direct the Developer, has elected by this Declaration to establish, for the benefit of such Developer and for the mutual benefit of all future Unit Owners or occupants of the Property, or any part thereof, which shall be known as "TRI-TOWN COMMONS" or such other name as may be subsequently adopted pursuant to the Act by the Developer or the Board, certain easements and rights in, over and upon said real estate and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and

WHEREAS, the Developer has further elected by this Declaration to declare that the several Unit Owners, Occupants, mortgagees and other persons acquiring any interest in the Property shall at all time enjoy the benefits of, and shall at all time 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 co-operative aspect of ownership and to facilitate the proper administration of such Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property.

NOW THEREFORE, K & D Development Company, Inc., as Developer aforesaid, as the legal title holder heretofore described, and for the purposes above set forth, **DECLARES AS FOLLOWS:**



ARTICLE I
DEFINITIONS

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

- 1.1 "Act" means the "Condominium Property Act", as amended from time to time of the State of Indiana.
- 1.2 "Condominium Instruments" means all documents and authorized amendments thereto recorded pursuant to the provisions of the Act, including the Declaration, By-Laws and Plat.
- 1.3 "Common Expenses" means the proposed or actual expenses affecting the Property, including Reserves, if any, lawfully assessed by the Board of Managers of the Unit Owner's Association.

1.17 "Limited Common Elements" means a portion of the Common Elements so described or designated in the Declaration or on the surveys attached hereto as "Exhibit A" as being reserved for the use of a certain Unit or Units or building or buildings to the exclusion of other Units or other buildings.

1.18 "Building" means all structures, attached or unattached, containing one or more Units.

1.19 "Parking Area" means that portion of the Common Elements provided for parking motor vehicles as shown or referred to on the Plat.

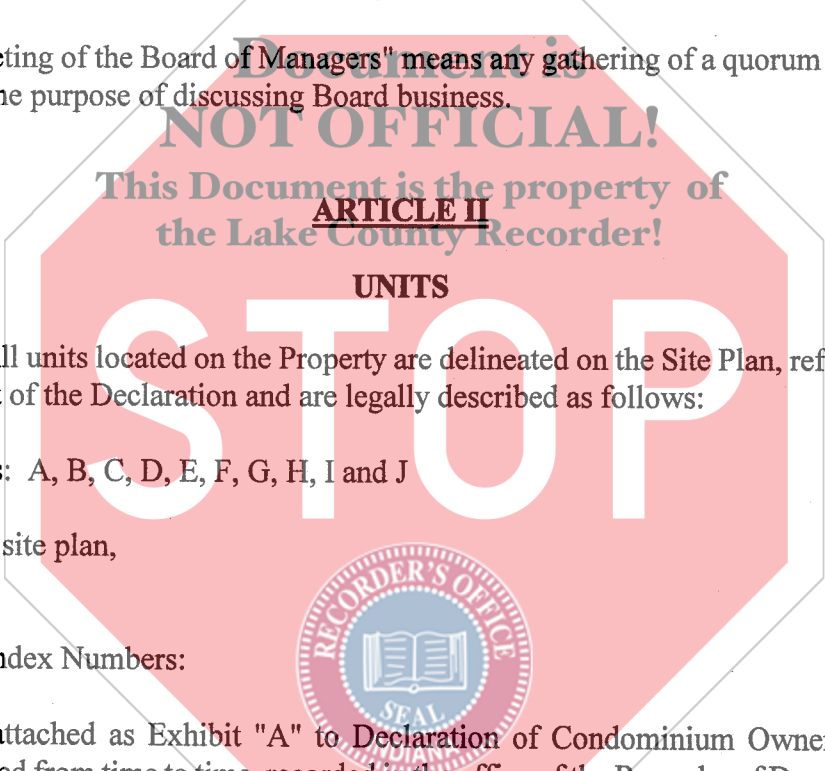
1.20 "Parking Space" means a striped or other designated area located within the Parking Area, designed and intended for the parking of one motor vehicle.

1.21 "Occupant" means a person, or persons, other than a Unit Owner, in possession of one or more Units.

1.22 "Voting Member" means the person entitled to exercise all voting power in respect to each Unit Ownership Interest.

1.23 "Board" means the Board of Managers of the Unit Owners' Association.

1.24 "Meeting of the Board of Managers" means any gathering of a quorum of the members of the Board held for the purpose of discussing Board business.



ARTICLE II
UNITS

2.01 Description. All units located on the Property are delineated on the Site Plan, referred to as Exhibit "A" and made a part of the Declaration and are legally described as follows:

Units: A, B, C, D, E, F, G, H, I and J

as delineated on the site plan,

Permanent Index Numbers:

which site plan is attached as Exhibit "A" to Declaration of Condominium Ownership executed by Developer as amended from time to time, recorded in the office of the Recorder of Deeds of Lake County, Indiana as Document No. 2007-045483, together with its undivided percentage interest in the Common Elements.

1.4 "Declaration" means the instrument by which the Property is submitted to the terms of the Act, as hereinafter provided, including such amendments, if any, to this instrument as may from time to time be adopted pursuant to the terms hereof.

1.5 "Parcel" means the lot or lots, tract or tracts of land, described in Exhibit A to the Declaration, submitted to the provisions of the Act.

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

1.7 "Unit" means a part of the property designed and intended for any type of independent use.

1.8 "Common Elements" means all portions of the Property except the Units, including Limited Common Elements unless otherwise specified.

1.9 "Person" means a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

1.10 "Unit Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit.

1.11 "Majority" or "Majority of the Unit Owners" means the owners of more than one-half (1/2) in the aggregate in interest of the undivided percentage ownership of the Common Elements. Any specified percentage of the Unit Owners means such percentage in the aggregate in interest of such undivided ownership. "Majority" or "majority of the members of the Board of Managers" means more than 50% of the total number of persons constituting such Board pursuant to the By-Laws. Any specified percentage of the members of the Board of Managers means that percentage of the total number of persons constituting such Board pursuant to the By-Laws.

1.12 "Plat" means a Plat or Plats of survey of the Parcel and of all Units in the Property submitted to the provisions of this Act, which may consist of a three-dimensional horizontal and vertical delineation of all such Units.

1.13 "Reserves" means those sums paid by Unit Owners which are separately maintained by the Board of Managers for purposes specified by the Board of Managers or the Condominium Instruments.

1.14 "Unit Owners' Association" or "Association" means the Association of all the Unit Owners, acting pursuant to By-Laws through its duly elected Board of Managers.

1.15 "Purchaser" means any person or persons other than the Developer who purchase a Unit in a bona fide transaction for value.

1.16 "Developer" means K & D Development Company, Inc., its agents, successors and assigns.

It is understood that each Unit consists of the space enclosed or bounded by the horizontal and vertical planes set forth and identified as a Unit in the delineation thereof in Exhibit "A". The legal description of each Unit shall consist of the identifying number or symbol of such Unit followed by the legal description of the Property, as shown on Exhibit "A". Except as otherwise provided in Section 2.02, 3.01 and other applicable provisions hereof, all space, fixtures and improvements located within the boundaries of a Unit shall be deemed a part of that Unit. A Unit Owner may, by deed, plat or otherwise combine or subdivide or in any other manner cause the Unit to be separated into any tracts or parcels different from the whole Unit as shown on Exhibit "A", provided the Unit Owner complies with any applicable section of the Act then in effect.

2.02 Decorations and Other Improvements Constituting Part of a Unit. To the extent that perimeter and partition walls, floors or ceilings are designated as the boundaries of the Units or of any specified Units, all decorating, wall and floor coverings, paneling, molding, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces thereof, shall be deemed a part of such Units, while all other portions of such walls, floors or ceilings shall be deemed part of the Common Elements.

2.03 Limited Common Elements.

(a) **Description.** Except as otherwise in this Declaration provided, Limited Common Elements shall consist of those portions of the Common Elements reserved for the use of a single Unit or Units to the exclusion of the other Units. Each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements serving his Unit exclusively. Without limiting the generality of the foregoing, the Limited Common Elements shall include common vestibules, all of which are hereby assigned to their respective Unit or Units and are indicated on the plat of survey.

(b) **Transfer of Use and Possession of Limited Common Elements.** Every deed, lease, mortgage or other instrument which shall convey an interest in a Unit shall be deemed good and sufficient to convey also the right to the exclusive use and possession of the Limited Common Elements serving the Unit.

2.04 No Partition of Common Elements. Except as otherwise permitted under the Act, there shall be no partition of the Common Elements through judicial proceedings or otherwise until this Declaration is terminated and the Property is withdrawn from its terms or from the terms of any statute applicable to condominium ownership.

2.05 Parking Spaces. Unit Owners, occupants, guests and invitees thereof may use the Parking Spaces, solely for the purpose of parking motor vehicles, subject to rules, regulations and restrictions as may be promulgated by the Board; provided, however, that the Board may, by promulgation of rules and regulations, prohibit or restrict parking by guests and invitees of Unit Owners and/or of Occupants. The Board may, if it elects, assign a specific Parking Space or Spaces to each of the Units, in which event a Unit Owner or Occupant may use only the Parking Space(s) so assigned to his Unit; provided, however, that nothing contained above shall prohibit a Unit Owner from permitting another Unit Owner or Occupant to use a Parking Space which has been assigned to the Unit owned by the Unit Owner giving such permission. Nothing contained herein shall prohibit Developer either from using or permitting its customers, invitees, employees, agents and contractors to use any and all of the Parking Spaces, other than those Parking Spaces, if any, which are assigned by the Board to Units not owned by the Developer, as

more fully set forth in Sections 17.12 and 19.02. Each Parking Space shall be used solely for the purpose of parking one motor vehicle and no unintended vehicles shall at any time be left in such manner as to impede the passage of traffic or to impair access to parking areas. No storage of any objects shall be permitted in the parking areas and the same shall at all times be kept free from unreasonable accumulations of debris and rubbish of any kind. (There shall be no parking of boats, campers, trailers, trucks or recreational vehicles on any part of the common elements.) The Board may adopt rules and regulations further restricting the use of such Parking Spaces to the parking of automobiles and such other types of motor vehicles, if any, deemed appropriate by the Board.

2.06 Sign. Each Unit Owner shall have the right to have the name of its business placed upon the sign which fronts Wicker. The sign also contains an electronic message board. The Developer shall retain the right to program the electronic message board for as long as the Developer maintains ownership of a unit.

ARTICLE III

COMMON ELEMENTS

3.01 Description. Except, as otherwise in this Declaration provided, the Common Elements shall consist of all portions of the Property except the Units. Without limiting the generality of the foregoing the Common Elements shall include the land, outside walks and driveways, the roof and attic, if any, of the Building, the Parking Area and Parking Spaces, landscaping, structural parts of the Building including structural parts and columns located within Unit boundaries as shown on the Plat, such component parts of walls, floors and ceilings not located within the Unit boundaries as shown on the Plat, pipes, ducts, flues, shafts, electrical wiring and conduits, central plumbing facilities, if any, public utility lines and other utility installations to the outlets in the Units and public utility lines serving the Common Elements or more than one Unit. If any chutes, flues, ducts, conduits, wires, pipes, shafts, bearing walls, bearing columns or any other apparatus lies partially within and partially outside of the designated boundaries of a Unit, any portions thereof servicing only that Unit shall be deemed a part of that Unit, while any portions thereof serving more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements.

3.02 Ownership of Common Elements. Each Unit Owner shall own an undivided interest in the Common Elements as a tenant in common with all the other Unit Owners of the Property, and, except as otherwise limited in the Declaration, shall have the right to use the Common Elements (except the Limited Common Elements) for all purposes incidental to the use and occupancy of his Unit as a place of business, and such other incidental uses permitted by this Declaration, which right shall be appurtenant to and run with his Unit. Each Unit's corresponding percentage of ownership in the Common Elements shall be expressed by a percentage amount and, once determined, shall remain constant, and may not be changed without unanimous approval of all Unit Owners, unless otherwise permitted or provided for in the Act. The Developer has so determined each Unit's corresponding percentage of ownership in the Common Elements as set forth in Exhibit "B" attached hereto, and each Unit Owner accepts such determination.

ARTICLE IV

GENERAL PROVISIONS AS TO UNITS AND COMMON ELEMENTS

4.01 Submission of Property to Provisions of Act. The Property is hereby submitted to the provisions of the Act.

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

4.03 Easements.

(a) Encroachments. If any portion of the Common Elements encroaches upon any Unit, or if any Unit encroaches upon any portion of the Common Elements or any other Unit as a result of the construction, repair, reconstruction, settlement or shifting of any building, a valid mutual easement shall exist in favor of the owners of the Common Elements and the respective Unit Owners involved to the extent of the encroachment. A valid easement shall not exist in favor of any Unit Owner who creates an encroachment by his intentional, willful or negligent conduct or that of his agent.

(b) Utility and Other Easements. The Telephone Company, the Electric Company and all other public utilities serving the Property are hereby granted the right to lay, construct, renew, operate and maintain conduits, cables, pipes, wires, transformers, switching apparatus and other equipment related to their service to the Property, into and through the Common Elements, and the Units, where reasonably necessary for the purpose of providing utility services to the Property. The Board may hereafter grant additional utility easements for the benefit of the Property and easements for cables (provided, however, that with respect to the granting of easements for cable television cables, the requirement of Section 4.03(d) must first be met), conduits, lines and other facilities serving the Property over, under, along and on any portion of the Common Elements

(c) Cable Television. The Board shall be authorized to grant an easement or license for the laying or other installation of cable television cable. The grant of such easement or license shall be according to the terms and conditions of the local ordinance providing for cable television in the municipality.

4.04 Streets and Utilities Dedication. Upon the affirmative vote of at least a two-thirds majority of the Unit Owners at a meeting of the Unit Owners duly called for such purpose, the Board shall be authorized to dedicate a portion of the Common Elements to a public body for use as, or in connection with, a street or utility.

4.05 Power of Attorney. Each Unit Owner hereby grants to the Board an irrevocable power of attorney to execute, acknowledge and record for and in the name of all Unit Owners, such instruments as may be necessary to effectuate the granting of easements and dedications pursuant to the provisions of this Article

IV; provided, however, that before the Board exercises such power in the case of granting an easement for cable television cable or dedicating a portion of the Common Elements for streets or utilities, the applicable, requisite affirmative vote of Unit Owners required by the provisions of this Article IV shall first be obtained.

4.06 Easement and Rights to Run with Land. All easements and rights described herein are easements and rights running with the land, perpetually in full force and effect, and at all times shall inure to the benefit of and be binding on the Trustee, its successors and assigns, and any Unit Owner, Purchaser, mortgagee and other person having an interest in the Property, or any part or portion thereof. 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 Article, or described in any other part of this Declaration, shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees, and trustees of such Unit ownership as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

ARTICLE V

COMMON EXPENSES, MORTGAGES AND REAL ESTATE TAXES

5.01 Common Expenses. Each Unit Owner shall pay his proportionate share of the common expenses of administration, maintenance and repair of the Common Elements and of any other expenses incurred in conformance with the Declaration and By-Laws or otherwise lawfully agreed upon. The common expenses shall include a pro-rata share of the cost of maintaining the pond as delineated on the Plat of Subdivision. Such proportionate share of the common expenses for each Unit Owner shall be in the same ratio as his percentage of ownership in the Common Elements. Payment thereof shall be in such amounts and at such times as determined in the manner provided in the By-Laws. If any Unit Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof shall constitute a lien on the interest of such Unit Owner in the Property as provided in the Act.

5.02 Separate Mortgages. Each Unit Owner shall have the right, subject to the provisions herein, to make a separate mortgage or encumbrance on his respective Unit together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to make or create or cause to be made or created any mortgage or encumbrance or other lien on or affecting the Property or any part thereof, except only to the extent of his Unit and his respective ownership interest in the Common Elements.

5.03 Separate Real Estate Taxes. Real estate taxes are to be separately taxed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, but are taxes on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements.

ARTICLE VI

INSURANCE

6.01 Fire and Hazard Insurance. The Board shall acquire as a common expense, a policy or policies of insurance insuring the Common Elements and the Units against loss or damage from fire, lightning and other hazards contained in the customary fire and extended coverage, vandalism and malicious mischief endorsements for the full insurable replacement value of the Common Elements and the Units written in the name of, and to require a provision in such policy that the proceeds thereof shall be payable to, the members of the Board, as trustees for each of the Unit Owners in the percentages established in Exhibit "B".

All said policies of insurance: (a) shall contain standard mortgage clause endorsements in favor of the mortgagee or mortgagees of each Unit, if any, as their respective interest may appear, (b) shall provide that the insurance, as to the interest of the Board, shall not be invalidated by any act or neglect of any Unit Owner, (c) shall provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash settlement therefore, such option shall not be exercisable in the event the Unit Owners elect to sell the Property or remove the Property from the provisions of the Act, (d) shall contain an endorsement to the effect that such policy shall not be terminated for nonpayment of premiums without at least ten (10) days prior written notice to the mortgagee of each Unit, (e) shall contain a clause or endorsement whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, members of the Board, the Developer, the managing agent, if any, their respective employees and agents and the Unit Owners and Occupants, and (f) shall contain a "Replacement Cost Endorsement". The proceeds of such insurance shall be applied by the Board or agent on behalf of the Board for the reconstruction of the Unit(s) and Building(s) or shall be otherwise disposed of, in accordance with the provisions of this Declaration and the Act; and the rights of the mortgagee of any Unit under any standard mortgage clause endorsement to such policies shall, notwithstanding anything to the contrary therein contained, at all times be subject to the provisions of the Act with respect to the application of insurance proceeds to reconstruction of the Building. The Board may engage the services of, and such insurance may be payable to, a bank or trust company authorized to do, execute and accept trusts in Illinois to act as Insurance Trustee, or as Agent or depository as an alternative to acting as Trustee, and to receive and disburse the insurance proceeds resulting from any loss upon such terms as the Board shall determine consistent with the provisions of this Declaration. The fees of such bank or trust company shall be common expenses.

In the event of any loss in excess of \$50,000.00 in the aggregate, at the Board's discretion or request of any Unit Owner, the Board shall solicit bids from reputable contractors.

Payment by an insurance company to the Board or to such corporate trustee or agent of the proceeds of any policy, and the receipt of release from the Board or such corporate trustee or agent of the company's liability under such policy, shall constitute a full discharge of such insurance company, and such company shall be under no obligation to inquire into the terms of any trust or agency agreement under which proceeds may be held pursuant hereto, or to take notice of any standard mortgage clause endorsement

inconsistent with the provisions hereof, or see to the application of any payments of the proceeds of any policy by the Board or the corporate trustee.

The full insurable replacement cost of the Units shall include the replacement cost value of additions, betterments, alterations and improvements made in and to any Unit; provided, however, that the Board shall not be responsible for obtaining insurance on such additions, betterments, alterations or improvements unless and until the Unit Owner of such Unit shall make a report of the same (together with the value thereof) to the Board and request the Board in writing to obtain such insurance and shall make arrangements satisfactory to the Board to reimburse the Board for any additional premiums applicable thereto, which additional premiums are deemed a common expense, and upon the failure of such Unit Owner to do, 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, betterments, alterations or improvements. Each Unit Owner shall inform the Board in writing of additions, alterations or improvements made by said Unit Owner to his Unit and the value thereof. Any increased premium charge therefore shall be assessed to the Unit Owner. If a Unit Owner fails to inform the Board as provided above, and a penalty is assessed in the adjustment of loss settlement, the Unit Owner shall be responsible for such penalty.

6.02 Appraisal. The Board, at its option, may obtain an appraisal from a qualified appraiser for the purpose of determining the full insurable replacement cost of the Common Elements and the Units for the amount of insurance to be effected pursuant hereto. The cost of any such appraisal shall be a common expense.

6.03 Public Liability and Property Damage Insurance. The Board shall acquire, as a common expense, and shall have the authority and duty to obtain comprehensive public liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Property in amounts deemed sufficient in the judgment of the Board, insuring the Board, the Association, the manager and managing agent, and their respective officers, employees and agents. The Developer shall be included as an additional insured in its capacity as Unit Owner and Board Member. The Unit Owners shall be included as additional insured but only with respect to that portion of the Property not reserved for their exclusive use. The insurance shall cover claims of one or more insured parties against other insured parties. The insurance shall contain a waiver of any rights to subrogation by the insuring company against any of the above-named insured persons.

6.04 Workmen's Compensation and Other Insurance. The Board shall acquire, as a common expense, workmen's compensation insurance as may be necessary to comply with applicable laws and such other forms of insurance as the Board in its judgment, shall elect to obtain, including, but not limited to insurance for the Association, its Directors and officers and manager against liability from good faith actions allegedly beyond the scope of their authority.

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

6.06 Notice. The Board shall notify insured persons concerning the cancellation of insurance obtained pursuant to the terms of this Article.

ARTICLE VII

ADMINISTRATION AND OPERATION

7.01 Administration. The administration of the Property shall be vested in the Board consisting of the number of persons, and who shall be elected in the manner, provided in the By-Laws contained herein, as Articles XIV, XV, XVI, XVII and XVIII. The Developer may cause to be incorporated under the laws of the State of Indiana, a not-for-profit corporation (herein referred to as "the Association") under the name of "Tri-Town Commons" or a similar name, which corporation shall be the governing body for all the Unit Owners for the maintenance, repair, replacement, administration and operation of the Common Elements and for such other purposes as are herein provided. In the event the Developer does not elect to incorporate the Association, then at any time on or after the election of the initial Board pursuant to the provisions of Section 7.05 and 14.01(b), the Board may do so upon the affirmative vote of a majority of the Unit Owners. The Association's Articles of Incorporation and annual reports filed with the Indiana Secretary of State shall indicate that the Association is a condominium association as established under the Act. The Board of Directors of the Association shall be deemed to be the Board of Managers or Board referred to herein and in the Act.

7.02 Duties and Powers of the Association. The Unit Owners' Association is responsible for the overall administration of the Property through its duly elected Board. The duties and powers of the Association and its Board shall be those set forth in its Articles of Incorporation, the By-Laws and this Declaration as supplemented by the Act.

7.03 Liability of the Board. Neither the members of the Board nor the officers shall be liable to the Unit Owners for any mistake of judgement or for any other acts or omissions of any nature whatsoever as such Board members and officers, except for any acts or omissions found by a Court to constitute fraud or willful misconduct in the performance of duty. The Unit Owners (and, to the extent permitted by law, the Association) shall indemnify and hold harmless each of the members of the Board and each of the officers against all contractual and other liabilities to others arising out of the contracts made by or other acts of the Board and officers on behalf of the Unit Owners or the Association, or the Board and officers on behalf of the Unit Owners or the Association, or arising out of their status as Board members or officers unless any such contract or act shall have been fraudulent or with willful misconduct. 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) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other in which any member of the Board or officers may be involved by virtue of such person being or having been such member or officer; provided, however, that such indemnity shall not be operative with respect to: (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for fraud or willful misconduct in the performance of his duties as such member or officer, or (b) any matter settled or compromised, where, in the in opinion of independent counsel selected

by the Board (who may be counsel regularly retained by the Association), there are reasonable grounds for such person or officer being adjudged liable for fraud or willful misconduct in the performance of his duties as such member or officer and such opinion is not successfully challenged in court by the member or officer in question. The Board shall have authority to purchase and maintain, as a common expense, errors and omissions insurance on behalf of the officers and members of the Board against any liability settlement based on the asserted liability, incurred by them by reason of being or having served in such capacity, whether or not the Association would have the power to indemnify them against such liability or settlement under the provisions of this Section 7.03. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board, the officers, or out of the aforesaid Unit Owner's indemnity, shall be limited to such proportion of the total liability thereunder as such Unit Owner's percentage of interest in the Common Elements bears to the total percentage interest of all the Unit Owners in the Common Elements. Every contract made by the Board, the officers or the managing agent on behalf of the Unit Owners shall provide that they are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners) and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as such Unit Owner's percentage of interest in the Common Elements bears to the total percentage interest of all Unit Owners in the Common Elements.

7.04 Board's Determination Binding. 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, By-Laws or other Condominium Instruments, the determination thereof by the Board shall be final and binding on each and all of such Unit Owners.

7.05 Administration of Property Prior to Election of Initial Board. Until the election of the initial Board, the same rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Board by the Act and in the Declaration and By-Laws shall be held and performed by the Developer. The election of the initial Board shall be held no later than sixty (60) days after the conveyance by the Developer of seventy-five percent (75%) of the Units, or three (3) years after the recording of the Declaration, whichever is earlier. The Developer shall give at least 21 days notice of such meeting to elect the initial Board and shall provide to any Unit Owner, within 3 working days of the request, the names, addresses, telephone number (if available), and weighted vote of each Unit Owner entitled to vote at such meeting. Any Unit Owner shall be provided with the same information within 3 working days of the request, with respect to each subsequent meeting to elect members of the Board. If the initial Board is not elected by the Unit Owners at the time so established, the Developer shall continue in office for a period of thirty (30) days whereupon written notice of his resignation shall be sent to all of the Unit Owners entitled to vote at such election.

Within sixty (60) days following the election of a majority of the Board other than the Developer, the Developer shall deliver to the Board:

(a) All original documents as recorded or filed pertaining to the Property, its administration and the Association, such as the Declaration, By-Laws, Articles of Incorporation, other Condominium Instruments, annual reports, minutes and rules and regulations, contracts, leases, or other agreements entered into by the Association. If any original documents are unavailable, a copy may be provided if certified by affidavit of the Developer, or an officer or agent of the Developer, as being a complete copy of the actual document (as recorded or filed, if applicable);

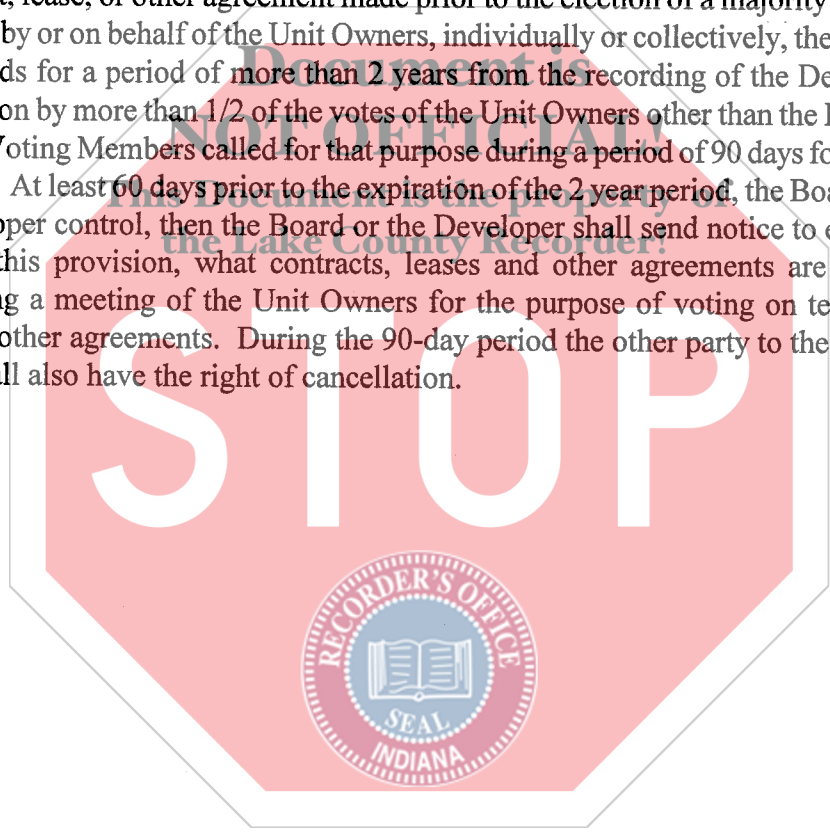
(b) A detailed accounting by the Developer, setting forth the source and nature of receipts and expenditures in connection with the management, maintenance and operation of the Property and copies of all insurance policies and a list of any loans and advances to the Association which are outstanding;

(c) Association funds which shall have been at all times segregated from any other moneys of the Developer;

(d) A schedule of all real or personal property, equipment and fixtures belonging to the Association, including documents transferring the Property, warranties, if any, for all real and personal property and equipment, deeds, title insurance policies, and all tax bills; and

(e) A list of all litigation, administrative action and arbitration involving the Association, any notices of governmental bodies involving actions taken or which may be taken concerning the Association, engineering and architectural drawings and specifications as approved by any governmental authority, all other documents filed with any other governmental authority, all governmental certificates, correspondence involving enforcement of any Association requirements, copies of any documents relating to disputes involving Unit Owners, and originals of all documents relating to everything listed in this Section 7.05(e).

Any contract, lease, or other agreement made prior to the election of a majority of the Board other than the Developer, by or on behalf of the Unit Owners, individually or collectively, the Association or the Board, which extends for a period of more than 2 years from the recording of the Declaration, shall be subject to cancellation by more than 1/2 of the votes of the Unit Owners other than the Developer cast at a special meeting of Voting Members called for that purpose during a period of 90 days following expiration of the 2 year period. At least 60 days prior to the expiration of the 2 year period, the Board, or if the Board is still under Developer control, then the Board or the Developer shall send notice to every Unit Owner, notifying them of this provision, what contracts, leases and other agreements are affected, and the procedure for calling a meeting of the Unit Owners for the purpose of voting on termination of such contracts, leases or other agreements. During the 90-day period the other party to the contract, lease, or other agreement shall also have the right of cancellation.



ARTICLE VIII

MAINTENANCE, ALTERATIONS, DECORATING

8.01 Maintenance, Repairs and Replacements. Each Unit Owner shall furnish and be responsible for, at his own expense, all of the maintenance, repairs and replacements within his own Unit and of the windows and doors appurtenant thereto including the cleaning, maintenance, repair and replacement of glass of windows and doors located on exterior walls adjoining, or forming the perimeter boundaries of the Unit, which responsibility shall include the maintenance, repair and replacement of all internal installations of such Unit such as refrigerators, ranges, and other kitchen appliances, business equipment, conduits serving office computer and telephone systems, lighting fixtures and other electrical fixtures, heating, plumbing and air conditioning fixtures or installations, and any portion of any other utility service facilities located within the Unit boundaries as specified in Article II; provided, however, that such maintenance, repairs and replacements as may be required to or on the Common Elements for the bringing of water, gas and electricity to the Unit shall be furnished by the Board as part of the common expenses. Maintenance, repairs and replacements of the Common Elements shall be furnished by the Board as part of the common expenses, subject to the rules and regulations of the Board.

To the extent that equipment, facilities and fixtures within any Unit or Units shall be connected to similar equipment, facilities and fixtures affecting or serving other Units or the Common Elements, the use thereof by the Unit Owners shall be subject to all applicable rules and regulations adopted by the Board.

The Board may cause to be discharged any mechanics' lien or other encumbrance which, in the opinion of the Board, may constitute a lien against the Property or Common Elements, rather than against a particular Unit and its corresponding percentage of ownership in the Common Elements. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses (including attorneys' fees) incurred by reason of such lien.

Whenever the Board shall determine, in its discretion, that any maintenance or repair of any Unit is necessary to protect the Common Elements or any other portion of the Building, the Board may cause a written notice of the necessity for such maintenance or repair to be served upon such Unit Owner, which notice may be served by delivering a copy thereof to the Unit Owner, or to any Occupant of such Unit should the Unit Owner not occupy said unit, or by mailing the same by certified or registered mail addressed to the Unit Owner. If such Unit Owner fails or refuses to perform any such maintenance or repair within a reasonable time stated in the notice (or any extension thereof approved by the Board), the Board may cause such maintenance and repair to be performed at the expense of such Unit Owner. The aforesaid written notice shall not be required and the Unit Owner shall immediately perform the necessary maintenance or repair (or upon his failure to do so, the Board may cause the same to be immediately performed at the expense of such Unit Owner) in cases involving an imminent hazard or danger to the Unit Owners or Occupants or to any portion of the Property and/or any property located thereon or in other emergency situations.

If, due to the act or neglect (or the use and operation of his Unit) of a Unit Owner, his agent or employee or of a guest or 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 replacement 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.

The Board shall have exclusive authority to take, or refrain from taking, any action pursuant to this Article VIII. All expenses, which, pursuant to this Article VIII are chargeable to any Unit Owner, may be specifically assessed to such Unit Owner and shall be payable by such Unit Owner as prescribed by the Board. No Unit Owner shall have a claim against the Board, Association or another Unit Owner for any work which is the responsibility of the Board or Association pursuant to this Declaration but which the Unit Owner himself has performed or paid for, unless the same shall have been agreed to in writing and in advance by the Board.

8.02 Limited Common Elements. Any charge or expense in connection with expenditures for the Limited Common Elements shall be assessed only against the Unit or building to which such Limited Common Elements are assigned.

8.03 Alterations, Additions or Improvements. No alterations of any Common Elements or any additions or improvements thereto, shall be made by any Unit Owner without prior written approval of the Board. Provided the Unit Owner's Contractor shall be bondable, licensed, having good labor relations (union contractors only if the Developer or the Board so requires), any Unit Owner may make alterations, additions and improvements within his Unit without the prior written approval of the Board (unless the same are specifically prohibited or regulated by this Declaration or by rules and regulations adopted by the Board), but in any event such Unit Owner shall be responsible for any damage to other Units, the Common Elements, or the Property as a result of such alterations, additions or improvements. Nothing shall be done in any Unit, or in, on or to the Common Elements which would impair the structural integrity of the Building or which would structurally change the Building.

8.04 Decorating. Each Unit Owner shall furnish and be responsible for, at his own expense, all of the build-out, decorating and office improvements within his own Unit from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating. The use of and the covering of the interior surfaces of windows, whether by draperies, shades, blinds or other items visible on the exterior of the Building and the painting and decorating of the exterior surfaces of entryway doors to Units shall be subject to the rules and regulations of the Board. Decorating of the Common Elements (other than interior surfaces within the Units as above provided) and any redecorating of Units to the extent made necessary by any damage to existing decorating of such Units caused by maintenance, repair or replacement work on the Common Elements by the Board, shall be furnished by the Board as part of the common expenses.

8.05 Alterations Affecting Roof. No alterations shall be done to the roof of any unit without the consent of the Board. No satellite receiving units can be mounted on the roof without approval of the Board. No

satellite receiving units can be installed for the benefit of a unit unless which is visible from the front or back of the unit.

ARTICLE IX

SALE, LEASE OR OTHER ALIENATION

9.01 No Right of First Refusal in Sales or Leases. The Condominium Association shall have no right of first refusal to purchase or lease any Unit.

9.02 Leasing. The Board shall have the full power to set rules and regulations regarding the leasing and sub-leasing of units.

ARTICLE X

DAMAGE OR DESTRUCTION AND RESTORATION OF BUILDING

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

10.02 Insufficient Insurance.

(a) If the insurance proceeds are insufficient to reconstruct the Building and the Unit Owners and all other parties in interest do not voluntarily make provision for reconstruction of the Building within one-hundred and eighty (180) days from the date of damage or destruction, the Board of Managers may record a notice setting forth such facts and upon the recording of such notice:

(i) The Property shall be deemed to be owned in common by the Unit Owners;

- (ii) The undivided interest in the Property owned in common which shall appertain to each Unit Owner shall be the percentage of undivided interest previously owned by such owner in the Common Elements;
- (iii) Any liens affecting any of the Units shall be deemed to be transferred in accordance with the existing priorities to the undivided interest of the Unit Owner in the Property as provided herein; and
- (iv) The Property shall be subject to an action for partition at the suit of any Unit Owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the Property, if any, shall be considered as one fund and shall be divided among all the Unit Owners in a percentage equal to the percentage of undivided interest owned by each owner in the Property, after first paying out of the respective shares of the Unit Owners, to the extent sufficient for the purpose, all liens on the undivided interest in the Property owned by each Unit Owner.

(b) In the case of damage or other destruction in which fewer than one-half (1/2) of the Units are rendered uninhabitable, upon the affirmative vote of not fewer than three-fourths (3/4) of the Unit Owners voting at a meeting called for that purpose, the Building or other portion of the Property shall be reconstructed. The meeting shall be held within thirty (30) days following the final adjustment of insurance claims, if any, otherwise, such meeting shall be held within ninety (90) days of the occurrence. At such meeting the Board of Managers, or its representative, shall present to the members present an estimate of the cost of repair or reconstruction, and the estimated amount of necessary assessments against each Unit Owner.

(c) In the case of damage or other destruction, upon the affirmative vote of not fewer than three-fourths (3/4) of the Unit Owners voting at a meeting called for that purpose, any portion of the Property affected by such damage or destruction may be withdrawn from the Act. Upon the withdrawal of any Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board. The payment of just compensation, or the allocation of any insurance or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest. Any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Elements not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage interest therein. Any proceeds available from the withdrawal of any Limited Common Elements, will be distributed in accordance with the interest of those entitled to their use.

10.03 Cessation and Adjustment of Common Elements. Upon the withdrawal of any Unit, the responsibility for the payment by the Unit Owner of assessments on such Unit shall cease, and the payment by the Unit Owners of assessments on all Units not withdrawn shall be adjusted by the Board. Such adjustment shall be determined on the basis of the percentage of interest in the Common Elements appurtenant to the Units not withdrawn, as reallocated pursuant to the provisions of this Article. Upon the withdrawal of a portion of any Unit the responsibility for the payment by the Unit Owner of assessments on such Unit (as well as the responsibility for the payment by Unit Owners of assessments on all Units not withdrawn) shall continue, but such payments shall be adjusted by the Board. Such adjustment shall be

determined on the basis of the percentage of interest in the Common Elements appurtenant to each Unit, a portion of which has been withdrawn, and appurtenant to all other Units which have not been withdrawn, as allocated pursuant to the provisions of this Article.

ARTICLE XI

EMINENT DOMAIN

11.01 Reallocation of Common Elements and Condemnation Award. Upon the withdrawal of any Unit or portion thereof due to eminent domain, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board of Managers. The allocation of any condemnation award or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage interest therein. Proceeds available from the withdrawal of any Limited Common Element will be distributed in accordance with the interest of those entitled to their use.

11.02 Cessation and Adjustment of Common Expenses. Upon the withdrawal of any Unit, the responsibility for the payment by the Unit Owner of assessments on such Unit shall cease, and the payment by the Unit Owners of assessments on all Units not withdrawn shall be adjusted by the Board. Such adjustment shall be determined on the basis of the percentage of interest in the Common Elements appurtenant to the Units not withdrawn, as reallocated pursuant to the provisions of this Article. Upon the withdrawal of a portion of any Unit the responsibility for the payment by Unit Owners of assessments on all Units not withdrawn shall continue, but such payments shall be adjusted by the Board. Such adjustment shall be determined on the basis of the percentage of interest in the Common Elements appurtenant to each Unit, a portion of which has been withdrawn, and appurtenant to all other Units which have not been withdrawn, as reallocated pursuant to the provisions of this Article.



ARTICLE XII

SALE OF PROPERTY

The Unit Owners through the affirmative vote of Voting Members having at least three-fourths (3/4) of the total votes, at a meeting duly called for such purpose, may elect to sell the Property as a whole.

Within ten (10) days after the date of the meeting at which such sale was approved, the Board shall give written notice of such action to the holder of any duly recorded mortgage or trust deed against any Unit Ownership entitled to notice under Section 20.01 of Article XX of this Declaration. Such action shall be binding upon all Unit Owners, and it shall thereupon become the duty of every Unit Owner to execute and deliver such instruments and to perform all acts as in manner or form may be necessary to effect such sale, provided, however, that any Unit Owner who did not vote in favor of such action and who has filed written objection thereto with the Board within twenty (20) days after the date of the meeting at which such sale was approved shall be entitled to receive from the proceeds of such sale an amount equivalent to the fair market value of his interest, as determined by agreement of such Unit Owner and the Board, or if they cannot agree, by arbitration as hereinafter provided, less the amount of any unpaid assessments or charges due and owing from such Unit Owner. In the absence of agreement on the fair market value of such interest and upon written notice from either party to the other, such Unit Owner and the Board shall each select an appraiser, and the two so selected shall select a third, and the fair market value, as determined by said third appraiser, shall control. If either party shall fail to select an appraiser, then the one designated by the other party shall make the appraisal. The cost of the appraisal shall be divided equally between such Unit Owner and the Board, and the Board's share shall be a common expense.

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ARTICLE XIII

BY-LAWS

The provisions of Articles XIV, XV, XVI, XVII and XVIII shall constitute the By-Laws of the Association and the By-Laws prescribed by the Act.

ARTICLE XIV

BOARD OF MANAGERS

14.01 Board of Managers (Board of Directors).

(a) The direction and administration of the Property shall be vested in the Board, consisting of Three (3) persons who shall be appointed or elected in the manner herein 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 officer, director or other designated agent of such corporation, partner of such partnership, beneficiary or other designated agent of such trust or manager of such other legal entity, shall be eligible to serve as a member of the Board.

(b) At the initial meeting the Voting Members shall elect the Three Board Members. In all elections for members of the Board, each Voting Member shall be entitled to vote (but cumulative voting shall not be permitted) and the candidate receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. Members of the Board elected at the initial meeting shall serve until the first annual meeting. The 2 persons receiving the highest number of votes at the first annual meeting shall be elected to the Board for a term of two (2) years and the 1 person receiving the next highest number of votes shall be elected to the Board for a term of one (1) year. In the event of a tie vote, the members of the Board shall determine by lot which members shall have the two (2) year terms and which members shall have the one (1) year terms. Upon the expiration of the terms of office of the Board members so elected at the first annual meeting and thereafter, successors shall be elected for a term of two (2) years each. A candidate for election to the Board or such candidate's representative shall have the right to be present at the counting of ballots at such election. The Voting Members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease such number of persons on the Board or may increase or decrease the term of office of Board members at any annual or special meeting, provided that such number shall not be less than three (3), and that the terms of at least one-third (1/3) of the persons on the Board shall expire annually, and that no Board member or officer shall be elected to a term in excess of two (2) years; provided, however, that a Board member or officer may be reelected at the expiration of his term. All members of the Board shall be elected at large. Members and officers of the Board shall receive no compensation for their services, unless expressly authorized by the Board with the approval of Voting Members having two-thirds (2/3) of the total votes. Vacancies in the board, including vacancies due to any increase in the number of persons on the Board, shall be filled by the Voting Members present at the next annual meeting or at a special meeting of the Voting Members called for such purpose; provided, however, that the remaining members of the Board are authorized to fill any such vacancy by a two-thirds affirmative vote until the next meeting of the Unit Owners or for a period terminating no later than 30 days following the filing of a petition signed by Unit Owners holding 20% of the votes of the Association requesting a meeting of the Unit Owners to fill the vacancy for the balance of the term, and a meeting of the Unit Owners shall be called for the purpose of filling a vacancy on the Board no later than 30 days following the filing of a petition signed by Unit Owners holding 20% of the votes of the Association requesting such a meeting. Except as otherwise provided in this Declaration, the Property shall be managed by the Board and the Board shall act by majority vote of the total number of persons constituting the Board when a quorum exists. A majority of the total number of the members of the Board shall constitute a quorum. Meetings of the Board may be called, held and conducted in accordance with such resolutions as the Board may adopt.

(c) The Board shall elect from among its members a President who shall preside over both its meetings and those of the Voting Members, and who shall be the chief executive officer of the Board and the Association and who shall execute amendments to the Condominium Instruments, a Secretary who shall keep the minutes of all meetings of the Board and of the Voting Members, who shall mail and receive all notices, and who shall, in general, perform all the duties incident to the office of Secretary, a Treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect. Except as otherwise herein provided, officers of the Board shall be elected for a term of one (1) year each. Any officer of the Board may be removed at any meeting by the affirmative vote of the majority of the members of the Board, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

(d) Any Board member may be removed from office by affirmative vote of the Voting members having at least two-thirds (2/3) of the total votes, at any special meeting called for that purpose. A successor to fill the unexpired term of a Board member removed may be elected by the Voting Members at the same meeting or any subsequent annual meeting or special meeting called for that purpose.

(e) The Board shall meet at least four (4) times annually and at such other times as the Board deems necessary. Meetings of the Board shall be open to any Unit Owner, except for the portion of any meeting held:

- (i) to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Board finds that such an action is probable or imminent;
- (ii) to consider information regarding the appointment, employment or dismissal of an employee or other personnel; or
- (iii) to discuss violations of rules and regulations of the Association or a Unit Owner's unpaid share of common expenses.

Any vote on the matters enumerated in Subsections 14.01(e)(i), (ii) and (iii) shall be taken at a meeting or portion thereof open to any Unit Owner. Any Unit Owner may record the proceedings at Board meetings required to be open by this Declaration, the By-Laws or Act, by tape, film or other means, but the Board may prescribe reasonable rules and regulations to govern the right to make such recordings. Notice of any such meeting shall be mailed or delivered at least forty-eight (48) hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to receive such notice pursuant to the Declaration, By-Laws, other Condominium Instruments or provision of law before the meeting is convened. Copies of notices of meetings of the Board shall be posted in entranceways, elevators, or other conspicuous places in the Building at least forty-eight (48) hours prior to the meeting of the Board, except where there is no common entranceway for 7 or more Units, the Board may designate one or more locations in the proximity of those Units where the notices of meetings shall be posted.

14.02 General Powers of the Board.

- (a) The powers and duties of the Board shall include, but shall not be limited to the following matters:
- (i) Operation, care, upkeep, maintenance, replacement and improvement of the Common Elements;
 - (ii) Preparation, adoption and distribution of the annual budget for the Property;
 - (iii) Levying of assessments;
 - (iv) Collection of Assessments from Unit Owners;
 - (v) Employment and dismissal of the personnel necessary or advisable for the maintenance,

operation, repair and replacement of the Common Elements;

- (vi) Obtaining adequate and appropriate kinds of insurance;
- (vii) Owning, conveying, encumbering, leasing and otherwise dealing with Units conveyed to or purchased by it;
- (viii) Adoption and amendment of rules and regulations covering the details of the operation and use of the Property, after a meeting of the Unit Owners called for the specific purpose of discussing the proposed rules and regulations, notice of which contains the full text of the proposed rules and regulations and which conforms to Article XV hereof; provided, however, no rules or regulations may impair any rights guaranteed by the First Amendment to the Constitution of the United States and no quorum is required at such meeting of the Unit Owners;
- (ix) Keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property;
- (x) Having access to each Unit from time to time as may be necessary for the maintenance, repair or replacement of any Common Elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Elements or to other Unit or Units.
- (xi) Paying for water, waste removal, other operating expenses, electricity, telephone and other necessary utility services for the Common Elements;
- (xii) Paying for landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the windows and doors appurtenant to the Unit and the interior surfaces of the Units, all of which the Unit Owners shall paint, clean, decorate, maintain and repair, except if necessitated by repairs to the Common Elements) 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;
- (xiii) Paying for any other materials, supplies, furniture, labor, services, maintenance, repair, structural alterations or assessments which the Board is required to secure or pay for pursuant to the terms of this Declaration or By-Laws or which in its opinion shall be necessary or proper for the maintenance and operation of the Property as a first class office condominium building;
- (xiv) Paying any amount necessary to discharge any mechanic's lien or other encumbrance against the entire 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;

- (xv) Maintaining and repairing any Unit if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Elements or any other portion of the Building, when the Unit Owner has failed or refused to perform said maintenance or repair on his Unit within a reasonable time after written notice of the necessity of said maintenance or repair has been mailed or delivered by the Board to said Unit Owner, provided that the Board shall levy a special assessment against such Unit Owner for the cost of said maintenance or repair, and further provided that the provisions of Section 8.01 of Article VIII requiring immediate maintenance and repair in cases involving an imminent hazard or danger or in other emergency situations, without prior written notice to the Unit Owner, shall control over the foregoing provisions of this Subsection 14.02(xv);
- (xvi) Paying real property taxes, special assessments and any other special taxes or charges of the State of Illinois or of any political subdivision thereof, or other lawful taxing or assessing body, which are authorized by law to be assessed and levied upon the Property and the Common Area;
- (xvii) Imposing charges for late payments of a Unit Owner's proportionate share of the common expenses, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levy reasonable fines for violation of the Declaration, By-Laws and rules and regulations of the Association;
- (xviii) Assigning its right to future income, including the right to receive common expenses;
- (xix) Recording the dedication of a portion of the Common Elements to a public body for use as, or in connection with, a street or utility where authorized by the Unit Owners under the provisions of Section 4.04;
- (xx) Recording and/or granting of an easement or license for the laying or other installation of cable television cable where authorized by the Unit Owners under the provisions of Section 4.03(d); and
- (xxi) Seeking relief on behalf of all Unit Owners when authorized pursuant to Section 14.02(g) from or in connection with the assessment or levying of real property taxes, special assessments and any other special taxes or charges of the State of Illinois or of any political subdivision thereof or of any lawful taxing or assessing body.
- (xxii) Calling of Special Meetings of the Board by the President or 33 1/3% of the Board.
- (xxiii) To prepare and disseminate information on candidates and proxies for the election of Board members as provided by the Act.

(b) The Board or its agent upon reasonable notice may enter any Unit when necessary in connection with any maintenance or construction for which the Board is responsible. Such entry shall be made with as little inconvenience to the Unit Owner as practicable, and any damage caused thereby shall be repaired by the Board as a common expense.

(c) The Board's powers herein above enumerated and described in the Declaration, shall be limited in that the Board shall have no authority to acquire and pay for any structural alterations, additions to, or improvements of the Common Elements (other than for purposes of replacing or restoring portions of the Common Elements, subject to all the provisions of this Declaration and the Act) requiring an expenditure in excess of Five Thousand Dollars (\$5,000.00) without in each case first obtaining the prior approval of Voting Members having two-thirds (2/3) of the total votes.

(d) All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the Treasurer and countersigned by the President of the Board.

(e) The Board may engage the services of an agent to manage the Property and to perform and have such other duties, rights and obligations required to be performed by, or held by, the Board, to the extent such delegation of such duties, rights and obligations is not prohibited by the Act, and to the extent deemed advisable by the Board.

(f) Nothing herein above contained shall be construed to give the Board, Association or Unit Owners authority to conduct an active business for profit on behalf of all the Unit Owners or any of them.

(g) Upon authorization by a two-thirds vote of the members of the Board or by the affirmative vote of not less than a majority of the Unit Owners at a meeting duly called for such purpose, the Board, acting on behalf of all Unit Owners, shall have the power to seek relief from or in connection with the assessment or levy of any real property taxes, special assessments and any other special taxes or charges of the State of Illinois or any political subdivision thereof, or of any other lawful taxing or assessing body, which are authorized by law to be assessed against and levied upon real property and to charge and collect all expenses incurred in connection therewith as common expenses.

(h) The Board shall designate one or more of the officers of the Association and/or one or more employees of the management agent of the Property (if such an agent has been engaged by the Board pursuant to the provisions of Section 14.02(e)), to approve payment vouchers pertaining to the payment of common expenses and other expenses which the Board is authorized to incur and pay, in the manner hereinafter provided. The payment voucher form shall provide for insertion of the date of approval of payment, the name of the payee, the amount to be paid, a description of what the payment is being made for and the signature of the person approving the payment voucher. Any one of the persons so designated by the Board, as provided for above, must complete (or cause to be completed) and sign such payment voucher before payment is made. In the event none of the persons so designated by the Board is available to approve such payment vouchers, any two members of the Board may approve and sign the same. A duplicate or photocopy of the bill or statement, if any, for which a payment voucher is issued shall be

attached to and retained with the voucher. Notwithstanding the foregoing provisions, during the period of time that the Property is administered by the Developer and prior to the time of the election of the initial Board pursuant to the provisions of Section 7.05 and 14.01(b), the Developer (or its management agent for the Property, if any) shall only be required to observe its normal office procedures with respect to the payment of common expenses and other expenses pertaining to the Property which the Board (acting by and through Developer) is authorized to incur and pay; and such normal office procedures may include approval of payments by employees, officers or agents of the Developer (or of its management agent for the Property, if any) who are neither officers of the Association nor members of the Board, and may also include payment of such expenses without the use of payment vouchers.

(i) Nothing contained herein shall grant or authorize the Board to forbear on the collection of assessments.

14.02 Miscellaneous. The collection of assessments from Unit Owners by the Association, the Board or their duly authorized agents shall not be considered acts constituting a collection agency for purposes of the collection law in Indiana.

ARTICLE XV

MEMBERS (UNIT OWNERS)

15.01 Voting Rights. There shall be one person with respect to each Unit who shall be entitled to vote at any meeting of the Unit Owners. Such Voting Member shall be the Unit Owner or one of the group composed of all the Unit Owners of a Unit or may be some person designated by such Unit Owner or Unit Owners to act as proxy on his or their behalf and who need not be a Unit Owner. Such designations (proxies) shall be made in writing to the Board and shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator or designatee, or by written notice to the Board by the Unit Owner or Unit Owners. Any such proxy shall be invalid after 11 months from the date of its execution, unless otherwise provided in the proxy, and must bear the date of its execution. Any or all Unit Owners of a Unit, and their designee, if any, may be present at any meeting of the Voting Members, but only the Voting Member for the Unit may vote or take any other action as a Voting Member either in person or by proxy. In cases of where there are multiple Unit Owners of a Unit and such multiple Unit Owners have not given the Board a written designation of the Voting Member for such Unit, if only one of the multiple Unit Owners is present at a meeting of the Association, he shall be entitled to cast all votes allocated to that Unit, but if more than one of the multiple Unit Owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple Unit Owners, and it shall be conclusively presumed that there is such majority agreement if any one of the multiple Unit Owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other Unit Owners of the Unit. The total number of votes of all Voting Members shall be 100, and each Unit Owner or group of Unit Owners shall be entitled to the number of votes equal to the total of the percentage of ownership in the Common Elements applicable to his or their Unit as set forth in Exhibit "B". The Developer shall designate the Voting Member with respect to any Unit owned by the Developer, but in the absence of such designation, the Developer shall be deemed such Voting Member. The Association shall have one class of membership only and nothing contained in the Condominium Instruments shall permit or allow different classes of

membership among the Unit Owners. The Association may, upon adoption of the appropriate rules by the Board of Managers, conduct elections by secret ballot whereby the voting ballot is marked only with the percentage interest for the unit and the vote itself, provided the Board further adopt rules to verify the status of the unit owner issuing a proxy or casting a ballot.

15.02 Meetings.

(a) Meetings of the Voting Members shall be held at the Property or at such other place in Schererville, Lake County, Indiana or within 10 miles thereof, as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the Voting Members of at least a majority of the Voting Members and of the Voting Members having at least a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided herein any action may be taken at any meeting of the Voting Members at which a quorum is present upon the affirmative vote of the Voting Members having a majority of the total votes.

(b) The initial meeting of the Voting Members shall be held upon written notice, not less than twenty-one (21) nor more than thirty (30) days after notice is given by the Trustee or Developer. Said initial meeting shall be held no later than sixty (60) days after the conveyance by the Developer of seventy-five percent (75%) of the Units, or three (3) years after the recording of the Declaration, whichever is earlier. Thereafter, there shall be an annual meeting of the Voting Members on the first Wednesday of October following such initial meeting and on the first Wednesday of each succeeding October thereafter at 7:30 P.M., or at such other reasonable time or date (not more than sixty (60) days before or after such date) as may be designated by written notice of the Board delivered to the Voting Members not less than ten (10) days nor more than thirty (30) days prior to the date fixed for such meeting. One of the purposes of the annual meeting shall be to elect members of the Board. If the annual meeting is to be held for any purpose(s) in addition to the election of Board members, the Board shall give written notice of such additional purpose(s) to the Voting Members in the same manner as prescribed in Section 15.02(c) for notice of special meetings.

(c) Special meetings of the Voting Members may be called at any time for the purpose of considering matters which, by the terms of this Declaration, require the approval of all or some of the Voting Members, or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by the President of the Board, a majority of the Board or by the Voting Members having 20% of the total votes and delivered not less than ten (10) days nor more than thirty (30) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered. Matters to be submitted at special meetings of the Voting Members shall first be submitted to the Board, at least ten (10) days prior to the special meeting, who shall then submit the matters to the Voting Members.

15.03 Notice of Meetings. Notices of meetings required to be given herein may be delivered either personally or by mail to the persons entitled to vote thereat, addressed to each such person at the address given by him to the Board for the purpose of service of such notice, or to the Unit of the Unit Owner with respect to which such voting right appertains, if no address has been given to the Board.

15.04 Miscellaneous.

(a) No merger or consolidation of the Association, sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all of the Property and assets of the Association or the purchase or sale of land or of Units on behalf of all Unit Owners shall be effectuated unless there is an affirmative vote of two-thirds (2/3) of the votes of Unit Owners, unless a greater percentage is otherwise provided for in this Declaration.

(b) In the event of a resale of a Unit, the Purchaser of a Unit from a seller other than the Developer or Trustee pursuant to an installment contract for purchase shall during such times as he or she occupies the Unit be counted toward a quorum for purposes of election of members of the Board at any meeting of the Unit Owners called for the purpose of electing members of the Board, and shall have the right to vote for the election of members of the Board and to be elected to and serve on the Board unless the seller expressly retains in writing any or all of such 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 to and serve on the Board. Satisfactory evidence of the installment contract shall be made available to the Association or its agents.

(c) The percentage of votes required to modify or amend the By-Laws shall be as specified in Section 20.06, the provisions of which are incorporated herein as part of these By-laws; provided, however, that such of the provisions of these Bylaws which are mandated by the Act shall always be embodied in these By-Laws.

**Document is
NOT OFFICIAL!**

ARTICLE XVI

**This Document is the property of
ASSESSMENTS - MAINTENANCE FUND
the Lake County Recorder!**

16.01 Estimated Annual Budget and Assessments. Each year on or before November 1, the Board shall estimate the total amount necessary to pay the cost of all common expenses 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. The annual budget shall set forth with particularity all anticipated common expenses by category as well as all anticipated assessments and other income. The budget shall also set forth each Unit Owner's proposed common expense assessment. Each Unit Owner shall receive, at least thirty (30) days prior to the adoption thereof by the Board, a copy of the proposed annual budget together with an indication of which portions are intended for capital expenditures or repairs or payment of real estate taxes. The annual budget shall also take into account the estimated net available cash income for the year from the operation or use of the Common Elements, if any. The "estimated annual budget" shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit "B" attached hereto. Each Unit Owner shall receive notice, in the same manner as is provided in this Declaration for membership meetings, of any meeting of the Board concerning the adoption of the proposed annual budget or any increase or establishment of an assessment. Said meeting of the Board shall be open to all Unit Owners. If an adopted budget requires assessments against the Unit Owners in any fiscal or calendar year exceeding 115% of the assessments for the preceding year, the Board, upon written petition by Unit Owners with 20 percent of the votes of the

Association filed within 14 days of the Board action, shall call a meeting of the Unit Owners within 30 days of the date of filing of the petition to consider the budget and unless a majority of the votes of the Unit Owners are cast at the meeting to reject the budget, it is ratified, whether or not a quorum is present. In determining whether assessments exceed 115% of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Property, and anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, shall be excluded from the computation. On or before January 1 of the ensuing year, and the first of each and every month of said year, said Unit Owners jointly and severally shall be personally liable for and obligated to pay to the Board or as it may direct one-twelfth (1/12) of the assessment against his Unit made pursuant to this Section. The Association shall have no authority to forbear the payment of assessments by any Unit Owner. On or before April 1 of each calendar year following the year in which the initial meeting is held, the Board shall supply to all Unit Owners an itemized accounting of the common expenses for the preceding year actually incurred or paid, together with an indication of which portions were for capital expenditures or repairs or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the budget or assessments, and showing the net excess or deficit of income over expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Unit Owner's percentage of ownership in the Common Elements to the next monthly installments due from Unit Owners under the current year estimate, until exhausted, and any net shortage shall be added according to each Unit Owner's percentage of ownership in the Common Elements to the installments due in the succeeding six (6) months after rendering the accounting.

16.02 Reserves and Adjustments. The Board shall establish and maintain a reasonable reserve for contingencies and replacements. Separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board of Managers without being subject to unit owner approval or the subsequent provisions herein. An "emergency" as used herein means an immediate danger to the structural integrity of the Common Elements or to the life, health, safety or property of the Unit Owners. Assessments for additions and alterations to the Common Elements or to association-owned property, which are not an emergency and which are not included in the adopted annual budget, shall be separately assessed and are subject to the approval of two-thirds of the total vote of all Unit Owners. Any other extraordinary or non-recurring common expense not set forth in the budget as adopted shall be separately assessed against all unit owners and are subject to the approval of two-thirds of the total vote of all Unit Owners. The Board of Managers may adopt separate assessments payable over more than one fiscal year. All Unit Owners shall be personally liable for and obligated to pay their respective adjusted monthly amount.

16.03 Initial Estimate of Annual Budget. The Developer, acting in its capacity as the Board pursuant to Section 7.05 hereof, shall determine the initial "estimated annual Budget" (as herein above defined) on or before the first day of the month in which the first Unit is conveyed by the Developer and/or its respective nominees to a Purchaser. The initial estimated annual budget, as so determined, shall be deemed adopted by the Developer effective on the first day of such month. The initial estimated annual budget shall be in effect for the period commencing with the effective date of its adoption (as provided above) and ending with December 31 of the calendar year in which said adoption is effected. Assessments shall be levied against the Unit Owners during said period as provided in Section 16.01 of this Article.

16.04 Failure to Prepare Estimates. The Board's failure or delay in preparing or serving the annual or adjusted estimate on the Unit Owners shall not constitute a waiver or release in any manner of such Unit Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Unit Owner shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the next monthly maintenance payment which is due not less than ten (10) days after such new annual or adjusted estimate is mailed or delivered.

16.05 Books and Records. The manager of the Property or the Board shall maintain the following records of the Association and make the same available for examination and copying at convenient hours of weekdays by the Unit Owners or their mortgagees and their duly authorized agents or attorneys:

(a) Copies of the recorded Declaration, By-Laws and other Condominium Instruments and any amendments thereto, Articles of Incorporation of the Association, annual reports and any rules and regulations adopted by the Association or the Board shall be maintained. Prior to the organization of the Association, the Developer shall maintain and make available the records set forth in this Section 16.05(a) for examination and copying.

(b) Detailed accurate records in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred, and copies of all contracts, leases or other agreements entered into by the Association shall be maintained.

(c) The minutes of all meetings of the Association and the Board shall be maintained. The Association shall maintain these minutes for a period of not less than 7 years.

(d) Ballots for all elections to the Board and for any other matters voted on by the Unit Owners shall be maintained for a period of not less than 1 year.

A reasonable fee may be charged by the Association or the Board for the cost of copying. Upon ten (10) days' notice to the Board and payment of a reasonable fee, 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 Unit Owner.

16.06 Use of Funds. All funds collected hereunder shall be held and expended 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 "B".

16.07 Insurance. Any insurance premiums assessed on a basis reflecting increased charges for coverage on certain Units may be assessed to such Units.

16.08 Assessments. If a Unit Owner is in default in the monthly payment of the aforesaid charges or assessments or any other charges or assessments provided for in this Declaration or under the Act for thirty

(30) days, the members of the Board may bring suit for and on behalf of themselves and as representatives of all Unit Owners, to enforce collection thereof, to foreclose the lien therefor as hereinafter provided and/or to take any other action hereinafter provided for; and there shall be added to the amount due the costs of collection and of said suit, and other fees and expenses together with interest on the amount due at the rate of nine percent (9%) per annum, or at the maximum rate permitted under the usury laws of the State of Indiana (if, at the time such amounts become due and payable to the Board, such usury limit is other than nine percent per annum) until paid, reasonable attorneys' fees, and late payment charges and fines imposed by the Board. The amount of any delinquent and unpaid charges or assessments, and interests, costs, attorneys' fees, expenses, fines and late charges as above provided, shall be and become a lien against the Unit of the Unit Owner involved, and such lien shall take effect and be in force as of the date such delinquent and unpaid charges or assessments became due and payable. In addition to the foregoing, the Board or its agents shall have such other rights and remedies to enforce such collections as shall otherwise be provided or permitted by law from time to time. Without limiting the generality of the foregoing, if any Unit Owner shall fail to pay the proportionate share of the common expenses or of any other expenses required to be paid hereunder when due, such rights and remedies shall include: (a) the right to enforce the collection of such defaulting Unit Owner's share of such expenses (whether due by acceleration or otherwise), together with interest at the rate provided for above, late payment charges and fines as provided for above, and all fees and costs (including reasonable attorneys' fees) incurred in the collection thereof; (b) the right, by giving such defaulting Unit Owner five days' written notice of the election of the Board so to do, to accelerate the maturity of the unpaid installments of such expenses accruing with respect to the balance of the assessment year; and (c) the right to maintain an action for possession against such defaulting Unit Owner for the benefit of all the other Unit Owners in the manner prescribed by the Indiana Code of Civil Procedure, as amended from time-to-time, and to execute leases for such defaulting Unit Owner's Unit and apply the rents derived therefrom against such amounts as are owing by the defaulting Unit Owner, and in any such action brought for possession, the Board shall be permitted to include a claim for all such delinquent assessments and other charges (including all unpaid installments of assessments with respect to the balance of the assessment year, if the Board has elected to accelerate the maturity thereof, as provided for above), together with interest thereon at the rate provided for above, late payment charges, fines, attorneys' fees and costs of collection. In addition to the above rights and remedies, the Board shall also have the right to foreclose upon the lien provided for above in this Section in accordance with the provisions of Section 16.09.

16.09 Lien for Delinquent Charges or Assessments.

(a) The lien for nonpayment of charges or assessments provided for in Section 16.08 shall be prior to all other liens or encumbrances, recorded or unrecorded, except only: (i) taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of the State of Indiana and other State or Federal taxes which by law are a lien on the Unit or the interest of such Unit Owner therein prior to preexisting recorded encumbrances thereon, and (ii) encumbrances on the Unit or the interest of such Unit Owner therein recorded prior to the date that the delinquent charges or assessments giving rise to such lien became due and payable.

(b) Notwithstanding the provisions of Subsection 16.09(a)(ii), encumbrances recorded prior to the effective date of any lien provided for in Section 16.08 shall be subject, as to priority, to such liens to the extent that such liens include charges or assessments falling due and payable subsequent to the date: (i) on which the

encumbrancer takes possession of the encumbered Unit; (ii) accepts a conveyance of any interest in such Unit; or (iii) has a receiver appointed in a suit to foreclose its encumbrance, whichever is the first to occur. In furtherance of the foregoing provisions, if the Board has elected to accelerate the maturity of unpaid installments of charges or assessments for the balance of the assessment year in accordance with the provisions of Section 16.08(b), and the lien for delinquent charges or assessments includes charges or assessments which, but for such election to accelerate, would not otherwise yet be due and payable, then the portion of the lien pertaining to charges or assessments which would have fallen due after the first to occur of the dates specified in Subsections 16.09(b)(i), (ii) or (iii) had such election to accelerate not been made, shall be prior to encumbrances recorded prior to the effective date of such lien, notwithstanding the election by the Board to so accelerate.

(c) Notwithstanding the provisions of Subsection 16.09(a)(ii) and in addition to the provisions of Section 16.09(b) regarding priorities between the lien, provided for in Section 16.08, and encumbrances recorded prior to the effective date of such lien, all encumbrances which are either bona fide first mortgages or trust deeds and which contain a statement of a mailing address in the State of Indiana where notice may be mailed to the encumbrancer thereunder and which are recorded prior to the effective date of the lien provided for in Section 16.08 shall also be subject, as to priority, to such lien to the extent hereinafter provided for in this Section 16.09(c). If and whenever and as often as the manager of the Property or the Board shall send, by United States registered mail, to the holder of any encumbrance of the nature described above in this Section 16.09(c) at the mailing address set forth in the recorded encumbrance, a statement of the amounts and due dates of such unpaid common expenses with respect to the encumbered Unit, then such prior recorded encumbrance shall be subject, as to priority, to the lien of all unpaid common expenses with respect to such Unit which became due and payable within a period of 90 days after the date of mailing of each such notice.

(d) The lien provided for in Section 16.08 shall be in favor of the members of the Board and their successors in office and shall be for the benefit of all other Unit Owners. Notice of such lien may be recorded by the Board, or if the Developer is the manager of the Property or has a majority of seats on the Board and the manager of the Property or the Board fails to do so, any Unit Owner may record such notice. Upon the recording of such notice the lien may be foreclosed by an action brought in the name of the Board in like manner as a mortgage of real property. The members of the Board and their successors in office, acting on behalf of the other Unit Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

16.10 Nonuse. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Elements or abandonment of his Unit.

ARTICLE XVII

COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

The Units and Common Elements shall be owned, occupied and used subject to the following covenants and restrictions:

17.01 General Use. No part of the Property shall be used for other than office and retail purposes and such other uses ancillary thereto which are permitted under the zoning ordinance of the Village of Schererville. No Unit or part thereof shall be used for residential purposes. The following uses shall be forbidden: adult book store, adult theater, adult amusement facility, any facility selling or displaying pornographic materials or having such displays (excluding a national bookstore or national video store), closeout or liquidation store, auction house, flea market, educational or training facility (including, without limitation, a beauty school, barber college, school or other facility catering primarily to students or trainees rather than customers), massage parlor, off-track betting establishment, bingo hall, a church, temple, synagogue, mosque, or other house of worship, any facility for the sale of paraphernalia for use with illicit drugs, a payday loan operation, liquor or tobacco store, tattoo parlor, fireworks shop, dry cleaning store with plant on site. No Unit Owner or occupant shall make or permit any noise or objectionable odor which will disturb or annoy the owners or occupants of any other Unit or do or permit anything to be done therein which will interfere with the rights, comfort or convenience of other Unit Owners or occupants, their employees, clients, patients or invitees.

17.02 Obstruction of Common Elements and Unit Maintenance. There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements (except in areas designated for such purpose) without prior consent of the Board except as herein expressly provided. Each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit.

17.03 Prohibited Use. Nothing shall be done or kept in any Unit, or in the Common Elements which will increase the rate of insurance on the Building or contents thereof, applicable for office 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 the Building, or contents thereof, or which would be in violation of any law. No waste shall be committed in the Common Elements. No Unit Owner shall overload the electric wiring in the Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior written consent of the Board.

17.04 Unit Owner Insurance. Each Unit Owner shall be responsible for his own insurance on his personal property in his Unit, all other property in his own Unit not covered by the fire and hazard insurance policy acquired and maintained by the Board as herein before provided, his personal property stored elsewhere on the Property and his personal liability to the extent not covered by the liability insurance for all the Unit Owners obtained by the Board as herein before provided.

17.05 Exterior Attachments. Unit Owners shall not cause or permit anything to be placed on the outside walls of the Building and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls, roof or any other portion of the Common Elements, without the prior written consent of the Board.

17.06 Window Treatments. The use and the covering of the interior surfaces of the glass windows and/or doors appurtenant to the Units of the Building, whether by draperies, shades or other items (including paint and decorations on the exterior of the Building), shall be subject to the rules and regulations of the Board.

17.07 Floor Coverings. In order to enhance the soundproofing of the Building, the floor covering for all occupied Units shall meet a certain minimum standard as may be specified by rules and regulations of the Board.

17.08 Pets, etc. No animals, reptiles, rabbits, livestock, fowl or poultry of any kind shall be raised, bred or kept in any Unit or in the Common Elements.

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

17.10 Unsightliness. No clothes, sheets, blankets, laundry nor any kind of 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.

17.11 Personal Effects. There shall be no parking of vehicles on any part of the Common Elements, except as permitted by the Board.

17.12 For Sale and For Rent Signs. No "For Sale" or "For Rent" signs shall be maintained or permitted on any part of the Property; provided that during all times that the Developer owns or has an interest in any Unit, the right is reserved by the Developer and its respective employees and agents, to maintain on the Property all models, sales and rental offices, advertising signs (including, without limitation, "For Sale" and "For Rent" signs), banners and lighting in connection therewith, at such locations on or adjacent to the Property and in such forms as they shall determine, together with the right of ingress, egress and transient parking therefor through the Common Elements.

The Developer has created uniform exterior signage standards which shall apply throughout the Property. No business signs, displays, nameplates or placards shall be used or affixed to the Common Elements or Limited Common Elements which have not been approved by the Developer or the Board. Unit occupants shall keep and maintain signs and placards made of such materials and in such design and forms as approved by the Board and no other signage shall be maintained in such Unit which is visible from the exterior.

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

17.14 Leases. The provisions of the Act, the Declaration, By-Laws, other Condominium Instruments, and rules and regulations that relate to the use of a Unit or the Common Elements shall be applicable to any Occupant or other person leasing a Unit and shall be deemed to be incorporated in any lease.

17.15 Board's Authority to Promulgate Rules. The Board shall have the authority to promulgate rules and regulations from time to time to supplement, implement and enforce the provisions of this Article XVII, and the other provisions of this Declaration and By-Laws.

ARTICLE XVIII

REMEDIES FOR BREACH OF COVENANTS RESTRICTIONS AND REGULATIONS

18.01 Abatement and Enjoinment. The violation of any restriction, or condition or regulation adopted by the Board, or the breach of any covenant or provisions herein contained, shall give the Board the right, in addition to the rights set forth in the next succeeding Section: (a) to enter upon that part of the Property where such violation or breach exists and 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 the provisions hereof, and the Developer, or its successors or assigns, or the Board, or its agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceeding, either at law or in equity, the continuance of any breach. All expenses of the Board in connection with such actions or proceedings including court costs and attorneys' fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the rate of twelve percent (12%) per annum, or at the maximum rate permitted under the usury laws of the State of Indiana (if, at the time such expenses and damages become due and payable to the Board, such usury limit is other than twelve percent per annum) until paid, and late payment charges and fines imposed by the Board shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of the same upon the Unit Owner and upon all of his additions and improvements thereto and upon all his personal property in his Unit or located elsewhere on the Property. The provisions of Section 16.08 and 16.09 regarding the establishment, priority and foreclosure of the lien arising by virtue of the nonpayment of charges or assessment shall be applicable to the lien provided for in this Section 18.01. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise by the Board.

18.02 Involuntary Sale. If any Unit Owner (either by his own conduct or by the conduct of any Occupant of his Unit) shall violate any of the covenants, restrictions or provisions of this Declaration, or the rules and regulations adopted by the Board, and such violation shall continue for thirty (30) days after notice in writing from the Board, or shall re-occur more than once after such notice, 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 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 members of the Board against the defaulting Unit Owner for a decree of mandatory injunction against the Unit Owner and/or Occupant or, in the alternative, for a decree declaring the termination of the defaulting Unit Owner's right to occupy, use or control the Unit owned by him on account of the said violation, and ordering that the right, title and ownership interest of the Unit Owner in and to the Unit 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 the ownership interest in his Unit at such judicial sale. The proceeds of any judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees, costs of title examinations, title insurance policies and other evidences of title, and all other expenses of the proceeding and sale and fines imposed by the Board, and all such items shall be taxed against the defaulting Unit Owner in such decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder and any liens against the Unit, shall be paid to the Unit

Owner. Upon the confirmation of such sale, the Purchaser 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 provide, that the Purchaser shall take title to the Unit sold subject to this Declaration.

ARTICLE XIX

DEVELOPER'S RESERVED RIGHTS

19.01 In General. In addition to any rights or powers reserved or granted to the Developer under the Act or the Condominium Instruments, the Developer shall have the rights and powers set forth in this Article. In the event of a conflict between the provisions of this Article and any other provisions of the Condominium Instruments, the provisions of this Article shall govern. Except as otherwise provided in this Article, Developer's rights under this Article shall terminate at such time as Developer is not vested with or controls title to a Unit; provided, however, that if the Developer shall sell a Unit pursuant to an installment contract for deed, articles of agreement for deed or other agreement providing for deferred delivery of deed or if title to a Unit is conveyed by the Developer and, in connection therewith, the Developer receives a mortgage or trust deed in partial satisfaction of the purchase price, and subsequent to any such sale or conveyance the Purchaser of such Unit defaults in its obligations to the Developer under any such contract, agreement, mortgage or trust deed and as a consequence thereof, the Developer reacquires ownership of such Unit, then Developer's rights under this Article shall again be in force upon such reacquisition of ownership of any such Unit notwithstanding the fact that, during a period of time prior to such reacquisition, the Developer may not have been vested with or controlled title to any Unit.

19.02 Sales and Rental Efforts. In addition to those rights reserved to Developer and its respective employees and agents pursuant to Section 17.12, the provisions of which are incorporated into this Section, Developer may occupy or grant permission to any person or entity to occupy, with or without rental, as determined by the Developer, one or more Units for business or promotional purposes, including clerical activities, sales and rental offices, model Units for display and the like and to utilize all walkways, roadways, the Parking Area (except for those portions thereof consisting of Parking Spaces, if any, which are assigned to Units not owned by the Trustee or the Developer), and other Common Elements for ingress, egress and transient parking for all invitees, employees and agents, in connection with the development of the Property and the sale or leasing of Units. The aforesaid rights and privileges are hereby given, and may be exercised and utilized, all without the payment of any fee or charge whatsoever to the Board, the Association or the other Unit Owners.

19.03 Subdivision or Combination of Units. Developer shall have the right to subdivide or combine units and locate or relocate common elements affected or required thereby and to reallocate to the Units the percentage interest in the common elements.

19.04 Construction. Developer, its agents, contractors, subcontractors, material suppliers and employees shall have the right to come upon the Property for the purpose making alterations or improvements to, and completing construction of the Property and shall have the right to store equipment and materials used in

connection with such work on the Property without payment of any fee or charge whatsoever to the Board, the Association or the other Unit Owners.

19.05 Control of Board. Until the initial meeting of the Unit Owners and the election of the Board, the rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Board by the Act, this Declaration and By-Laws shall be held and performed by the Developer. The Developer may hold and perform such rights and obligations through and as the Board.

ARTICLE XX

GENERAL PROVISIONS

20.01 Notice to Mortgagees. Upon written request to the Board the holder of any duly recorded mortgage or trust deed against any Unit Ownership shall be given a copy of any and all notices permitted or required by this Declaration to be given to the Unit Owner whose Unit is subject to such mortgage or trust deed.

20.02 Notices to the Board, Association and Unit Owners. Notices provided for in this Declaration and in the Act shall be in writing, and shall be addressed to the Board or Association, or any Unit Owner, as the case may be, at the Unit Owner's last known address (indicating thereon the number of the respective Unit if addressed to a Unit Owner), or at such other address as herein provided. The Association or Board may designate a different address or addresses for notices to them, respectively, by giving written notice of such change of address to all Unit Owners. Any Unit Owner may also designate a different address for notices to him by giving written notice of his change of address to the Board or Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail or when delivered in person with written acknowledgment of the receipt thereof, or if addressed to a Unit Owner, when deposited in his mailbox in the Building or at the door of his Unit in the Building.

20.03 Notice to Decedent. Notice required to be given any devisee or personal representative of a deceased Unit Owner may be delivered either personally or by mail to such party at his or its address appearing in the records of the court wherein the estate of such deceased Unit Owner is being administered.

20.04 Binding Effect. Each grantee of the Trustee, by acceptance of a deed of conveyance, or each Purchaser under any contract for such deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights, and powers created or reserved by this Declaration, and all 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 the Property or any Unit, and shall inure to the benefit of such Unit Owner in like manner as though the provisions of the Declaration were recited and stipulated at length in each and every deed or conveyance.

20.05 Waiver. No covenants, restrictions, conditions, obligations, or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

20.06 Amendments.

(a) There is reserved to the Developer the right and power to record or cause to be recorded a special amendment ("Special Amendment") to any of the Condominium Instruments, the purpose of which is to bring the Condominium Instruments into compliance with the legal requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the United States Veterans Administration, or their respective successor and assigns. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Developer to vote in favor of, make, consent to and approve a Special Amendment on behalf of each Unit Owner and all holders of mortgages and trust deeds on the Units as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Developer to vote in favor of, make, execute and record (or cause to be made, executed and recorded) Special Amendments. The right of the Developer to act pursuant to rights reserved or granted under this paragraph shall terminate on the latest date on which the initial membership meeting of the Unit Owners must be held as provided in Section 15.02(b), whether or not it has actually been held.

(b) If there is any Unit Owner other than the Developer, the Condominium Instruments may be amended only upon the affirmative vote of three-fourths (3/4) of the Unit Owners; provided, however, that if any provision of the Act or any other provision of this Declaration expressly provides for different methods of amendment or different majorities of affirmative votes necessary to amend, such provisions shall control over the foregoing provisions of this Section 20.06(b). Prior to recording of any amendment to the Condominium Instruments, an affidavit, executed by an officer of the Association, shall be attached to such amendment. Such affidavit must certify that the requisite affirmative vote of Unit Owners (or of the Board, if applicable) and the approval of all mortgagees having bona fide liens of record against the Units (only if the amendment in question is such that Section 20.06(h) of this Declaration expressly requires such approval by mortgagees) has been made and given and that a copy of the amendment has been mailed by certified mail to all mortgagees having bona fide liens of record against the Units no less than ten (10) days prior to the date of such affidavit.

(c) If there is an omission or error in the Declaration, By-Laws or other Condominium Instruments, the Association may correct the error or omission by an amendment to the Declaration, By-Laws, or other Condominium Instrument in such respects as may be required to conform to the Act, any other applicable statute or this Declaration, by vote of two-thirds of the members of the Board or by a majority vote of the Unit Owners at a meeting called for such purpose, unless the Act specifically provides for greater vote percentages or different procedures.

(d) If through a scrivener's error, a Unit has not been designated as owning an appropriate undivided share of the Common Elements or does not bear an appropriate share of the common expenses or if all the common expenses or all of the Common Elements in the Property have not been distributed in this

Declaration, so that the sum total of the shares of the common expenses fail to equal 100%, or if it appears that more than 100% of the Common Elements or common expenses have been distributed, the error may be corrected by operation of law by filing an amendment to the Declaration approved by vote of two-thirds of the members of the Board or by a majority vote of the Unit Owners at a meeting called for such purpose which proportionately adjusts all percentage interests so that the total is equal to 100%.

(e) If an omission or error or a scrivener's error in the Declaration, By-Laws or other Condominium Instruments is corrected by vote of two-thirds of the members of the Board pursuant to the authority established in Sections 20.06(c) and (d), the Board, upon written petition by Unit Owners with at least 20 percent of the votes of the Association filed within 30 days of the Board action, shall call a meeting of the Unit Owners within 30 days of the filing of the petition to consider the Board action. Unless a majority of the votes of the Unit Owners of the Association are cast at the meeting to reject the action, such action is ratified whether or not a quorum is present.

(f) The procedures for amendments set forth in Sections 20.06(c), (d) and (e) cannot be used if such an amendment would materially or adversely affect property rights of the Unit Owners unless the affected Unit Owners consent in writing. Sections 20.06(c), (d) and (e) do not restrict the powers of the Association to otherwise amend this Declaration, the By-laws or other Condominium Instruments, but authorizes a simple process of amendment requiring a lesser vote for the purpose of correcting defects, errors or omissions when the property rights of the Unit Owners are not materially or adversely affected.

(g) If there is an omission or error in the Declaration, By-Laws or other Condominium Instruments, which may not be corrected by an amendment procedure set forth in Sections 20.06(c) and (d) then the Circuit Court in the County in which the Property is located shall have jurisdiction to hear a petition of one or more of the Unit Owners thereon or of the Association, to correct the error or omission, and the action may be a class action. The court may require that one or more methods of correcting the error or omission be submitted to the Unit Owners to determine the most acceptable correction. All Unit Owners in the Association must be joined as parties to the action. Service of process on Unit Owners may be by publication, but the plaintiff shall furnish all Unit Owners not personally served with process with copies of the petition and final decree of the court by certified mail return receipt requested, at their last known addresses.

(h) The provisions of this Section 20.06 hereof may be amended, changed or modified only by an instrument in writing setting forth such amendment, change or modification, signed by all members of the Board, and approved by all of the Unit Owners and all mortgagees having bona fide liens of record against any Unit.

(i) Any amendment, change or modification of the Condominium Instruments shall be effective upon the recording of such instrument in the Office of the Recorder of Deeds of Lake County, Indiana, unless the instrument sets forth a different effective date. No provision in the Condominium Instruments may be amended, changed or modified so as to conflict with the provisions of the Act. A copy of any amendment, change or modification shall be provided to all Unit Owners. Unless otherwise provided by the Act, amendments to the Condominium Instruments shall be executed and recorded by the President of the Association or by such other officer authorized by the Board.

(j) No amendment which affects the rights, privileges or obligations of the Trustee, its beneficiaries, the Developer or their respective agents, successors or assigns shall be effective without the prior written consent (contained on the face of any such amendment) of any such party whose rights, privileges or obligations are, or would be, so affected. This Section 20.06(j) cannot be amended without the prior written consent of the Developer.

(k) Except to the extent authorized by provisions of the Act and except as otherwise specifically provided in Sections 20.06(c) and (d) hereof (as qualified by Section 20.06(f), no amendment to the Condominium Instruments (including any amendment authorized by Section 20.06(a) of this Article XXI) shall change the boundaries of any Unit or other undivided interests in the Common Elements, the number of votes in the Association or the liability for common expenses appertaining to the Unit.

20.07 Severability and Inconsistent Provisions. All provisions of this Declaration, the By-Laws and other Condominium Instruments are severable. The invalidity of any covenants, restrictions, conditions, limitations or any other provision of this Declaration, the By-Laws or other Condominium Instruments or of any part of the same, shall not impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration, the By-Laws or other Condominium Instruments. Except to the extent otherwise provided in this Declaration, the By-Laws or other Condominium Instruments, the conflicting provisions of this Declaration shall prevail except to the extent that such conflicting provisions of this Declaration are inconsistent with the Act.

20.08 Perpetuities and Restraints. 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 rules restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such covenants and rights created by this Declaration shall expire upon the last to die of the now living lawful descendants of George W. Bush, President of the United States.

20.09 Liens. In the event any lien exists against two (2) or more Units and the indebtedness secured by such lien is due and payable, the Unit Owner of any such Unit so affected may remove such Unit and the undivided interest in the Common Elements appertaining thereto from such lien by payment of the proportional amount of such indebtedness attributable to such Unit. In the event such lien exists against the Units or against the Property, the amount of such proportional payment shall be computed on the basis of the percentage set forth in the Declaration. Upon payment as herein provided, it is the duty of the encumbrancer to execute and deliver to the Unit Owner, a release of such Unit and undivided interest in the Common Elements appertaining thereto from such lien.

A Unit Owner shall not be solely liable for any claims, damages or judgments entered as a result of any action or inaction of the Board. Rather, each Unit Owner's liability therefor shall be limited to his proportionate share of the indebtedness as set forth herein, whether collection is sought through assessment or otherwise. A Unit Owner shall be liable for any claim, damage or judgment entered as a result of the use or operation of his Unit, or caused by his own conduct regardless of whether or not negligence was involved. Before conveying a Unit, the Developer shall record or furnish to the Purchaser releases of all liens affecting that Unit and its Common Element interest which the Purchaser does not expressly agree to take subject to or assume, or the Developer shall provide a surety bond or substitute collateral for or

insurance against such liens. After conveyance of such Unit, no mechanics' lien shall be created against such Unit or its Common Element interest by reason of any subsequent contract by the Developer to improve or make additions to the Property.

If, as a result of work expressly authorized by the Board, a mechanics' lien claim is placed against the Property or any portion of the Property, each Unit Owner shall be deemed to have expressly authorized it and consented thereto, and shall be liable for the payment of his Unit's proportionate share of any due and payable indebtedness.

20.10 Waiver of Claims. Except to the extent specifically provided otherwise in the Act and all other applicable laws, the Trustee, its beneficiaries, the Developer and their respective representatives, employees, agents and designees, shall not be liable for any claim whatsoever arising out of or by reason of any actions performed pursuant to any authority granted to or delegated by any of the aforesaid, or performed pursuant to this Declaration, or performed in the Trustee's (and its beneficiaries') and Developer's (and their respective representatives, employee', agents and designees), the Board, manager, managing agent or seller of the Property or the Units whether or not such claim: (a) shall be asserted by any Unit Owner, Occupant, the Board or the Association, or by any person or entity claiming through any of them; or (b) shall be on account of injury to person or damage to or loss of property wherever located and however caused; or (c) shall arise out of contractual obligations or out of tortious or negligent acts, errors, or omissions (except in case of willful malfeasance). Without limiting the generality of the foregoing, the foregoing enumeration includes all claims for, or arising by reason of, the Property or any part thereof being or becoming out of repair or containing any patent or latent defects, or by reason of any act or neglect of any Unit Owner, Occupant, the Board, the Association, and their respective agents, employees, guests, and invitees, or by reason of any damage to or from any neighboring property or personal property located on or about the Property, or by reason of the failure to function, or disrepair of, any utility services.

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

20.12 Headings. The headings and captions contained herein are inserted for convenient reference only and shall not be deemed to construe or limit the Sections and Articles to which they apply.

20.13 Land Trust Unit Owners Exculpation. In the event title to any Unit is conveyed to a land title holding trust, under the terms of which all powers of management, operation and control of the Unit remain vested in the trust beneficiary or beneficiaries, then such beneficiary or beneficiaries shall be charged with and be responsible for payment of all obligations, liens, or indebtedness and for the performance of all agreements, covenants, and undertakings chargeable or created under this Declaration against any such 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 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 Unit.

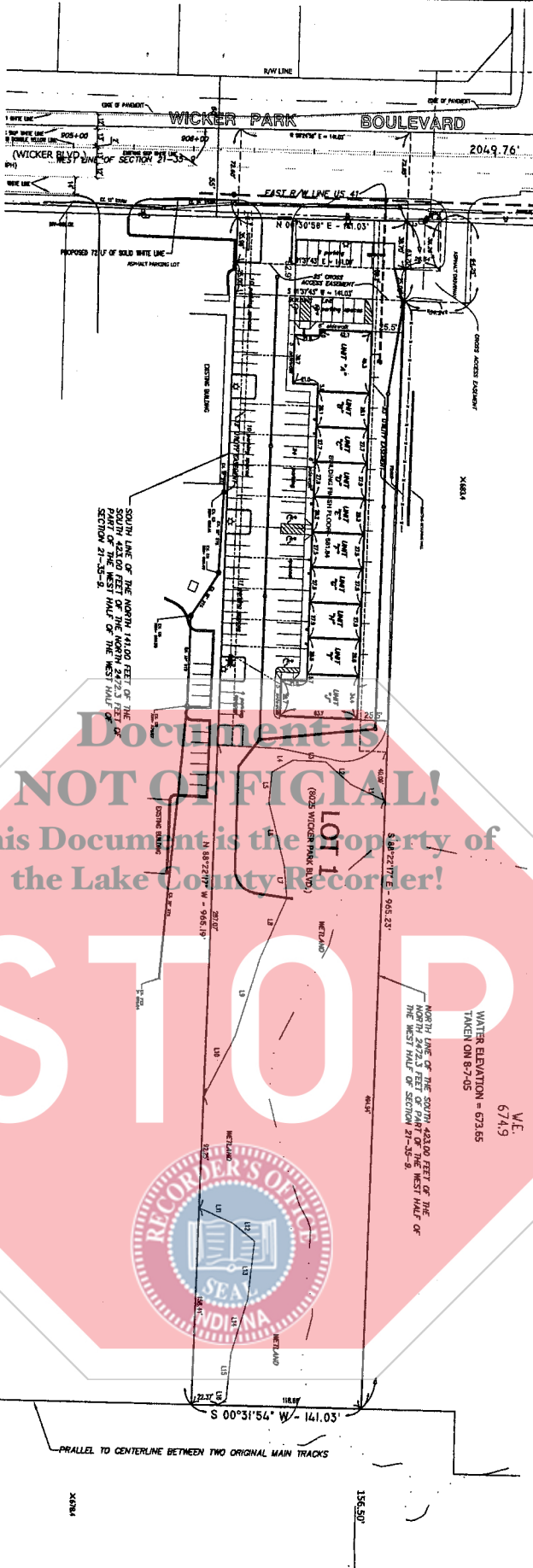
EXHIBIT 'A'

SITE PLAN OF PROPERTY



SITE PLAN TRI-TOWN COMMONS

LEGAL DESCRIPTION: Lot 1, Tri-Town Commons an Addition to the Town of Schererville, Lake County, Indiana as recorded in plat book 100, page 4 in the Office of the Recorder Lake County, Indiana.



STATE OF INDIANA) ss.
 COUNTY OF LAKE)
 TORRENGA SURVEYING, LLC
 THIS IS TO CERTIFY THAT THIS SITE PLAN FOR THE ABOVE DESCRIBED PROPERTY IS A TRUE AND CORRECT REPRESENTATION OF THE SURVEY AND INFORMATION SUPPLIED BY THE CLIENT.



STOP

Document is NOT OFFICIAL!
 This Document is the property of the Lake County Recorder!

UNIT	AREA (Square Feet)	AREA (sq)
A	2913	20.05
B	1189	8.25
C	1184	8.15
D	1186	8.16
E	1203	8.28
F	1171	8.06
G	1189	8.16
H	1189	8.16
I	1229	8.46
J	2067	14.23
TOTAL	14530	100.00

Client representation and liability of the system contained and controlled by the system, which is not a part of the system, and the system is not a part of the system. The system is not a part of the system. The system is not a part of the system. The system is not a part of the system.

- LEGEND:**
- ☆ LIGHT POLE
 - ⊗ FIRE HYDRANT
 - ⊕ WATER VALVE
 - ⊖ POWER POLE
 - SBC BOX
 - SANITARY SEWER MANHOLE
 - SANITARY MAIN
 - SANITARY SEWER LINE
 - FENCE
 - EXISTING GRADE
 - EXISTING CONTOUR LINE

CLIENT: K & D DEVELOPMENT JOB NO: 0393-07 DRAWN: MC SCALE: 1/8"=1'-0"	DATE: MAY 15, 2007	EXHIBIT 'A' SITE PLAN TRI-TOWN COMMONS SCHERERVILLE, LAKE COUNTY, INDIANA	TORRENGA SURVEYING, LLC PROFESSIONAL LAND SURVEYORS 907 RIDGE ROAD, MUNSTER, INDIANA 46321 TEL. NO.: (219) 834-6918 WEBSITE: WWW.TORRENGA.COM	
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EXHIBIT 'B'

PERCENTAGE OF OWNERSHIP

IN COMMON ELEMENTS FOR CONDOMINIUM UNITS

UNIT	AREA (Square Feet)	AREA (%)
A	2,913	20.05
B	1,199	8.25
C	1,184	8.15
D	1,186	8.16
E	1,203	8.28
F	1,171	8.06
G	1,189	8.18
H	1,189	8.18
I	1,229	8.46
J	2,067	14.23
TOTAL	14,530	100.00

