

After reading this to:
Mr. J. Guack
Guack, Farnsworth, Richardson & Adams
333 W. Wacker, Suite 1120
Chicago, IL 60606



1.1 Formation. The parties hereby enter into a limited partnership under the provisions of the Uniform Limited Partnership Act of the State of Illinois, and the rights and liabilities of the partners shall be as provided in that Act except as herein otherwise expressly provided.
1.2 Recording. This Agreement and Certificate of Limited Partnership shall be recorded in the Office of the Recorder of Lake County, Illinois. The General Partner shall cause the recording of this Agreement forthwith following the execution and delivery hereof.

FORMATION AND NAME OF LIMITED PARTNERSHIP

ARTICLE I

WHEREAS, the parties hereto desire to form a limited partnership pursuant to the laws of the State of Illinois; NOW, THEREFORE, in consideration of the receipts, the mutual covenants hereafter set forth, and other good and valuable considerations, the receipt and sufficiency of which are mutually acknowledged, it is agreed by and among the parties as follows:

WITNESSETH: THAT

THIS AGREEMENT AND CERTIFICATE OF LIMITED PARTNERSHIP, made and entered into as of May 30, 1986, by and among Lambert Tree Properties, Ltd., an Illinois corporation, as general partner and Sam Davis (collectively the "Class A Limited Partners") and Mr. Sam Forman (the "Class B Limited Partner"), as limited partners (collectively the "Limited Partners"),

THE LIMITED PARTNERSHIP INTERESTS CREATED HEREBY, IF DEEMED SECURITIES, HAVE BEEN ISSUED OR SOLD IN RELIANCE ON PARAGRAPH (13) OF CODE SECTION 10-3-9 OF THE GEORGIA SECURITIES ACT OF 1973, AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

PARTNERSHIP INTERESTS CREATED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES STATUTE. CONSEQUENTLY, PARTNERSHIP INTERESTS AND STATE SECURITIES REGISTERED UNDER SUCH LAWS OR UNLESS AN EXEMPTION FROM REGISTRATION AND QUALIFICATION IS AVAILABLE.

AGREEMENT AND CERTIFICATE OF LIMITED PARTNERSHIP
OF
BELMONT SQUARE LIMITED PARTNERSHIP

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2.2 Authority of the Partnership. In order to carry out its business and purpose, as more particularly described in Section 2.1, the Partnership is empowered and authorized to do any and all things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and for the accomplishment of its business and purpose, and for the protection and benefit of the Partnership.

2.1 Business and Purpose of the Partnership. The principal business and purpose of the Partnership is to buy, sell, develop, lease, operate, and deal in services, personal property, and real property (the "Property") located at Southeast Corner of Belmont and Marquette Avenues, Chicago, Illinois, as legally described in Exhibit "A" attached hereto. In connection with the Property, the Partnership's activities shall include: (i) the destruction and removal of the improvements presently located on the Property; (ii) the construction of a shopping center and related improvements upon the Property (the "Project"); and (iii) the operation of the Project, together with such other activities as may be necessary, advisable or convenient to the promotion or conduct of the business of the Partnership, including, without limitation, the incurring of indebtedness and the granting of liens and security interests on the real and personal property of the Partnership to secure the payment of such indebtedness.

PURPOSE OF THE PARTNERSHIP

ARTICLE II

1.6 Principal Place of Business. The principal place of business of the Partnership shall be 189 Lambert Tree Avenue, Highland Park, Illinois 60035. The General Partner may, in its discretion, establish substitute or additional places of business of the Partnership.

1.5 Term. The term of the Partnership shall continue until December 31, 2015, unless sooner terminated, liquidated or dissolved pursuant to the terms of this Agreement.

1.4 Assumed Name Certificate. The General Partner will execute and file any assumed or fictitious name Certificate required by law to be filed in connection with the formation and operation of the Partnership. The General Partner will also execute and deliver additional documents and perform additional acts consistent with the terms of this Agreement as may be necessary to comply with the requirements of law for the formation, qualification and operation of a partnership in each jurisdiction in which the Partnership conducts business.

1.3 Name. The business of the Partnership shall be conducted under the name of Belmont Square Limited Partnership, or such other name as the General Partner shall determine in its sole discretion.

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3.4 Capital Accounts. The Partnership shall establish for each Partner a capital account which (i) shall be credited with the amount of such Partner's capital contribution(s) to the Partnership when made, (ii) shall be credited or charged, as the case may be, with such Partner's distributive share of profits and losses, (iii) and shall be charged with the amount of any

3.3 Initial and Additional Capital Contribution of Class B Limited Partner. Upon the execution of this Agreement, the Class B Limited Partner shall contribute two hundred sixty thousand Dollars (\$260,000.00) in cash to the capital of the Partnership as his initial capital contribution (which \$260,000.00 shall be used, first, to return to the General Partner forthwith the \$10,000 in earnest money deposited under the Purchase Agreement and, second, on account of the cost of acquiring the Property and other project costs). In addition, the Class B Limited Partner shall make an additional capital contribution(s) to the Partnership in an amount equal to the amount of any hard and/or soft construction and lease-up costs and expenses incurred or to be incurred with respect to the Project (including, without limitation, architectural and other soft costs incurred prior to the date hereof), provided, however, that such additional capital contributions by the Class B Limited Partner to the Partnership shall not exceed \$40,000 in aggregate. Such additional capital contribution(s) by the Class B Limited Partner shall be made promptly upon the written request(s) of the General Partner from time to time.

3.2 Capital Contribution of Class A Limited Partners. The Class A Limited Partners shall collectively contribute one hundred Dollars (\$100.00) in cash to the capital of the Partnership upon the execution of this Agreement.

3.1 General Partner's Capital Contribution. The General Partner has transferred or hereby does transfer to the Partnership all of its ownership, right, title, and interest in and to (a) a certain Real Estate Purchase Agreement (the "Purchase Agreement"), dated May 12, 1986, for the purchase of the Property, and (b) any and all work product relating to the development of the Property and the construction of the Project. The General Partner and the Limited Partners have agreed that such capital contribution of the General Partner to the Partnership shall have a value of \$100.00 (the General Partner being entitled to reimbursement of soft costs incurred prior to the date hereof) but in an amount not to exceed \$3,000.00 in aggregate, and to return of the earnest money (the "Earnest Money") under the Purchase Agreement, as provided in Section 3.1 below).

CAPITAL AND CONTRIBUTIONS

ARTICLE III

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(b) In the event any and all principal, interest and other amounts owing under any loan advance have not been repaid in full to the Class A Limited Partner (whether or not demand therefor has been made by the Class A Limited Partner), the Class A Limited Partner shall be entitled (i) to receive, and the Partnership shall make directly to the Class A Limited Partner, any and all "distributions" (as defined in Article V below) as would, by the terms of this Agreement, be distributable or payable to the Class B Limited Partner (and after the occurrence of such default until all principal, interest and other amounts owing under the defaulted loan advance have been repaid in full) and (ii) otherwise to pursue any and all rights and remedies available to it as a secured party under Article XII below for the collection of all of such principal, interest and other amounts owing under such defaulted loan advance.

(a) In the event the Class B Limited Partner shall fail to make any additional capital contribution requested pursuant to Section 3.1 above, the Class A Limited Partner may advance to the Partnership the amount of any such additional capital contribution not advanced by the Class B Limited Partner (i) the Class B Limited Partner shall be deemed and, thereupon, (ii) the Class B Limited Partner shall be deemed to have made an additional capital contribution to the Partnership pursuant to Section 3.1 hereof and (iii) the advance (herein, the "Loan Advance") to the Partnership so made by the Class A Limited Partner on behalf of the Class B Limited Partner shall be considered a personal recourse debt due from the Class B Limited Partner to the Class A Limited Partner, which Loan Advance shall bear interest at a rate per annum equal to the rate (as announced from time to time by the First National Bank of Chicago) plus two percent (2%) per annum, and shall be payable on demand of the Class A Limited Partner, and shall be secured as provided in subsection (b) and in Article XII below.

- 3.5 No interest on Capital Accounts. No Partner shall be entitled to any interest on any positive balance in its capital account, nor shall any Partner be liable to the Partnership or to any Partner for interest on any negative balance in its capital account.
- 3.6 Withdrawal of Capital. No Partner shall be entitled to the return of its capital contribution except by way of the distribution to it of cash flow, or of assets upon the dissolution of the Partnership, pursuant to the provisions of this Agreement.
- 3.7 Failure to Make Additional Capital Contribution.

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(a) Net Operating Profits. Net Operating Profits, as determined on an annual basis, shall be allocated as follows:

4.2 Interest of Each Partner in Profits and Losses.

(e) "Sale Profits" and "Sale Losses" mean, respectively, for any period, the net income or the net loss, respectively, of the Partnership, as determined for federal income tax purposes, recognized in connection with any sale (including any liquidation losses or liquidation profits taken into account in connection therewith).

(d) "Sale" means any sale, transfer, conveyance, assignment or other disposition by the Partnership (including, without limitation, any involuntary disposition and any disposition incident to dissolution of the Partnership) of any of its assets or property other than any incidental disposition of personal property. "Sale" shall not include the mortgaging, plying, pledging for collateral purposes, or other encumbering of any assets or property of the Partnership, whether or not made incident to any refinancing, or any lease of any portion of the project entered into by the Partnership in the ordinary course of the Partnership's business.

(c) "Refinancing" means any transaction pursuant to which the Partnership borrows money, on a secured or unsecured basis, in furtherance of the business and purpose of the Partnership.

(b) "Net Operating Profits" and "Net Operating Losses" mean, respectively, for any period, the net income or net loss, respectively, of the Partnership, as determined for federal income tax purposes, recognized in connection with or otherwise attributable to the Partnership's operations, business, investments or other activities or assets, excluding any sale losses, sale profits, liquidation losses or liquidation profits taken into account in connection therewith.

(ii) "Liquidation Losses" and "Liquidation Profits" mean, respectively, for any period, the net loss or net income, respectively, of the Partnership, as determined for federal income tax purposes, recognized in connection with any sale (including any liquidation losses or liquidation profits taken into account in connection therewith).

4.1 Definitions. The following terms shall have the respective meanings set forth below, unless the context requires otherwise:

ALLOCATIONS OF PROFITS AND LOSSES

ARTICLE IV

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(d) Net Operating Loss and Sale Losses. The amount of Net Operating Loss and Sale Losses of the Partnership, if any, determined on an annual basis, shall be allocated one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partner, and fifty percent (50%) to the Class B Limited Partner.

(1) First, to those partners with deficit capital account balances in proportion to and to the extent of such deficit balances, until all such deficit capital account balances have been brought to zero;
(2) Second, to the Class B Limited Partner in an amount equal to the excess, if any, of (A) the preferential balance plus the accumulated preferential return over (B) such partner's capital account balance immediately prior to the allocations made pursuant to this Section 4.2(c)(1)(i) and (ii) Thereafter, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partner, and fifty percent (50%) to the Class B Limited Partner.

(c) Liquidation Proceeds. Liquidation proceeds shall be allocated as follows (prior to any distribution pursuant to Section 10.3):
(1) First, to those partners with deficit capital account balances in proportion to and to the extent of such deficit balances, until all such deficit capital account balances have been brought to zero;

(2) Second, to the Class B Limited Partner in an amount equal to the excess, if any, of (A) the preferential balance plus the accumulated preferential return over (B) such partner's capital account balance immediately prior to the allocations made pursuant to this Section 4.2(c)(1)(i) and (ii) Thereafter, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partner, and fifty percent (50%) to the Class B Limited Partner.

(b) Sale Proceeds. Sale proceeds shall be allocated as follows (after any distributions are made pursuant to Section 5.3):
(1) First, to the Class B Limited Partner until the cumulative amount so allocated pursuant to this Section 4.2(b)(1) equals the cumulative distributions having been made to the Class B Limited Partner pursuant to Section 5.3(a) (but only from cash flow from sales) and

(2) Thereafter, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partner, and fifty percent (50%) to the Class B Limited Partner.

(c) Distributions. Distributions shall be allocated as follows (after any distributions are made pursuant to Sections 5.2 and 5.3):
(1) First, to the Class B Limited Partner until the cumulative amount so allocated pursuant to this Section 4.2(c)(1) equals the cumulative distributions having been made to the Class B Limited Partner pursuant to Section 5.2(a) and, with respect to cash flow from Retinancing, Section 5.3(a) and

(2) Thereafter, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partner, and fifty percent (50%) to the Class B Limited Partner.

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(a) Liquidation losses. The amount of liquidation losses of the Partnership, if any, shall be allocated as follows (prior to any distributions pursuant to Section 10.3):

(i) First, provided all Partners have positive capital account balances, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partners, and fifty percent (50%) to the Class B Limited Partner, until such time as any one or more Partners has a zero capital account balance;

(ii) Second, to the Partners with remaining positive capital account balances, in proportion to the ratio of their positive capital account balances, until the capital accounts of all Partners have been reduced to zero; and

(iii) Thereafter, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partners, and fifty percent (50%) to the Class B Limited Partner.

(b) Cash flow from operations shall mean all cash, not required to pay or provide for the costs, expenses and expenditures of the Partnership or for satisfaction of the obligations of the Partnership (including, without limitation, provision for working capital and other reasonable reserves), derived from the activities of the Partnership with respect to the project (other than Cash Flow from Sale or Refinancing and/or Liquidation Proceeds).

(c) Cash flow from sale or refinancing shall mean all cash, not required to pay or provide for the costs, expenses and expenditures of the Partnership or for satisfaction of the obligations of the Partnership (including, without limitation, provision for working capital and other reasonable reserves), derived from the activities of the Partnership with respect to the project (other than Cash Flow from Sale or Refinancing and/or Liquidation Proceeds).

(d) Accumulated preferential return shall mean, as of any date, the aggregate amount of the preferential return, less all distributions on account of the preferential return made to the Class B Limited Partner pursuant to Sections 5.2(a), 5.3(a), and 10.3(d) below prior to such date.

5.1 Definitions. The following terms shall have the respective meanings set forth below, unless the context requires otherwise:

DISTRIBUTIONS

ARTICLE V

(1) First, provided all Partners have positive capital account balances, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partners, and fifty percent (50%) to the Class B Limited Partner, until such time as any one or more Partners has a zero capital account balance;

(ii) Second, to the Partners with remaining positive capital account balances, in proportion to the ratio of their positive capital account balances, until the capital accounts of all Partners have been reduced to zero; and

(iii) Thereafter, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partners, and fifty percent (50%) to the Class B Limited Partner.

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(a) First, to the Class B Limited Partner an amount equal to the Accumulated Preferential Return, if any; allocated, distributed and paid as follows:

5.3 Distributions of Cash Flow from Sale of Retinancing. Cash flow from Sale of Retinancing, net of any contingency Reserves retained pursuant to Section 5.3 below, shall be allocated, distributed and paid as follows:

(b) Thereafter, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partner, and fifty percent (50%) to the Class B Limited Partner.

(a) First, to the Class B Limited Partner an amount equal to the Accumulated Preferential Return, if any; and

5.2 Distributions of Cash Flow from Operations. Cash flow from operations shall be used to pay or provide for the costs, expenses and expenditures of the Partnership (including, without limitation, provision for reasonable working capital) and general operations (including, without limitation, any remaining Cash flow from operations shall be allocated, distributed or paid as follows:

(g) "Preferential Return" shall mean the Preferential Balance, as such amount is outstanding, for time to time, multiplied by the rate of twelve percent (12%) per annum (simple and not compounding) from and after the date any such capital contributions contributed by the Class B Limited Partner are actually received by the Partnership.

(f) "Preferential Balance" shall mean, as of any date, the aggregate of the capital contributions made by the Class B Limited Partner to the Partnership, less all distributions of Cash Flow from Sale of Retinancing and/or liquidation proceeds made to the Class B Limited Partner pursuant to Sections 5.3(b) and 5.3(c) of this Agreement prior to such date.

(e) "Liquidation Proceeds" means all cash derived from any sale(s) incident to dissolution of the Partnership.

(d) "Distributions" shall mean all cash from any source and the fair market value (net of liabilities) of other property distributed to the Partner pursuant to Sections 5.2, 5.3, 5.4 and 5.5 or any other provision of this Agreement, but shall not include any payments to any Partner as reimbursement for Partnership expenses, as compensation for services rendered, or as a payment on account of any principal, interest or other amounts owing to such Partner on account of any loan made by such Partner to the Partnership.

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6.2 Reimbursement of General Partner for Certain Expenses and Advances. Funds advanced by the General Partner of the Class A Limited Partnership for expenses of the Partnership (excluding the Earnest Money) prior to the admission of the Limited Partners (in an amount not to exceed \$3,000 in aggregate) shall be repaid by the Partnership to the General Partner and the Class A Limited Partners promptly upon substantial completion of construction of the Project. In addition, the Earnest Money shall be repaid to the General Partner and the Class A Limited Partners promptly upon execution of this Agreement. Finally, all other funds advanced or reasonable expenses incurred by the General Partner or the Class A Limited Partners, from time to time, for expenses of the Partnership shall be reimbursed and repaid promptly to the

6.1 General Partner Fee. Except as otherwise provided in Section 6.4 and elsewhere in this Agreement, the General Partner will not receive compensation for its services in supervising and managing the affairs of the Partnership.

COMPENSATION AND EXPENSES OF THE GENERAL PARTNER AND AFFILIATES

ARTICLE VI

5.5 Contingency Reserve. The General Partner shall have the right to establish such reasonable reserves (the "Contingency Reserve") (and to set aside Partnership funds therein) as the General Partner determines to be reasonable in connection with the operation of the Partnership's business. Any funds set aside in such reserve shall not be available for distributions but the General Partner may elect to make a portion of such funds subsequently available for distributions to the extent that the General Partner determines that such funds are substantially in excess of the amount (reasonably) necessary to provide an adequate reserve for the operation of the Partnership's business.

5.4 Distribution of Liquidation Proceeds. Liquidation proceeds shall be allocated, distributed or paid in the manner described in Section 10.3 below.

(d) The Partner, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partner, and fifty percent (50%) to the Class B Limited Partner.

(c) Third, to the General Partner and the Class A Limited Partner, an amount equal to their initial capital contributions, in proportion to such initial capital contributions, and

(b) Second, to the Class B Limited Partner an amount equal to the preferential balance;

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(a) employ, retain, or otherwise secure or enter into contracts with personnel or firms to assist in the acquisition, developing, improving, managing, leading, and general operation of the project, including, but not limited to, brokers or agents, supervisory, development, leading and/or management agents,

7.2 Authority of the General Partner. In carrying out its management powers as provided in Section 7.1, but subject to the limitations set forth in Section 7.3 and elsewhere in this Agreement, the authority of the General Partner shall include, without limitation, the authority to:

7.1 Management Power. Subject to the limitations and restrictions contained in this Article VII, the General Partner shall (a) have full, exclusive and complete discretion in the management and control of the business of the Partnership; (b) make all decisions necessary to carry out the business and purpose of the Partnership; and (c) have all the rights and powers, and be subject to all of the restrictions and liabilities, of a partner in a partnership without limited partners.

RIGHTS, OBLIGATIONS AND POWERS OF THE GENERAL PARTNER

ARTICLE VII

6.4 Management and Leading Activities. The General Partner may designate itself or an affiliate of the General Partner to be the management agent for the project. Such management agent shall be entitled to a fee for its management activities equal to five percent (5%) of gross collections from the project. The General Partner will also be entitled, at the expense of the Partnership, to retain an unaffiliated leasing agent for the project on such reasonable terms as the General Partner deems advisable.

6.3 Expenses. Reasonable general overhead and administrative expenses of the General Partner shall be charged to the Partnership on a pro rata basis. The Partnership shall also bear all direct costs and expenses incurred in the conduct of its business, including, without limitation, all reasonable costs and expenses for legal, audit, accounting and other technical and professional services, reports and other communications to the partners, printing, postage, telephone and telegaph, travel, insurance, interest, messengers, office supplies, data processing, taxes, permits and licenses. All expenses of the Partnership shall be billed directly to it.

General Partner and the Class A Limited Partners from such Partnership funds as are available.

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7.4 Other Activities/Conflicts of Interest. The General Partner shall devote to the Partnership such time as may be necessary for the proper performance of its duties. The General Partner may engage in or possess interests in other business ventures of every kind and description for its own account, including, without limitation, the syndication, ownership, development or management of industrial, office, commercial and residential real estate projects, and in so doing it shall incur no liability to the Partnership, not to the limited partners as a

(f) make any sale of seventy-five percent (75%) or more of the assets or property of the Partnership or enter into any financing secured by any assets or property of the Partnership.

(e) admit additional or substitute General Partners or limited partners, except as provided in Articles VIII and IX) or

(d) require any limited partner to make any contribution to the capital of the Partnership not provided for herein;

(c) remove partnership property, or assign their rights in specific partnership property, for other than a partnership purpose;

(b) confess a judgment against the Partnership;

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

7.3 Limitation on General Partner's Power. Notwithstanding the generality of the foregoing, the General Partner shall not be empowered, without the consent of limited partners (which consent shall not be unreasonably withheld in the case of subsection (f) below), to:

(c) take any and all other action which is permitted of a general partner under the Uniform Limited Partnership Act of the State of Illinois.

(b) negotiate, enter into and carry out contracts and agreements of a kind, on behalf of the Partnership, that may, in the judgment of the General Partner, be desirable, necessary or related to the business and purpose of the Partnership (including, without limitation, agreements for the sale, exchange or other disposition of any or all of the assets of the Partnership and/or for the financing, on a secured or unsecured basis, of the project or any of the Partnership's other activities); and

attorneys, accountants, and engineers, all on such terms and for such consideration as the General Partner deems advisable;

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7.6 Limitation on the liability of the General Partner to the Limited Partners. Except in the case of acts or omissions done in bad faith, the doing of any act or other failure to do any act by the General Partner with respect to the business and operation of the Partnership, the effect of which may cause or result in loss or damage to the Partnership or the Limited Partners, shall not subject the General Partner or any of its respective officers, directors, shareholders, employees, agents, designees and nominees to any liability to the Limited Partners or the Partnership.

(c) If any of the General Partners (the "First General Partner") is not entitled to exoneration or indemnification for an act or omission under this section 7.5, every other General Partner shall nonetheless be exonerated and indemnified as provided herein.

(b) The indemnification of the General Partners as provided herein shall include, but not be limited to, payment by the Partnership of all costs, including reasonable attorneys' fees and disbursements, incurred in connection with the prosecution, defense, or compromise of any action, whether judicial, administrative or otherwise, and such costs shall be paid as incurred.

(a) The Partnership shall indemnify and hold harmless the General Partner, its affiliates and respective officers, directors, employees, agents, shareholders, heirs, successors and assigns (hereinafter collectively referred to, for purposes of this section 7.5, as the "General Partner"), jointly and severally, from any and all expenses, loss, damage or liability resulting from any act or omission by any of the General Partners, provided that such act or omission was done in good faith for the benefit of the Partnership or upon the advice of legal counsel to the Partnership. The exoneration and indemnification of the General Partners as provided herein shall extend to former General Partners.

7.5 Indemnification.

result of engaging in any other business ventures. Neither the Partnership nor the Limited Partners shall have any rights by virtue of this agreement in and to such other business ventures or to the income or profits derived therefrom. Neither the General Partner nor any affiliate of the General Partner, shall be obligated to present any particular investment opportunity to the Partnership, even if the opportunity is of a character which it presented to the Partnership, could be taken by the Partnership, and any of the foregoing parties shall have the right to take for their own account or to recommend to others any investment opportunity.

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8.4 Power of Attorney. Each limited partner makes, constitutes and appoints the general partner his true and lawful attorney-in-fact and agent, in his name, place and stead and for his use and benefit, to sign, execute, certify, acknowledge, file and record this Agreement and Certificate of Limited Partnership, and to sign, execute, certify, acknowledge, file and record all instruments amending this Agreement and Certificate of Limited Partnership that may be appropriate; (i) to reflect any amendment duly made to this Agreement in accordance with the provisions of this Agreement; (ii) to reflect the admission to the Partnership of additional or substituted general or limited partners, or the withdrawal of any partner, in the manner prescribed in this Agreement; and/or (iii) that may be required of the Partnership or of the partners by the laws of the State of Illinois or any

8.3 Other Activities. The limited partners may engage in or possess interests in other business ventures of every kind and description for their own accounts, including, but not by way of limitation, the syndication, ownership or management of commercial and residential real estate projects, and in so doing they shall incur no liability to the Partnership, the general partner or to any of the other limited partners as a result of engaging in any other business ventures. Neither the Partnership nor any of the partners shall have any rights by virtue of this Agreement in and to such business ventures or to the income or profits derived therefrom.

8.2 Limitation on Liability of Limited Partners. The liability of each limited partner shall be limited to the amount of his initial and, in the case of the class B limited partner, required additional capital contributions. Except as otherwise provided in Section 3.3 hereof with respect to the class B limited partner or as otherwise required by the Uniform Limited Partnership Act as adopted by the State of Illinois, no limited partner shall have any additional personal liability to contribute money to or with respect to the liabilities or obligations of the Partnership.

8.1 Management of Business. Without limitation of Section 7.3 above, no limited partner shall (a) take part in the management or control of the business of the Partnership, (b) transact any business in the name of the Partnership or (c) have the power to sign for or bind the Partnership to any agreement or document.

RIGHTS AND OBLIGATIONS OF LIMITED PARTNERS

ARTICLE VIII

1.7 Tax Matters Partner. The general partner shall act as "Tax Matters Partner" for the Partnership as provided in Sections 6221 through 6232 of the Internal Revenue Code.

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8.7 Certain Restrictions on Transfer. Notwithstanding any other provision in this Agreement, no Partner may, directly or indirectly, assign, transfer or encumber all or any part of his interest in the Partnership if, in the opinion of counsel to the Partnership, any such disposition would (a) result in the termination of the Partnership for Federal Income Tax purposes, (b) constitute or result in a violation of any Federal or state securities law or of any other Federal, state or local law, rule or regulation or order applicable to the Partnership,

8.8 Death or Incapacity of Limited Partner. The death or legal incapacity of a limited partner shall not cause a dissolution of the Partnership, but the rights of such limited partner to share in profits, losses and distributions shall, on the happening of such an event, devolve on his personal representative subject to the terms and conditions of this Agreement, and the Partnership shall continue as a limited partnership. However, unless admitted by the General Partner, in its reasonable discretion, as a substituted limited partner, no event shall such be a nonal representative become a substituted limited partner solely by reason of such capacity. The estate of the deceased or incapacitated limited partner shall be liable for all the obligations of such deceased or incapacitated limited partner.

8.9 Assignment and Encumbrance of a Limited Partner Interest. Notwithstanding anything to the contrary contained in this Agreement, the Class B Limited Partner may not, directly or indirectly, assign, transfer or encumber his interest in the Partnership (whether voluntarily or by operation of law) without the prior written consent of the General Partner, which consent may be withheld in the absolute discretion of the General Partner. The Class A Limited Partner may not, directly or indirectly, assign, transfer or encumber their interest in the Partnership (whether voluntarily or by operation of law) without the prior written consent of both the General Partner and the Class B Limited Partner, which consent may be withheld in the absolute discretion of each of the General Partner and the Class B Limited Partner and any purported assignment, transfer or encumbrance, direct or indirect, made in violation of this Agreement shall be void ab initio.

8.10 Assignment and Encumbrance of a Limited Partner Interest. The foregoing power of attorney in a special power of attorney coupled with an interest and is irrevocable and, notwithstanding any provision of this Agreement to the contrary, shall survive the delivery of an assignment by a limited partner of all or a portion of his limited partner interest, until the date, if any, such assignee becomes a substituted limited partner.

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(b) If the general partner shall not, directly or indirectly, assign, transfer, or encumber its interest in the partnership without the prior written consent of the limited partners, and any purported assignment, transfer or encumbrance, direct or indirect, made in violation of this agreement shall be void ab initio.

(b) If the general partner shall not, directly or indirectly, assign or otherwise dispose of its general partner interest, a partner pursuant to section 9.1 above of sale, transfers, assigns or otherwise disposes of its general partner interest, a successor person or entity may be admitted as a general partner if: (i) the limited partners unanimously consent in writing to the admission of the successor general partner; (ii) the successor general partner shall have executed this or any amended agreement and such other documents or instruments as may be required or appropriate in order to effect the admission of such person or entity as a general partner; and (iii) consent for the partnership shall have been rendered in writing by the admission of the successor general partner shall cause the termination or actions taken in connection with such transfer or the admission of the successor general partner shall cause the termination or

(a) The general partner shall not, directly or indirectly, assign, transfer, or encumber its interest in the partnership without the prior written consent of the limited partners, and any purported assignment, transfer or encumbrance, direct or indirect, made in violation of this agreement shall be void ab initio.

9.2 Assignment of General Partner Interest Admission of Successor General Partner

9.1 Termination of General Partner Status. The general partner shall cease to be a general partner if it (a) withdraws (b) makes a general assignment for the benefit of creditors (c) makes a voluntary petition under the federal bankruptcy law (d) files a petition for, or fails to have dismissed within 60 days any proceeding seeking, a reorganization, arrangement, composition, readjustment, liquidation, or dissolution under any statute, law, or regulation (e) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding of the nature described in this section 9.1 (i) seeks, consents to, or acquiesces in or fails to have vacated or stayed within 60 days (or vacated within 60 days of any such stay) the appointment of a trustee, receiver or liquidator of all or any substantial part of its property (g) files a corporate certificate of dissolution.

ADMISSION OF A SUCCESSOR GENERAL PARTNER

ARTICLE IX

(c) result in interests in the partnership being ineligible for exemption from the registration requirements of all applicable federal and state securities laws, and/or (d) constitute or result in a default under any mortgage loan or any other material contract or agreement which is binding upon the partnership or to which any asset or property of the partnership are subject.

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(a) Upon the dissolution of the Partnership pursuant to Section 10.1, the general partner shall be responsible for taking all actions relating to the winding up and distribution of the assets of the Partnership. The general partner shall hereinafter be referred to in this Section as the "liquidator". In the event the general partner is unable or declines to act as the liquidator, a liquidator shall be appointed by the limited partners or a court of competent jurisdiction. The liquidator shall collect all sums due and owing to the Partnership and shall file all certificates or notices of the dissolution of the Partnership as required by law. Upon the complete liquidation and distribution of the Partnership property and assets, the Partnership shall cease to be partners of the Partnership, and the liquidator shall execute, acknowledge and cause to be filed all certificates and notices required by law to terminate the Partnership.

10.2 Winding up and dissolution.

(b) If the general partner ceases to be a general partner pursuant to Section 9.1 above and no successor general partner is chosen by the limited partners pursuant to Section 9.2 within 30 days thereof,

(c) The mutual agreement of the partners to dissolve or

(d) The sale or disposition of all or substantially all of the property and assets of the Partnership;

10.1 Dissolution of the Partnership. The Partnership shall be dissolved on the earlier of the expiration of the term of the Partnership, or the happening of any of the following events:

DISOLUTION AND LIQUIDATION

ARTICLE X

(c) Promptly following the admission of a successor general partner pursuant to this Section 9.2, the general partner shall amend this agreement and certificate of limited Partnership and such other certificates and statements as are necessary to reflect the change and addition of the successor general partner. The limited partners hereby grant to the general partner their irrevocable power of attorney (coupled with an interest) to execute any and all of the documents and instruments necessary to carry out the foregoing.

dissolution of the Partnership or cause it to be taxed as an association taxable as a corporation.

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10.4 Restoration of Partnership Capital Accounts. In the event the capital account of any Partner is less than zero, such Partner shall have no obligation to make any contribution to the capital of the Partnership, and the negative balance of such Partner's capital account shall not be considered a debt owed by

(g) Thereafter, one percent (1%) to the General Partner, forty-nine percent (49%) to the Class A Limited Partner, and fifty percent (50%) to the Class B Limited Partner.

(f) To those Partners with remaining positive balances in their capital accounts, if any, in the ratio of such positive balances until no Partner shall have a positive capital account; and

(e) To the Class B Limited Partner an amount equal to the Preferential Balance;

(d) To the Class B Limited Partner an amount equal to the Accumulated Preferential Return;

(c) To the setting up of any reserves that the General Partner or the liquidator deems reasonably necessary for contingent or unforeseen liabilities or obligations of the Partnership arising out of or in connection with the business of

(b) To the payment of debt and liabilities of the Partnership, including loans or other debts and liabilities (other than liabilities for distributions) of the Partnership to Partners or former Partners;

(a) To the costs of sale of the Partnership's property and assets and the liquidation and dissolution of the Partnership, including brokerage commissions, escrow costs, accounting and legal fees and other expenses;

10.3 Distributions on Liquidation. Liquidation proceeds, to the extent sufficient and after crediting or charging to the capital accounts of the Partners all Profits, Losses and distributions (other than distributions of Liquidation Proceeds), shall be applied, distributed and paid in the following order of priority:

(b) The liquidator shall proceed without any unnecessary delay to sell and otherwise liquidate the Partnership property and assets; provided, however, that, if the liquidator shall determine that an immediate sale of part or all of the Partnership property and assets would cause undue loss to the Partners, the liquidator shall defer the liquidation of the Partnership property and assets for a reasonable time, except for such liquidations as may be necessary to satisfy the debt and liabilities of the Partnership to persons and entities other than the Partners.

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11.4 Reports to or on behalf of Limited Partners. In addition to any reports required elsewhere in this Agreement, the General Partner shall cause the Partnership's accountants to prepare and the General Partner shall deliver all information necessary for each Partner to prepare his own tax return, to the extent such information is available to the General Partner, no later than 90 days from the close of each taxable year, to all persons who were Limited Partners at any time during such year. All reports and other information required by this Article XI and all other reports that the General Partner deems necessary or

11.3 Partnership Tax Returns. For each fiscal year, the General Partner shall cause to be prepared and timely filed, on behalf of the Partnership, such federal, state and/or local income tax returns as may be required by the Partnership by law.

11.2 Bank Accounts. The funds of the Partnership shall be deposited in an account or accounts maintained at one or more financial institutions as the General Partner shall determine, and withdrawals shall be made only in the regular course of Partnership business on such signature or signatures as the General Partner may authorize in writing. Funds of the Partnership shall not be commingled with any other funds.

11.1 Books and Records. The General Partner shall keep the books and records of the Partnership in accordance with generally accepted accounting principles at the principal place of business of the Partnership, and each Limited Partner shall have the right, upon reasonable request and at their own expense, to inspect and copy the same.

BOOKS AND RECORDS, ACCOUNTING, ETC.

ARTICLE XI

10.5 Waiver of Right to Dissolve. Each Limited Partner expressly waives his right to dissolve the Partnership or to obtain dissolution in any way except as provided in this Agreement. Such Partner to the Partnership for any purpose whatsoever; provided, however, that, in the event the capital account of the General Partner is less than zero after the allocation of any Liquidation Profits or Losses as provided in Section 4.2 above, the General Partner shall, prior to the distribution of any Liquidation Proceeds as provided in Section 10.3 above, contribute to the capital of the Partnership an amount equal to the matter of (i) that amount required to bring the negative capital account of the General Partner to zero, or (ii) the excess of (a) the product of (x) .0101, times (y) the aggregate capital contributions made by the Class A and Class B Limited Partners to the Partnership pursuant to Sections 3.2 and 3.3 above, over (b) the capital contribution made by the General Partner to the Partnership pursuant to Section 3.1 above.

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(a) Upon the occurrence of any event of default with respect to a partner, in addition to any and all other rights and remedies available at law, in equity, under this Agreement or otherwise, the non-defaulting partner(s) and the Partnership shall have all rights and remedies of a secured party under the Uniform Commercial Code as adopted by the State of Illinois (the "UCC"). The reasonable expenses of the non-defaulting partner(s) and the Partnership (including, without limitation, reasonable attorneys' fees) in assuming possession of the collateral and in exercising the defaulting partner's rights, powers and privileges therein and hereunder and in enforcing the non-defaulting partner's rights against the Partnership shall be borne by the Partnership.

12.3 Remedies.

(a) Such partner shall fail to perform or observe any provision of this Agreement binding upon such partner and such partner shall continue for a period of thirty (30) days after written notice is given to the defaulting partner (except that if such failure cannot be cured within said 30 day period, the defaulting partner shall have such additional period as the defaulting partner diligently proceeds to cure such failure). Long as the defaulting partner diligently proceeds to cure such failure, no period as may be reasonably necessary to cure such failure, no partner (except the defaulting partner) shall have such additional written notice (except that if such failure cannot be cured within said 30 day period, the defaulting partner shall have such additional period as the defaulting partner diligently proceeds to cure such failure).

(b) Such partner shall be in default of its obligations under this Agreement as described in Section 3.7 above, if:

(a) An event of default shall be deemed to have occurred hereunder with respect to a partner (herein, a "defaulting partner") if:

12.1 Security Agreement. Each partner hereby grants to the Partnership and to the other partners a continuing security interest in all of its right, title and interest in the Partnership and in, to and under this Agreement (including, without limitation, all of its right, title and interest in and to any and all distributions due to such partner under the terms of this Agreement) (collectively, the "Collateral"), for the full payment of any and all sums due from such partner hereunder or under any loan advance and for the performance of any and all agreements, obligations and liabilities of such partner under this Agreement.

REMEDIES AND SECURITY AGREEMENT

ARTICLE XII

11.5 Fiscal Year. The fiscal year of the Partnership for tax and financial accounting purposes shall be the calendar year. Partnership. Partnership shall be prepared and delivered at the expense of the Partnership.

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14.3 Binding Agreement. This Agreement shall be binding upon the parties hereto, their successors, heirs, devisees, permitted assigns, legal representatives, executors and administrators.

14.2 Applicable Law. This Agreement shall be governed and construed under the laws of the State of Illinois.

14.1 Notices. Unless otherwise expressly stated in this Agreement, any notices given under this Agreement shall be in writing and shall be served either personally or delivered by United States mail, postage prepaid. Notices shall be deemed received at the earlier of actual receipt or three days following deposit in the United States mail, postage prepaid. Notices shall be directed to the addresses shown in the Partnership's records. Any Partner may change its address for notice purposes by giving notice to the other Partners.

GENERAL PROVISIONS

ARTICLE XIV

The General Partner may, without the consent of any limited partner, amend this Agreement and any related documents for the purpose of (a) correcting an error or omission therein, (b) reflecting the admission, substitution, transfer or withdrawal of a limited partner, or (c) satisfying any governmental requirement applicable to the Partnership, including any requirements of the Internal Revenue Service with respect to Section 704(b) of the Internal Revenue Code or any regulations promulgated thereunder.

AMENDMENTS

ARTICLE XIII

(b) The remedies of the non-defaulting Partner(s) and the Partnership, as provided in this Article XII, shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of the non-defaulting Partner(s) and the Partnership, and may be exercised on often as occasion therefor shall arise. No act of omission or commission of the non-defaulting Partner(s) or the Partnership shall be deemed to be a waiver or release of the same, any such waiver or release to be effected only through a written document executed by the non-defaulting Partner(s) and the Partnership and then only to the extent specifically recited therein.

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14.4 Waiver of Action for Partnership. The Partners hereby agree that no Partner, nor any successor-in-interest to any Partner, shall have the right, while this Agreement remains in effect, to have any Partnership asset partitioned, all such rights being hereby waived.

14.5 Article Headings. All article and section headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any article or section.

14.6 Counterparts. This Agreement may be executed in several counterparts, each of which shall constitute one Agreement, binding on all of the parties hereto, notwithstanding that all the parties are not signatory to the original or the same counterpart.

14.7 Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal, invalid or in conflict with any existing or future law or the purpose of this Agreement, for any reason whatsoever, such term or provision shall be ineffective and void, and the validity of the remainder of this Agreement shall not be affected thereby.

14.8 Right to Rely Upon Authority of General Partner. No person dealing with the General Partner shall be required to determine its authority to make any commitment or undertaking on behalf of the Partnership, nor to determine any fact or circumstance bearing upon the existence of the General Partner's authority.

14.9 Certain Representations by the Limited Partners. Each of the Limited Partners hereby represents to each other Limited Partner and to the Partnership that (a) he is acquiring his limited partnership interest for his own account, for investment purposes only, and not for the purpose of, or with a view toward, 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; (b) he is a sophisticated investor, able and accustomed to handling sophisticated matters for himself, particularly real estate and partnership investments, and (c) he has and shall continue to have a sufficiently high net worth that he does not anticipate a need for any funds invested herein from time to time in what he understands to be a risky and illiquid investment.

14.10 Entire Agreement. This Agreement constitutes the entire understanding and agreement among the parties hereto with respect to the subject matter hereof, and there are no warranties, understandings, restrictions, representations or agreements among the parties other than those set forth herein or provided for herein.

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IN WITNESS WHEREOF, the undersigned have executed this Agreement and Certificate of Limited Partnership as of the date first above written.

U S 2 5 1 1 3 2

GENERAL PARTNER

LAMBERT TRAK PROPERTIES, LTD., an Illinois corporation

By: *James E. Davis*

Title: *Treasurer*

LIMITED PARTNERS:

James E. Davis
LAWRENCE E. DAVIS

Carl A. Davis
CARL A. DAVIS

John J. Lammert
JOHN J. LAMMERT

SEE FORMS

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My term of office expires on
April 19, 1987

Theresa Williams
Notary Public in and for said
County and State

IN WITNESS WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year first above written.
resolution of its board of directors.
said corporation executed the same pursuant to its by-laws or a
executed the within instrument, and acknowledged to me that the
of Lambert Tree Properties, Ltd., and
appeared, Theresa Williams, known to me to be
State, duly commissioned and sworn, personally
the undersigned, a Notary Public in and for said County and
On this 18 day of April, 1986, before me,

STATE OF ILLINOIS)
) SS)
) COUNTY OF COOK)

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My term of office expires on _____
19 _____

Notary Public in and for said
County and State
[Signature]

ON this 9th day of June, 1986, before me, the
undersigned, a Notary Public in and for said County and State,
duly commissioned and sworn, personally
appeared Sam Forgan, who is known to me and
who acknowledged to me the execution of the within instrument.
IN WITNESS WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year first above written.

STATE OF GEORGIA)
COUNTY OF POLK)
SS)

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My term of office expires on
Sept 19, 1987

Notary Public in and for said
County and State

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written,
appeared William J. ..., who is known to me and who acknowledged to me the execution of the within instrument, duly commissioned and sworn, personally
on this 19 day of Sept, 1986, before me, the undersigned, a Notary Public in and for said County and State,

STATE OF ILLINOIS)
COUNTY OF COOK)
SS

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Sept 15, 1987

My term of office expires on

Notary Public in and for said
County and State

[Handwritten signature]

On this 18 day of Sept, 1986, before me, the undersigned, a Notary Public in and for said County and State, duly commissioned and sworn, personally appeared Mr. W. J. [illegible], who is known to me and who acknowledged to me the execution of the within instrument. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

STATE OF ILLINOIS)
COUNTY OF COOK)
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09.

[Handwritten scribble]

[Handwritten signature]

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H.W.

RE. bk m: 13-29-100-001 Lot 19
13-29-100-002 Lot 20
13-29-100-003 Lot 21
13-29-100-004 Lot 22

Attorn: SE corner of Belmont and
Arrangement, Chicago, IL

Lot 19 to 22 inclusive in Block 1 in Belmont Heights, a
Subdivision of the North West Quarter of the North West
Quarter of the North West Quarter of Section 29, Township 40
North, Range 13, East of the Third Principal Meridian in
Cook County, Illinois.

LEGAL DESCRIPTION

EXHIBIT A

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