

COPY

JUN 7 1996

Execution Copy
4/15/96

3835078

DECLARATION OF
PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
THE CUNEO NORTH COMMERCIAL PROPERTY

This declaration of protective covenants, conditions, and restrictions, made and executed effective this ~~21~~ day of ~~June~~, 1996 by Bank of America Illinois, John F. Cuneo, Jr., Consuela Cuneo McAlister, and William G. Myers, as successor Trustees under Declaration of Trust dated August 12, 1935 (said Trustee and said Trust are hereinafter collectively referred to as "Declarant").

WITNESSETH

WHEREAS, Declarant is the owner of the real property legally described in Exhibit A of this Declaration (referred to herein as the "Cuneo North Commercial Property"), and is desirous of subjecting the Cuneo North Commercial Property to the conditions, covenants, restrictions, reservations, undertakings, and agreements hereinafter set forth (sometimes hereinafter collectively referred to as the "Covenants"), and

WHEREAS, each and all of the Covenants is and are intended to be, and by this Declaration shall be made, binding upon the Cuneo North Commercial Property and upon each Owner of any part thereof and every other party having any interest therein, and

WHEREAS, each and all of the Covenants is and are intended to, and by this Declaration shall be made to inure to the benefit of and run with and bind the Cuneo North Commercial Property, and each and every part thereof;

NOW, THEREFORE, Declarant hereby declares that: the Cuneo North Commercial Property, and each and every part thereof, is, and shall be, held, transferred, sold, conveyed, used, and occupied subject to the terms and conditions of this Declaration and the Covenants; the Covenants shall run with and bind the Cuneo North Commercial Property and be binding on all parties presently having or hereafter acquiring any right, title, or interest in the Cuneo North Commercial Property, or any part thereof, and their successors and assigns; and the Covenants shall inure to the benefit of each and every present and future Owner of the Cuneo North Commercial Property or any part thereof, all as more fully set forth in the following Clauses:

CLAUSE I

PROPERTY SUBJECT TO AND
BENEFITING FROM THIS DECLARATION

The Cuneo North Commercial Property to be held, transferred, sold, conveyed, used, and occupied subject to the terms and conditions of this Declaration and the Covenants is located entirely within the Village of Vernon Hills and Lake County, Illinois, and is more particularly and legally described in Exhibit A attached hereto and incorporated herein by this reference.

CLAUSE II

GENERAL PURPOSES OF THIS DECLARATION

The Cuneo North Commercial Property is to be held, transferred, sold, conveyed, used, and occupied subject to the terms and conditions of this Declaration and the Covenants to ensure the otherwise proper use and appropriate development and improvement of the Cuneo North Commercial Property and every part thereof.

CLAUSE III

DEFINITIONS

BUILDING. Any structure intended or used for the shelter, housing, or enclosure of any Person, animal, or chattel.

COUNTY. The County of Lake, an Illinois body politic and corporate.

DECLARANT. Bank of America Illinois, John F. Cuneo, Jr., Consuela Cuneo McAlister, and William G. Myers, as successor Trustees under Declaration of Trust dated August 12, 1935.

FAMILY. One or more natural persons each related to the other by blood, marriage, or legal adoption, or any other group of persons defined as a family in the codes and ordinances of the County or the Village.

OWNER. The Person or Persons whose estates or interests, individually or collectively, aggregate fee simple ownership of all or any portion of the Cuneo North Commercial Property. "Owner" shall specifically include, but shall not be limited to, each and any beneficiary of any title-holding land trust, controlling shareholder of any corporation, or partner of any partnership

holding legal title to all or any portion of the Cuneo North Commercial Property. "Owner" shall mean and refer to the Declarant as to all or any portion of the Cuneo North Commercial Property that is owned by the Declarant or by any nominee or agent of the Declarant. "Owner" shall include the heirs or devisees of a record owner of any portion of the Cuneo North Commercial Property who is deceased. "Owner" shall not, however, notwithstanding any applicable provision of any mortgage, mean or refer to a mortgagee or any other Person having an interest in any such portion of the Cuneo North Commercial Property merely as security for the performance of an obligation unless and until such mortgagee or other holder of a security interest has acquired title pursuant to foreclosure or by deed in lieu of foreclosure.

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

RESIDENTIAL BUILDING. Any Building containing one or more rooms originally designed, subsequently altered, or used for living quarters for one or more Families, but excluding rooms designed, intended, and used exclusively as hotel or motel rooms for transient guests.

RETAIL COMMERCIAL. The sale of products, recreation, or services directly to ultimate consumers, but specifically excluding, without limitation, all warehouse and wholesale uses and operations.

VILLAGE. The Village of Vernon Hills, an Illinois municipal corporation.

CLAUSE IV

SPECIFIC COVENANTS AND RESTRICTIONS

A. RESIDENTIAL USE PROHIBITED. No Residential Building shall be developed, constructed, installed, used, or maintained at any time or at any place within the Cuneo North Commercial Property.

B. USE AND DEVELOPMENT. The Cuneo North Commercial Property shall not be developed or used for any purpose other than office, hotel, and Retail Commercial uses.

C. EASTERN BOUNDARY BUFFER. Except only for authorized points of vehicular access, all portions of the Cuneo North Commercial Property lying within 50 feet west of the west right-of-way line of Milwaukee Avenue, as such right-of-way line is legally established or adjusted from time-to-time, shall be either (i) maintained in an undeveloped condition or (ii) improved and maintained as landscaped open spaces in accordance with plans

to be approved in advance by the Village and, with respect to traffic safety matters only, by the County's Division of Transportation. No other development or use shall be permitted within said portion of the Cuneo North Commercial Property.

CLAUSE V

GENERAL PROVISIONS

A. TERM. This Declaration and the Covenants shall continue and be binding in perpetuity commencing from the date of recording of this Declaration with the Recorder of Deeds of Lake County, Illinois.

B. NATURE AND SURVIVAL OF OBLIGATION. The Covenants herein set forth shall run with the land and bind the Cuneo North Commercial Property and Declarant, its successors, grantees, and assigns, and all parties claiming by, through, or under them. The County, the Village, the Declarant, and any Owner, shall each have an independent right to sue for and obtain a prohibitive or mandatory injunction, or any other equitable remedy, to prevent the breach, or to enforce the observance, of the Covenants and the terms and conditions of this Declaration, in addition to the right to bring an action for damages.

C. ABATEMENT OF VIOLATIONS. If there shall be any Residential Building or any other structure on the Cuneo North Commercial Property that is and remains in violation of the Covenants, or any of them, or of any of the other terms and conditions of this Declaration, for a period of 30 days after receipt by the Owner of the portion of the Cuneo North Commercial Property on which such Residential Building or other structure is located, of written notice of such violation from the Declarant, the Village, or the County, then the Declarant, the Village, or the County, as the case may be, collectively or individually, or Persons authorized by them, or any one of them, shall have, in addition to the foregoing rights, the right to enter upon the Cuneo North Commercial Property and to summarily abate or remove such Residential Building or other structure at the expense of the Owner, and such entry and abatement or removal shall not be deemed a trespass.

D. AMENDMENT OF COVENANTS. This Declaration and the Covenants shall not be modified, revoked, amended, or supplemented in whole or in part unless done with prior written approval by the Declarant, the Village, and the County by their respective corporate authorities and pursuant to resolutions duly adopted by said corporate authorities.

E. COVENANTS AND LIENS SUBORDINATE TO MORTGAGES. All Covenants, liens, and other provisions herein set forth shall be subject to and subordinate to all mortgages or deeds of trust in the nature of a mortgage now or hereafter executed encumbering any portion of the Cuneo North Commercial Property. None of said Covenants, liens, or other provisions shall supersede or in any way reduce the security or affect the validity of any such mortgage or deed of trust in the nature of a mortgage. However, if any such portion of the Cuneo North Commercial Property is acquired in lieu of foreclosure, or is sold under foreclosure of any mortgage or under the provision of any deed of trust in the nature of a mortgage, or under judicial sale, any purchaser at such sale, his or its grantees, heirs, personal representatives, successors, or assigns shall hold any and all of such portions of the Cuneo North Commercial Property so purchased subject to the Covenants and the provisions of this Declaration.

F. SEVERABILITY. If a court of competent jurisdiction shall hold invalid or unenforceable any part of any Covenant or other provision contained in this Declaration, such holding shall not impair, invalidate, or otherwise affect the remainder of this Declaration or any other Covenant, all of which shall remain in full force and effect.

G. WAIVER. In no event shall the failure of Declarant, the Village, the County, or any other Person to enforce any of the Covenants or any of the other terms and conditions of this Declaration, as to any violation be deemed to be a waiver of the right to do so as to any violation, nor shall such failure entitle any Owner to claim, sue for, or receive any damages or other payment from Declarant, the Village, the County, or any other Person.

H. VILLAGE AND COUNTY ORDINANCES. The Declarant's or any Owner's compliance with the provisions of any Village or County ordinance, rule, or regulation shall not necessarily be deemed to constitute compliance with this Declaration or the Covenants, and the Declarant and any such Owner must also comply with this Declaration and the Covenants to the extent they are more restrictive of the development and use to be allowed on the Cuneo North Commercial Property.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed and attested as of the day and year first above written.

DECLARANT

BANK OF AMERICA ILLINOIS, JOHN F. CUNEO, JR., CONSUELA CUNEO McALISTER, WILLIAM G. MYERS, as Successor Trustees under Declaration of Trust dated August 12, 1935,

By:

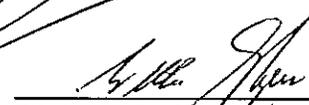
Bank of America Illinois



Vice President



John F. Cuneo, Jr.



William G. Myers.

Who by their above signatures warrant and represent that they are a majority of said Trustees and, as such majority, are duly and fully authorized to act for, and to bind, all of said Trustees and the aforesaid Trust.

Prepared by:

Burke, Weaver & Prell
55 West Monroe Street
Suite 800
Chicago, Illinois 60603
(312) 263-3600

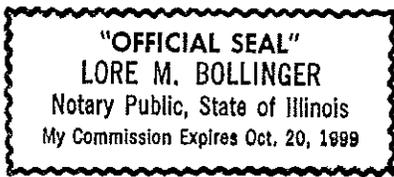
After recording, return to:

Burke, Weaver & Prell
55 West Monroe Street
Suite 800
Chicago, Illinois 60603
(312) 263-3600

STATE OF ILLINOIS)
)SS
COUNTY OF LAKE)

I, LORE M. BOLLINGER, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that LEONARD P. DIORIO, personally known to me to be the Vice President of Bank of America Illinois and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Vice President of said Corporation, he caused the corporate seal of said Corporation to be affixed thereto, as his free and voluntary act and as the free and voluntary act and deed of said Corporation, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal, this 16th day of MAY, 1996.



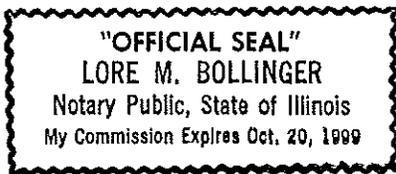
Lore M. Bollinger
Notary Public

My Commission expires:
OCTOBER 20, 1999

STATE OF ILLINOIS)
)SS
COUNTY OF LAKE)

John F. Cuneo, Jr. and William G. Myers, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me on this 16th day of MAY, 1996, in person and acknowledged that they signed and delivered the said instrument as their respective free and voluntary acts for the uses and purposes set forth.

Given under my hand and Notarial Seal, this 16th day of MAY, 1996.



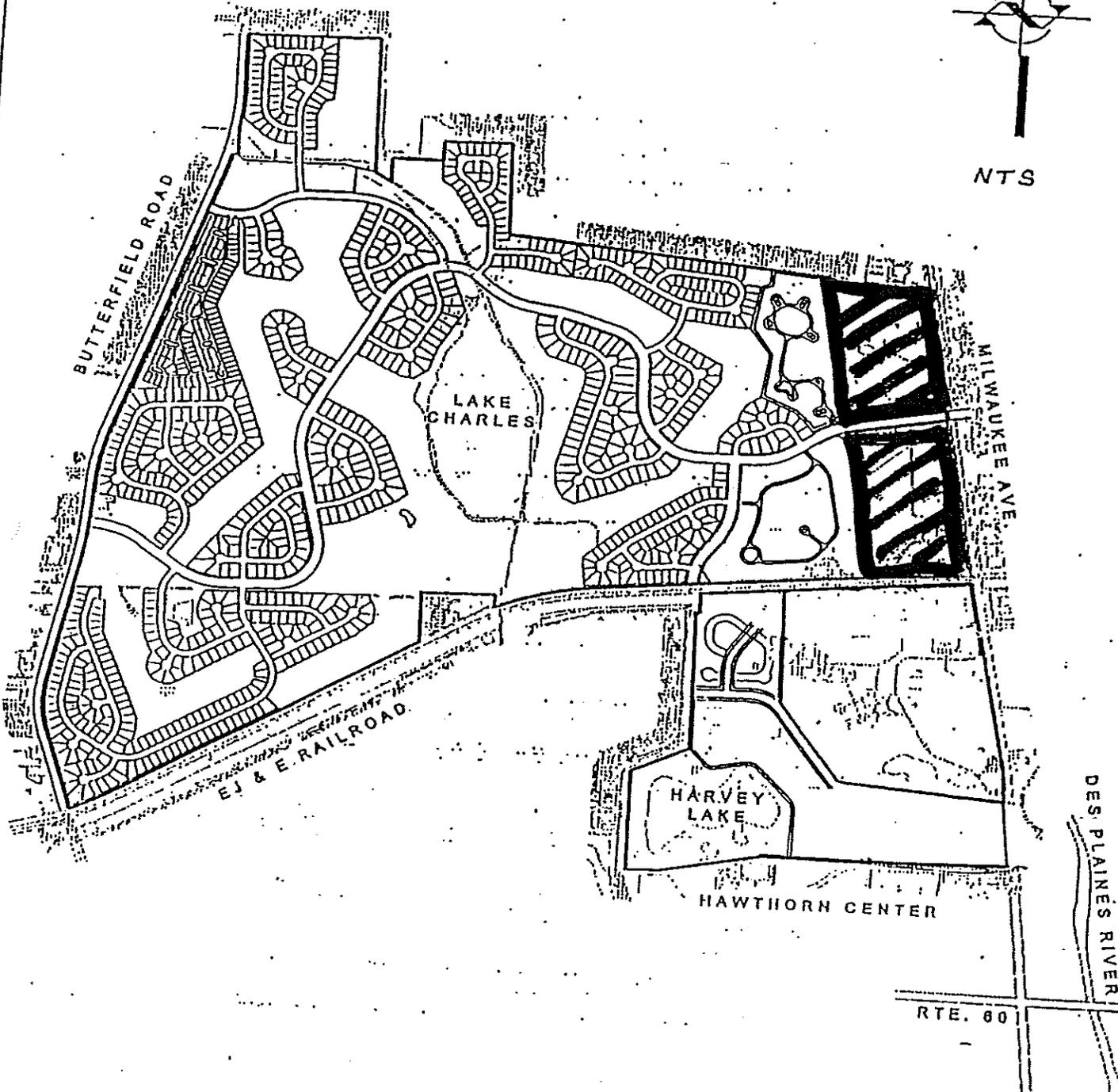
Lore M. Bollinger
Notary Public

My Commission expires:
OCTOBER 20, 1999

Cuneo North Commercial



NTS



THE ZALE COMPANIES

100 Lexington Drive, Suite 100
Buffalo Grove, Illinois 60089-6931
(708)537-0101

CUNEO NORTH COMMERCIAL PROPERTY

CUNEO NORTH COMMERCIAL
(north)

(prepared march 29, 1995)
(revised january 22, 1996)

THAT PART OF SECTION 28, TOWNSHIP 44 NORTH, RANGE 11, EAST OF THE
THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF MILWAUKEE
AVENUE (STATE ROUTE NO. 21) AS WIDENED BY CONDEMNATION IN CIRCUIT
COURT, LAKE COUNTY, ILLINOIS, CASE NO. 65-2323 WITH THE SOUTHERLY
LINE OF LOT 6 IN ERNST HECHT ESTATE SUBDIVISION ACCORDING TO THE
PLAT THEREOF RECORDED MAY 23, 1918 AS DOCUMENT NO. 177862, THENCE
SOUTH 11 DEGREES 10 MINUTES 04 SECONDS EAST ALONG SAID WESTERLY
LINE 399.61 FEET; THENCE SOUTH 78 DEGREES 49 MINUTES 56 SECONDS
WEST ALONG SAID WESTERLY LINE 10.00 FEET; THENCE SOUTH 11 DEGREES
10 MINUTES 04 SECONDS EAST ALONG SAID WESTERLY LINE 300.00 FEET;
THENCE NORTH 78 DEGREES 49 MINUTES 56 SECONDS EAST ALONG SAID
WESTERLY LINE 15.00 FEET; THENCE SOUTH 11 DEGREES 10 MINUTES 04
SECONDS EAST ALONG SAID WESTERLY LINE 610.64 FEET TO AN
INTERSECTION WITH A LINE 50.00 FEET, AS MEASURED AT RIGHT ANGLES,
NORTHERLY OF AND PARALLEL WITH A LINE HEREINAFTER REFERRED TO AS
LINE "A", SAID LINE "A" BEING A LINE DRAWN AT RIGHT ANGLES TO THE
CENTER LINE OF SAID MILWAUKEE AVENUE (STATE ROUTE NO. 21) FROM
THE POINT OF INTERSECTION OF SAID CENTER LINE OF MILWAUKEE AVENUE
WITH THE CENTER LINE OF ARTAIUS PARKWAY IN ARTAIUS SUBDIVISION
NO. 2, BEING A SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED
AUGUST 6, 1979 AS DOCUMENT NO. 2012025, SAID POINT OF
INTERSECTION BEING 1346.87 FEET, AS MEASURED ALONG SAID CENTER
LINE OF MILWAUKEE AVENUE, SOUTHERLY OF THE INTERSECTION OF SAID
CENTER LINE OF MILWAUKEE AVENUE WITH THE SOUTHERLY LINE OF SAID
LOT 6 IN ERNST HECHT ESTATE SUBDIVISION; THENCE SOUTH 78 DEGREES
49 MINUTES 56 SECONDS WEST ALONG SAID PARALLEL LINE 1010.00 FEET
TO A POINT OF CURVATURE; THENCE WESTERLY ALONG THE ARC OF A
CIRCLE, CONVEX NORTHERLY, HAVING A RADIUS OF 720.00 FEET, AN ARC
DISTANCE OF 25.00 FEET (THE CHORD OF SAID ARC BEARS NORTH 77
DEGREES 50 MINUTES 15 SECONDS EAST, 25.00 FEET) TO THE
INTERSECTION WITH A LINE 1075.00 FEET, AS MEASURED AT RIGHT
ANGLES, WESTERLY OF AND PARALLEL WITH THE CENTER LINE OF SAID
MILWAUKEE AVENUE (STATE ROUTE NO. 21); THENCE NORTH 11 DEGREES 10
MINUTES 04 SECONDS WEST ALONG SAID LAST DESCRIBED PARALLEL LINE,
1616.86 FEET TO THE INTERSECTION OF THE SOUTHERLY LINE OF LOT 6
IN SAID ERNST HECHT ESTATE SUBDIVISION; THENCE SOUTH 84 DEGREES
36 MINUTES 46 SECONDS EAST ALONG SAID SOUTHERLY LINE 1074.54 FEET
TO THE POINT OF BEGINNING, IN LAKE COUNTY ILLINOIS.

CONTAINING 1507292 SQUARE FEET OR 34.60 ACRES MORE OR LESS

CUNEO NORTH COMMERCIAL PROPERTY

CUNEO NORTH COMMERCIAL
(south)

(prepared march 29, 1995)
(revised january 22, 1996)

THAT PART OF SECTION 28 AND 33, TOWNSHIP 44 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF MILWAUKEE AVENUE (STATE ROUTE NO. 21) AS WIDENED BY CONDEMNATION IN CIRCUIT COURT, LAKE COUNTY, ILLINOIS, CASE NO. 65-2323 WITH A LINE 50.00 FEET, AS MEASURED AT RIGHT ANGLES, SOUTHERLY OF AND PARALLEL WITH A LINE HEREINAFTER REFERRED TO AS LINE "A", SAID LINE "A" BEING A LINE DRAWN AT RIGHT ANGLES TO THE CENTER LINE OF SAID MILWAUKEE AVENUE (STATE ROUTE NO. 21) FROM THE POINT OF INTERSECTION OF SAID CENTER LINE OF MILWAUKEE AVENUE WITH THE CENTER LINE OF ARTAIUS PARKWAY IN ARTAIUS SUBDIVISION NO. 2, BEING A SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 6, 1979 AS DOCUMENT NO. 2012025, SAID POINT OF INTERSECTION BEING 1346.87 FEET, AS MEASURED ALONG SAID CENTER LINE OF MILWAUKEE AVENUE, SOUTHERLY OF THE INTERSECTION OF SAID CENTER LINE OF MILWAUKEE AVENUE WITH THE SOUTHERLY LINE OF LOT 6 IN ERNST HECHT ESTATE SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED MAY 23, 1918 AS DOCUMENT NO. 177862; THENCE SOUTH 78 DEGREES 49 MINUTES 56 SECONDS WEST ALONG SAID PARALLEL LINE 1010.00 FEET TO A POINT OF CURVATURE; THENCE WESTERLY ALONG THE ARC OF A CIRCLE, CONVEX NORTHERLY, HAVING A RADIUS OF 620.00 FEET, THENCE WESTERLY ALONG A CURVED LINE CONVEX NORTHERLY, HAVING A RADIUS OF 620.00 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AT SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 25.00 FEET TO THE INTERSECTION WITH A LINE 1075.00 FEET, AS MEASURED AT RIGHT ANGLES, WESTERLY OF AND PARALLEL WITH THE CENTERLINE OF SAID MILWAUKEE AVENUE (STATE ROUTE NO. 21), (THE CHORD OF SAID ARC BEARS SOUTH 77 DEGREES 40 MINUTES 51 SECONDS WEST, 25.00 FEET); THENCE SOUTH 11 DEGREES 10 MINUTES 04 SECONDS EAST ALONG SAID LAST DESCRIBED PARALLEL LINE AND SAID PARALLEL LINE EXTENDED SOUTHERLY, 1555.23 FEET TO AN INTERSECTION WITH THE NORTHERLY RIGHT-OF-WAY OF THE ELGIN, JOLIET AND EASTERN RAILWAY; THENCE NORTH 84 DEGREES 30 MINUTES 01 SECONDS EAST ALONG SAID NORTHERLY RIGHT OF WAY LINE 1036.42 FEET TO AN INTERSECTION WITH THE WESTERLY LINE OF SAID MILWAUKEE AVENUE; THENCE NORTH 11 DEGREES 05 MINUTES 47 SECONDS WEST ALONG SAID WESTERLY LINE 522.45 FEET; THENCE NORTH 11 DEGREES 10 MINUTES 04 SECONDS WEST ALONG SAID WESTERLY LINE 446.27 FEET; THENCE NORTH 78 DEGREES 49 MINUTES 56 SECONDS EAST ALONG SAID WESTERLY LINE 3.00 FEET; THENCE NORTH 11 DEGREES 10 MINUTES 04 SECONDS WEST ALONG SAID WESTERLY LINE 689.36 FEET TO THE POINT OF BEGINNING, IN LAKE COUNTY, ILLINOIS.

CONTAINING 1660267 SQUARE FEET OR 38.11 ACRES MORE OR LESS.