

SCHEDULE B

111 S. MORGAN, LLC. ONE-YEAR LIMITED WARRANTY

To: _____ (“Purchaser”)

Re: Unit ___ One One One Morgan Condominiums (the “Premises:”)

111 S. MORGAN, LLC., and Illinois limited liability company (“Seller”) agrees the construction work on the Premises will be done in a good and workmanlike manner, and warrants said workmanship and material against defects arising out of faulty workmanship or materials or failure to comply substantially with the aforementioned Plans and specifications. Said warranty shall extend to the first Purchaser of the Unit purchased for a period of One (1) year from the date of closing and the Common Elements of the Condominium for a period of One (1) year from the date of completion of the portion of the Common Elements as to which the warranty claim is asserted (the “Warranty Period”), and shall not be assignable or transferable to any subsequent owner of the Unit.

All claims for correction of defects must be made within the Warranty Period by written notice addressed and mailed to Seller at the address set forth below.

This Warranty does not cover (i) defects caused by misuse, accidents, negligent maintenance, normal wear and tear, casualties due to the elements (ii) normal seasonal and other maintenance and (iii) defects covered by manufacturers or other warranties.

This Warranty is given and accepted in lieu of all other warranties or guaranties whatsoever, whether express or implied by law, or written or oral. This Warranty does not extend to incidental or consequential damages or injuries, including but not limited to, loss of usage, inconvenience or damage to persons or property.

PLEASE READ CAREFULLY THE SCOPE AND TERMS OF YOUR WARRANTY

Inspection by Purchaser:

By your execution of this Warranty, you acknowledge that you have inspected the Premises and are thoroughly familiar with its condition. You further acknowledge that you have completed with a representative of Seller a list (the Inspection List) of all visible surface defects which were present at the time of that inspection and such other defects as were apparent at inspection.

Visible Surface Defects:

Visible surface defects are serious defects in finished surfaces, evident upon superficial examination. Examples are chipped, scratched, cracked or broken windows, mirrors or shower doors; chipped or scratched appliances, bathtubs or washbowls, scratched, gouged or scuffed flooring; stained or dirty carpeting; stained, scratched, gouged or dented walls, ceilings, doors or trim. Visible surface defects present upon Inspection List are covered by this Warranty. Visible surface defects not noted on the Inspection list are deemed to have occurred after transfer of title and are not covered by this Warranty.

Foundations:

Due to the natural movement of soil and other conditions, as well as to the natural shrinkage that takes place in concrete when it receives its final set, it is inevitable that minor cracks will appear in the foundation. The structural strength of the Premises is not adversely affected in any way by such minor cracks and it is unnecessary to repair them. Seller does not warrant concrete foundation against such minor cracking. Seller does not warrant against leakage or seepage through wall, floors or cracks which may develop during the Warranty Period.

Concrete Walks, Basement Floors, Driveways, Steps, and Platforms:

Concrete walks, basement floors, driveways, steps, and platforms are apt to settle and develop cracks, especially in a climate where temperature changes are extreme. Minor cracking due to expansion and contraction is unavoidable and is not covered by this Warranty. However, if during the Warranty Period the concrete surface becomes unserviceable due to abnormal settling or cracking, the Seller will repair or replace said exterior concrete. Minor ponding of water on balconies and terraces is normal and is not considered a defect.

Seller does not warrant against damage to concrete surfaces caused by the use of salt or other deicing compounds.

Brickwork:

Brick, by its very nature, is irregular in size and shape and may have small chips or surface cracks.

This is as it should be and helps to create the texture of brickwork.

Floors:

This Warranty covers cracked or loose flooring or imperfections in the subflooring. It further covers scratches, gouges, heel marks and other visible surface defects, provided they are noted in the Inspection List. Because shade and color will vary within each production run of a manufacturer's tile, and may also vary as a result of use, cleaning and waxing, we cannot assure color match in case of repair or replacement.

Plumbing:

The plumbing system and fixtures originally installed in your home are warranted as to proper function, except that thirty (30) days after inspections, leaking or dripping faucets are no longer Seller's responsibility but are your responsibility.

Electrical System:

The Electrical System and fixtures originally installed in your home are warranted as to proper function. Appliances and other electrical equipment connected to the system by outlets are not considered part of the electrical system and are covered elsewhere in this Warranty.

Countertops and Vanity Tops:

Serious scratches are covered by this Warranty provided they are noted on the Inspection list. Vanities and countertops are guaranteed against defects in workmanship and material during the Warranty Period. They are not guaranteed against burns or damage from frozen food.

Roofs:

The roof is guaranteed during the Warranty Period to be free from leaks or defects. It is not guaranteed against natural disasters or casualties beyond the control of the Seller. This Warranty is void as to the items covered in this paragraph in the event the roof is used for any activity or if any structure or appurtenance is attached to the roof in such a way as to impair its structural or functional integrity.

Appliances:

Appliances are guaranteed and/or warranted by manufacturer and are not covered by this Warranty. All contact should be made with the service department or each manufacturer.

Landscaping:

Trees: Trees planted by Seller are guaranteed to live for one growing season after occupancy or planting. Survival of trees existing on the lot prior to construction is not guaranteed. Trees should be fertilized, watered and pruned in accordance with good landscaping practices.

Paint:

The paint used inside your home is of a type and quality appropriate to its use, and its application is warranted to be consistent with accepted standards of good workmanship. This Warranty covers blistering, peeling or flaking during the Warranty Period. It also covers serious smudges, stains or other soiling, providing they are noted on the Inspection List.

Paint will gradually change color with time, as no paint is completely color stable when exposed to light, air and varying temperature and humidity. Seller does not warrant against such color change.

Doors:

Wood doors expand and contract depending on temperature and humidity changes. Persistent warpage in excess of 1/4 inch is considered defective.

Other Items:

No action taken by Seller to correct defects shall extend the Warranty beyond the Warranty Period. No representative of Seller has the authority to expand the scope of or extend the duration of this Warranty or to make agreements with respect hereto. This Warranty shall be null and void as to any particular defect if Purchaser performs repairs to the Premises in respect to such defect without receiving the prior written consent of Seller. This Warranty may not be assigned or transferred by Purchaser and shall be enforceable only by Purchaser and not by Purchaser's grantees or other successors in interest.

Seller's Performance:

If a defect occurs in an item which is covered by this Warranty, the Seller will repair, replace or pay you the reasonable cost of repairing or replacing the defective item. The Seller's total liability under this Warranty is limited to the purchase price of the Premises. The choice among repair, replacement or payment is the Seller's. Steps taken by the Seller to correct defects shall not act to extend the terms of this Warranty; provided, however, that this Warranty shall not expire at the end of the Warranty Period as to defects in items covered by this Warranty for which Seller received notice prior to the expiration of the

applicable warranty period, but were not properly repaired within said period. Seller shall not be obligated to remedy and defects where otherwise required pursuant to this Warranty unless and until Purchaser notifies Seller in writing of the defect and then only if such notification is made prior to the expiration of the Warranty Period.

Submission of Claims to Seller:

If Purchaser has a complaint, Purchaser must send a clear and specific written complaint to the Seller prior to the time the Warranty Period expires.

Notices:

All notices to the Seller or to Purchaser, must be sent by certified mail- return receipt requested, with postage prepaid, to the recipient at the address shown for the recipient following its signature or to whatever other address the recipient may designate in writing.

General Provisions:

Should any provisions of this Agreement be deemed by a court of competent jurisdiction to be unenforceable, that determination will not affect the enforceability of the remaining provisions. This Agreement is to be binding upon the parties, their heirs, executors, administrators, and successors. Use of one gender in this Agreement includes all other genders; and use of the plural includes the singular, all as may be appropriate. This Agreement is to be covered by and construed in accordance with the laws of the State of Illinois.

Amendments:

This Agreement cannot be changed or altered in any way.

Date _____, 200_

111 S. MORGAN, LLC

Accepted:

BY: _____
Authorized Signatory

Purchaser

Purchaser

Address: 2623 Payne Street
Evanston, IL
60201

Address: _____

