

COPY

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

This declaration of protective covenants, conditions, and restrictions, made and executed effective this 7th 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 Intersection Commercial Property"), and is desirous of subjecting the Cuneo Intersection 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 Intersection 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 Intersection Commercial Property, and each and every part thereof;

NOW, THEREFORE, Declarant hereby declares that: the Cuneo Intersection 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 Intersection Commercial Property and be binding on all parties presently having or hereafter acquiring any right, title, or interest in the Cuneo Intersection 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 Intersection 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 Intersection 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 Intersection 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 proper use and appropriate development and improvement of the Cuneo Intersection 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 Intersection 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 Intersection Commercial Property. "Owner" shall mean and refer to the Declarant as to all or any portion of the Cuneo Intersection Commercial Property that is owned by the Declarant or by any nominee or agent of the Declarant. "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 Intersection 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 Intersection Commercial Property.

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

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 Intersection 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 Intersection 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 Intersection 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 Intersection 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 of the Village, the County and, so long as the Declarant is an Owner, the Declarant pursuant to resolutions duly adopted by their respective 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 Intersection 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 Intersection 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 Intersection 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 Intersection Commercial Property.

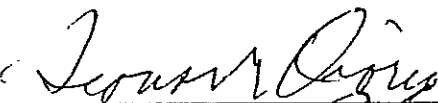
IN WITNESS WHEREOF, Declarant has caused this instrument to be executed and attested as of the day and year first above written.

DECLARANT

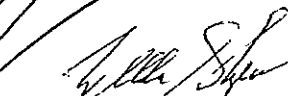
BANK OF AMERICA ILLINOIS, JOHN F. CUNEO, JR., CONSUELA CUNEO McALISTER, WILLIAM G. MYERS, as Successor Trustees under Declaration of Trust dated August 12, 1935,

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

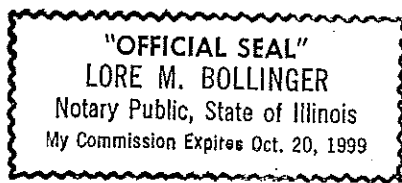
After recording, return to:

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

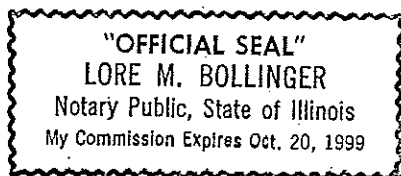
My Commission expires:

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.



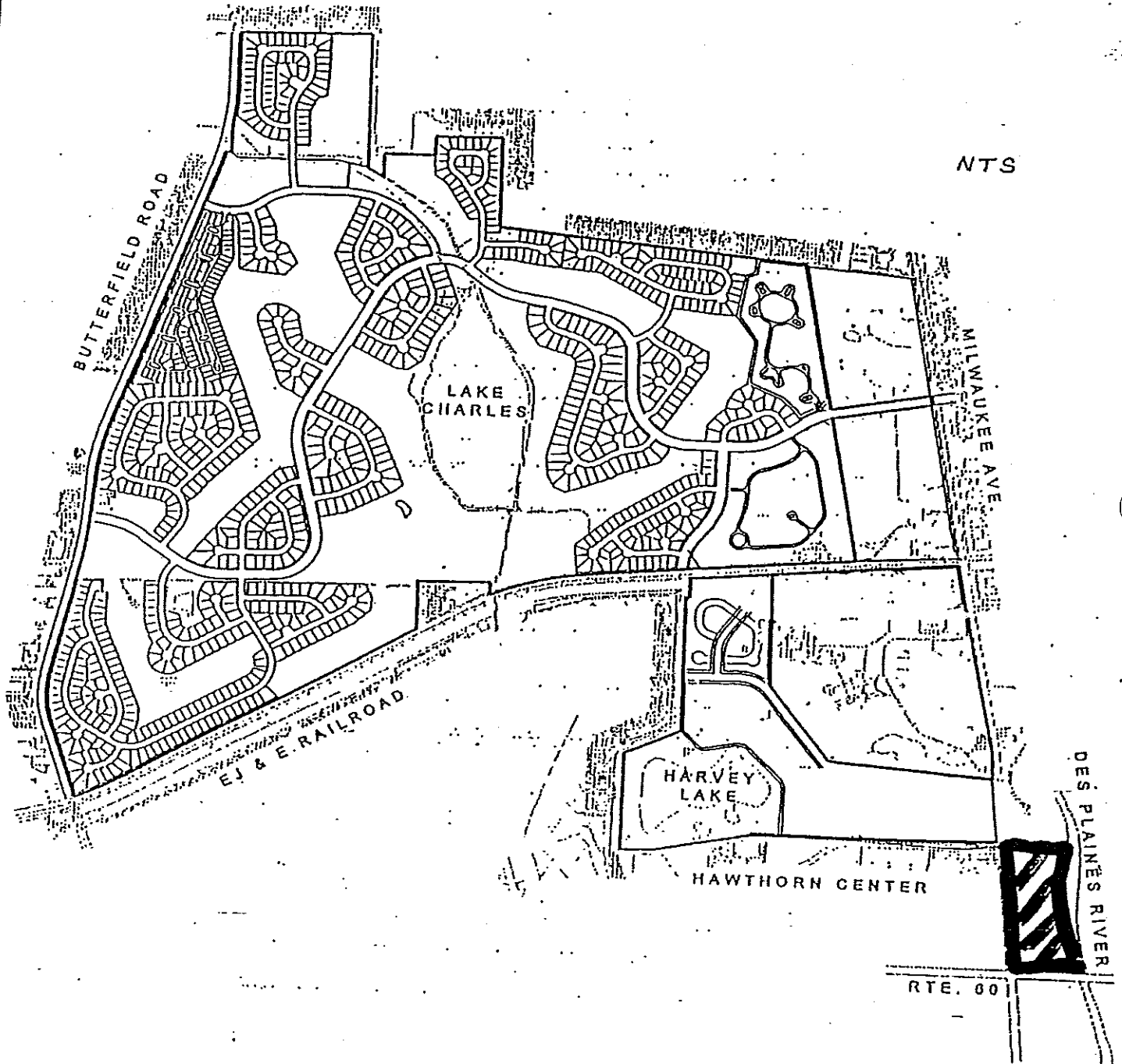
Lore M. Bollinger
Notary Public

My Commission expires:

OCTOBER 20, 1999

Cuneo Intersecti

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THE ZALE COMPANIES

100 Lexington Drive, Suite 100
Buffalo Grove, Illinois 60089-8931
(708)537-0101

CUNEO INTERSECTION COMMERCIAL PROPERTY

CUNEO INTERSECTION COMMERCIAL PARCEL (prepared january 22, 1996)
(including 130' strip)

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 33 AND THE
SOUTHWEST QUARTER OF SECTION 34, TOWNSHIP 44 NORTH, RANGE 11,
EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EASTERLY OF THE
EASTERLY LINE OF MILWAUKEE AVENUE (AS WIDENED), WESTERLY OF THE
CENTER LINE OF THE DES PLAINES RIVER, SOUTHERLY OF A LINE WHICH
RUNS FROM A POINT 11.85 CHAINS SOUTH OF THE CENTER POST OF
SECTION 34 TO A POINT 9.09 CHAINS SOUTH OF THE CENTER POST OF
SECTION 33, AND NORTH OF THE NORTHERLY LINE OF STATE ROUTE 60,
(AS WIDENED), IN LAKE COUNTY, ILLINOIS.