
Trust Agreement

SHERMAN GARDEN APARTMENTS TRUST

■

DATED AS OF AUGUST 1, 1946

■

Trustee:

THE TRUST COMPANY OF CHICAGO

Managing Trustees

DANIEL F. COMSTOCK
FRED W. ECKERT
ROBERT H. McCORMICK, JR
D. CODER TAYLOR

This Trust Agreement made this 1st day of

August, 1946, by and between THE TRUST COMPANY OF CHICAGO, an Illinois corporation, (hereinafter some times called the "Trustee"), Party of the First Part, RICHARD L. CLARKE, DANIEL F. COMSTOCK, FRED W. ECKERT, H. L. LUDWIG and D. CODER TAYLOR, (hereinafter sometimes called the "Managing Trustees"), Parties of the Second Part, and the holders from time to time of the Certificates of Beneficial Interest in this Trust as hereinafter provided for, who by accepting said Certificates become parties hereto and are bound hereby (hereinafter sometimes called "Certificate Holders"), Parties of the Third Part.

WITNESSETH:

WHEREAS, in order to fulfill the need for additional and better housing facilities for families of moderate incomes, it has been determined to create a Trust to construct and operate a multiple unit housing project in the City of Evanston, Illinois, which will afford the advantages of economy in construction and maintenance, central management and selection of desirable tenants, as well as making possible ownership by the residents of such project of the Certificates of Beneficial Interest in the Trust hereinafter provided for;

Now THEREFORE, it is hereby agreed as follows

ARTICLE ONE.

Title and Purposes of the Trust.

1.01. The Trust hereby established shall be known as the Sherman Garden Apartments Trust and the purpose and object of the Trust shall be to acquire, construct, own, operate and maintain a multiple dwelling unit housing project located in the City of Evanston, Illinois, in the block bounded by Sherman Avenue on the East, University Place on the South, and Emerson Street on the North, or if it should be impracticable to erect such project in such block then in such other place in the City of Evanston as the Managing Trustees may determine, in which Trust, to the extent and upon the terms and conditions hereinafter contained, the residents of the project may become and be the owners of the Certificates of Beneficial Interest. Such project may contain in addition to the actual dwelling units such garages, recreation areas, community nurseries, laundry facilities, space for mercantile establishments, and such other additional facilities as the Managing Trustees may deem conducive to the health, general welfare, comfort or convenience of the residents of the project.

The redemption price shall be a sum computed by taking the entire book value of the Trust Property upon the books of the Managing Trustees as of the close of the calendar month next

preceding the date of redemption and dividing such figure by the number of Certificates of Beneficial Interest outstanding on such date. If such notice of redemption shall have been given and if the Managing Trustees shall have delivered or cause to have been delivered to the Trustee, a sum sufficient to pay such redemption price, then upon the redemption date the holder hereof shall cease to be a holder of a beneficial interest in the Trust and shall be entitled only to receive said sum deposited with the Trustee, without interest, upon the surrender of this Certificate.

This Certificate is freely transferable without any restraint whatsoever, but is transferable only on the books of the Trustee to be kept in the principal office of the Trustee in the City of Chicago, Illinois, by the registered holder hereof either in person or by attorney duly authorized in writing upon surrender hereof properly endorsed and in accordance with the rules established by the Trustee for that purpose.

Until so surrendered the Trustee, the Managing Trustees, and all other persons dealing with this Certificate of Beneficial Interest may treat the registered holder as the owner hereof for all purposes whatsoever, any notice to the contrary notwithstanding.

IN WITNESS WHEREOF the Trustee has caused this Certificate to be signed in its corporate name by one of its duly authorized officers, at Chicago, Illinois, this..... day of 19.....

THE TRUST COMPANY OF CHICAGO, Trustee as aforesaid and not personally.

By
Duly Authorized Officer

(FORM OF ASSIGNMENT FOR CERTIFICATE OF BENEFICIAL INTEREST)

For value received, the undersigned hereby sells, as

signs, and transfers unto all right, title and interest of the undersigned in and to the within Certificate of Beneficial Interest and the interest represented thereby and hereby irrevocably appoints attorney to transfer the same on the books of the within named Trustee with full power of substitution in the premises.

Dated.....

Witness

.....

.....

(Form of Statement for Reverse Side of Certificate)

SUMMARY OF CERTAIN PROVISIONS OF THE
TRUST AGREEMENT
NOT APPEARING ON THE FACE HEREOF.

Any Certificate Holder who has been a Certificate Holder of record for not less than six months may examine the books and records of the Managing Trustees and the register showing the names of the Certificate Holders for any proper purpose at any time during usual business hours.

The business and affairs of the Trust shall be managed by the Managing Trustees who shall be five in number, of whom not more than two Managing Trustees shall at any time be Certificate Holders or residents of the housing project owned by the Trust. The Managing Trustees may be Certificate Holders and shall be entitled in all respects to the same rights and benefits as other persons who become parties to the Trust Agreement. The Managing Trustees may also perform certain services for the Trust and be compensated therefore.

Neither the Managing Trustees nor the Trustee shall be liable for any act or omission to act performed or omitted in good faith in the execution of the Trust nor for the acts of any agent selected in good faith and with reasonable care.

Any Managing Trustee may resign upon thirty days' prior written notice. In the event of the death, resignation, refusal or incapacity to act of any of the Managing Trustees, a majority of the remaining Managing Trustees shall forthwith appoint a successor. Notice of such appointment shall be given to the Trustee and to the Certificate Holders. In the event the remaining Managing Trustees fail for sixty days to appoint a successor Managing Trustee, the Trustee shall designate a successor Managing Trustee.

The Trustee may resign on thirty days' prior written notice and the Managing Trustees may also at any time remove the Trustee. In the event of the death, resignation, refusal or inability to act of the Trustee or in the event of the removal of the Trustee by the Managing Trustees, the successor Trustee shall forthwith be appointed by the Managing Trustees. Notice of the appointment of such successor Trustee shall be promptly given to the Certificate Holders.

Unless sooner terminated in the manner provided in the Trust Agreement, the Trust is to continue to and including July 31, 1996. The Trust may be terminated prior to such time by (1) unanimous resolution of the Managing Trustees or (2) the written consent of Certificate Holders holding not less than 75% of the Trust Certificates then outstanding, a copy of which consent shall be delivered to the Managing Trustees.

On or about August 1, 1995, or upon the adoption of such resolution, or delivery of such written consent to the Managing Trustees, the Managing Trustees are to commence the taking of steps to sell all of the Trust Property, and as soon as practicable thereafter, not later than July 31, 1996 or one year from the date of adoption of such resolution or delivery of such consent, as the case may be, the Managing Trustees are to sell all of the Trust Property upon such terms and conditions and for such consideration as they may determine, including cash, notes, shares of capital stock or evidence of indebtedness of any person, firm or corporation. The proceeds of such sale are to be distributed either in cash or in kind pro rata among the Certificate Holders.

The Trust Agreement may be amended by the resolution of the Managing Trustees. If such amendment materially affects the rights of the Certificate Holders, in order to become effective, the same shall require the approval of Certificate Holders holding not less than a majority of the then outstanding Trust Certificates.

The Managing Trustees are authorized to construe the Trust Agreement and their construction made in good faith shall be conclusive and final upon the Certificate Holders and upon all of the parties to the Trust Agreement.

Any notice to be given to the Certificate Holders shall be duly given if mailed prepaid to each Certificate Holder, addressed to his last post office address as shown on the books of the Trust. Every notice so given shall be effective whether or not received and the date of mailing shall be the date such notice is deemed given for all purposes.

2.02. After providing for all expenses, charges and taxes, and after establishing reserves in such amounts and for such purposes as the Managing Trustees may deem necessary or advisable, and after providing for payments of principal upon any indebtedness of the Trust, the Managing Trustees may declare and pay to the holders of Certificates of Beneficial Interest (hereinafter sometimes called "Certificate Holders") pro rata such distributions as the Managing Trustees may in their sole discretion determine. The determination of the Managing Trustees as to whether any distribution shall be made to the Certificate Holders and, if so, the amount of such distributions shall be conclusive and no Certificate Holder or any other person shall be entitled to question the same.

2.03. In the event any Certificate of Beneficial Interest shall be held for a period of more than two successive years by a non-resident or successive non-residents of the housing project which is the subject of the Trust, such Certificate shall at the option of the Managing Trustees be redeemable at the office of the Trustee upon thirty (30) days' prior written notice given to the Registered Holder of such Certificate at his address as it appears on the records of the Trustee. Any Certificate of Beneficial Interest held for such period by a holder or successive holders of another Certificate of Beneficial Interest shall be redeemable in like manner. The redemption price shall be a sum computed by taking the entire book value of the Trust Property upon the books of the Managing Trustees as of the close of the calendar month next preceding the date of redemption and dividing such figure by the number of Certificates of Beneficial Interest outstanding on such date. If notice of redemption shall have been given and if the Managing Trustees shall have delivered or cause to have been delivered to the Trustee a sum sufficient to pay the redemption price, then upon the redemption date the holder thereof shall cease to be a holder of the Beneficial Interest in the Trust and shall be entitled only to receive said sum deposited with the Trustee without interest upon the surrender of the Certificate.

The term "non-resident of the housing project" shall mean any person who is not a tenant holding a lease from the Trust for one of the dwelling units in such project.

The Managing Trustees may from time to time purchase Certificates of Beneficial Interest at a price not exceeding what would be the redemption price thereof.

Any Certificate of Beneficial Interest so redeemed and any Certificate of Beneficial Interest which may be purchased by the Managing Trustees, may, at the option of the Managing Trustees, be resold for such consideration as the Managing Trustees may determine, provided, however, such consideration shall be not less than that sum computed by taking the entire book value of the Trust Property on the books of the Managing Trustees as of the close of the calendar month next preceding the date of sale of the Certificate of Beneficial Interest and dividing such figure by the number of Certificates of Beneficial Interest outstanding on such date. In selling any such Certificate or Certificates the Managing Trustees shall, if the same be practicable, attempt to sell the same to a resident of the building project operated by the Trust who is not then a Certificate Holder.

2.04. The Trustee shall be the registrar of said Certificates of Beneficial Interest and any successor Trustee appointed hereunder shall upon such appointment become successor reg-

istrar. The Trustee shall register all of the Certificates of Beneficial Interest originally issued hereunder and thereafter shall register all assignments and transfers thereof.

2.05 The Certificates of Beneficial Interest shall be freely transferable by the holders thereof without restraint of any kind, but shall be transferable only on the books of the Trustee to be kept in its office in the City of Chicago, Illinois by the registered holder thereof in person or by attorney duly authorized in writing in accordance with rules to be established for that purpose by the Trustee and upon surrender thereof properly endorsed; and until so transferred the Trustee and the Managing Trustee may treat the registered holders thereof as the owners thereof for all purposes. Every assignee of a Certificate of Beneficial Interest issued hereunder shall, by the acceptance of such Certificate, become a party hereto with like effect as though an actual signer of this agreement and shall be embraced within the meaning of the term "Certificate Holder" or "Holder of Certificate of Beneficial Interest" whenever used herein unless the context shall otherwise require.

As a condition of making or permitting any transfer or delivery of Certificates of Beneficial Interest the Trustee may require the payment of a sum sufficient to pay or reimburse it for any stamp tax or any governmental charge in connection therewith. The transfer books for Certificates of Beneficial Interest may be closed for a reasonable time not exceeding forty (40) days at the direction of the Managing Trustees at any time prior to the holding of any meeting of the Certificate Holders or of the solicitation of their approval or consent for any purpose for which such approval or consent may be required hereunder, or prior to the date fixed for the making of any distribution upon the Certificates of Beneficial Interest or for any other lawful purpose; or the Managing Trustees, in their discretion in lieu of closing such transfer books, may fix in advance a day as the date as of which the Certificate Holders entitled to vote or to give such consent or approval, or to such distribution or for such other purpose, shall be determined.

2.06. In case any Certificate of Beneficial Interest issued hereunder shall become mutilated or defaced or be destroyed, lost or stolen, the Managing Trustees in their discretion may direct the Trustee to issue or to cause to be issued in exchange for and upon cancellation of the mutilated Certificate, or in lieu of the Certificate so destroyed, lost or stolen, a new Certificate of Beneficial Interest upon the production of evidence of such loss, destruction or theft satisfactory to the Managing Trustees and upon receipt of indemnity satisfactory to the Managing Trustees and to the Trustee and upon compliance with such other reasonable regulations as the Managing Trustees and the Trustee may prescribe.

ARTICLE THREE.
The Certificate Holders.

3.01. The Certificate Holders shall have no claim or interest, legal or equitable, in any of the Trust Property but only an interest in the net income, proceeds and avails thereof in accordance with the terms of this Trust Agreement.

3.02. It is the intention and the purpose hereof that the Certificate Holders shall be trust beneficiaries only; that the Certificate Holders, the Trustee and the Managing Trustees shall have no other relationship hereunder; and that there shall be no relation of or liability hereunder as partners, or any other relation or personal liability whatsoever, legal or equitable among themselves or one with the others or any of them, or with any other person or persons, corporation or corporations; but that the Certificate Holders shall have only a beneficial interest as herein provided in the net income, proceeds and avails of the Trust.

3.03. Any Certificate Holder who, as shown on the transfer books maintained by the Trustee, has been a Certificate Holder for not less than six months may examine the books and records of the Managing Trustees, and the register showing the names of the Certificate Holders, for any proper purpose at any time during usual business hours. Such examination may be made in person or by duly authorized agent or attorney, and the person making such examination shall be entitled to make extracts from such books and records.

ARTICLE FOUR.
The Managing Trustees and the Trustee.

4.01. The business and affairs of the Trust shall be managed by the Managing Trustees who shall be five in number, of whom not more than two Managing Trustees shall at any time be Certificate Holders or residents of the housing project owned by the Trust. Without limiting the general powers of the Managing Trustees to acquire, own, manage, operate, improve, protect and maintain the Trust Property and to carry out the terms of the Trust, it is specifically agreed that the Managing Trustees shall have the following powers:

To acquire by lease, purchase or otherwise, all real and personal property and interests therein deemed by them necessary or advisable to effectuate the purpose of the Trust, including shares of capital stock and evidences of indebtedness of a corporation or corporations; to own, operate and maintain the Trust Property; from time to time to lease and demise the Trust Property or any parts thereof with the improvements thereon or to be erected thereon in possession or reversion for any term of years or lesser term or terms (even for terms extending beyond the duration of the Trust) and to contract to make leases and to grant options to lease and options to renew leases and to contract respecting the manner of fixing the amount of present or future rentals; to grant options to purchase, to contract to sell and to sell the Trust Property and any part or parts thereof on any terms, including a sale of the Trust Property or any part or parts thereof to another trust or to a corporation now or hereafter organized in exchange for stocks, bonds or other securities of such corporation or trust; to convey with or without consideration and to mortgage, pledge or otherwise encumber the Trust Property or any part or parts thereof with the improvements thereon or to be erected thereon; to partition and exchange or re-exchange the Trust Property or any part or parts thereof for other real or personal property encumbered or unencumbered or any part or parts thereof as often as desired; to assign, dispose of, convert and reconvert the same; to grant and procure the release of easements or charges of any kind; to make contracts or agreements for party walls or in relation thereto; to release, convey or assign any right, title or interest in or about the Trust Property or any part or parts thereof; to give consent on behalf of the Trust Property or any part thereof to any use of any streets, alleys, parks, or public places for railroads, street railroads, gas or electric light poles, lines or pipes, conduits or other equipment or other public or semi-public or private improvements or use; to erect, repair, remodel and reconstruct buildings or other improvements upon the trust property or any parts thereof; to construct sidewalks, and to grade, fill, curb and pave streets and alleys; to lay and maintain sewer, water and gas pipes and other conduits or facilities, and to do all other work, and make all other improvements in streets and alleys, as said Managing Trustees may desire; and also to petition any properly constituted municipal corporation for the construction of any sidewalk, or for paving or otherwise improving any street, or for any other public or semi-public improvement or use. The Trustees shall also have full right and power to grant any and all rights (and to lease, sublease, sell, assign and otherwise dispose of any right, title or interest) concerning or in relation to sub-sidewalk spaces, or concerning or in relation to any part of the streets and alleys adjacent to any of the Trust Property; to construct and operate any building or buildings or a part of any building, either furnished or unfurnished, and to purchase, sell, lease, replace, contract regarding, or in any other manner acquire, deal with or dispose of furniture, furnishings, equipment, accessories, chattels, commodities, supplies or other personal property held as an asset of or incidental to this Trust as at any time constituted ; to purchase or cause to be purchased insurance of all kinds sufficient to protect fully the Trust Property and the Trust, including liability insurance, and to charge the Trust Property with the cost of premiums therefor, and, in general, without in any manner limiting any of the foregoing, to deal with the Trust Property and any part thereof in all other ways, and for such other considerations, as would be lawful for any person owning the same to deal with the same, whether similar to or different from the ways above specified, at any time or times hereafter; to pay or compromise any and all taxes or liens of whatsoever nature and kind imposed upon the Trust Property or

any part thereof; to enter into any and all contracts, guaranties, obligations and other instruments which, in the opinion of the Managing Trustees, are necessary or expedient to carry out, promote, protect and conserve the Trust Property, including the making of guaranties to secure the performance of contracts; to vote in person or by proxy at any-and all meetings, general or special, of stockholders upon all shares of stock comprising a part of the Trust Property; and to compromise, settle, abandon or adjust any actions, suits, proceedings, disputes, claims, demands or things relating to the Trust.

The term "Trust Property" shall mean all of the assets, real, personal and mixed, tangible and intangible, and wheresoever situate, from time to time held by the Trust.

4.02. The Managing Trustees may from time to time borrow money for the purposes of the Trust in such amounts and on such terms as they may deem proper and cause the Trustee to execute as security for the money so borrowed or for any other obligations incurred by the Trust, trust deeds, mortgages or pledges conveying the Trust Property or such portion or portions thereof as the Managing Trustees may determine, and cause to be executed by the Trustee as aforesaid principal and interest notes in such form as the Managing Trustees may determine to evidence such indebtedness or obligations. If such trust deed, mortgage or pledge shall be signed by the Trustee herein as such, then it shall contain appropriate language (in substantially the form set forth in 5.01 hereof) to indicate that it is not and does not purport to be the personal obligation either of the Trustee, the Managing Trustees or any Certificate Holder and shall be enforceable only against and be satisfied only out of the Trust Property or such part thereof as shall, under the terms of such trust deed, mortgage or pledge be liable therefore and in the manner therein set forth.

4.03. The Managing Trustees and the Trustee shall have full power and authority to employ and have all attorneys, secretaries, accountants, superintendents, operators, engineers, agents, clerical and stenographic help and other employees that the Managing Trustees or the Trustee may deem necessary or advisable and may employ brokers and salesmen in respect to the Trust Property and shall have full power to pay such fees, salaries, wages, commissions and brokerage out of the trust funds as the Managing Trustees or the Trustee may deem reasonable or advisable. Whenever in its discretion it shall deem it reasonable and advisable so to do, the Trustee may make payments and advances out of its own funds for any expenses of the Trust. For any advances, disbursements, liabilities, expenses or compensation paid, made or incurred by it out of its own funds the Trustee shall be reimbursed out of the funds of the Trust before any other disbursements are made.

The Managing Trustees and the Trustee may in their or its discretion procure such liability insurance or other form of indemnity as they or it may deem necessary for their protection and the protection of the Certificate Holders on account of the ownership, operation, management and control of or interest in the Trust or in the Trust Property.

4.04. No purchaser, contractee, lessee, sublessee, assignee, or mortgagee of any of said Trust Property and no person dealing with the Managing Trustees or the Trustee, shall be required to see to the application of the rents, purchase money, or moneys borrowed or advanced on said premises or property, or be obliged to see that the terms of this Trust have been complied with or be obliged to inquire into the necessity or expediency of any act of the Managing Trustees or the Trustee, or to inquire into the power and authority of the Managing Trustees or the Trustee.

4.05. The Managing Trustees shall keep books containing a description of all property from time to time constituting the Trust Property and an account of all receipts and disbursements. Not less than annually the Managing Trustees shall cause an audit to be made of their books and records by independent public accountants and as soon as practicable after the

completion of each such audit, a copy of the accountants' report or a condensed version thereof shall be mailed or caused to be mailed by the Managing Trustees to the Certificate Holders.

4.06. All powers, authority and discretion of the Managing Trustees may be exercised by not less than three of the Managing Trustees either by resolution passed at a meeting of the Managing Trustees or by resolution or other instrument signed by not less than three of the Managing Trustees in person without a meeting.

4.07. The Managing Trustees shall cause to be kept in books provided for that purpose minutes of meetings of the Managing Trustees. Such minutes and copies thereof and extracts therefrom certified as such by any one of the Managing Trustees or by any person appointed by the Managing Trustees to act as secretary at any such meeting or as secretary to the Managing Trustees, shall be conclusive evidence in favor of all persons acting thereon in good faith in respect to all matters therein stated.

4.08. The Trustee shall hold legal title to the Trust Property as constituted from time to time and shall, as hereinbefore provided, maintain a register of Certificate Holders and execute and deliver Trust Certificates. The Trustee shall also as and when directed by the Managing Trustees, execute any and all agreements, contracts, debts, bonds, pledges, certificates and other conveyances, assurances and instruments, and take such other steps in the administration of the Trust as the Managing Trustees shall determine. The Trustee shall also hold and apply any sum deposited with it for the purpose of redemption of Trust Certificates as hereinbefore provided in 2.03.

4.09. The Managing Trustees and their successors from time to time may be parties to this Trust Agreement as Certificate Holders and shall be entitled in all respects to the same rights and benefits as other persons who become parties to this Trust Agreement. Any Managing Trustee and any firm of which he may be a member, agent or employee and any corporation, trust or association of which he may be a trustee, stockholder, shareholder, director or agent may contract with or be or become pecuniarily interested, directly or indirectly, in any matter or transaction to which the Trust may be a party, or in which it may be concerned as fully and freely as though such Managing Trustee were not a Managing Trustee, provided, however, that the Managing Trustees may only become interested in such matters or transactions in which they render services, such as accounting, legal, architectural, building management, sale of Trust Certificates, or other services of like nature and, in such event, the Managing Trustees who render such services may receive and retain such compensation for their services not in excess of customary fees or charges -for similar services.

4.10. Neither the Managing Trustees nor the Trustee shall be liable for errors of judgment in exercising any of the powers or discretion conferred hereby, nor for any loss arising out of any matter or thing, nor for failure to sue for or collect any moneys or property belonging to the Trust, nor for any act or omission to act performed or omitted by the Managing Trustees or the Trustee in good faith in the execution of the Trust, nor for the acts of any agent selected in good faith and with reasonable care. The Trustee shall be fully protected in respect of any action under this agreement taken or suffered in good faith upon the direction of the Managing Trustees. The Managing Trustees and the Trustee shall be fully protected in respect of any action under this agreement taken or suffered by the Managing Trustees or the Trustee in accordance with the opinion of counsel and in acting upon any resolution, vote, declaration, request, demand, order, notice, waiver, appointment, consent, certificate, affidavit or statement or upon any other paper or document believed to be genuine. Neither the Managing Trustees nor the Trustee shall be obliged to give any bond or surety or other security in respect of the performance of their duties hereunder.

4.11. Any Managing Trustee may resign upon thirty days' prior written notice to the remaining Managing Trustees and to the Trustee. In the event of the death, resignation, refusal

or incapacity to act of any of the Managing Trustees, a majority of the remaining Managing Trustees shall forthwith appoint a successor. Notice of the appointment of such successor Managing Trustee shall be given to the Trustee and to the Certificate Holders. In the event the remaining Managing Trustees fail to appoint a successor Managing Trustee within sixty days after such death, resignation, refusal or incapacity, the Trustee shall.. designate a successor Managing Trustee. The Trustee shall give notice of such appointment to the remaining Managing Trustees and to the Certificate Holders.

The Trustee may resign upon thirty days' prior written notice to the Managing Trustees. The Managing Trustees may also at any time remove the Trustee. In the event of the resignation, refusal or inability to act of the Trustee, or in the event of the removal of the Trustee by the Managing Trustees, a successor Trustee shall forthwith be appointed by the Managing Trustees. Notice of the appointment of such successor Trustee shall be promptly given to the Certificate Holders.

In the event of the merger or consolidation of the Trustee into or with another corporation, such successor corporation shall automatically become and be the Trustee hereunder. In the event of the resignation, or inability to act or removal of the Trustee, the Trustee shall, upon the request of the Managing Trustees, convey legal title to any and all of the Trust Property held by it or in its name to such person or persons as the Managing Trustees may direct.

Wherever the term "Managing Trustees" or the term "Trustee" is used herein, the same shall include the original Managing Trustees and their successors and the original Trustee and its successors unless the context expressly requires otherwise.

4.12. The Trustee shall be entitled to receive such compensation for acting as Trustee hereunder as may be agreed upon between it and the Managing Trustees from time to time. The Managing Trustees shall be entitled to receive such compensation for their services as Managing Trustees hereunder as they may determine from time to time, provided, however, that the total compensation to all of the Managing Trustees shall not exceed 11/2% of the gross revenue received by the Trust from rents or otherwise.

ARTICLE FIVE.
Trust Liability.

5.01. No recourse shall ever be had directly or indirectly against the Managing Trustees, the Trustee or any Certificate Holder by legal or equitable proceedings or by virtue of any statute or otherwise under or upon any note, bond, trust deed, mortgage, pledge, contract, instrument, certificate, undertaking, obligation, covenant or agreement whatsoever executed by the Trustee or the Managing Trustees or by reason of the creation of any indebtedness by the Trustee or the Managing Trustees under this agreement, it being expressly understood and agreed that all such liabilities, covenants and agreements of the Trustee or the Managing Trustees, whether in writing or otherwise are solely the obligations and the instruments of or in respect of the Trust, and that all such liabilities, covenants and agreements shall be enforceable only against and be satisfied only out of the Trust Property or such part thereof as shall under the terms of any such agreement be liable therefor and chargeable therewith. All personal or individual liability of the Trustee and the Managing Trustees and of all Certificate Holders is waived and negated by the Certificate Holders in consideration of the issue and acceptance by them of the Trust Certificates issued hereunder, and is also waived and released by all parties dealing with the Trustee or the Managing Trustees. In all undertakings, contracts, notes, mortgages, covenants and agreements entered into in writing by the Trustee, there shall be contained an express provision against the personal liability of the Trustee, the Managing Trustees and the Certificate Holders substantially in form as follows:

This instrument is executed by the undersigned Trustee not personally but as Trustee under the terms of that certain Trust Agreement dated the 1st day of August, 1946, creating the SHERMAN GARDEN APARTMENTS TRUST; and it is expressly understood and agreed between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the covenants, undertakings and agreements herein made are made and intended not as personal covenants, undertakings and agreements of the Trustee, the Managing Trustees or the Certificate Holders individually or collectively or for the purpose of binding them or any of them personally but this instrument is executed and delivered by The Trust Company of Chicago, as Trustee, solely in the exercise of the powers conferred upon it as such Trustee and no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforced against The Trust Company of Chicago or against any of the Managing Trustees or against any of the Certificate Holders on account hereof or on account of any covenant, undertaking or agreement herein contained, either express or implied, all such personal liability, if any, being hereby expressly waived and released by the parties hereto or holder hereof and by all persons claiming by, through or under said parties or holder.

Failure by the Trustee to include such a provision in writings entered into by it, shall not, in and of itself, impose any personal liability on the Trustee, the Managing Trustees, or the Certificate Holders.

ARTICLE SIX.
Duration of Trust.

6.01. Unless sooner terminated, as hereinafter provided, this Trust shall continue from the date hereof to and including July 31, 1996.

The Managing Trustees shall, on or about August 1, 1995, commence the taking of steps to sell the Trust Property and, as soon as practicable thereafter, but in any event not later than July 31, 1996, the Managing Trustees shall sell or cause to be sold the trust property upon such terms and conditions and for such consideration as the Managing Trustees shall then determine, including cash, notes, shares of capital stock or evidences of indebtedness of any person, firm or corporation.

Upon the completion of any such sale of the Trust Property, the Managing Trustees, after deducting all proper charges and expenses, shall forthwith distribute the net proceeds thereof in cash or in kind, as the case may be, among the Certificate Holders pro rata. The Managing Trustees may require as a condition of such final distribution that the Certificate Holders surrender their Trust Certificates upon receipt of such distribution.

6.02. This Trust may be terminated prior to the time provided in 6.01 by (1) the unanimous resolution of the Managing Trustees, or (2) the written consent of Certificate Holders holding not less than 75% of the Trust Certificates then outstanding, a signed copy of which consent shall be delivered to the Managing Trustees. Upon the adoption of such resolution by the Managing Trustees or, upon the delivery of the aforesaid written consent of the Certificate Holders, the Managing Trustees shall commence the taking of steps to sell the Trust Property and as soon as practicable thereafter but in any event not later than one year from the adoption of such resolution of the Managing Trustees or the delivery of such consent of the Certificate Holders to the Managing Trustees, the Managing Trustees shall sell or cause to be sold the Trust Property upon such terms and conditions and for such consideration as the Managing Trustees may determine, including cash, notes, shares of capital stock or evidences of indebtedness of any person, firm or corporation.

Upon completion of any such sale of the Trust Property, the Managing Trustees, after deducting all proper charges and expenses, shall forthwith distribute the net proceeds thereof in cash or in kind, as the case may be, among the Certificate Holders pro rata. The Managing Trustees may require as a condition of such final distribution that the Certificate Holders surrender their Trust Certificates upon receipt of such distribution.

ARTICLE SEVEN.
Miscellaneous.

7.01. This Trust Agreement may be amended, altered or modified by the resolution of the Managing Trustees. If, in the opinion of the Managing Trustees (which shall be conclusive), any such amendment, alteration or modification will materially or substantially affect the rights of the Certificate Holders, the Managing Trustees shall notify the Certificate Holders of the nature of such amendment, alteration or modification not less than twenty days prior to the date on which it is proposed that such amendment, alteration or modification is to become effective and such amendment, alteration or modification shall not become effective unless prior to such date Certificate Holders holding not less than a majority of the then outstanding Trust Certificates shall vote for or approve such amendment, alteration or modification. Any amendment, alteration or modification which, in the opinion of the Managing Trustees (which opinion of the Managing Trustees shall be conclusive), is not substantial in character, shall become effective upon the resolution of the Managing Trustees. Copies of all amendments, alterations and modifications shall be filed with the Trustee.

7.02. The Managing Trustees are authorized and empowered to construe this Trust Agreement and their construction made in good faith shall be conclusive and final upon the Certificate Holders and upon all of the parties hereto.

7.03. The invalidity of any one or more phrases, sentences, clauses or paragraphs shall not affect the remaining portions of this Trust Agreement or any part thereof and in the event that any one or more of the phrases, sentences, clauses or paragraphs should be invalid, this Trust Agreement shall be construed as if such invalid phrase or phrases, sentence or sentences, clause or clauses and paragraph or paragraphs had not been inserted.

7.04. Any notice to be given to the Certificate Holders shall be duly given if mailed prepaid to each Certificate Holder, addressed to his last post office address as shown on the books of the Trustee. Every notice so given shall be effective whether or not received and the date of mailing shall be the date such notice is deemed given for all purposes.

STATE OF ILLINOIS

} ss.

COUNTY OF COOK

I, H. S. Galligan, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that RICHARD L. CLARKE, DANIEL F. COMSTOCK, FRED W. ECKERT and D. CODER TAYLOR, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal, this 9th day of August, A. D. 1946.

H. S. GATTIGAN
Notary Public

STATE OF CALIFORNIA

} ss.

COUNTY OF LOS ANGELES

I, O. M. Wakeman, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that H. L. LUDWIG, 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 acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal, this 16th day of August, A. D. 1946.

O. M. WAKEMA
Notary Public

(SEAL)

My Commission Expires March 24, 1947.

**AMENDMENT NO. 1 TO SHERMAN GARDEN
APARTMENTS TRUST AGREEMENT
(THE TRUST COMPANY OF CHICAGO, TRUST 5600)**

This Amendment No. 1, made as of the 21st day of March, 1949, to the Sherman Garden Apartments Trust Agreement,

WITNESSETH:

WHEREAS, by agreement dated as of the 1st day of August, 1946, by and between The Trust Company of Chicago, an Illinois corporation, as Trustee, and *Richard L. Clarke*, Daniel F. Comstock, Fred W. Eckert, *H.L. Ludwig* and D. Coder Taylor as Managing Trustees, there was established a Trust known as the Sherman Garden Apartments Trust, being the same Trust as is also known sometimes as the Trust Company of Chicago Trust No.3600.and

WHEREAS, in the first sentence of Article 4.01 of said Trust Agreement, it is provided "the business and affairs of the Trust Shift be managed by the Managing Trustees who shall be five in number, of whom not more than two Managing Trustees shall at any time be Certificate Holders or residents of the housing project owned by thee Trust", and in Article 4.11 of said Trust Agreement it is provided, among other things, that in the event of the resignation of any of the Managing Trustees a majority of the remaining Managing Trustees shall appoint a successor, and

WHEREAS, the Managing Trustees having endeavored to obtain the services of some qualified person familiar with the mutual ownership form of organization and the construction problems being encountered by the Trust to act as successor Managing Trustee to Mr. Clarke, and being unable to secure the services of such qualified parson, have determined that the number of Managing Trustees of said Trust should be reduced from five to four, and

WHEREAS, Article 7.01 of said Trust Agreement provides that said Trust agreement may be amended, altered or modified by the resolution of the Managing Trustees, and further provides that if, in the opinion of the Managing Trustees (which shall be conclusive), any such amendment, alteration or modification will materially or substantially affect the rights of the Certificate Holders, the Certificate Holders shall be notified of the nature of such amendment, alteration or modification and it shall not become effective unless approved by Certificate Holders holding not less than a majority of the then outstanding Trust Certificates; but any amendment, alteration or modification which, in the opinion of the Managing Trustees is not substantial in character, shall become effective upon the resolution of the Managing Trustees.

1. Now, THEREFORE, the said Sherman Garden Apartments Trust Agreement is hereby amended as follows:

a. The first sentence of Article 4.01 of the Trust, which reads as follows:

"The business and affairs of the Trust shall be managed by the Managing Trustees who shall be five in number, of whom not more than two Managing Trustees shall at any time be Certificate Holders or residents of the housing project owned by the Trust."

is hereby changed to read as follows:

"The business and affairs of the Trust shall be managed by the Managing Trustees who shall be four in number, of whom not more than two Managing Trustees shall at any time be Certificate Holders or residents of the housing project owned by the Trust."

b. That portion of the summary of certain provisions of the Trust Agreement to appear on the reverse side of the Certificate of Beneficial Interest as set forth in Article 2.01 of said Trust Agreement and more particularly on Page 5 thereof, which reads as follows:

"The business and affairs of the Trust shall be managed by the Managing Trustees who shall be five in number, of whom not more than two Managing Trustees shall at any time be Certificate Holders or residents of the housing project owned by the Trust."

is hereby changed to read as follows:

"The business and affairs of the Trust shall be managed by the Managing Trustees who shall be four in number, of whom not more than two Managing Trustees shall at any time be Certificate Holders or residents of the housing project owned by the Trust."

Provided, however, that this change shall not be required to be made upon any of said Certificates of Beneficial Interest now outstanding and shall not in any way affect the validity of such Certificates. The forms of such Certificates already printed may continue to be used without change until such time as it shall be convenient to accomplish such change (which change may then be made by overprinting or other legible means) and the validity of such Certificates when issued shall not be affected by such change or the failure to accomplish such change.

2. The Managing Trustees do hereby determine and state that in their opinion the amendments enacted by Paragraph 1 hereof will not materially or substantially affect the rights of the Certificate Holders of said Trust; wherefore notification to the Certificate Holders of the nature of said amendments and the approval of a majority (or any number) of said Certificate Holders of said amendments is not required by the provisions of Paragraph 7.01 of said Trust Agreement in this instance; but said amendments shall become effective as of the 21st day of March, 1949, being the date of the enactment of the resolution of the Managing Trustees adopting said amendment and directing the preparation and execution of this document.

IN WITNESS WHEREOF, this amendment has been subscribed by not less than three of the Managing Trustees of said Trust, being the number required pursuant to Article 4.06 of said Trust Agreement, all as of the day and year first above written.

s/ D. F. COMSTOCK

s/ ROBERT II. MCCOMICK, JR.

s/ D. CODER TAILOR

Not individually but solely as Managing Trustees.

STATE OF ILLINOIS

COUNTY OF COOK

ss.

I, Helen R. Sudds, a Notary Public in and for said County, in the State aforesaid, do hereby certify that D. F. COMSTOCK, ROBERT H. MCCORMICK, JR., and D. CODER TAYLOR, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, and to be Managing Trustees of said Sherman Garden Apartments Trust, appeared before me this day in person and acknowledged that they signed, sealed and delivered the said instrument as such Managing Trustees and as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal, this 15th day of May, 1950, A.D.

s/ HELEN R. SURDS Notary Public

NOTARIAL SEAL

**AMENDMENT NO. 2
TO
SHERMAN GARDEN APARTMENTS TRUST
AGREEMENT**

THIS AMENDMENT No. 2 to the Sherman Garden Apartments Trust Agreement is made by the Managing Trustees of Sherman Garden Apartments Trust as of the 6th day of Aril, 1988.

Sherman Garden Apartments Trust (the "Trust") is the trust established by the Agreement dated as of the 1st day of August, 1946, by and between The Trust Company of Chicago, an Illinois corporation, as Trustee, and Richard L. Clarke, Daniel F. Comstock, Fred W. Eckert, H. L. Ludwig and D. Coder Taylor as Managing Trustees. Said Trust Agreement was thereafter amended as of the 21st day of March, 1949 by Amendment No. 1.

Hereinafter, the Trust Agreement as so amended is referred to as the "Trust Agreement", the persons acting as Managing Trustees pursuant to the provisions of the Trust Agreement are referred to as the "Managing Trustees", the Certificates of Beneficial Interest in the Trust are sometimes referred to as "Certificates" and the holders of the Certificates are referred to as "Certificate Holders".

Subject to approval of a majority of the Certificate Holders as herein below required, the Trust Agreement shall be and hereby is amended as follows:

1. By adding at the end. of Article 1.01 the following sentence:
"Such project shall be known as the Sherman Garden Apartments.
2. By deleting from the first paragraph of Article 2,05 the words:
"shall be freely transferable by the holders thereof without restraint of any kind, but"

and by inserting additional material at the end of the first sentence of said paragraph so that, as amended, said paragraph shall be as follows:

"2.03. The Certificates of Beneficial Interest shall be transferable only on the books of the Trustee to be kept in its office in the City of Evanston, Illinois by the registered holder thereof in person or by attorney duly authorized in writing in accordance with rules to be established for that purpose by the Trustee and upon surrender thereof properly endorsed; and until so transferred the Trustee and the Managing Trustees may treat the registered holders thereof as the owners thereof for all purposes. Further, the Certificates and the interests represented thereby shall be issued to, held by and transferred to only such person or persons, or trusts for the benefit of such person or persons as shall have

been accepted by the Managing Trustees as a lessee or lessees of an apartment in Sherman Garden Apartments in accordance with such rules and regulations as the Managing Trustees shall adopt from the to time and shall be or concurrently become a lessee or lessees of such apartment. Each Certificate *and* the lease of the particular apartment leased by the holder of that Certificate or the beneficiary of the trust holding that Certificate shall thenceforth be associated and transferred and assigned only together and not separately. For the purposes of this Article 2.05 an apartment comprising two of the original apartments which have been joined together shall be regarded as though two apartments. Every assignee of a Certificate of Beneficial Interest issued hereunder shall, by the acceptance of such Certificate, become a party hereto with like effect as though an actual signer of this agreement *and* shall be embraced within the meaning of the term "Certificate *Holder*" or "*Holder* of Certificate of Beneficial Interest" whenever used herein unless the context shall otherwise require."

3. By extending for twenty (20) years both the termination date of the Trust and the date upon which the Managing Trustee shall commence the taking of steps to sell the Trust's _property, both as set forth in the first two paragraphs of Article 6.01, so that, as amended, said paragraphs shall be as follows:

"6.01. Unless sooner terminated as hereinafter provided, this Trust shall continue from the date hereof to and including July 31, 2016. "The Managing Trustees shall, on or about August 1, 2015, commence the taking of steps to sell the Trust Property and as soon as practicable thereafter but in any event not later than July 31, 2016, the Managing Trustees shall sell or cause to be sold the Trust Property upon such terms and conditions and for such consideration as the Managing Trustees may determine, including cash, notes, shares of capital stock or evidences of indebtedness of any person, firm or corporation."

4. By adding to the Trust Agreement the following ARTICLE EIGHT

"ARTICLE EIGHT Collateral Assignments of Certificates of Beneficial Interest and Lease

"8.01. Notwithstanding anything contained in this Trust Agreement to the contrary, it shall be permissible for Certificate Holder/lessees to borrow funds upon the security of collateral assignments of their interests in the Certificate of Beneficial Interest and lease of an apartment in Sherman Garden Apartments held by them, but only:

"a) Upon and subject to the provisions of a written instrument or instruments which shall be satisfactory to the Managing Trustees and shall in any case provide,

"(i) That the Certificate and lease are Pledged together and said Pledge and collateral assignment shall not result in or be enforced in such a way that the Certificate and the interests of the lessee under the lease shall be or become held by different persons or entities;

"(ii) That the lien of the secured party u=on the Certificate *and* lease shall always be subordinate to the lien of Sherman Garden Apartments Trust for all sums becoming due to said Trust pursuant to the Certificate or the Lease;

"(iii) That notwithstanding any enforcement of the collateral assignment the apartment may be occupied only by, and the Certificate sold to, only persons who are acceptable to the Managing Trustees as lessees of apartments in Sherman Gardens or trusts for the benefit of such persons, and

"b) Upon and subject to compliance with such rules and regulations pertaining to such borrowing as the Managing Trustees shall Prescribe from time to time."

5. By revising the descriptive material appearing upon the fc = of Certificate of Beneficial interest to reflect the foregoing amendments; Provided, that the for= of such Certificates already Printed may continue to be used without change until such time as it shall be convenient to accomplish such revisions (which revisions may then be made by overprinting or other legible means) and the validity of such Certificates now *outstanding* and issued hereafter shall not be affected by such revisions or the failure to accomplish such revisions.

6. The Managing Trustees having determined that this Amendment may materially affect the rights of Certificate Holders, this Amendment shall be submitted to the Certificate Holders pursuant to Article 7.01 of the Trust Agreement and shall become effective on the date the approval of this Amendment by Certificate Holders holding a majority (being 67) of all the outstanding Certificates (being 132) shall be achieved. If said approval shall not be achieved within ninety (90) days from the date of this Amendment as first above written, this Amendment shall be withdrawn and shall not become effective unless subsequently readopted by the Managing Trustees, resubmitted to the Certificate Holders and approved.

7. Upon this Amendment becoming effective:

(a) the Managing Trustees shall be empowered to refuse and annul

(i) any purported transfer of any certificate by the holder thereof except in conjunction with a transfer of the lease of the apartment in Sherman Garden Apartments leased by said holder, or if the holder of the Certificate be a trust by the holder of the beneficial interest in that trust; and

(ii) any purported assignment of the lessee's interest in a lease of an apartment in Sherman Garden Apartments Trust except to a holder of a Certificate, or if a Certificate be a trust to the holder of the beneficial interest in that trust,

(b) the managing Trustees shall cause to be maintained by the Trustee and/or the Managing Agent employed by the Managing Trustees a record identifying by number each Certificate of Beneficial Interest of the Trust outstanding from time to time and showing the name or names of the holder or holders of each Certificate and the particular apartment leased by the holder or holders of each Certificate or if a Certificate be held by a trust the name or names of the holder or holders of the beneficial interest in that trust.

IN WITNESS WHEREOF, this Amendment has been subscribed by not less than three of the Managing Trustees of said Trust, being the number required pursuant to Article 4.06 of said Trust Agreement, all as of the day and year first above written.

(signatures illegible with no typewritten transcription)

Not individually but solely as Managing Trustees.

**AMENDMENT NO. 3
TO
SHERMAN GARDEN APARTMENTS TRUST AGREEMENT**

THIS AMENDMENT NO. 3 to the Sherman Garden Apartments Trust Agreement is made by the Managing Trustees of Sherman Garden Apartments Trust as of the _____ day of _____, 1988,

Sherman Garden Apartments Trust (the "Trust") is the trust established by the Agreement dated as of the 1st day of August, 1946, by and between The Trust Company of Chicago, an Illinois corporation, as Trustee, and Richard L. Clarke, Daniel F. Comstock, Fred W. Eckert, H. L. Ludwig and D. Coder Taylor as Managing Trustees. Said Trust Agreement was thereafter amended as of the 21st day of March, 1949 by Amendment No. 1 and as of the 6th day of April, 1988 by Amendment No. 2.

Hereinafter, the Trust Agreement as so amended is referred to as the "Trust Agreement", the persons acting as Managing Trustees pursuant to the provisions of the Trust Agreement are referred to as the "Managing Trustees", the Certificates of Beneficial Interest in the Trust are sometimes referred to as "Certificates" and the holders of the Certificates are referred to as "Certificate Holders".

As amended, Article 2.05 of the Trust Agreement expresses that Certificates may be held by trusts for the benefit of lessees of apartments in Sherman Garden Apartments, one Certificate per apartment except for two Certificates in the case of a double apartment made by combining two original apartments.. Certain portions of Article 2.03 of the Trust Agreement are not consistent therewith.

1. In order to correct the aforesaid inconsistency, and as authorized by Article 7.01 of the Trust Agreement, the Managing Trustees hereby amend the Trust Agreement by changing the first two sentences of Article 2.03 thereof, which presently read as follows:

"2.03. In the event any Certificate of Beneficial Interest shall be held for a period of more than two successive years by a non-resident or successive non residents of the housing project which is the subject of the Trust, such Certificate shall at the option of the Managing Trustees be redeemable at the office of the Trustee upon thirty (30) days' prior written notice given to the Registered Holder of such Certificate at his address as it appears on the records of the Trustee. Any Certificate of Beneficial Interest held for such period by a holder or successive holders of another Certificate of Beneficial Interest shall be redeemable in like manner."


to be and read as follows:


"2.03. In the event any Certificate of Beneficial Interest shall be held for a period of more than two successive years by any entity or successive entities other than a lessee or lessees of an apartment in Sherman Garden Apartments or a trust or trusts for the benefit of such lessee or lessees, such Certificate shall at the option of the Managing Trustees be redeemable at the office of the Trustee upon thirty (30) days prior written notice given to the Registered Holder of such Certificate at his address as it appears on the records of the Trustee. Except in the case of the second Certificate of Beneficial Interest held by or for the benefit of the lessee of two original apartments which have been joined together, any Certificate of Beneficial Interest held for such period by or for the benefit of a holder or successive holders by or for the benefit of which another Certificate of Beneficial Interest is held shall be redeemable in like manner."

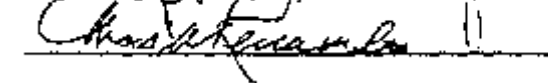
2. Except and as hereby amended, all the terms and provisions of the Trust Agreement shall be and remain in full force and effect.

3. The Managing Trustees hereby determine that this Amendment No. 3 does not materially affect the rights of any Certificate Holder, and therefore does not require the approval of majority (or any number) of said Certificate Holders.

4. This Amendment shall become effective upon execution by not less than three (3) of the Managing Trustees of the Trust, all as of the day and year first above written. Thereupon, the appropriate changes shall be made in the descriptive material appearing on the Certificates of Beneficial Interest; provided, failure to do so shall not effect the validity of any Certificate of Beneficial Interest.



 Ernest J. Munn


 Charles K. ...


 Charles K. ... II

Not individually but solely as Managing Trustees.

AMENDMENT NO. 4

TO

SHERMAN GARDEN APARTMENTS TRUST AGREEMENT

THIS AMENDMENT NO. 4 to the Sherman Garden Apartments Trust Agreement is made by the Managing Trustees of Sherman Garden Apartments Trust as of the 1st day of July, 1989, in response to request from the Sherman Garden Apartments Association for submission of the matters described herein to the Certificate Holders of the Trust for their consideration.

Sherman Garden Apartments Trust (the "Trust") is the trust established by the Agreement dated as of the 1st day of August, 1946, by and between The Trust Company of Chicago, an Illinois corporation, as Trustee, and Richard L. Clarke, Daniel F. Comstock, Fred W. Eckert, H. L. Ludwig and D. Coder Taylor as Managing Trustees. Said Trust Agreement was thereafter amended as of the 21st day of March, 1949 by Amendment No. 1, as of the 6th day of April, 1988 by Amendment No. 2 and as of the 3rd day of October, 1988 by Amendment No. 3.

Hereinafter, the Trust Agreement-as so amended is referred to as the "Trust Agreement", the persons acting as Managing Trustees pursuant to the provisions of the Trust Agreement are referred to as the "Managing Trustees", the Certificates of Beneficial Interest in the Trust are sometimes referred to as "Certificates" and the holders of the Certificates are referred to as "Certificate Holders".

Subject to approval of a majority of the Certificate Holders as herein below required, the Trust Agreement shall be and hereby is amended as follows:

1. By changing the first sentence of Article 4.01 which presently reads as follows:

"The business and affairs of the Trust shall be managed by the Managing Trustees who shall be four in number, of whom not more than two Managing Trustees shall at any time be Certificate Holders or residents of the housing project owned by the Trust."

To be and read as follows:

"The business and affairs of the Trust shall be managed by the Managing Trustees who shall be five in number, of whom three) "Resident Managing Trustees") shall each be a direct or beneficial holder of a Certificate and of a lease of an apartment in Sherman Garden Apartments in which he or she resides and two ("Non-Resident Managing Trustees") shall not either directly or indirectly hold any Certificate or any such lease or reside in Sherman Garden Apartments."

2. By deleting so much of Article 4.11 as reads as follows (being the first grammatical paragraph):

"Any Managing Trustee may resign upon thirty days' prior written notice to the remaining Managing Trustees and to the Trustee. In the event of the death, resignation or incapacity to act of any of the Managing Trustees, a majority of the remaining Managing Trustees shall forthwith appoint a successor. Notice of the appointment of such successor Managing Trustee shall be given to the Trustee and to the Certificate Holders. In the event the remaining Managing Trustees fail to appoint a successor Managing Trustee within sixty days after such death, resignation or incapacity the Trustee shall designate a successor Managing Trustee. The Trustee shall give notice of such appointment to the remaining Managing Trustees and to the Certificate Holders."

3. By adding to the Trust Agreement the following Articles 4.13, 4.14, 4.15, 4.16, 4.17, 4.18 and 4.19:

"4.13. Except as herein provided otherwise, each Resident Managing Trustee shall be elected by the Certificate Holders for the term of three years commencing on May 1 ("Election Date") and continuing until his or her successor is duly elected and commences to serve as such. Each Non-Resident Managing Trustees shall be appointed by the majority vote of the Resident Managing Trustees for the term of four years commencing on an Election Date and continuing until his or her successor is duly appointed and commences to serve as such. No Managing Trustee may serve more than two consecutive elected terms commencing after Amendment No. 4 to this Trust Agreement becoming effective, but if and to the extent invited by the incumbent Managing Trustees may serve in an honorary or advisory capacity which shall not include right to vote.

"4.14. The procedure for the election of Resident Managing Trustees shall be as follows: Not less than 75 days prior to each Election Date, the Certificate Holders, acting through the Sherman Garden Apartments Association or its successor so long as such organization shall exist, shall appoint up to five members, and the Managing Trustees shall appoint up to four members, to form the Nominating Committee. A Resident Managing Trustee who is eligible for re-election at the forthcoming election may not be a member of the Nominating Committee. The Nominating Committee shall endeavor to begin its deliberations at least 60 days prior to the election date and shall make its nomination or nominations and notify the Certificate Holders thereof at least 30 days prior to the Election Date. Additional candidates may be nominated by the petition of at least 25 Certificate Holders submitted to the Managing Agent of the Trust, or such other recipient as the Managing Trustees shall have designated, at least 15 days prior to the Election Date. No candidate may be nominated who shall not have indicated his or her willingness to serve. Voting shall be by secret written ballot. Absentee balloting shall be permitted. There shall be one vote per Certificate: in the case of a Certificate held in trust for the

benefit of a lessee, the ballot may be cast by the lessee; in the case of a Certificate held by or for the benefit of multiple persons, each person shall have a fractional vote in the same fraction as that of his or her interest in the Certificate. The candidate or candidates receiving the greatest number of votes cast shall be elected. There shall not be cumulative voting notwithstanding that there may be more than one candidate to be elected. It shall be the responsibility of the initial Nominating Committee to devise and/or approve the details of the implementation of the foregoing, and of each succeeding Nominating Committee to effect such procedural modifications, if any, as shall be needed from time to time for said purpose.

"4.15. The terms of the incumbent Managing Trustees shall expire on Election Day in the following years, respectively: Charles W. Rummler, 1990; Evelyn Schaeffe, 1991; Bennett Johnson, 1991, Douglas Z. B. Wist, 1993."

Promptly upon Amendment No. 4 to this Trust Agreement becoming effective, the vacancy in the position of the third Resident Managing Trustee thus created shall be filled as promptly as possible for the interim term ending May 1, 1990 by a Nominating Committee formed as aforesaid, but as an appointment rather than as an election: the time requirements set forth in Article 4.14 shall not apply, the Certificate Holders shall not be entitled to vote upon such appointment, and such interim term shall not be counted as one of the consecutive terms which such appointee may serve: further in this instance only the term of the first successor of that Resident Managing Trustee shall be for two years so as to expire on May 1, 1992.

"4.16. Any Managing Trustee may resign upon thirty days, prior written notice to the remaining managing Trustees and to the Trustee. Each Managing Trustee shall be subject to recall immediately upon the affirmative vote of not less than two-thirds of the Certificate Holders, to be cast under the same rules as at an election of a Managing Trustee, such voting to be held upon the petition of not less than one-third of the Certificate Holders, at the date fixed by the Managing Trustees which date shall be not less than thirty days after the date of delivery of such petition to the Managing Agent of the Trust, or such other recipient as the Managing Trustees shall have designated, or more than sixty days after the date of such delivery or such later date as shall be specified in such petition. The position of any Managing Trustee shall also become vacant upon his or her death or incapacity, the latter to be determined by a majority of the remaining Managing Trustees on the basis of such facts and opinions as they shall deem to be sufficient.

"4.17. Whenever a vacancy in the roster of Resident Managing Trustees shall occur, whether by reason of death or incapacity, recall, or increase in the number of Managing Trustees, it shall be filled as promptly as possible on an interim basis until the next Election Date by a Nominating Committee formed as aforesaid, but as an appointment rather than as an election: the time requirements set forth in Article 4.14 shall not apply, the Certificate Holders

shall not be entitled to vote upon such appointment, and such interim term shall not be counted as one of the consecutive terms which such appointee may serve. At said next Election Date, the successor to such interim Resident Managing Trustee shall be elected by vote of the Certificate Holders in the regular way but for the remainder of full term of the vacancy, and if such remainder shall not be more than one year it shall not be counted as one of the two consecutive terms which the so elected Resident Managing Trustee may serve.

"4.18. Whenever a vacancy in the roster of Non-Resident Managing Trustees shall occur, it shall be filled as promptly as possible by the majority vote of the Resident Managing Trustees for the remainder of the full term of the vacancy, and if such vacancy shall not be more than two years it shall not be counted as one of the two consecutive terms which the so appointed Non-Resident Managing Trustee may serve.

"4.19. Notice of the election or appointment of any Managing Trustee shall be given promptly to the Trustee, Managing Trustees and Certificate Holders."

4. By revising the descriptive material to appear upon the form of Certificate to reflect the foregoing amendments: provided, that the forms of such Certificates already printed may continue to be used without change until such time as it shall be convenient to accomplish such revisions (which revisions may then be made by overprinting or other legible means) and the validity of such Certificates now outstanding and issued hereafter shall not be affected by such revisions or the failure to accomplish such revisions.

5. The Managing Trustees having determined that this Amendment may materially affect the rights of Certificate Holders, this Amendment shall be submitted to the Certificate Holders for approval or disapproval by secret ballot in the form attached hereto, to be distributed to all Certificate Holders by the Managing Agent not later than October 2, 1989, returned to the Managing Agent not later than October 24, 1989 and tallied by the Managing Agent not later than October 31, 1989. If such balloting shall result in the approval of this Amendment by not less than Certificate Holders holding a majority (being 67) of all the outstanding Certificates (being 132) as required by Article 7.01 of the Trust Agreement, this Amendment shall become effective immediately upon the announcement of said tally; but if such approval shall not be so achieved, this Amendment shall be with- drawn and shall not become effective unless subsequently re-adopted by the Managing Trustees, resubmitted to the Certificate Holders and at such time approved by the requisite majority of the Certificate Holders.

