

2626 Lakeview Condominium Association

COMMON ELEMENT EXCLUSIVE USE LICENSE AGREEMENT

This Agreement entered into at Chicago, Illinois, this ___th day of _____, _____ between 2626 Lakeview Condominium Association, an Illinois not-for-profit corporation (the "Association") and _____, and their successors in title (the "Unit Owners");

WITNESSETH

WHEREAS, the Unit Owners are the owners of units and (the "Units") which are two adjacent units which will be used by the Unit Owners as one residence situated at 2626 Lakeview, Chicago, Illinois (the "Building");

WHEREAS, the Unit Owners desire to construct certain additions and make certain alterations so that part of the Common Elements separating and, located between, and exclusively serving the Units used together which presently constitute part of the hallway and common elements of the Building in order to afford ingress and egress to such Units and to afford privacy to the Unit Owners when using such Common Elements (the "Improvements") in accordance with the plans and specifications attached hereto as Exhibit A (the "Plans and Specifications") and Exhibit B (the "Construction Contract") for the completion of the Improvements by the Unit Owners; and in full compliance with all local, state and federal laws, ordinances and regulations and that the Unit Owners shall obtain all such permits as may be required by such governmental laws, ordinances and regulations (the "Permits"); the Plans and Specifications, Construction Contract, and Permits are made part of the Agreements and by reference incorporated herein; and

WHEREAS, Section nineteen (19) of the Declaration of Condominium Ownership for 2626 Lakeview Condominium Association (the "Declaration") permits the Association to enter into a License Agreement for that part of the common elements as so defined under the Declaration located between and exclusively serving the adjacent units to be used together.

NOW, THEREFORE, in consideration of the premises, the mutual promises, covenants, and agreements with the parties hereto, the Association hereby consents to the construction of the Improvements, such to the terms and conditions of the Agreements and the Unit Owners and the Association agree as follows:

1. **License.** The Association hereby gives to the Unit Owners the privilege to use, in common with the rights reserved to the Association under the Declaration that portion of the Common Elements as so defined under the Declaration constituting part of the improvements located between and exclusively serving the Units as more particularly shown in the Plans and

Specifications (the "Licensed Elements") for a period commencing on this date and extending for so long as the Unit Owners continue to reside in the two units as one residence. The use of the Licensed Elements shall be restricted to housing for the Unit Owners as limited under the Declaration and for no other purpose, and solely in accordance with rules and regulations the Association may promulgate under and pursuant to the terms of the Declaration.

2. **License Fee.** As consideration for the License, and as reimbursement to the Association and the other unit owners for additional costs of insurance and any reduction in the area of common elements available to them during the term of the License, the Unit Owners agree to make payment to the Association under the terms of this License of the sum of \$1,000 payable upon the execution of the License agreement

3. **Repairs.** Throughout the term of this License, the Unit Owners agree to keep the Licensed Elements in good condition and repair, making all repair and replacements thereto including but not limited to those repairs, maintenance or other responsibilities which would be assumed by an owner of a unit under the Declaration with respect to the Units.

4. **Liens:**

a. If any mechanic's or other lien caused or created by the Unit Owner or anyone claiming through or under the Unit Owners shall at any time be filed against the Unit or the Building, the Unit Owners shall either cause the same to be discharged of record within twenty (20) days after the date they receive notice of filing of the lien; or if the Unit Owners shall desire to contest the lien, the Unit Owners shall at the Board's option furnish to the Board security in the amount of the claim, plus costs and interest, or shall procure a bond of a reputable bonding company in said amount, or shall establish a title indemnity fund at a title insurance company of the Board's choosing.

b. The judgment of any court of competent jurisdiction determining the validity and/or amount of any lien shall be conclusive of such fact as between the Association and the Unit Owners, and that on final determination of the lien or claim for lien, the Unit Owners shall immediately pay any judgment rendered, with all Building costs and charges, and shall have the lien released and any judgment satisfied.

c. If the Unit Owners fail to discharge any lien or to provide the Board with security as stated in subparagraph (a) above, then the Board may, at its option, pay or discharge any such lien or claim for lien, and the Unit Owners shall pay the Board all amounts expended and reasonable attorney' fees incurred by the Board, together with interest at the legal rate, which payment shall be made upon demand by the Board.

5. **Procedures Prior to Commencement of Construction.** The Association shall instruct and authorize the managing agent to obtain the following documents from the Unit Owners, prior to commencement of construction, subject to approval by the Association:

a. Exhibits A and B as hereinbefore described.

b. Certificate of Insurance from Unit Owner's contractor issued to Association, describing

limits of liability and worker's compensation insurance.

c. Copy of Unit Owner's Homeowner's insurance policy, covering both units.

6. Procedures During Construction. If during the period of construction and as a result of any work in connection with the Improvements, there is physical damage, leakage or destruction of, any other apartments or common areas of the Building, the Unit Owners shall be responsible for the payment of the full cost of such repairs or replacement to the extent that such cost shall exceed the amount of any insurance proceeds received by reason of such damage or destruction. The managing agent, on behalf of the Association shall have the right to employ contractors, or workmen of its own choosing to complete such repairs or replacements, and the Unit Owners agree to reimburse the Association for all costs and charges therefore in excess of any insurance proceeds as aforesaid. If the managing agent shall not elect to employ contractors or workmen of its own choosing, upon written notice from the managing agent, the Unit Owners shall engage contractors acceptable to the managing agent to proceed with such repairs or replacement with the costs in excess in any way relating to, arising from or incurred in connection with the Permitted Alterations shall be paid by and shall be entirely the responsibility of Unit Owners, and the Association shall have absolutely no liability therefore.

a. The Improvements will be constructed in accordance with the Plans and Specifications approved by the Board and subject to all other legal requirements.

b. The Unit Owners and their contractors shall coordinate with the Association's on-site property manager the scheduling of all work on the Improvements; and the work shall be performed in such a manner as to cause the least possible inconvenience to the residents of the Association.

c. All debris shall be removed from the site of the Improvements by the Unit Owner's contractors at the Unit Owner's expense.

d. No work on the Improvements shall be commenced without permission of the Board and at least five (5) days' notice must be given by the Unit Owners to the managing agent before the work is commenced.

e. Prior to payment by the Unit Owners for any services or materials relating to the Improvements, the Unit Owners shall deliver to the Board copies of all written and unconditionally waivers of mechanic's liens upon the Building for all work, labor, services or materials to be performed or supplied in connection with the Improvements. The waivers shall be signed by all contractors, and materialmen who become involved in the construction of the Improvements.

7. Final Inspection. After completion of construction, the managing agent and/or Architect shall make a final inspection and shall deliver to the Board of Directors of the Association a written report of the work completed in such form and covering such matters as the Association may reasonably request.

8. Indemnity. To the extent permitted by law, Unit Owners agree to indemnify and hold harmless the Association and all of its officers and members of its Board of Directors, the Building and the managing agent from and against all losses, liens, claims, suits, fines, penalties,

damages, costs or expenses (including reasonable attorney's fees), which may be imposed upon or incurred by or asserted by reason of (a) any failure on part of the Unit Owners to comply with their covenants and agreements as set forth in the Agreements; (b) any work or things done by Unit Owners, in or about the Licensed Elements relating to the construction of the Improvements; (c) any action or omission on the part of the Unit Owners or any of their contractors, agents, employees licensees or invitees; and (d) any accident or injury (including death) to any person or property related to or about the Units or the Building or any part related to or arising from the construction of the Improvements.

9. **Termination.** The Association may terminate this License Agreements at any time upon not less than ten (10) days notice for failure of the Unit Owners to fully and promptly perform all covenants of the Unit Owners to be performed hereunder. In addition, the Association will terminate this License in the event of any sale of either of the Units. Any notices of all such termination or otherwise as required hereunder shall be in writing and except as otherwise specified shall be sufficient if given by mailing the same registered or certified mail addressed to the Unit Owners at the Units or, if to the Association, at the Building with a copy to the managing agent.

10. **Successor Licensee or Restoration.** In the event that there is a sale of the combined units, and the buyer wishes to execute a Renewal License Agreement and pay the prevailing renewal fee at that time, then the undersigned Unit Owners need not make any restoration of the premises. If a Renewal License Agreement is not executed for any reason, the Unit Owners at their sole cost and expense, shall promptly remove the Improvements and repair, restore and rebuild the Licensed Elements to the same condition as existing as of the date hereof (the "Restoration") and the Association shall in no event to called upon to do or perform any restoration nor pay any cost thereof. The Unit Owners shall complete the restoration as diligently and promptly as possible. Before commencing any restoration work, the Unit Owners agree to submit to the Association for its protection such waivers, releases, indemnities or additional deposits as may be requested by the Association with respect to the restoration and all such work and the plans and specifications therefore shall be subject to the approval of the Association. Without diminishing the obligations of the Unit Owners aforesaid, if the Unit Owners shall at any time fail to complete the restoration within forty-five (45) days after the termination of this License, the Association after ten (10) days written notice to the Unit Owners may so complete the restoration and the costs and expenses of the Association shall be paid by the Unit Owners. The Association shall retain its lien rights for the costs of restoration, in the event Unit Owners fail to pay for same.

11. **Association Access.** It is agreed that notwithstanding the License being given hereunder for the use of a portion of the foyer corridor for an expanded foyer, the Unit Owners agree that the Association shall have and be given access as needed upon request through and across the portion of the corridor being utilized as an expanded foyer for the Units to get to portions of the common elements adjacent thereto.

12. **General.** This Agreements constitutes a license of the Licensed Elements and not a lease or conveyance of any interest in real estate or any interest in the Building. This instrument contains the entire agreement of the parties and no provisions of the Agreements shall be deemed waived

unless by a writing signed by the waiving party. It is understood and agreed by the parties hereto, that this Agreement is subject to the terms of the provisions of the Declaration and all rights reserved to the Association and the Board of Directors thereunder.

IN WITNESS WHEREOF, the parties hereto have affixed their hands and seals on the day and year first above written.

UNIT OWNERS

2626 LAKEVIEW CONDOMINIUM ASSOCIATION

, President

, Secretary

2626 N. Lakeview
Unit _____
Chicago, IL 60614

Attn: Management Office
Sudler Property Management
2626 N. Lakeview
Chicago, IL 60614