

GOLF-SKOKIE ASSOCIATES I

RESTATED AGREEMENT AND CERTIFICATE OF LIMITED PARTNERSHIP

This RESTATED AGREEMENT AND CERTIFICATE OF LIMITED PARTNERSHIP ("Agreement") is made as of the 31st day of December, 1985, between and among Samuel Zell, Robert Lurie General Partners, an Illinois general partnership, as the "General Partner", C. Herman Terry, Lee Casty and Martin Bernstein, as the "Class A Limited Partners", and those Limited Partners listed on attached Exhibit A, as the "Class B Limited Partners". The General Partner, Class A Limited Partners and Class B Limited Partners are hereinafter collectively referred to as the "Partners", and each a "Partner".

WHEREAS, the General Partner and the Class A Limited Partners are parties to a certain limited partnership agreement and wish to admit those individuals listed on attached Exhibit A to the Partnership as Class B Limited Partners; and

WHEREAS, the admission of the Class B Limited Partners requires the re-statement of said limited partnership agreement.

NOW, THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Partners hereto, being duly sworn, do hereby agree and certify as follows:

1. Formation and Name.

A. The General Partner and Class A Limited Partners have previously entered into a limited partnership (the "Partnership"), and do hereby admit to this Partnership as limited partners the Class B Limited Partners. The Partnership shall continue to be governed by the provisions of the Illinois Uniform Limited Partnership Act ("Act"), and the rights and liabilities of the parties hereto shall be as provided in the Act except as herein otherwise provided. The name of the Partnership shall continue to be Golf-Skokie Associates I. The General Partner may, from time to time, in its discretion, change the name of the Partnership.

B. The General Partner shall perform all acts required to continue the existence of the Partnership as a limited partnership under the laws of the State of Illinois, and to qualify to do business in such other states in which the Partnership elects.

2. Character of Business.

The character of the business of the Partnership is the acquisition (by purchase, lease, agreement to purchase or lease or any combination thereof), lease, sublease, operation, management, mortgage, finance and/or sale of certain real property, located in the Village of Skokie, Cook County, Illinois and legally described on Exhibit B attached hereto, together with the improvements thereon from time to time (collectively, the "Property"), and to engage in any activities related to the Property. The Property is presently improved with hotel and office, and garage facilities and appurtenant parking areas. The

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Partnership shall have the power to do all acts and things necessary or useful in connection with the foregoing.

3. Place of Business.

The principal place of business of the Partnership is Suite 600, Two North Riverside Plaza, Chicago, Illinois, 60606, or such other place as the General Partner, in its sole discretion, shall from time to time determine. Additional offices may be maintained and acts done at any other place appropriate for accomplishing the purpose of the Partnership.

4. Term.

The term of the Partnership commenced on July 1, 1984 and shall continue through December 31, 2050, unless sooner terminated in accordance with the provisions hereof.

5. Partners, Capital and Ownership Interests in the Partnership.

A. As used in this Agreement, the term "General Partner" shall mean the party or parties who from time to time are General Partner(s) of the Partnership; the term "Limited Partners" shall mean, collectively, the parties who from time to time are the Class A Limited Partners and the Class B Limited Partners of the Partnership.

B. The General Partner agrees to contribute as its capital contribution to the Partnership the amount of cash necessary so that at all times its contribution shall equal one percent (1%) of the aggregate amount which has been contributed as capital by all Partners. Except to the extent otherwise required by applicable law, the General Partner is not obligated to contribute any further sum or other property to the Partnership.

C. The Class A Limited Partners have previously contributed \$750,000.00 to the Partnership and agree hereby to contribute an additional \$233,250.00 in 1985.

D. The Class B Limited Partners shall contribute in the aggregate as their capital contributions to the Partnership the following sum:

Upon subscription	\$2,549,250.00
On or before February 1, 1986	2,197,800.00
On or before February 1, 1987	1,980,000.00
On or before February 1, 1988	1,633,500.00
On or before February 1, 1989	<u>902,700.00</u>
TOTAL	<u>\$9,263,250.00</u>

Each Class B Limited Partner shall contribute, in cash, his respective share of the foregoing by paying to the Partnership at the above times his total committed amount set forth opposite his name on the attached Exhibit A.

E. In the event that any Limited Partner does not make the contribution required of him (her) on or before the date and in the amount required

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hereunder ("Defaulting Limited Partner"), the General Partner, in its sole discretion, may take any one or more of the following actions:

(i) Pursue any remedy or remedies available at law or in equity to compel such payment by the Defaulting Limited Partner; or

(ii) If the General Partner is able to obtain the contribution then due and a commitment for the future contributions of the Defaulting Limited Partner from a new or existing Partner (including the General Partner, if the General Partner so elects), reduce the percentage of such Defaulting Limited Partner interest to an amount (the "Retained Interest") equal to a fraction, the numerator of which shall be one-half (1/2) of the amount the Defaulting Limited Partner has paid as capital contributions to the Partnership prior to the time of his default and the denominator of which is the total amount of capital contributions paid and committed to be paid by all the Partners during the term of the Partnership. The difference between the original ownership interest and the reduced ownership interest of such Defaulting Limited Partner ("Forfeited Interest") shall be allocated as follows:

- (a) an ownership interest equal to the Retained Interest shall be allocated to the General Partner in consideration for its additional efforts in respect to such default; and
- (b) an ownership interest equal to the excess of the Forfeited Interest over the interest allocated pursuant to subparagraph (a) above shall be allocated to the new or existing partner agreeing to contribute pursuant to this subparagraph E(ii) (the "New Contributor"). The ownership interest allocated pursuant to this subparagraph (b) is hereinafter referred to as the "Sold Interest".

The New Contributor shall make all remaining capital contributions which would have been required of the Defaulting Limited Partner if he had not so defaulted and, subject to the provisions of Subparagraph 5F hereof, the New Contributor shall be treated in respect to the Sold Interest as a Limited Partner with an ownership interest in the Partnership equal to the Sold Interest. The Defaulting Limited Partner shall have no further rights in or obligations to the Partnership except with respect to his reduced ownership interest and no further contributions shall be required of or accepted from such Defaulting Limited Partner; or

(iii) Charge the Defaulting Limited Partner interest on such late capital contribution at a rate per annum equal to two percent (2%) above the Prime Rate (as defined hereinafter), which interest and contribution shall be a debt owing the Partnership until paid in full. For purposes of this Agreement, the Prime Rate shall mean the rate of interest generally announced from time to time by the Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois to be its "prime rate" borrowing rate.

F. Anything in this Agreement to the contrary notwithstanding and subject to the provisions of the Act, the personal liability of each Limited Partner arising out of or in any manner relating to the Partnership shall be limited to and shall not exceed such Limited Partner's agreed capital contribution made and to be made hereunder. No Limited Partner shall have any personal liability for liabilities or obligations of the Partnership, except to the extent

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of his capital contribution, as aforesaid, and, except as aforesaid, no Partner shall be required to make any further or additional contributions to the capital of the Partnership or to lend or advance funds to the Partnership for any purpose.

6. Capital Account; Loans by Partners.

A. A capital account ("Capital Account") shall be maintained for each Partner. Each Partner's proportionate share of Partnership profits and losses and each Partner's contributions to and distributions relating to the Partnership shall be shown on his Capital Account. No interest shall be allowed to any Partner on the amount of his Capital Account.

F. From and after the date hereof, if any Partner shall advance funds to the Partnership in excess of his required capital contributions as set forth above, such advance shall not increase his Capital Account or change his ownership interest in the Partnership or his share of Partnership profits and losses, but the amount of such advance shall constitute an obligation of the partnership to such Partner and, unless otherwise agreed by the General Partner, shall be repaid to such Partner with interest at the Prime Rate plus two percent (2%).

C. No Partner shall be entitled to a return of his capital contributions except by way of the distribution to him of assets upon the dissolution of the Partnership pursuant to the provisions of this Agreement.

D. Except as provided in or pursuant to this Agreement or any amendment thereto, there shall be no priority of one or more of the Partners over other Partners as to return of capital contributions, withdrawals or distributions of profits and losses.

E. A negative Capital Account of any Partner shall not be considered an asset of the Partnership at any time and no Partner having a negative Capital Account shall be obliged to restore his negative Capital Account.

7. Distributions and Allocations, Including Profits and Losses.

A. Profits and losses shall be allocated one percent (1%) to the General Partner, nine and one-half percent (9.5%) to and among the Class A Limited Partners, and eighty-nine and one-half percent (89.5%) to and among the Class B Limited Partners; PROVIDED HOWEVER that:

(i) in order to properly reflect the economics in those years in which Capital Contributions are due, losses will be allocated, first, to those Partners contributing capital until each contributing Partner's Capital Account (exclusive of any adjustment thereto made pursuant to an election under Section 754 of the Internal Revenue Code of 1954 as amended from time to time) is in the same proportion to all Partners' Capital Accounts as his capital contributions to date (after allowance for any adjustment made due to a Limited Partner's default) are to total Partnership contributions to date; thereafter, to all Partners in proportion to their relative contributions to date to the Partnership (subject to any dilutions that may have occurred after a Limited Partner's default); and provided further that at all times the General Partner shall be allocated not less than one percent (1%) of all profits and losses of the Partnership; and

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(ii) in any year in which there are no Capital Contributions, in order to properly reflect the economics to the Partners, profits and/or losses shall first be allocated to those Partners whose Capital Accounts (exclusive of any Code Section 754 adjustment, as aforesaid) do not reflect their relative contributions to date to the Partnership (after giving effect to any adjustments that may have occurred due to a Limited Partner's default) to the total of all Partners' Capital Accounts until their Capital Accounts do reflect their relative contributions to date to the Partnership; provided, further that the General Partner shall be allocated not less than one percent (1%) of all profits and losses of the Partnership.

7. For the purpose hereof, profits and losses shall be the difference between: (1) the gross income of the Partnership (excluding Capital Contributions and proceeds of Partnership borrowings), and (2) all deductible costs and expenses of the Partnership (including depreciation, but excluding principal payments upon Partnership borrowings) in each instance as finally determined for Federal income tax purposes. If such difference shall be greater than zero, the amount by which it exceeds zero shall be profits; and if such difference shall be less than zero, the amount by which it is less than zero shall be losses.

8. Distributions of Operating and Capital Cash Flow.

A. The "Operating Cash Flow" of the Partnership shall mean, for purposes of this Agreement, all cash received by the Partnership from any source (but excluding net proceeds from borrowings of the Partnership and the net proceeds from the sale of the Partnership's assets) less cash expended for the debts and expenses of the Partnership, principal and interest payments on any indebtedness of the Partnership, capital expenditures and reasonable reserves required in the sole discretion of the General Partner. The "Capital Cash Flow" of the Partnership shall mean, for purposes of the Agreement, the net proceeds received by the Partnership from Partnership borrowings and the net proceeds of the sale of Partnership assets less reasonable reserves required in the sole discretion of the General Partner.

B. Distributions of Operating Cash Flow, if any, shall be made at least annually at such time or times as the General Partner shall determine. All Operating Cash Flow shall be distributed to the Partners in accordance with the percentages then applicable pursuant to Paragraph 7A hereof subject to adjustment based upon actual capital contributions made and as may be adjusted by Paragraph 5E.

C. The Capital Cash Flow of the Partnership shall be distributed as follows:

(i) first, to the payment of any and all debts of the Partnership;

(ii) thereafter, to the partners in accordance with the percentage then applicable pursuant to Paragraph 7A hereof subject to adjustment based upon actual capital contributions made and as may be adjusted by Paragraph 5E.

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9. Books and Records, Annual Statements and Accounting.

A. The Partnership books and records shall at all times be maintained at its principal office and shall be open to the reasonable inspection and examination of the Partners and their duly authorized representatives.

B. The General Partner shall provide to each Partner a copy of an annual report of the Partnership for the prior fiscal year, which report may, at the discretion of the General Partner, include a balance sheet for the Partnership as of the end of each fiscal year, a statement of income and expenses of the Partnership for such fiscal year or such other information respecting the Partnership as is considered necessary by the General Partner for the preparation by the Partners of their individual income tax returns or as is mandated by the Act.

C. All funds of the Partnership shall be deposited in the Partnership name in such bank or other account or accounts as shall be designated by the General Partner from time to time. All withdrawals therefrom shall be made by the authorized signatory or signatories of the General Partner or by such other person or persons as the General Partner may from time to time designate.

D. The fiscal year of the Partnership shall be the calendar year. For purposes of determining profits and losses of the Partnership, Partnership accounting shall be carried out in the same manner as for Federal income tax purposes. All elections and options available to the Partnership for Federal or State income tax purposes shall be taken or rejected by the Partnership in the sole discretion of the General Partner.

10. Management -- Powers.

A. The General Partner shall exclusively manage and conduct all the business of the Partnership and shall not be required to obtain the consent of the Limited Partners for any such activities. Without limiting the generality of the powers granted to the General Partner hereunder or by law, the General Partner shall have the following specific powers:

(i) To carry out the transactions contemplated by this Agreement;

(ii) To sell, purchase, mortgage, finance, pledge, hypothecate, lease, sublease, loan, or otherwise deal in or with any and all property (whether real or personal) and assets of the Partnership; to borrow money, and as security therefor, to mortgage or pledge any or all of the property and assets of the Partnership, whether real or personal; to repay in whole or in part, refinance, recast, increase, modify or extend any mortgages or other encumbrances on any of the property and assets of the Partnership, and in connection therewith, to execute for and on behalf of the Partnership any extensions, renewals or modifications of such mortgages, other encumbrances and any new mortgages or other encumbrances; and to execute notes, bonds and other evidences of indebtedness; to prepay, modify or extend any installment purchase agreements affecting all or any portion of the property by the Partnership;

(iii) To have the property and assets of the Partnership held in the name of a nominee, trustee or agent;

(iv) To acquire and enter into any contract for insurance which the General Partner deems necessary or appropriate for the protection of the Partnership and the General Partner, for the conservation of Partnership property and assets or for any other purpose convenient or beneficial to the Partnership;

(v) To employ such entities or persons (including the General Partner or any entity in which the General Partner shall have an interest or with which it is affiliated) in the operation and management of the business of the Partnership, including, but not limited to, attorneys, accountants, architects, engineers, insurance brokers, real estate brokers, developers, operation managers and loan brokers, on such terms and for such compensation as the General Partner shall determine;

(vi) To cause an amended Federal income tax return to be filed in the event of a rescission;

(vii) To cause the General Partner, or its designee, to be named the tax management partner for the Partnership; and

(viii) To purchase limited partnership interests for its own account for investment.

B. Notwithstanding anything to the contrary contained in Subparagraph A above, without the written consent or ratification by the Limited Partners, the General Partner shall have no authority to:

(i) do any act in contravention of this Agreement;

(ii) confess a judgment against the Partnership; or

(iii) possess Partnership property or assign its rights in specific Partnership property for other than a Partnership purpose.

C. No mortgagee, grantee, creditor or any person dealing with the Partnership shall be required to investigate the authority of the General Partner or secure the approval of or confirmation by any Limited Partner of any act of the General Partner in connection with the conduct of the Partnership business.

D. No Limited Partner shall take part in the management of the Partnership business or transact any business for the Partnership or have the power to sign for, bind or subject the Partnership to any liability or obligation.

11. Compensation.

A. The Partnership shall pay compensation to the General Partner for its agreement to serve as General Partner herein and for its services rendered as General Partner hereunder in an amount equal to Two Hundred Thousand Dollars (\$200,000) for each twelve (12) month period during the Partnership term.

B. The Partnership shall pay Equity Financial and Management Co. (an affiliate of the General Partner) an administration fee equal to the excess of

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Two Hundred Thousand Dollars (\$200,000) over the aggregate of all costs to the Partnership in connection with its organization and syndication,

C. In addition to the foregoing, the General Partner may retain such persons or entities as it shall determine (including the General Partner or any entity in which the General Partner shall have an interest or with which it is affiliated) to provide services to or on behalf of the Partnership. The General Partner shall be entitled to reimbursement from the Partnership for its out-of-pocket expenses (including, but not limited to, amounts paid or payable to any entity in which the General Partner shall have an interest or with which it is affiliated) incurred in connection with the Partnership. Such expenses shall be deemed to include those expenses required in connection with the administration and management of the Partnership such as the maintenance of Partnership books and records, management of the Partnership property and assets and preparation of information respecting the Partnership needed to prepare the annual report and needed by the Partners in the preparation of their individual tax returns. The decision of the General Partner as to whether or not an expense comes within the purview of this Paragraph will be binding on all the Partners.

12. Conflicts; Other Investments.

The General Partner shall devote only so much of its time to the business of the Partnership as in its judgment the conduct of the Partnership business shall reasonably require. The General Partner may engage in business ventures of any nature or description independently or with others, including, without limitation, the ownership, financing, leasing, subleasing, selling, developing, managing or otherwise dealing in real or personal property or interests therein, and neither the Partnership nor any of the Partners shall have any rights in and to such independent ventures or the income or profits derived therefrom, notwithstanding that such ventures may be competitive with the business of the Partnership. The General Partner may, on behalf of the Partnership, retain the services of a firm in which any Partner is a member to render such services and may pay compensation for such services. The General Partner may, in its sole discretion, on behalf of the Partnership, purchase, sell or lease real or personal property from or to any Partner or pay fees or compensation to any Partner for any efforts or commitments in connection with the Partnership property or otherwise deal with any Partner, or any firm in which any of such persons is directly or indirectly interested and neither the Partnership nor any of the Partners shall have any rights in or to any income or profits received by any such person in a transaction with the Partnership.

13. Assignment of General Partner Interest.

The General Partner may, at any time without the approval of the Limited Partners, substitute in its stead as a General Partner or admit as an additional General Partner, a partnership, the partners of which are Samuel Zell of Chicago, Illinois, and Robert Lurie of Winnetka, Illinois, or any other entity which is owned or controlled by either of them or Samuel Zell and/or Robert Lurie, individually. Except as provided above, the General Partner may not assign its interest in the Partnership. The General Partner shall cause this Agreement or any separate Certificate of Limited Partnership to be amended to reflect said substitution or addition. By executing and adopting this Agreement, each Limited Partner hereby consents to the admission of substituted or additional General Partner(s) pursuant to the terms of this Paragraph 13.

14. Assignment of Limited Partner Interest. Except as otherwise mandated by the Act:

A. A Limited Partner or any substituted Limited Partner may not, without the prior written consent of the General Partner (which consent may be given or withheld in the sole discretion of the General Partner), sell, assign, pledge or otherwise transfer all or any part of his interest in the Partnership except by operation of law, gift, outright or in trust, or by sale, to or for the benefit of his spouse and descendants. Any assignment herein permitted shall be by written instrument. A Limited Partner shall notify the General Partner of any assignment of beneficial interest or other interest which occurs without a transfer of record ownership. No part of the interest of a Limited Partner shall be subject to the claims of any creditor, any spouse for alimony or support, or to legal process, and may not be voluntarily or involuntarily alienated or encumbered except as may be specifically provided herein or mandated by the Act. A Limited Partner shall not be permitted to retire or withdraw from the Partnership except as herein specifically permitted.

B. An assignee of a Limited Partner shall be entitled to receive distributions hereunder attributable to the Partnership interest acquired by reason of such assignment, from and after the effective date of the assignment of such interest to him; provided, however, anything herein to the contrary notwithstanding, the Partnership and the General Partner shall be entitled to treat the assignor of such interest as the absolute owner thereof in all respects, and shall incur no liability for the allocation of profits and losses or distributions which are made in good faith to such assignor, until such time as the written instrument of assignment has been received by the Partnership and the effective date of the assignment has passed. The effective date of any assignment shall be the last day of the month set forth on the written instrument of assignment.

C. No assignee shall have a right to become a substituted Limited Partner in place of his assignor unless and until all of the following conditions have been first satisfied:

(i) unless otherwise provided in this Agreement, a duly executed and acknowledged written instrument of assignment shall have been filed with the Partnership, which instrument shall specify the percentage interest in the Partnership being assigned and set forth the intention of the assignor that the assignee succeed to the assignor's interest as a substituted Limited Partner in his place;

(ii) the assignor and the assignee shall have executed, acknowledged and delivered such other instruments as the General Partner may deem necessary or desirable to effect such substitution, including the written acceptance and adoption by the assignee of the provisions of this Agreement; and his execution and delivery to the General Partner of the power of attorney as more fully set forth in Paragraphs 20 and 22 hereof; and

(iii) the written consent (which consent may be given or withheld in the sole discretion of the General Partner) of the General Partner to such substitution shall have been obtained.

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D. By executing and adopting this Agreement each Limited Partner hereby consents to the admission of additional or substituted Limited Partners by the General Partner and to any assignee of such Limited Partner becoming a substituted Limited Partner.

E. The General Partner shall, when necessary, cause this Agreement to be amended to reflect the substitution of Limited Partners.

F. No Limited Partner shall assign all or any part of his Partnership interest if in the opinion of counsel for the Partnership such assignment would or could result in the sale or exchange of such percentage of the total interest in the Partnership capital and profits within a twelve (12) month period as would cause the Partnership to be terminated under Section 708(b)(1)(B) of the Code (or any similar provision enacted in lieu thereof) or if such assignment would constitute or result in the violation of any Federal or State securities law or any similar law.

G. The death, incompetency, insolvency or dissolution of a Limited Partner shall not terminate the Partnership. Upon the death of a Limited Partner, his executor, administrator, conservator or personal representative shall have all of the rights and duties of a Limited Partner for the purpose of settling his estate.

15. Transferees and Successors.

Any person acquiring or claiming an interest in the Partnership, in any manner whatsoever, shall be subject to and bound by all of the terms, conditions and obligations of this Agreement to which his predecessor-in-interest was subject or bound, without regard to whether such a person has executed a counterpart hereof or any other document contemplated hereby. No person, including the legal representative, heir or legatee of a deceased Partner, shall have any rights or obligations greater than those set forth in this Agreement, and no person shall acquire an interest in the Partnership or become a Partner thereof except as permitted by the terms of this Agreement. This Agreement shall be binding upon and, subject to the provisions hereof, inure to the benefit of, the parties hereto, their successors, assigns, heirs, legal representatives, executors and administrators.

16. Death, Withdrawal, Incompetence or Dissolution of a General Partner; Dissolution of Partnership.

A. The death, incompetence, bankruptcy, termination, dissolution or withdrawal from the Partnership of any General Partner shall dissolve the Partnership unless within sixty (60) days thereafter the remaining General Partner (or General Partners, as the case may be) shall elect to continue the Partnership business, which election shall be evidenced by notice being sent to the Limited Partners within sixty (60) days of the occurrence of the event giving rise to the election. In the event of such election, the Partnership shall not be dissolved, but shall continue with the remaining General Partner (or General Partners) as the only General Partner (or General Partners), unless, in the opinion of Partnership counsel, such continuation would result in the Partnership not being treated as a limited partnership under applicable law and such treatment is not obviated within sixty (60) days of the event giving rise to such election.

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Otherwise the Partnership shall be dissolved and terminated in accordance with the terms of this Agreement.

B. Notwithstanding anything in this Paragraph 16 to the contrary, if the remaining General Partner (or General Partners, as the case may be) does not elect to continue the Partnership business, or in the event there is no remaining General Partner, the Limited Partners, upon written election of all Limited Partners at that time, may elect a new General Partner and continue the Partnership business. In the event of such election, the Partnership shall not be dissolved, but shall continue with the new General Partner unless, in the opinion of Partnership counsel, such continuation would result in the Partnership not being treated as a limited partnership under applicable law and such treatment is not obviated within sixty (60) days of the event giving rise to such election.

C. A corporation shall not be designated a General Partner if, in the opinion of counsel for the Partnership, such corporation shall cause the Partnership to be treated for Federal income tax purposes as an association taxable as a corporation.

D. The happening of any one of the following events shall work an immediate dissolution of the Partnership:

(i) The death, determination of incompetence by a court of competent jurisdiction, bankruptcy, dissolution or withdrawal from the Partnership of the last remaining General Partner (all except as provided in Subparagraph 16B above);

(ii) The termination of the term of the Partnership pursuant to Paragraph 4 of this Agreement;

(iii) The sale of all or substantially all of the Partnership assets; or

(iv) The giving by the General Partner of written notice thereof to all of the Limited Partners stating the date of such dissolution which date shall not be less than sixty (60) days following the date of such notice (except as provided in Subparagraph 16B above).

E. For purposes of this Agreement, the "bankruptcy" of a General Partner shall be deemed to have occurred upon the happening of any of the following:

(i) the filing of an application by such General Partner for, or a consent to, the appointment of a trustee of his or its assets;

(ii) the filing by such General Partner of a voluntary petition in bankruptcy or the filing of a pleading in any court of record admitting in writing his or its inability to pay his or its debts as they come due;

(iii) the making by such General Partner of a general assignment for the benefit of creditors;

(iv) the filing by such General Partner of an answer admitting the material allegations of, or his or it consenting to, or defaulting in

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answering, a bankruptcy petition filed against him or it in any bankruptcy proceeding; or

(v) the entry of an order, judgment or decree by any court of competent jurisdiction adjudicating such General Partner a bankrupt or appointing a trustee of his or its assets, and such order, judgment or decree continuing unstayed and in effect for a period of ninety (90) consecutive days.

F. In the event of the death, incompetence, bankruptcy, dissolution or withdrawal of a General Partner, the General Partner who shall have been so retired:

(i) shall be and remain liable for all obligations and liabilities incurred by him or it as General Partner during the period he or it was a General Partner;

(ii) shall be free of any obligation or liability incurred on account of the activities of the Partnership from and after the time as of which he or it ceased to be a General Partner of the Partnership; and

(iii) shall be entitled to receive any amounts due and owing to him or it pursuant to Paragraph 11 herein through the date of such retirement.

In the event that the retirement of a General Partner shall cause the remaining General Partner to have less than a one percent (1%) interest in the Partnership, the Limited Partners may elect to name an additional General Partner pursuant to the provisions contained in Subparagraph 16B providing for such election and continuation of the Partnership business.

G. For purposes of Subparagraph 16A only, Samuel Zell and Robert Lurie shall, so long as Samuel Zell, Robert Lurie General Partners is the sole General Partner, be treated as if they were individually General Partners in order that if, for example, one of the two of them were to die while the other survived (which event would cause a termination by law of Samuel Zell, Robert Lurie General Partners), the survivor could elect under Subparagraph 16A hereof to continue the Partnership with the survivor as the sole General Partner.

17. Purchase for Investment.

Each Limited Partner hereby represents, warrants and agrees that he is acquiring his Partnership interest for his own account for investment purposes only and not for the purpose of, or with a view towards, the resale or distribution of all or any part thereof, nor with a view toward selling or otherwise distributing said interest or any part thereof at any particular time or under any predetermined circumstances. Each Limited Partner further represents and warrants that he is a sophisticated investor, able and accustomed to handling sophisticated financial matters for himself, particularly real estate investments, that he is in a sufficiently high Federal income tax bracket that the burden of any losses which might be borne by the Partnership will be mitigated by substantial tax savings to him and that he has a sufficiently high net worth that he does not anticipate a need for the funds he has invested herein in what he understands to be a highly speculative and illiquid investment.

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18. Liquidation.

Upon dissolution and termination of the Partnership, the General Partner shall wind up the affairs and liquidate the assets of the Partnership and, except as otherwise provided in the Act, the proceeds from the liquidation of the Partnership assets shall be applied and distributed in the following order or priority:

A. To the creditors of the Partnership (other than Partners and creditors whose obligations will be assumed or otherwise transferred on the sale or distribution of the Partnership assets) and to the payment of liquidation expenses; when there is a contingent debt, obligation or liability hereunder, a reserve (in such amount as the General Partner in its sole discretion shall determine) shall be set up to meet such contingency, and if and when such contingency shall cease to exist, the moneys, if any, then contained in the reserve shall be distributed as provided in this Paragraph 18;

B. To the Partners in respect of any bona fide loans made by Partners to the Partnership and evidenced by a note or notes duly executed by the Partnership; and

C. Any balance remaining shall be distributed to the Partners in accordance with Paragraph 8C.

19. Indemnification and Release of Liability.

A. The Partnership shall indemnify, defend and hold the General Partner and its partners and their affiliates, employees and agents, and their respective successors, assigns, executors, administrators or personal representatives, harmless from and against any loss, liability, damage, cost or expense (including, without limitation, legal expenses) of any act or omission concerning the business or activities of the Partnership; provided that the General Partner or any partner, affiliate, employee or agent of the General Partner seeking such indemnification shall not have been guilty of gross negligence or willful misconduct.

B. Neither the General Partner nor its partners, affiliates, agents or employees shall be liable or responsible to the Partnership or any Limited Partner for any act or failure to act so long as it is not guilty of willful misconduct or gross negligence.

C. The General Partner shall not be personally liable for the return or repayment of all or any portion of the capital of any Partner, or for the repayment of all or any portion of any loan made by any Partner to the Partnership, it being expressly understood that any such return of capital and/or repayment of any such loan shall be made solely from the assets (which shall not include any right of contribution from the General Partner) of the Partnership.

20. Power of Attorney.

Each Limited Partner hereby irrevocably constitutes and appoints the General Partner, Samuel Zell, Robert Lurie, and each of them acting individually, with full power of substitution, his true and lawful attorney, for him and in his

name, place and stead and for his use and benefit, to sign, swear to, acknowledge, file and record:

A. A Restated Agreement and Certificate of Limited Partnership and any amendments thereto, as limited by Paragraph 22, under the laws of the State of Illinois and under the laws of any other state in which a Certificate of Limited Partnership is required to be filed or recorded.

B. Any certificates, instruments and documents, including assumed and fictitious name certificates, as may be required by, or may be appropriate under, the laws of the State of Illinois or any other state or jurisdiction in which the Partnership is doing or intends to do business in order to discharge the purposes of the Partnership as hereinbefore stated, as limited by Paragraph 22, and in connection with the use of the name of the Partnership by the Partnership.

C. Any other instrument which may be required to be filed or recorded by the Partnership on behalf of the Partners under the laws of any state or by any governmental agency.

D. Any documents which may be required to effect the continuation of the Partnership, the admission of a substituted or additional Limited Partner, the amending of the Partnership Agreement or the dissolution and termination of the Partnership, provided such continuation, admission, amendment or dissolution and termination is in accordance with the terms of this Agreement.

The foregoing grant of authority: (i) is a special power of attorney coupled with an interest, is irrevocable and shall survive the death or incapacity of each Limited Partner; and (ii) shall survive the delivery of an assignment by a Limited Partner of the whole or any portion of his interest in the Partnership.

21. Notices.

Any notice required or permitted to be given under this Agreement to a Partner or other holder of an interest in the Partnership may be served by United States first class mail, postage prepaid, addressed, in the case of the General Partner to Suite 600, Two North Riverside Plaza, Chicago, Illinois 60606 and, in the case of a Limited Partner or other holder of an interest in the Partnership, at the address of such person for notice purposes as shown from time to time on the records of the Partnership. The General Partner may change its address for notice purposes by so notifying all the Limited Partners in writing of such change and any Limited Partner or other holder of an interest in the Partnership may change his address for notice purposes by so notifying the General Partner in writing of such change. Any notice given in accordance with the terms hereof shall be deemed to have been given and received two days after mailing or when actually received, whichever is earlier.

22. Amendment of the Agreement.

A. Each Limited Partner, by his execution of this Agreement, hereby irrevocably appoints the General Partner, Samuel Zell, Robert Lurie, and each of them, with power of substitution, as his true and lawful attorney coupled with an interest, in his name, place and stead to amend this Agreement in any respect other than:

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(i) To enlarge the obligation of any Partner to make contributions to the capital of the Partnership beyond the obligation provided for in this Agreement; or

(ii) To modify the order of distribution or the allocation of distributions, profits or losses among the Partners as provided for in this Agreement; or

(iii) To amend Paragraphs 5G, 10B, 16B and this Paragraph 22.

B. With respect to any amendment described in (i), (ii) or (iii) above:

(i) Any such amendment shall first be presented to a meeting of all Partners duly called upon no less than fifteen (15) days notice, at which meeting, Partners entitled to at least seventy-five percent (75%) of the profits of the Partnership shall be present or represented and such amendment shall be approved by Partners entitled to at least sixty percent (60%) of the profits of the Partnership and shall take effect as of the date of such approval; or

(ii) No less than fifteen (15) days prior to a proposed effective date of any such amendment, the General Partner shall mail to each Partner a notice containing a verbatim statement of the proposed amendment and a statement that on the proposed effective date this Agreement will be amended as proposed unless prior to such date Partners entitled to fifty-one percent (51%) or more of the profits of the Partnership shall notify the General Partner in writing of their objections to such amendment. Unless such objections are received prior to the proposed effective date of any amendment, the General Partner shall execute the proposed amendment on behalf of all Partners.

C. Notwithstanding anything to the contrary contained in this Paragraph, this Agreement may be amended by unanimous written consent of all Partners.

D. In the event this Agreement shall be amended pursuant to this Paragraph 22, the General Partner shall cause this Agreement to be amended to reflect such change.

23. Successors.

Subject to the limitations herein against assignment, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors in interest.

24. Pronouns and Numbers.

As used herein, the masculine gender includes the feminine and neuter genders and the singular includes the plural.

25. Governing Law.

This Agreement shall be governed by the law of the State of Illinois.

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26. Headings.

Paragraph headings are for convenience of reference only and shall have no legal effect.

27. Severability.

In the event any provision of this Agreement is held to be invalid, the remainder of this Agreement shall nevertheless be deemed to be valid and effective.

28. Counterparts.

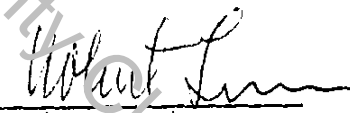
This Agreement and any amendment to this Agreement for convenience may be executed in any number of counterparts with the same effect as though each party hereto had executed the same instrument. Signature pages of counterparts may be attached by the General Partner to one or more counterparts for the purpose of obtaining one or more counterparts with the signature of all parties thereon.

WITNESS the due execution hereof as of the day and year first above written.

GENERAL PARTNER:

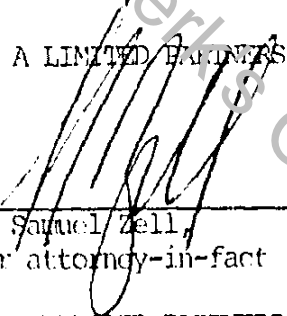
Samuel Zell, Robert Lurie
General Partners, an Illinois
general partnership

By: _____


Robert Lurie

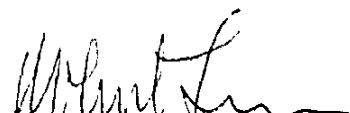
THE CLASS A LIMITED PARTNERS:

By: _____


Samuel Zell,
their attorney-in-fact

THE CLASS B LIMITED PARTNERS
in the attached Exhibit A:

By: _____


Robert Lurie,
their attorney-in-fact

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, a Notary Public, in and for the County of Cook, State of Illinois, do hereby certify that ROBERT LURIE, personally known to me to be the same person whose name is subscribed above as general partner of Samuel Zell, Robert Lurie General Partners, an Illinois general partnership, appeared before me this day in person and acknowledged and swore, that he is a general partner of said partnership, and is empowered to execute this Agreement that the statements set forth in the foregoing Agreement are true and correct and that he signed said Agreement as his free and voluntary act on behalf of and as the free and voluntary act of said partnership for the uses and purposes therein set forth.

Given under my hand and notarial seal this 20th day of January, 1986.

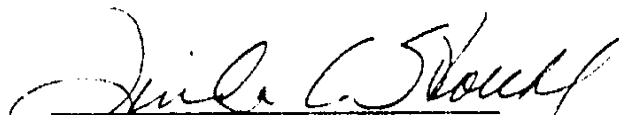

Notary Public

My Commission Expires: 3/29/89

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, a Notary Public, in and for the County of Cook, State of Illinois, do hereby certify that SAMUEL ZELL, personally known to me to be the same person whose name is subscribed above as attorney-in-fact for the Class A Limited Partners, appeared before me this day in person and acknowledged and swore, that he is the attorney-in-fact for the Class A Limited Partners, and is empowered to execute this Agreement, that the statements set forth in the foregoing Agreement are true and correct and that he signed said Agreement as his free and voluntary act on behalf of and as the free and voluntary act of said Class A Limited Partners for the uses and purposes therein set forth.

Given under my hand and notarial seal this 20th day of January, 1986.


Notary Public

My Commission Expires: 3/29/89

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, a Notary Public, in and for the County of Cook, State of Illinois, do hereby certify that ROBERT LURIE, personally known to me to be the same person whose name is subscribed above as attorney-in-fact for the Class B Limited Partners named in the attached Exhibit A, appeared before me this day in person and acknowledged and swore that is the attorney-in-fact for the Class B Limited Partners named in the attached Exhibit A, and is empowered to execute this Agreement, and that the statements set forth in the foregoing Agreement are true and correct and that he signed said Agreement as his free and voluntary act on behalf of and as the free and voluntary act of said Class B Limited Partners for the uses and purposes therein set forth.

Given under my hand and notarial seal this 20TH day of January, 1986.


Notary Public

My Commission Expires: 3/29/89

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EXHIBIT A

(page 1 of 2)

Schedule of Class B Limited Partners

<u>Name and Address</u>	<u>Total Capital Contribution</u>
Arlington Leasing Co. Two North Riverside Plaza Suite 600 Chicago, Illinois 60606	\$3,042,866.25
Tilden Engelman One Financial Place Suite 916 Chicago, Illinois 60605	\$ 463,162.50
The Equity Group, Inc. Two North Riverside Plaza Suite 600 Chicago, Illinois 60606	\$1,389,487.50
Frank Fried 14936 Via De La Alle Del Mar, California 92014	\$ 92,632.50
Morton H. Friedman P.O. Box 564 York, Maine 03909	\$ 92,632.50
Genesis Ventures, Inc. Two North Riverside Plaza Suite 600 Chicago, Illinois 60606	\$2,315,812.50
Jerry Jacob 90 Perkins Road Greenwich, Connecticut 06830	\$ 92,632.50
Michael and Beverly Kievman 573 Tara Trail, N.W. Atlanta, Georgia 30327	\$ 92,632.50
Robert T. Korowicki 34 Rockburn Pass West Mulford, New Jersey 07480	\$ 338,220.00

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EXHIBIT A

(page 2 of 2)

Schedule of Class B Limited Partners

(Continued)

<u>Name and Address</u>	<u>Total Capital Contribution</u>
Douglas Levine 2102 Mar East Tiburon, California 94920	\$ 92,632.50
Montboys IV c/o Will K. Weinstein 600 Montgomery Street Suite 2100 San Francisco, California 94111	\$ 92,632.50
NE Plus Investors c/o Arthur A. Greenberg Two North Riverside Plaza Suite 600 Chicago, Illinois 60606	\$ 463,162.50
PM Investors No. 5 c/o Peter A. Massanisso 6821 Southpoint Drive N. Jacksonville, Florida 32216	\$ 231,581.25
Peter S. Rummell Arvida Resort Comm. P.O. Box 100 Boca Raton, Florida 33432	\$ 92,632.50
Howard Taussig c/o George Alt 814 Commerce Drive Suite 300 Oak Brook, Illinois 60521	\$ 277,897.50
Will K. Weinstein 6 Tara View Road Tiburon, California 94920	\$ 92,632.50
 CLASS B TOTAL	 <u>\$9,263,250.00</u>

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Handwritten signatures and scribbles

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