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OAKTON ARMS

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An Illinois Limited Partnership

AGREEMENT AND CERTIFICATE OF LIMITED PARTNERSHIP

AGREEMENT AND CERTIFICATE OF LIMITED PARTNERSHIP dated as of May 1, 1987 by and among FRED WEISS, MARK PALMER, IRVING LEWKOWITZ, and HAROLD KATZ, (hereinafter referred to collectively as the "General Partners", or individually as a "General Partner"); and JAY LEWKOWITZ, A. J. MAGGIO CO., an Illinois corporation, MART SKORECKY, & MYRNA SKORECKY (hereinafter referred to collectively as the "Limited Partners", or individually as a "Limited Partner"). All General Partners and Limited Partners taken together are referred to herein as the "Partners".

The purposes of this Agreement are to create a limited partnership and to set forth the rights and obligations of the parties hereto.

The Partners desire to enter into this Agreement of Limited Partnership, and in consideration of the mutual covenants and conditions herein contained and intending to be legally bound, hereby state, acknowledge and agree as follows:

Section 1: Formation. The parties hereto constitute a limited partnership formed pursuant to the provisions of the Uniform Limited Partnership Act in effect in the State of Illinois (the "Uniform Act"). The General Partners shall promptly file a copy of this Agreement or such other certificate of limited partnership in such form as shall be necessary under the laws of the State of Illinois to give affect to the provisions of this Agreement, and to organize the Partnership named below (the "Partnership") as a limited partnership under the Uniform Act.

Section 2: Name and Office. The Partnership is and shall be conducted under the name of OAKTON ARMS. The principal office and place of business of the Partnership is located at 1745 West Fulton Street, Chicago, Illinois 60612, or such other place in the State of Illinois as the General Partners may from time to time determine and shall specify by prior notice to the Limited Partners. The records required to be maintained by the Partnership pursuant to Section 5 of the Uniform Act shall be maintained at the principal office of the Partnership.

Section 3: Purpose. The purpose and business of the Partnership are as follows:

- (a) to acquire the real property legally described on Schedule "A" attached hereto (the "Property") and to develop, own, improve, construct, lease, maintain and operate thereon a congregate living center for elderly residents (the "Project").

MARK TO:
MARK ROSS
150 N. WACKER DR. #650
CHICAGO, IL 60666

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- (b) to enter into, perform, modify, supplement or terminate any contract necessary to, in connection with, or incidental to the accomplishment of the purposes of the Partnership, which may be necessary or desirable to accomplish the purposes set forth in Section 3(a) above.
- (c) to acquire the Property and any additional property, real or personal, in fee or under lease, or any rights therein or appurtenant thereto, necessary or convenient for the operation of the Project.
- (d) to borrow money and to issue evidences of indebtedness and to secure the same by mortgage, pledge or other lien on the Property, or any other assets of the Partnership, in furtherance of any and all of the purposes of the Partnership including, but not limited to, the Loan (defined below) from ABG Financial Services, Inc. (together with its respective successors and assigns including each holder of the Loan, herein referred to as the "Mortgage Lender") in the approximate principal sum of \$7,900,00.00.
- (e) to prepay in whole or in part, refinance, decrease, increase, modify or extend any mortgages affecting the Property.
- (f) to employ a management company to manage the Project (including a company which may be owned or owned in part by a General Partner or Limited Partner).
- (g) to construct, operate, maintain, finance and improve, and to own, sell, convey, assign, mortgage or lease any real estate and any personal property necessary, convenient or incidental to the accomplishment of the purposes of the Partnership.
- (h) to enter into a Trust Agreement (the "Trust Agreement") dated May 1, 1987 with AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, and known as Trust Number 100617-03 (the "Land Trust") for the purposes of holding title to the Property, and to perform its obligations thereunder.

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- (i) to execute any and all notes, mortgages, security agreements, and other documents and agreements, in order to secure, or evidence partnership obligations, in connection with the Loan from the Lender, and expressly, without limitation, the Partnership is authorized to execute a note and mortgage in order to secure a loan (the "Loan") to be coinsured by the Secretary of Housing and Urban Development (the "Secretary"), and to execute a regulatory agreement (herein referred to as the "Regulatory Agreement") and other documents required by the Secretary and the Mortgage Lender, in connection with the loan. The Partnership is further authorized to execute a construction contract for the construction of the Project in the approximate sum of \$6,200,00.00, and any and all other documents, including, but not limited to, all documents and instruments required by the Secretary (by virtue of statutes and regulations) or the Lender in connection with the aforesaid mortgage loan and the acquisition, construction, development, improvement, maintenance and operation of the Property or Project, or otherwise required by the Secretary or the Mortgage Lender in connection with the Property or Project.
- (j) to carry on any other activities necessary to, or in connection with, or incidental to, the accomplishment of the purposes of the Partnership, so long as such activities may be lawfully carried on or performed by a partnership under the laws of the State of Illinois.

All documents, agreements and papers necessary to be executed by the Partnership in connection with the effectuation and carrying on of the purposes of the Partnership as mentioned above, may be executed on behalf of the Partnership by any one (1) of the General Partners.

The Partnership shall not engage in any other business without the prior consent of all Partners. Furthermore some or all of the aforesaid purposes may be performed through the Land Trust, and the Partnership is authorized to cause the Land Trust to execute such of the above documents and items as may be required.

Section 4: Term. The term of the Partnership shall commence on the date that this Agreement or other certificate is filed as the Certificate of Limited Partnership of the Partnership with the Office of the Recorder of Deeds of Cook County, Illinois, and shall continue in full force and effect until May 1, 2027, unless sooner dissolved or terminated as set forth herein or in the Uniform Act.

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Section 5: Capital Contributions.

5.1: Partnership Capital and Capital Accounts. The initial capital of the Partnership shall be the aggregate amount of the cash and the agreed value of the property, if any, contributed by the General Partners and Limited Partners as set forth in Schedule B attached hereto. Schedule B shall also specify the partnership interest of each Partner. No interest shall be paid by the Partnership on any capital contribution to the Partnership. Schedule B shall be amended and a new Certificate shall be filed from time to time to reflect the withdrawal or admission of Partners, any changes in the Partnership interests held by a Partner arising from the transfer of a Partnership interest to or by such Partner, and any change in the amounts to be contributed or agreed to be contributed by any Partner.

An individual capital account shall be established and maintained for each Partner, including any additional or substituted Partner who shall hereafter receive an interest in the Partnership. The original capital account established for each such substituted Partner shall be in the same amount as, and shall replace, the capital account of the Partner which such substituted Partner succeeds, and, for the purposes of this Agreement, such substituted Partner shall be deemed to have made the capital contribution, to the extent actually paid in, of the Partner which such substituted Partner succeeds. The term "substituted partner", as used in this paragraph, shall mean a person succeeding to the interest in the Partnership of a Partner by assignment of all or any part of a Partner's interest in the Partnership. To the extent a substituted Partner receives less than 100% of the interest in the Partnership of a Partner he succeeds, the original capital account of such substituted Partner and his capital contribution shall be in proportion to the interest he receives and the capital account of the Partner who retains a partial interest in the Partnership and his capital contribution shall continue, and not be replaced, in proportion to the interest he retains. Any special basis adjustments resulting from an election by the Partnership pursuant to Section 754 of the Internal Revenue Code shall not be taken into account for any purpose in establishing and maintaining capital accounts for the Partners pursuant to this Section 5.1. Nothing in this Section shall affect the limitations on transfer contained in this Agreement.

From time to time the General Partners herein shall make additional capital contributions ("Additional Capital") to the Partnership in the proportion their respective general partnership interest bears to the total partnership interests owned by all of the General Partners. Additional Capital shall be paid on not less than twenty (20) days prior notice, on the demand of the General Partners decided pursuant to Section 6.1 hereof,

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if such Additional Capital is necessary to acquire the Property and develop the Project, including, but without limitation, all funds necessary to complete the construction of the Project and to finance such construction and development to the extent the sums provided by the aforesaid mortgage loan are not sufficient for said purposes, all debt service payments, utility payments, maintenance and management payments, taxes, legal and accounting fees, insurance premiums, working capital, and all miscellaneous items reasonably related to and expended in the development of the Property and construction and initial rent-up of the Project. The requirement for those contributions of Additional Capital by the General Partners shall cease at the time of the "final endorsement" of the Project by the Secretary. No Partner herein shall be entitled to any interest or any Initial or Additional Capital unless otherwise expressly provided herein.

5.2: Withdrawal of Capital. A Partner shall not have the right to withdraw from the Partnership all or any part of his capital contribution except as may be specifically provided in this Agreement. No Partner shall have any right to demand and receive property of the Partnership in return for his capital contribution except as may be specifically provided in this Agreement.

Section 6: Partners.

6.1: Powers of General Partners. Subject to the terms and provisions of this Agreement, the General Partners shall have all powers necessary, convenient or appropriate to carry out the purposes and business of the Partnership referred to in Section 3, and subject only to limitations specifically set forth in this Agreement, shall possess and enjoy all the rights and powers of a partnership without limited partners to the extent permitted by the laws of the State of Illinois. The General Partners shall have the exclusive power to manage and control the business of the Partnership and shall devote such of their time to the business of the Partnership as may be necessary to conduct it generally in the best interests of the Partnership. Unless set forth otherwise herein, or in Section 3, decisions of the Partnership to be made by the General Partners on behalf of the Partnership, shall be made by and require the consent of General Partners entitled to share in not less than 51% (Fifty one percent) of the total partnership interests owned by the General Partners as such General Partners, it being the intention of the parties hereto that the General Partners vote in accordance with the proportion that each General Partner's general partnership interest bears to the total combined general partnership interest held by all the General Partners.

6.2: Prohibited Acts and Limitations. Nothing contained in Section 6.1 shall be construed as giving the General Partners the power or right to possess Partnership property for

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other than a Partnership purpose nor to do any act prohibited by the terms of any statutes, ordinances, regulations or agreements applicable to this Partnership. All powers and rights of the General Partners shall always be subject to the foregoing so long as the same continue in force and to be applicable to this Partnership as aforesaid.

6.3: Liability for Acts and Omissions. No General Partner shall be liable, responsible or accountable in damages or otherwise to any of the Partners or the Partnership for any act or omission of such General Partner performed or omitted in good faith on behalf of the Partnership, and in a manner reasonably believed by the General Partner to be within the scope of the authority granted to the General Partners by this Agreement and in the best interests of the Partnership. The General Partners shall be entitled to indemnity from the Partnership for any loss, damage or claim by reason of any such act or omission, except that they shall not be entitled to be indemnified in respect to any loss, damage or claim incurred by a General Partner by reason of gross negligence, willful misconduct or any breach of a General Partner's fiduciary duty with respect to such acts or omissions. Any indemnity under this Section shall be provided out of and to the extent of Partnership assets only, and no Limited Partners shall incur any liability on account thereof.

6.4: Other Interests of Partners. Any of the Partners may engage in or possess an interest in other business ventures of every nature and description, independently or with others, including, but not limited to the real estate business and health care business, which shall include, without limitation, the ownership, operation, management, administration, syndication and development of real property and health care facilities and services.

6.5: Dealing with affiliated persons. The General Partners may, in the name and on behalf of the Partnership, enter into such agreements, contracts or the like with any General Partners or Limited Partners, or entities owned or owned in part by such parties, in an independent capacity, to undertake and carry out the business of the Partnership as if such party were an independent contractor, and the General Partners may obligate the Partnership to pay for and on account of any such services reasonable compensation therefor.

6.6: Repayment of Prior Advances. It is agreed and understood that one or more of the General Partners ("Advancing General Partners") have advanced, or caused to advance, or will advance development costs including but not limited to land acquisition costs and fees, architectural fees, financing fees, and legal fees as necessary, prior to the first advance of the aforesaid mortgage loan. It is contemplated that some, if not all of the aforesaid development costs shall be reimbursable to the

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Advancing General Partners by the Mortgage Lender. Any and all such reimbursements shall become the sole individual property of the Advancing General Partners, whether or not such reimbursements shall be made payable to said Advancing General Partners, or to the Partnership. The Partnership, upon the receipt of the first advance of mortgage loan proceeds, shall immediately fully reimburse such advances to the Advancing General Partners, or in the alternative, if so directed by the Advancing General Partners, credit such advances to the capital accounts of the Advancing Partners.

6.7: Limited Partners.

- (a) General. The Limited Partners hereby consent to the exercise by the General Partners of the powers conferred on them by this Partnership Agreement. No Limited Partner (except one who may also be a General Partner, and then only in his capacity as a General Partner) shall participate in or have any control over the Partnership's business; nor shall he transact any business for or on behalf of the Partnership. No Limited Partner shall have the right to have the Partnership dissolved and liquidated or to have his capital contribution returned except as provided in this Agreement.
- (b) Limitation on Liability. No Limited Partner shall be liable as such for any of the losses, debts or engagements of the Partnership beyond the aggregate amount of capital contributions that he has made, plus his share of undistributed net profits of the Partnership and any additional capital contributions which he may agree to make. No Limited Partner has agreed to make any additional capital contributions or to lend any funds to the Partnership.

Section 7: Allocations and Distributions.

7.1: Allocation of Profits and Losses. The profits and losses of the Partnership shall be allocated to the Partners in proportion to their respective partnership interests set forth in Schedule B.

7.2: Cash Flow of the Partnership.

- (a) "Cash Flow". The term "Cash Flow" of the Partnership for a particular fiscal year shall include all profits from the operations of the Partnership for such fiscal year except profits for such fiscal year arising from the sale or other disposition of all or a substantial part of the assets of the Partnership, and shall be determined by adjusting such profits as follows:

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- (1) Depreciation of (or cost recovery allowances with respect to) buildings, improvements and personal property shall not be considered as a deduction;
 - (2) Amortization (for tax purposes) of any item shall not be considered as a deduction;
 - (3) Principal payments on the mortgage loans shall be considered as a deduction;
 - (4) Principal payments on all conditional sales contracts and other secured obligations shall be considered a deduction;
 - (5) If the General Partners shall so determine, a reasonable reserve established in accordance with generally accepted accounting principles shall be deductible for replacements, capital improvements or any other contingency of the Partnership;
 - (6) Amounts paid (including payments made to any reserve fund) by the Partnership for replacement or capital improvements (and not withdrawn from a reserve fund established for such purpose) shall be considered as a deduction;
 - (7) Amounts required to maintain reasonable working capital shall be considered a deduction;
 - (8) The capital contributions of the Partners, shall not be included in Cash Flow of the Partnership and payments made from such sources of funds shall be excluded in determining Cash Flow of the Partnership;
 - (9) Any other receipts from the operations of the Partnership not properly includible in profits and losses of the Partnership and any amounts released from reserve accounts and available for distribution shall be included in Cash Flow of the Partnership;
- (b) Cash Flow Distributions. The Cash Flow of the Partnership shall be determined for each fiscal year and for the portion of the fiscal year in which completion of the Project occurs. Subject to the applicable provisions, if any, of the Regulatory Agreement, the General Partners shall

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distribute the Cash Flow of the Partnership to the Partners, in accordance with their respective partnership interests, in the manner and amounts set forth herein.

- (c) Time for Distribution. All distributions of Cash Flow of the Partnership to the Partners may be made at such reasonable intervals as shall be determined by the General Partners.

Section 8: Termination of the Partnership

8.1: General Partners. The death, retirement or inability to act of a General Partner shall not work a dissolution of the Partnership, and the remaining General Partners shall carry on the affairs of the Partnership, as before, in accordance with this Agreement. In the event of such a death, retirement, or inability to act of a General Partner or adjudication of a General Partner as a bankrupt, which would not work a dissolution of the Partnership, that General Partner or his estate shall continue to be a member of the Partnership, but thenceforth shall be a Limited Partner only (unless by operation of law, or of bequest, any of the said general partnership interests, or part thereof, become vested in a remaining General Partner, the said remaining General Partner shall take said interest, or part thereof as the case may be, as a general partnership interest). If one General Partner elects to retire during the term hereof, such retirement shall be effective upon his giving written notice thereof to the other Partners. Upon such notice his interest shall become that of a Limited Partner. The death, retirement or inability to act of a General Partner, as aforesaid, shall not relieve the obligations of such General Partner, or his estate, provided for in Section 5.1 hereof.

8.2: Events Causing Dissolution. The Partnership shall be dissolved and, subject to Section 8.3 below, its affairs wound up on the first to occur of the following:

- (a) the death, retirement, or inability to act of all General Partners if the Partners do not designate a successor General Partner;
- (b) the election to dissolve the Partnership made in writing by the General Partners with the written approval of the Partners owning at least 75% (Seventy five percent) of the interests in the Partnership, and if required, the written consent of the Secretary and the Mortgage Lender;
- (c) any other act or event causing dissolution under the Uniform Act;

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- (d) the sale or other disposition of all or a substantial part of the assets of the Partnership;
or
- (e) the expiration of the Partnership term.

8.3: Distributions Upon Termination. Upon dissolution of the Partnership the General Partner(s) (or their trustee, receiver, successor or legal representative) shall cause the cancellation of the Certificate of Limited Partnership and liquidate the Partnership assets and apply and distribute the proceeds thereof in accordance with Section 7.2(b). Notwithstanding the foregoing, in the event such liquidating General Partner(s) shall determine that an immediate sale of part or all of the Partnership's assets would cause undue loss to the Partners, the liquidating General Partners may, in order to avoid such loss, either (i) defer liquidation of, and withhold from distribution for a reasonable time, any assets of the Partnership except those necessary to satisfy the Partnership debts and obligations, or (ii) distribute the assets to the Partners in kind.

8.4. Limited Partners. The Partnership shall not be dissolved by reason the death or adjudication of insanity or incompetency or adjudication as a bankrupt, of a Limited Partner, but his, her or its estate shall become a substituted Limited Partner in his, her, or its place and stead. No Limited Partner shall have the right to resign, except by sale or assignment of all of his, her, or its interest in the Partnership, in accordance with the provisions of this Agreement. As used in this Section 8, and in this entire Agreement, the word "estate" shall (a) the executors, administrators, personal representatives, and the estate of any deceased Partner, and (b) the conservators, committee and estate of any Partner adjudicated insane or incompetent or adjudicated a bankrupt.

Section 9: Assignment of General Partnership Interests.

9.1: Procedure for Transfers. Except as hereinafter set forth, and except for transfers of interests, or parts thereof, from a General Partner to his or her child or children, and except for transfers to other General Partners, and further subject to the provisions of Section 8.1 and Section 13 hereof, no General Partner shall have the right to transfer, sell, assign, convey, hypothecate, or otherwise alienate or dispose of all or any part of his general partnership interest. If any General Partner desires to dispose of all or any of his general partnership interest in the Partnership and receives a bona fide offer therefore, and provided the selling General Partner has received an offer from such bona fide purchaser to assume all obligations of such selling General Partner hereunder, he shall give notice thereof to each other General Partner and shall

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include therewith a copy of such offer. Each such other General Partner shall have an option for forty-five (45) days from the receipt of such notice to purchase the entire interest of the offering General Partner (or his pro rata share if two or more General Partners desire to purchase the entire interest) at the price and upon the terms contained in the offer. Such option shall be exercised within such forty-five (45) day period by the General Partner or General Partners desiring to purchase; such notice shall be accompanied by an earnest money check, if any, confirming to the requirements of the offer. If such option is not exercised within such forty-five (45) day period, then the entire interest of the offering General Partner may be sold, subject to the provisions of Section 13 hereof, but only to the persons set forth in the notice and on the terms and conditions stated therein. In the event such sale is not consummated within three (3) months from the last day of which such option could have been exercised, the options granted in this Section 9.1 shall be reinstated and be in full force and effect with respect to any disposition of such General Partner's interest.

9.2: Records of Transfer. Upon the transfer of a General Partner's interest as aforesaid, Schedule B shall be amended, and an amendment to the Certificate of Limited Partnership shall be recorded, all as may be required. Each new General Partner shall execute such instrument or instruments as shall be required by the other General Partners to signify said new General Partner's agreement to be bound by all the provisions of this Agreement.

Section 10: Assignment of Limited Partnership Interests.

10.1: Right to Assign. Except by operation of law, by bequest, or as hereinafter specifically provided, no Limited Partner, except in the case of assignments to children or a child of a Limited Partner or assignments to other Partners, shall have the right to transfer, sell, assign, convey, hypothecate or otherwise alienate his interest, or any part thereof, in the Partnership, without the written consent of a majority of the General Partners, which may be given or withheld in the sole discretion of the General Partners. For the purposes of this Section 10.1, such consent shall be determined as set forth in Section 6.1. A Limited Partner may, by written instrument, designate any person, or legal entity, to become the assignee or assignees of all his interest in the Partnership immediately upon his death. Such an assignee or assignees shall be entitled to the same rights as would any other assignee of such Limited Partner, and such assignee or assignees if they shall then be living shall become such immediately upon the assignor's death, without requirement of any action on the part of the legal representatives of the assignor Limited Partner; and such legal representatives and the estate of such deceased Limited Partner shall have

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no interest whatsoever in the Partnership. Any such designation must be filed with the General Partners during such Limited Partner's lifetime. Such designation may be revoked from time to time and a new such designation made and so filed with the General Partners. The Partnership need not recognize such designated assignee or assignees until (i) duly notified in writing of the death of the assignor Limited Partner and (ii) furnished with an opinion of counsel acceptable to the General Partners to the effect that such designation is valid under the applicable laws of descent and distribution. Notwithstanding the foregoing, in no event shall any assignee of a Limited Partner have any right to become a substitute Limited Partner without compliance with all applicable provisions of this Section 10.

10.2: Restrictions.

- (a) No sale or exchange of the interest of a Limited Partner in the Partnership shall be made if such sale or exchange would violate Section 13.
- (b) In no event shall all or any part of a Limited Partner's interest in the Partnership be assigned or transferred to a minor or to an incompetent (other than to a member of a Limited Partner's immediate family by reason of death).
- (c) The General Partners may require as a condition of any assignment of any interest in the Partnership, that the assignor (i) assume all costs incurred by the Partnership in connection therewith, and (ii) furnish it with an opinion of counsel satisfactory to counsel to the Partnership that such sale, transfer, exchange or other disposition complies with applicable Federal and state securities laws.
- (d) Any assignment in contravention of any of the provisions of Section 10.1 or this Section 10.2 shall be void and ineffectual and shall not bind, or be recognized by the Partnership.

10.3: Substitute Limited Partners. No Limited Partner shall have the right to substitute an assignee as a Limited Partner in his or its place. The General Partners, however, may in their exclusive discretion permit any such assignee to become such a substitute Limited Partner and any such permission by the General Partners shall be binding and conclusive without the consent or approval of any other person except, if required, the Secretary. Any such substitute Limited Partner shall, as a condition of receiving any interest in the Partnership, agree to be bound (to the same extent as his assignor was bound) by the provisions of this Agreement.

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Upon the admission of any such substitute Limited Partner, Schedule B shall be amended to reflect the name and address of such substitute Limited Partner and to eliminate the name and address of his assignor, and an amendment to the Certificate of Limited Partnership reflecting such admission shall be filed in accordance with the Uniform Act. Each such substitute Limited Partner shall execute such instrument or instruments as shall be required by the General Partners to signify its agreement to be bound by all the provisions of this Agreement.

10.4: Assignees. In the event of the death or incapacity of any Limited Partner, his legal representatives shall have such rights as are afforded them by the Uniform Act. The death of a Limited Partner shall not dissolve the Partnership.

An assignee of a Limited Partner who does not become such a substitute Limited Partner in accordance with Section 10.3 shall, if such assignment is in compliance with the terms of this Agreement, have the right to receive the same share of profits, losses and distributions of the Partnership to which the assigning Limited Partner would have been entitled if no such assignment had been made by such Limited Partner.

Any Limited Partner who shall assign all his interest in the Partnership shall cease to be a Limited Partner of the Partnership, and shall no longer have any rights or privileges or obligations of a Limited Partner except that, unless and until the assignee of such Limited Partner is admitted to the Partnership as a substitute Limited Partner in accordance with Section 10.3, said assigning Limited Partner shall retain the statutory rights and be subject to the statutory obligations of an assignor Limited Partner under the Uniform Act.

In the event of any assignment of a Limited Partner's interest as a Limited Partner, there shall be filed with the Partnership a duly executed and acknowledged counterpart of the instrument making such assignment; such instrument must evidence the written acceptance of the assignee to all the terms and provisions of this Agreement; and if such an instrument is not so filed, the Partnership need not recognize any such assignment for any purpose.

An assignee of a Limited Partner's interest as a Limited Partner who does not become a substitute Limited Partner as provided in Section 10.3, and who desires to make further assignment of his interest shall be subject to the provisions of this Section 10 to the same extent and in the same manner as any Limited Partner desiring to make an assignment of his interest.

10.5: Withdrawing Limited Partner. As used in this Agreement, the "Withdrawing Limited Partner" shall mean and refer to A. J. MAGGIO CO. Within thirty (30) days after the date

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of "final endorsement" of the aforesaid mortgage loan by the Secretary, the Withdrawing Limited Partner shall withdraw as a Partner from the Partnership, and assign all of its right and limited partnership interest in the Partnership to JAY LEWKOWITZ. Upon such withdrawal, no capital contribution shall be returned to the withdrawing Limited Partner (except that JAY LEWKOWITZ shall reimburse the withdrawing Limited Partner its original capital in the sum shown on Schedule A hereto), and the capital account of the withdrawing Limited Partner shall be transferred to JAY LEWKOWITZ as aforesaid.

Section 11: Fiscal Matters.

11.1: Title to Property and Bank Accounts. The property of the Partnership shall be held in the name of the Partnership or in the Land Trust under which the Partnership is the sole beneficiary and any one (1) of the General Partners have the power of direction. The funds of the Partnership shall be deposited in the name of the Partnership in such bank account or accounts as shall be designated by the General Partners, and withdrawals therefrom shall be made upon the signature of any one (1) of the General Partners, or other persons as shall be designated by the Partnership.

11.2: Books and Reports.

- (a) The General Partners shall keep or cause to be kept complete and accurate books with respect to the Partnership's business. Each of the Partners and their duly authorized representatives shall have the right to examine the books of the Partnership and all other records and information concerning the operation of the Project at reasonable times.
- (b) The General Partners will furnish to the Partners, as soon as practicable after the close of each fiscal year of the Partnership, annual reports which will contain financial statements, including an annual balance sheet and profit and loss statements and copies of federal income tax returns or applicable sections therefrom pertinent to each Partner prepared by an independent public accountant selected by the General Partners.
- (c) The fiscal year of the Partnership shall be the calendar year.

11.3: Federal Tax Elections. The Partnership shall make elections for Federal income tax purposes as required or permitted to be made by the Partnership under the Internal Revenue Code, and shall be made by the General Partners.

Section 12: Amendments. This Agreement may be modified or amended from time to time by a written instrument approved by Partners owning at least 75% of the interests in the Partnership, except that no such amendment shall increase the liability of any Partner or alter any partner's share of distributions or profits or losses of the Partnership without in each case the approval of all the Partners.

Section 13: Further Restrictions on Transfer.

- (a) No sale, transfer, exchange or other disposition of any interest in the Partnership may be made except in compliance with the terms and provisions of the Regulatory Agreement. Any incoming Partners shall as a condition of receiving an interest in the Partnership agree to be bound by the note and mortgage (mentioned in Section 3(i) above) and the Regulatory Agreement and other documents required in connection with the Loan to the same extent and on the same basis as the other General Partners or Limited Partners, as the case may be.
- (b) No sale, transfer, exchange, or other disposition of any interest in the Partnership may be made if said sale, transfer, exchange, or other disposition would give the Mortgage Lender, or any other mortgagee or holder of any indebtedness on the Property or the Partnership's interest therein, the right to accelerate the debt or otherwise declare a default thereunder.
- (c) All costs of transfers incurred by the Partnership in connection with transfers by a Partner, shall be borne by such incoming Partner.
- (d) If required by the remaining General Partners, or General Partners in the cases of a transfer by a Limited Partner, prior to the transfer such incoming Partner shall cause to be furnished to the Partnership, an opinion of counsel to the effect that such transfer will not 1) cause any adverse tax effects to the Partnership or remaining Partners, and 2) not violate any Federal or State security laws.
- (e) Any sale, exchange or other transfer in contravention of any of the provisions of this Section 13 shall be void and ineffective, and shall not bind or be recognized by the Partnership.

Section 14: Power of Attorney. Each of the Limited Partners constitutes and appoints each of the General Partners his agent and attorney-in-fact with full power of substitution, said agency or power to be exercised for the purpose of executing, acknowledging, swearing to and filing:

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- (a) a Certificate of Limited Partnership in such form as shall be necessary under the Uniform Act which may be required to give effect to the provisions of this Agreement, and to organize the Partnership as a limited partnership under the Uniform Act;
- (b) all amendments of such amended certificate of limited partnership required to give effect to any amendment of this Agreement, and to preserve the character of the Partnership as a limited partnership or to continue the business of the Partnership pursuant to the terms hereof;
- (c) all instruments which effect a change or modification of the Partnership in accordance with this Agreement;
- (d) any certificate of dissolution or cancellation of the Certificate of Limited Partnership, as amended from time to time;
- (e) all fictitious or assumed name certificates required or permitted to be filed on behalf of the Partnership;
- (f) any and all amendments of this Agreement necessary to reflect any change or transfer of a Partner's partnership interest, or to correct errors or mistakes in this Agreement;
- (g) any instrument or papers required to continue the business of the Partnership pursuant to the terms hereof;
- (h) all other instruments which may be required or permitted by law to be filed on behalf of the Partnership and which are not inconsistent with this Agreement.

The foregoing power of attorney is coupled with an interest and shall be irrevocable and survive the death or incapacity of each Limited Partner.

Section 15: General Provisions.

15.1: Notices, Approvals and Consents. All notices, approvals, consents or other communications hereunder shall be in writing and signed by the party giving the same, and shall be deemed to have been given when the same are (i) deposited in the United States mail and sent by certified or registered mail, postage prepaid (addressed to the addresses set forth on Schedule "A"), or (ii) delivered, in each case to the parties at the addresses set forth in Schedule A.

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15.2: Obligations and Rights of Transferees. Any person or party who acquires in any manner whatsoever any interest in the Partnership, irrespective of whether such person or party has accepted and adopted in writing the terms and provisions of this Agreement, shall be deemed by the acceptance of the benefit of the acquisition thereto to have agreed to be subject to and bound by the same obligations under this Agreement that the predecessor in interest of such person or party was subject to or bound by. Notwithstanding the foregoing, except as otherwise specifically provided herein, no assignee of an interest in the Partnership shall be entitled to be admitted as Partner unless and until he has accepted and adopted in writing the terms and provisions of this Agreement to the same extent and on the same terms as the present Partners.

15.3: Further Assurances. The Partners will execute, acknowledge and deliver such further instruments and do such further acts and things as may be required to carry out the intent and purposes of this Agreement.

15.4: Captions. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define the extent or describe the scope of this Agreement or the intent of any of the provisions thereof.

15.5: Enforceability. Except to the extent required under the Uniform Act, none of the provisions of this Agreement shall be for the benefit of or be enforceable by any creditor of the Partnership.

15.6: Separability; Rights and Remedies. Each provision of this Agreement shall be considered separable and (a) if for any reason any provision or provisions herein are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement which are valid, or (b) if for any reason any provision or provisions herein would cause the Limited Partners to be bound by the obligations of the Partnership under the laws of the State of Illinois as the same may now or hereafter exist, such provision or provisions shall be deemed void and of no effect.

15.7: Applicable Law. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Illinois.

15.8: Counterparts. This Agreement may be signed by each party hereto upon a separate copy, in which event all such copies shall constitute a single counterpart of this Agreement.

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Property of Cook County Clerk's Office

UNOFFICIAL COPY

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15.9: Prior Acts. The Partners hereby ratify and affirm all prior acts of one or more of the General Partners heretofore performed in the name of the Partnership, or otherwise, for Partnership purposes above enumerated, in connection with the development of the Project.

15.10: Compliance with the Secretary. For as long as any mortgage from the Partnership or the Land Trust insured, to any extent, by the Secretary, shall be outstanding:

- (a) each of the provisions of this Agreement shall be subject to, and the General Partners covenant to act in accordance with the terms of the Regulatory Agreement, but in no event shall any Partner be personally liable for the performance of this covenant;
- (b) upon any dissolution of the Partnership or any transfer of the Property or Project, no title to or right to the possession and control of the Property or Project, and no rights to collect the rent therefrom shall pass to any person or entity who is not, or does not become, bound by the Regulatory Agreement in a manner satisfactory to the Secretary;

THIS INSTRUMENT PREPARED BY
NEAL M. ROSS
150 N. WACKER DR.
CHICAGO, ILLINOIS 60606

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Property of Cook County Clerk's Office

UNOFFICIAL COPY

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IN WITNESS THEREOF, the parties hereto have executed and delivered this Agreement as of the day, month and year first above written.

GENERAL PARTNERS:

FRED WEISS


MARK PALMER

HAROLD KATZ

IRVING LEWKOWITZ

LIMITED PARTNERS:

JAY LEWKOWITZ

A. J. MAGGIO CO.

BY: _____
President

ATTEST: _____
Secretary


MART SKORECKY


MYRNA SKORECKY

LEONARD SOLINSKY

UNOFFICIAL COPY

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STATE OF NEW YORK)

COUNTY OF Kings)

*Myrna Skorecky and Mark Palmer

I, a Notary Public, in and for the County and State aforesaid, do hereby certify that Mart Skorecky,* personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged and swore that he signed the same as his free and voluntary act, and for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24th day of June, 1987.

Franklin Charlop
Notary Public

My commission expires _____

FRANKLIN CHARLOP
NOTARY PUBLIC, State of New York
No. 24-4767934
Qualified in Kings County
Certificate Filed in New York County
Commission Expires March 30, 1988

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Property of Cook County Clerk's Office

COOK COUNTY CLERK'S OFFICE
110 N. LAUREL ST. CHICAGO, IL 60602
TEL: (773) 399-3000 FAX: (773) 399-3001
WWW.COOKCOUNTYCLERK.COM

UNOFFICIAL COPY

17352733

IN WITNESS THEREOF, the parties hereto have executed and delivered this Agreement as of the day, month and year first above written.

GENERAL PARTNERS:

FRED WEISS

Mark Palmer

MARK PALMER

HAROLD KATZ

IRVING LEWKOWITZ

LIMITED PARTNERS:

JAY LEWKOWITZ

A. J. MAGGIO CO.

BY:

President

ATTEST:

Secretary

MART SKORECKY

Myrna Skorecky

MYRNA SKORECKY

LEONARD SOLINSKY

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

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STATE OF NEW YORK)

COUNTY OF Kings)

*Mark Palmer and Myrna Skorecky

I, a Notary Public, in and for the County and State aforesaid, do hereby certify that Myrna Skorecky,* personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged and swore that he signed the same as his free and voluntary act, and for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24th day of June, 1987.

Frank Charlop
Notary Public

My commission expires _____

FRANKLIN CHARLOP
NOTARY PUBLIC, State of New York
No. 24-4767934
Qualified in Kings County
Certificate Filed in New York County
Commission Expires March 30, 1988

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

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IN WITNESS THEREOF, the parties hereto have executed and delivered this Agreement as of the day, month and year first above written.

GENERAL PARTNERS:

FRED WEISS

MARK PALMER

HAROLD KATZ

IRVING LEWKOWITZ

LIMITED PARTNERS:

JAY LEWKOWITZ

A. J. MAGGIO CO.

BY: *A. J. Maggio*
President

ATTEST: *Edward L. Maggio*
Secretary

MART SKORECKY

MYRNA SKORECKY

LEONARD SOLINSKY

-19-

THIS INSTRUMENT PREPARED BY
NEAL M. ROSS
150 N. WACKER DR.
CHICAGO, ILLINOIS 60606

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STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, a Notary Public, in and for the County and State aforesaid, do hereby certify that A. J. Maggio, and Raymond A. Maggio, personally known to me to be the President and Secretary, respectively, of A. J. Maggio Co., personally appeared before me this day, and severally acknowledged and swore that they signed the foregoing instrument as their free and voluntary act on behalf of the corporation for the uses and purposes set forth herein, and for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24th day of June, 1987.

Nicholas Schneider
Notary Public

My commission expires 1/6/88.

Cook County Clerk's Office

UNOFFICIAL COPY

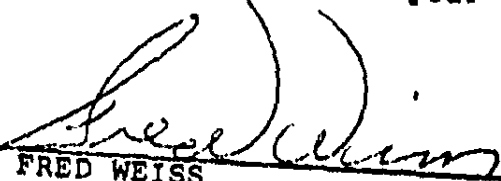
Property of Cook County Clerk's Office

UNOFFICIAL COPY

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IN WITNESS THEREOF, the parties hereto have executed and delivered this Agreement as of the day, month and year first above written.

GENERAL PARTNERS:


FRED WEISS

MARK PALMER

HAROLD KATZ

IRVING LEWKOWITZ

LIMITED PARTNERS:

JAY LEWKOWITZ

A. J. MAGGIO CO.

BY: _____
President

ATTEST: _____
Secretary

MART SKORECKY

MYRNA SKORECKY

LEONARD SOLINSKY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

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STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, a Notary Public, in and for the County and State aforesaid, do hereby certify that Fred Weiss, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged and swore that he signed the same as his free and voluntary act, and for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 23rd day of June, 1987.

[Signature]
Notary Public

My commission expires 1-16-89.

Notary Public of Cook County Clerk's Office

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Property of Cook County Clerk's Office

UNOFFICIAL COPY

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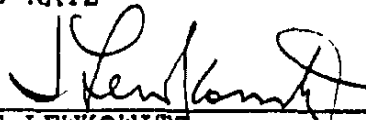
IN WITNESS THEREOF, the parties hereto have executed and delivered this Agreement as of the day, month and year first above written.

GENERAL PARTNERS:

FRED WEISS

MARK PALMER

HAROLD KATZ

X 

IRVING LEWKOWITZ
By Jay Lewkowitz, his attorney-in-fact

LIMITED PARTNERS:



JAY LEWKOWITZ

A. J. MAGGIO CO.

BY: _____
President

ATTEST: _____
Secretary

MART SKORECKY

MYRNA SKORECKY

LEONARD SOLINSKY

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

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STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, a Notary Public, in and for the County and State aforesaid, do hereby certify that Irving Lewkowitz, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged and swore that he signed the same as his free and voluntary act, and for the uses and purposes therein set forth. **Jay Lewkowitz as attorney-in-fact for

GIVEN under my hand and notarial seal this 23rd day of June, 1987.

Diane Jacobs
Notary Public

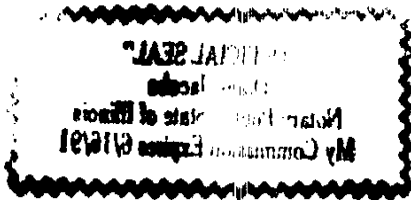
My commission expires 6/16/91.



PROPERTY OF COOK COUNTY CLERK'S OFFICE

UNOFFICIAL COPY

Property of Cook County Clerk's Office



UNOFFICIAL COPY

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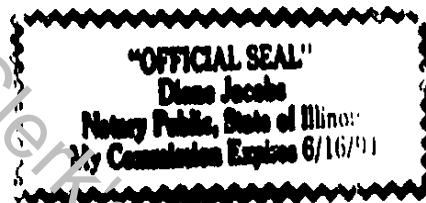
STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, a Notary Public, in and for the County and State aforesaid, do hereby certify that Jay Lewkowitz, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged and swore that he signed the same as his free and voluntary act, and for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 23rd day of June, 1987.

Diane Jacobs
Notary Public

My commission expires 6/16/91



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Property of Cook County Clerk's Office

OFFICIAL SEAL
Diana Jacobs
Notary Public, State of Ill.
My Commission Expires 6/30/2011

UNOFFICIAL COPY

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IN WITNESS THEREOF, the parties hereto have executed and delivered this Agreement as of the day, month and year first above written.

GENERAL PARTNERS:

FRED WEISS

MARK PALMER

X Harold Katz

HAROLD KATZ

IRVING LEWKOWITZ

LIMITED PARTNERS:

JAY LEWKOWITZ

A. J. MAGGIO CO.

BY: _____
President

ATTEST: _____
Secretary

MART SKORECKY

MYRNA SKORECKY

LEONARD SOLINSKY

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Property of Cook County Clerk's Office

UNOFFICIAL COPY

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STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, a Notary Public, in and for the County and State aforesaid, do hereby certify that Harold Katz, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged and swore that he signed the same as his free and voluntary act, and for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 23rd day of June, 1987.


Notary Public

My commission expires 1-16-89.

Property of Cook County Clerk's Office

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Property of Cook County Clerk's Office

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SCHEDULE A

<u>Partners and Addresses</u>	<u>Original Capital Contribution</u>	<u>Ownership Interests or Percentages</u>
<u>General Partners</u>		
Fred Weiss 1745 West Fulton Street Chicago, IL 60612	\$ 118,750.00	23.75%
Mark Palmer 1750 West Fulton Street Chicago, IL 60612	\$ 118,750.00	23.75%
Harold Katz 5145 West Weber Lane Skokie, IL 60076	\$ 118,750.00	23.75%
Irving Lewkowitz 600 Parkview Drive #510 Hallendale, FL 33009	\$ 43,750.00	8.75%
<u>Limited Partners</u>		
Jay Lewkowitz 3914 Mitchell Drive Arlington Heights, IL 60004	\$ 24,500.00	4.90%
A. J. Maggio Co. 567 West Algonquin Road Mount Prospect, IL 60056	\$ 500.00	.10%
Mart Skorecky 112-20 72nd Drive Forest Hills, NY	\$ 50,000.00	1.0%
Myrna Skorecky 102-30 67th Street Forest Hills, NY	\$ 25,000.00	.05%
 	<hr/>	<hr/>
TOTALS:	<u>\$ 500,000.00</u>	<u>100.00%</u>

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MARK

NEAL M. ROSS
1150 N. WACKER DR.
CHICAGO, IL. 60606

Property of Cook County Clerk's Office

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Schedule "A"
Block "A"

Lot 6 in Oakton Place, a subdivision of the North 25 Acres of the Northeast 1/4 of the Northwest 1/4 of Section 29, Township 41 North, Range 12, East of the Third Principal Meridian, according to the Plat thereof registered in the Office of the Registrar of Titles of Cook County, Illinois on November 1, 1967 as Document No. LR2356773.

Commonly known as:

1665 Oakton Place
Des Plaines, Illinois

Permanent Tax No.:

09-29-106-007

DDO WM

DEPT-01 RECORDING \$43.50
T#1111 TRAN 5715 06/26/87 09:53:00
#5069 # A * -87-350783
COOK COUNTY RECORDER

87350783

87350783

4300

87350783

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MAIL

NEAL ROSS
150 N. WACKER DR. #150
CHICAGO, IL. 60606

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