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**AMENDED AND RESTATED DECLARATION OF
CONDOMINIUM OWNERSHIP FOR GREENWICH
SQUARE CONDOMINIUM**

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AMENDED AND RESTATED DECLARATION OF CONDOMINIUM OWNERSHIP FOR GREENWICH SQUARE CONDOMINIUM

This Amended and Restated Declaration of Condominium Ownership for Greenwich Square Condominium (hereinafter referred to as "Declaration") and the Amended and Restated By-Laws of the Greenwich Square Condominium Owners Association which are attached hereto as Exhibit "E" (hereinafter referred to as "By-Laws") is recorded for the purpose of amending and restating the Declaration of Condominium Ownership for Greenwich Square Condominium (hereinafter referred to as "Original Declaration"), which was recorded with the Recorder of Deeds of Kane County, Illinois on December 27, 1999 as Document No. 1999K120982, and the By-Laws of the Greenwich Square Condominium Association which are attached as Exhibit "E" to the Original Declaration (hereinafter referred to as "Original By-Laws"). This Declaration and the By-Laws attached hereto as Exhibit "E" are made and entered into by the Board of Directors of the Greenwich Square Condominium Owners Association in accordance with the provisions of Section 27(b) of the Illinois Condominium Property Act (765 ILCS 605/27(b)), which provides that the Association may correct errors or omissions in the Original Declaration and Original By-Laws as may be required to conform to the Act and any other applicable statute by vote of two-thirds (2/3) of the members of the Board.

RECITALS

WHEREAS, the Greenwich Square Condominium Owners Association (hereinafter the "Condominium Association") through its Board of Directors administers the property legally described in Exhibit "B" (hereinafter referred to as the "Parcel");

WHEREAS, The Ryland Group, Inc., as Declarant, submitted the Parcel and Property to the provisions of the Condominium Property Act of the State of Illinois (the "Act") by recording the Original Declaration with the Recorder of Deeds of Kane County, Illinois on December 27, 1999 as Document No. 1999K120982;

WHEREAS, the Original Declaration was amended by Supplement No. 1 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on February 24, 2000 as document number 2000K013740;

WHEREAS, the Original Declaration was amended by Supplement No. 2 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on March 15, 2000 as document number 2000K018421;

WHEREAS, the Original Declaration was amended by Supplement No. 3 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on June 23, 2000 as document number 2000K050114;

WHEREAS, the Original Declaration was amended by Supplement No. 4 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on November 28, 2000 as document number 2000K095445;

WHEREAS, the Original Declaration was amended by Supplement No. 5 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on December 1, 2000 as document number 2000K096997;

WHEREAS, the Original Declaration was amended by Supplement No. 6 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on January 31, 2001 as document number 2001K009082;

WHEREAS, the Original Declaration was amended by Supplement No. 7 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on May 1, 2001 as document number 2001K039607;

WHEREAS, the Original Declaration was amended by Supplement No. 8 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on June 27, 2001 as document number 2001K062612;

WHEREAS, the Original Declaration was amended by Supplement No. 9 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on September 18, 2001 as document number 2001K096836;

WHEREAS, the Original Declaration was amended by Supplement No. 10 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on October 19, 2001 as document number 2001K109495;

WHEREAS, the Original Declaration was amended by Supplement No. 11 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on March 15, 2002 as document number 2002K037029;

WHEREAS, the Original Declaration was amended by Supplement No. 12 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on April 4, 2002 as document number 2002K045342;

WHEREAS, the Original Declaration was amended by Supplement No. 13 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on May 15, 2002 as document number 2002K063036;

WHEREAS, the Original Declaration was amended by Supplement No. 14 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on July 24, 2002 as document number 2002K091325;

WHEREAS, the Original Declaration was amended by Supplement No. 15 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on September 20, 2002 as document number 2002K116645;

WHEREAS, the Original Declaration was amended by the Special Amendment No. 2 to Declaration of Condominium Ownership for Greenwich Square Condominium, which was recorded with the Recorder of Deeds of Kane County, Illinois on December 11, 2002 as document number 2002K164526;

WHEREAS, the Board of Directors desires to amend and restate the Declaration of Condominium Ownership for Greenwich Square Condominium replacing it, in its entirety, with this Amended and Restated Declaration of Condominium Ownership for Greenwich Square Condominium;

WHEREAS, the Board of Directors desires to amend and restate the By-Laws of the Greenwich Square Condominium Association replacing it, in its entirety, with the Amended and Restated By-Laws of the Greenwich Square Condominium Owners Association which are attached hereto as Exhibit "E";

WHEREAS, the Board of Directors desires to amend the Declaration of Condominium Ownership for Greenwich Square Condominium and the By-Laws of the Greenwich Square Condominium Association to conform those documents to the current provisions of the Illinois Condominium Property Act as well as any other applicable statutes and correct any scrivener's errors or omissions, as well as remove language related to the development period;

WHEREAS, this Amended and Restated Declaration of Condominium Ownership for Greenwich Square Condominium and the Amended and Restated By-Laws of the Greenwich Square Condominium Owners Association which are attached hereto as Exhibit "E" have been approved by the affirmative vote of at least two-thirds (2/3) of the members of the Board at a meeting of the Board, with such members having signed and acknowledged this document;

WHEREAS, this Amended and Restated Declaration of Condominium Ownership for Greenwich Square Condominium and the Amended and Restated By-Laws of the Greenwich Square Condominium Owners Association which are attached hereto as Exhibit "E" shall become effective upon recordation in the Office of Recorder of Deeds, Kane County, Illinois.

NOW THEREFORE, the Declaration of Condominium Ownership for Greenwich Square Condominium is hereby restated and amended as follows:

ARTICLE ONE

Definitions

For the purpose of brevity and clarity, certain words and terms used in this Declaration are defined as follows:

Section 1.01: **"Act"**: The Condominium Property Act of the State of Illinois, as amended from time to time.

Section 1.02: **"Board"**: The Board of Directors of the Condominium Association, as constituted at any time or from time to time.

Section 1.03: **"Building"**: A portion of the Condominium Property which consists of a structure which contains Dwelling Units.

Section 1.04: **"By-Laws"**: The By-Laws of the Condominium Association which are attached hereto as Exhibit E.

- Section 1.05: **“City”:** The City of Geneva, Illinois or any successor thereto.
- Section 1.06: **“Common Elements”:** All portions of the Condominium Property, except the Dwelling Units, including Limited Common Elements unless otherwise specified.
- Section 1.07: **“Common Expenses”:** The expenses of administration (including management and professional services) of the Property; except as otherwise specifically provided herein, the cost of maintenance, repair, and replacement of the Common Elements; except as specifically provided herein, the cost of additions, alterations, or improvements to the Common Elements; the cost of insurance required or permitted to be obtained by the Board under Article Five; utility expenses for the Common Elements; any expenses designated as Common Expenses by the Act, this Declaration, or the By-Laws; if not separately metered or charged to the Owners, the cost of waste removal, scavenger services, water, sewer, or other necessary utility services to the Buildings; the cost of maintaining Landscape Easements, as more fully provided in Section 3.01 hereof; and any other expenses lawfully incurred by or on behalf of the Condominium Association for the common benefit of all of the Owners.
- Section 1.08: **“Condominium Association”:** The Greenwich Square Condominium Owners Association, an Illinois not-for-profit corporation, its successors and assigns.
- Section 1.09: **“County”:** Kane County, Illinois.
- Section 1.10: **“Declarant”:** The Ryland Group, Inc., a Maryland corporation, its successors and assigns.
- Section 1.11: **“Declaration”:** This instrument with all Exhibits hereto, as amended or supplemented from time to time.
- Section 1.12: **“Dwelling Unit”:** A part of the Condominium Property, including one or more rooms, designed or intended for independent residential use and having lawful access to a public way. Each Dwelling Unit shall consist of the space enclosed and bounded by the planes constituting the boundaries of such Dwelling Unit as shown on the Plat and the fixtures and improvements located wholly within such boundaries which serve such Dwelling Unit

exclusively. A Dwelling Unit shall not include the following, wherever located:

- (a) any structural components of the Condominium Property;
or
- (b) any component of a system which serves more than one Dwelling Unit where such component is an integral part of such system and is not intended to serve the Dwelling Unit exclusively.

Each Dwelling Unit is identified on the Plat by a distinguishing number or other symbol. The legal description of each Dwelling Unit shall refer to such identifying number or symbol and every such description shall be deemed good and sufficient for all purposes, as provided in the Act.

Section 1.13: **“First Mortgage”**: A bona fide first mortgage, first trust deed or equivalent security interest covering a Unit Ownership.

Section 1.14: **“First Mortgagee”**: The holder of a First Mortgage.

Section 1.15: **“Limited Common Elements”**: A portion or portions of the Common Elements which are designated by this Declaration or the Plat as being a Limited Common Element appurtenant to and for the exclusive use of Owners of one or more, but less than all, of the Dwelling Units. Any balcony, porch or patio adjoining or serving a Dwelling Unit shall be a Limited Common Element appurtenant to such Dwelling Unit. Without limiting the foregoing, the Limited Common Elements assigned and appurtenant to each Dwelling Unit shall include the following (“Exclusive Limited Common Elements”): (a) perimeter doors (including garage doors) and windows which serve the Dwelling Unit, (b) the interior surface of perimeter walls, ceilings and floors which define the boundary planes of the Dwelling Unit, and (c) any system or component part thereof which serves the Dwelling Unit exclusively to the extent that such system or component part is located outside the boundaries of the Dwelling Unit.

Section 1.16: **“Owner”**: A Record owner, whether one or more Persons, of fee simple title to any Dwelling Unit, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.17: **“Parcel”**: The real estate which is legally described in Exhibit B hereto from time to time, together with all rights appurtenant

thereto, as Exhibit B may be supplemented from time to time.

Section 1.18: **“Person”:** A natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

Section 1.19: **“Plat”:** The plats of survey attached as Exhibit C to the Original Declaration and the amendments thereto and by this reference made a part hereof, as such exhibit may be amended or supplemented from time to time, which set forth the measurements, elevations, and locations of the Condominium Property, the location of the planes which constitute the perimeter boundaries of each Dwelling Unit, a distinguishing number or other symbol to identify each Dwelling Unit and such other data as may be required by the Act or this Declaration.

Section 1.20: **“Property or Condominium Property”:** All the land, property, and space comprising the Parcel, all improvements and structures erected, constructed or contained therein, thereon or thereunder, including buildings, and all easements, rights and appurtenances belonging thereto, and all fixtures and equipment intended for the mutual use, benefit or enjoyment of the Owners, hereby or hereafter submitted and subjected to the provisions of this Declaration and the Act as part of the Condominium Property.

Section 1.21: **“Record”:** To record with the Recorder of Deeds of the County.

Section 1.22: **“Resident”:** An individual who resides in a Dwelling Unit and who is either an Owner, a tenant of the Owner, a contract purchaser of the Dwelling Unit, or a relative of any such Owner, tenant or contract purchaser.

Section 1.23: **“Undivided Interest”:** The percentage of ownership interest in the Common Elements appurtenant to a Dwelling Unit as herein and hereafter allocated on Exhibit D hereto, as Exhibit D may be amended from time to time.

Section 1.24: **“Unit Ownership”:** A part of the Condominium Property consisting of one Dwelling Unit and its Undivided Interest.

Section 1.25: **“Voting Member”:** The individual who shall be entitled to vote in person or by proxy at meetings of the Owners, as more fully set forth in Article Four.

ARTICLE TWO

Scope of Declaration and Certain Property Rights

Section 2.01: **REAL ESTATE SUBJECT TO DECLARATION**

Declarant, as the owner, at one time, of fee simple title to the Parcel and Property, expressly intended to and, by Recording the Original Declaration, did thereby subject and submit the Parcel and Property to the provisions of the Act and the Original Declaration. Declarant had the right to subject additional portions of the Development Area to the provisions of the Act and the Original Declaration as provided in Article Eight, and did submit portions of the Development Area identified in the Original Declaration to the provisions of the Act and the Original Declaration by the aforementioned amendments to the Original Declaration.

Section 2.02: **CONVEYANCES SUBJECT TO DECLARATION**

All easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits, and privileges which are granted, created, reserved or declared by this Declaration shall be deemed to be covenants appurtenant, running with the land and shall at all times inure to the benefit of and be binding on any Person having at any time any interest or estate in the Condominium Property, and their respective heirs, successors, personal representatives or assigns. Reference in any deed of conveyance, lease, mortgage, trust deed, other evidence of obligation, or other instrument to the provisions of this Declaration shall be sufficient to create and reserve all of the easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits and privileges which are granted, created, reserved, or declared by this Declaration, as fully and completely as though they were set forth in their entirety in any such document.

Section 2.03: **ENCROACHMENTS**

In the event that, by reason of the construction, repair, reconstruction, settlement or shifting of the Condominium Property or any part thereof, (i) any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Dwelling Unit, or (ii) any part of any Dwelling Unit encroaches or shall hereafter encroach upon any part of any other Dwelling Unit or the Common Elements, then, in any such case, there shall be deemed to be an easement in favor of the Owners for the maintenance and use of any of the Common Elements which may encroach upon a Dwelling Unit and there shall be deemed to be an easement in favor of any Owner for the exclusive use of any part of his Dwelling Unit which shall encroach upon the Common Elements or any other Dwelling Unit; provided, however, that in no event shall an easement for any encroachment be created in favor of any Owner if such

encroachment occurred due to the intentional, willful or negligent conduct of such Owner or his or her agent.

Section 2.04: **OWNERSHIP OF COMMON ELEMENTS**

Each Owner shall own an undivided interest in the Common Elements as a tenant in common with all the other Owners. Each Dwelling Unit's corresponding percentage of ownership in the Common Elements (Undivided Interest) has been determined by Declarant as required under the Act to be as set forth in Exhibit D attached hereto. Exhibit D may not be changed without unanimous written approval of all Owners and all First Mortgagees, except as hereinafter provided in Section 5.06 or 5.07, Article Eight or as permitted under the Act. The Common Elements shall remain undivided and no Owner shall bring any action for partition.

Section 2.05: **OWNERS' RIGHTS TO USE THE COMMON ELEMENTS**

- (a) Each Owner shall have the right to use the Common Elements (except the Limited Common Elements or portions occupied pursuant to leases, licenses or concessions made by the Board) in common with all other Owners, as may be required for ingress and egress to and from his or her respective Dwelling Unit, and for such other purposes not prohibited hereunder.
- (b) Each Owner shall have the right to the exclusive use and possession of the Exclusive Limited Common Elements which serve his or her Dwelling Unit. Each Owner shall have the right to the nonexclusive use, in common with other Owners, of the Limited Common Elements which serve his or her Dwelling Unit and the Dwelling Units of such other Owners.
- (c) The rights to use and possess the Common Elements, including the Limited Common Elements, as herein provided, shall extend to each Owner, and the agents, servants, tenants, and invitees of each Owner and such rights and easements shall be subject to and governed by the provisions of the Act, this Declaration, the By-Laws, and the reasonable rules and regulations of the Board.

Section 2.06: **LEASE OF COMMON ELEMENTS**

The Board shall have the right and authority, subject to the provisions of this Declaration and the By-Laws, to lease or grant licenses or concessions with regard to parts of the Common Elements (other than Limited Common Elements). The rental, fees and terms of any such lease, license or concession shall be determined by the Board and any and all proceeds therefrom shall be used to pay the Common Expenses and shall be taken into

account in the preparation of the annual budget.

Section 2.07: UTILITY AND ACCESS EASEMENTS

Each Owner of a Dwelling Unit shall have a non-exclusive easement for vehicular and pedestrian access over and across roadways and walkways from time to time located on the Condominium Property, including, without limitation, those roadways and walkways which provide access to public ways. All public and private utilities serving the Condominium Property are hereby granted the right to lay, construct, renew, operate, and maintain conduits, cables, pipes, wires, transformers, switching apparatus and other equipment, into and through the Condominium Property for the purpose of providing utility services to the Condominium Property. The County, the City and any municipality or other governmental authority which has jurisdiction over the Condominium Property or which undertakes to provide services to the Condominium Property are hereby declared, granted and reserved access easements for ingress and egress to, over and across the Condominium Property for the purpose of providing any such services. The maintenance of the roads and streets located on the Common Elements shall be the responsibility of the Condominium Association, as further described and provided herein. No part of said roads and streets will be dedicated for public use or conveyed to the City for the purpose of establishing a public right of way. Such restriction is set forth in the Plat of Subdivision of the Greenwich Square Subdivision and shall run with the land.

Section 2.08: ADDITIONAL EASEMENTS

In addition to the easements provided for herein, the Board, on behalf of all of the Owners, shall have the right and power: (a) to grant such easements with respect to the Common Elements (except the Limited Common Elements) as the Board deems necessary and proper, including, without limitation, access easements for emergency and service vehicles operated by any governmental authority or private enterprise and/or easements related to the installation and operation of a cable or satellite televisions system or other communication systems, and/or (b) to cancel, alter, change or modify any easement which affects the Condominium Property and does not benefit an Owner, as the Board shall, in its discretion, determine. Each Person, by acceptance of a deed, mortgage, trust deed, other evidence of obligation, or other instrument relating to a Unit Ownership, shall be deemed to grant a power coupled with an interest to the Board, as attorney-in-fact, to grant, cancel, alter or otherwise change the easements provided for in this Section. Any instrument executed pursuant to the power granted herein shall be executed by the President and attested to by the Secretary of the Condominium Association and duly Recorded.

Section 2.09: **BOARD'S RIGHT OF ENTRY**

The Board or its agents, upon reasonable notice or, in the case of an emergency, without notice, shall have the right to enter any Dwelling Unit, including any of the appurtenant Limited Common Elements, when necessary in exercise of its authority under Section 3.02 of this Declaration, or in connection with any maintenance, repair and replacement for which the Board is responsible. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Board, as a Common Expense.

Section 2.10: **SEPARATE MORTGAGES**

Each Owner shall have the right, subject to the provisions herein, to make a separate mortgage or encumbrance or other lien on his respective Unit Ownership. No Owner shall have the right or authority to make or create, or to cause to be made or created, any mortgage or encumbrance or other lien on or affecting the Condominium Property or any part thereof, except only to the extent of his Unit Ownership.

Section 2.11: **REAL ESTATE TAXES**

Real estate taxes, special assessments, and any other special taxes or charges of the State of Illinois or any duly authorized subdivision or agency thereof, are to be separately taxed to each Owner for his Unit Ownership, as provided in the Act. In the event that for any year a tax bill is issued with respect to a portion of the Condominium Property other than on a Dwelling Unit by Dwelling Unit basis, then:

- (a) The Owners of Dwelling Units in a particular Building shall be responsible for the payment of that portion, if any, of the bill which is allocable to the Dwelling Units in the Building where the Dwelling Units have not been separately taxed but where other Dwelling Units in the Condominium Property have been separately taxed. In such case the amount payable by each Owner shall be based on the relative Undivided Interests of the affected Dwelling Units;
- (b) Where the bill affects the Condominium Property as a whole or portions of the Common Elements and not Dwelling Units, then each Owner shall pay his proportionate share thereof in accordance with his or her Undivided Interest;
- (c) Any amounts payable by an Owner under (a) or (b) above may, by action of the Board, become a charge hereunder payable by the Owner to the Association and failure of an Owner to pay any such charge to the Association shall give rise to a lien against the Owner's Dwelling

Unit under Section 6.01 of this Declaration.

Upon the affirmative vote of Voting Members representing a majority of the votes in the Condominium Association or the affirmative vote of two-thirds of the members of the Board, the Board, on behalf of all the Owners, shall have the authority to seek relief for the Owners from any such taxes, special assessments or charges, and any expenses incurred in connection therewith shall be Common Expenses.

Section 2.12: LEASE OF DWELLING UNIT

Any Owner shall have the right to lease all (and not less than all) of his or her Dwelling Unit subject to the provisions of subsections (a) and (b) below:

- (a) No Dwelling Unit shall be leased for less than six (6) months or for hotel or transient purposes.
- (b) Any lease shall be in writing and shall provide that such lease shall be subject to the terms of this Declaration and that any failure of the lessee to comply with the terms of this Declaration shall be a default under the lease. Each Owner who leases his or her Dwelling Unit shall promptly, and not later than the earlier of the date of occupancy or within ten (10) days after the lease is signed, provide a complete copy of such lease to the Board, which shall keep records of the number of Dwelling Units leased. A lessee shall be bound by the provisions hereof regardless of whether the lease specifically refers to this Declaration.

ARTICLE THREE

Use, Occupancy and Maintenance of the Property

Section 3.01: MAINTENANCE, REPAIR AND REPLACEMENT OF COMMON ELEMENTS AND LANDSCAPE EASEMENT AREAS

- (a) Except as otherwise specifically provided in this Declaration, decorating, maintenance, repair and replacement of the Common Elements shall be furnished by the Association as part of the Common Expenses.
- (b) Except as hereinafter provided, with respect to a particular category or class of Limited Common Elements (other than the Exclusive Limited Common Elements appurtenant to a Dwelling Unit), instead of furnishing the maintenance, repair or replacement of such category or class of Limited Common Elements as a Common Expense, the Board may, in its discretion, (i) require each Owner to furnish such services to the Limited Common Elements which are appurtenant to his or her Dwelling

Unit at his or her own expense, or (ii) furnish such services to the Limited Common Elements but assess the cost thereof directly to the Owners of Dwelling Units benefited thereby on the basis of Undivided Interests, in equal shares or such other reasonable basis as the Board shall deem appropriate.

- (c) The maintenance, repair and replacement of balconies and patios shall be furnished by the Association and the cost thereof shall not be a Common Expense but shall be shared by the Owners of Dwelling Units which have balconies and patios as Limited Common Elements, in equal shares for each such Dwelling Unit.
- (d) The maintenance of Planting Areas shall be furnished as provided in Section 3.18 of this Declaration.
- (e) The Plat of Subdivision for Greenwich Square establishes a fifteen foot wide "Landscape Easement" on portions of Lot 41 and Lot 42. The Condominium Association shall maintain the landscaping on the Landscape Easement on Lot 42 and may, but shall not be obligated to, maintain the landscaping on the Landscape Easement on Lot 41.
- (f) The Association shall cause (i) the automatic sprinkler systems serving the Dwelling Units, including, without limitation, the backflow preventer valves, and (ii) the alarm panels serving the Dwelling Units, to be inspected not less than annually. The Owners shall provide access to the contractor(s) engaged by the Association to conduct such inspections, and the cost of such inspections shall be a Common Expense. Notwithstanding the foregoing, any necessary repairs to the sprinkler systems and/or the alarm panels shall be undertaken by the applicable Owner whose Unit is served by such sprinkler system or alarm panel, as the case may be, and the cost of such repair shall not be a Common Expense, and shall be solely the responsibility of the applicable Owner.

Section 3.02:

MAINTENANCE, REPAIR AND REPLACEMENT OF DWELLING UNITS AND EXCLUSIVE LIMITED COMMON ELEMENTS

- (a) Each Owner shall furnish and be responsible, at his or her expense, for all of the maintenance, repairs and replacements within his or her Dwelling Unit and the Exclusive Limited Common Elements and shall keep them in good condition and repair. The Board may, in its discretion, cause maintenance services to be performed within a Dwelling Unit or to the Exclusive Limited Common Elements appurtenant thereto upon the request of an Owner and may charge a reasonable fee for such services. Without limiting the foregoing, to the extent that insurance carried by the Condominium Association covers

damage to a Dwelling Unit or the Exclusive Limited Common Elements appurtenant thereto (including, without limitation, broken windows, perimeter doors or garage doors), the Condominium Association shall make any insurance proceeds received by the Condominium Association as a result of any such damage available to the Owner to pay for or reimburse the Owner for payment of the cost of repairing the damage.

- (b) Whenever the Board shall determine, in its discretion, that any maintenance, repair, or replacement of any Dwelling Unit or the Exclusive Limited Common Elements is necessary to protect the Common Elements or any other portion of the Condominium Property: (i) if such work is made necessary through the fault of the Owner, then the Board may direct the Owner thereof to perform such maintenance, repair, or replacement and pay the cost thereof to the extent not covered by insurance, if any, carried by the Condominium Association, including, without limitation, the deductible amount under any applicable insurance policy as further provided in Article V of this Declaration, or (ii) if such work is made necessary through no fault of the Owner, then the Board may cause the work to be done and may, in its discretion, assess the cost thereof directly to the Owners of the Dwelling Units, or Exclusive Limited Common Elements appurtenant thereto, with respect to which the work is done on the basis of Undivided Interests, equal shares or such other reasonable basis as the Board shall deem appropriate. If an Owner fails or refuses to perform any such maintenance, repair, or replacement within a reasonable time after being so directed by the Board pursuant to the preceding sentence, then the Board may cause such maintenance, repair, or replacement to be performed at the expense of such Owner. The determination of whether or not the work is made necessary through the fault of the Owner shall be made by the Board and such determination shall be final and binding.

Section 3.03:

ADDITIONS, ALTERATIONS OR IMPROVEMENTS

- (a) The Board may authorize and charge as a Common Expense (or in the case of Limited Common Elements may charge the Owners benefited thereby) any additions, alterations, or improvements to the Common Elements. Subject to the provisions of Section 6.06 of this Declaration, the cost of any such work to the Common Elements may be paid out of a special assessment.
- (b) Without the prior written consent of the Board, an Owner shall not: (x) make any additions, alterations or improvements (including, without limitation, installation of storm windows, storm doors, plantings, landscaping, or painting, staining, or changes to the color of exterior surfaces of the Building or any patio or deck) to any part of the Common Elements which is visible from outside of the Dwelling Unit, (y) make

any additions, alterations or improvements to his or her Dwelling Unit or to the Exclusive Limited Common Elements appurtenant thereto where such work alters the structure of the Dwelling Unit or increases the cost of insurance required to be carried by the Association hereunder, or (z) make any additions, alterations or improvements to a garage. Alterations, additions or improvements to Planting Areas shall be subject to the provisions of Section 3.18 of this Declaration. The Board may (but shall not be required to) condition its consent to the making of an addition, alteration or improvement by an Owner: (i) upon the Owner's agreement that any addition, alteration or improvement will be substantially similar in quality of construction and design to any similar addition, alteration or improvement constructed by Declarant, and (ii) upon Owner's agreement either (A) to be solely responsible for the maintenance of such addition, alteration or improvement, subject to such standards as the Board may from time to time set, or (B) to pay to the Condominium Association from time to time the additional cost of maintenance and/or insurance as a result of the addition, alteration or improvement. If an addition, alteration or improvement is made by an Owner without the prior written consent of the Board, then the Board may, in its discretion, take any of the following actions:

- (1) Require the Owner to remove the addition, alteration or improvement and restore the Condominium Property to its original condition, all at the Owner's expense; or
- (2) If the Owner refuses or fails to properly perform the work required under (1), then, subject to the provisions of Section 7.01 of this Declaration, the Board may cause such work to be done and may charge the Owner for the cost thereof as determined by the Board; or
- (3) Ratify the action taken by the Owner, and the Board may (but shall not be required to) condition such ratification upon the same conditions which it may impose upon the giving of its prior consent under this Section.

Section 3.04: **DAMAGE CAUSED BY OWNER**

If, due to the act of or the neglect of a Resident of a Dwelling Unit, a household pet, guest or other occupant or invitee of such Resident, damage shall be caused to a part of the Condominium Property and maintenance, repairs or replacements shall be required which would otherwise be a Common Expense, then the Owner of the Dwelling Unit in which such Resident resides shall pay for such damage and such maintenance, repairs, and replacements, as may be determined by the Board, to the extent not covered by insurance, if any, carried by the Condominium Association, including, without limitation, the

deductible amount under any applicable insurance policy as further provided in Article V of this Declaration,.

Section 3.05: **USE RESTRICTIONS**

- (a) Except as provided in subsections (b) and (c) of this Section, each Dwelling Unit shall be used only as a residence and no industrial business, trade, occupation or profession of any kind shall be conducted, maintained or permitted on any part of the Condominium Property.
- (b) No Resident shall be precluded with respect to his or her Dwelling Unit, from (i) maintaining a personal professional library, (ii) keeping his or her personal business records or accounts therein, or (iii) handling his or her personal business or professional calls or correspondence therefrom.
- (c) To the extent permitted under applicable laws and ordinances, a Resident may conduct an in-home business in a Dwelling Unit.

Section 3.06: **MECHANIC'S LIENS**

The Board may cause to be discharged any mechanic's lien or other encumbrance which, in the opinion of the Board, may constitute a lien against the Condominium Property or Common Elements, rather than against a particular Unit Ownership. When less than all the Owners are responsible for the existence of any such lien, the Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses (including attorney's fees and expenses) incurred by reason of such lien.

Section 3.07: **USE AFFECTING INSURANCE**

Nothing shall be done or kept in any Dwelling Unit or in the Common Elements which will increase the rate of insurance on the Condominium Property or contents thereof, applicable for residential use, without prior written consent of the Board. No Owner shall permit anything to be done or kept in his Dwelling Unit or in the Common Elements which will result in the cancellation of insurance on the Condominium Property, or contents thereof, or which would be in violation of any law.

Section 3.08: **SIGNS**

"For Sale", "For Rent" or any other sign of any kind or other form of solicitation or advertising or window display shall be maintained or permitted on the Condominium Property subject to reasonable rules adopted by the Board from

time to time.

Section 3.09: **ANIMALS**

No animals shall be kept or raised in the Common Elements. No more than two (2) pets may be kept in any Dwelling Unit. No pet may be kept or raised for commercial purposes. The Board may from time to time adopt rules and regulations governing the keeping of pets in the Dwelling Units. Such rules and regulations may prohibit certain species of pets or pets of more than a specified weight from being kept in the Dwelling Units. Any pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from a Dwelling Unit upon three (3) days' written notice from the Board to the Owner of the Dwelling Unit containing such pet, and the decision of the Board shall be final. For purposes hereof, a "pet" is a domesticated animal kept for pleasure rather than utility.

Section 3.10: **ANTENNAE**

No mast, satellite dish, antennae or other structure for transmitting or receiving messages or programs by radio or television shall be erected, permitted or maintained in or upon any part of the exterior of the Condominium Property without the prior written approval of the Board.

Section 3.11: **OTHER STRUCTURES**

No structure of a temporary character, including, without limitation, a trailer, recreational vehicle, mobile home, tent, solarium, greenhouse, shack or other out-building shall be used, stored or maintained anywhere in or on the Condominium Property either temporarily or permanently, except as expressly approved, in writing, by the Board.

Section 3.12: **STRUCTURAL IMPAIRMENT**

Nothing shall be done in, on or to any part of the Condominium Property which would impair the structural integrity of any Building or structure located on the Condominium Property.

Section 3.13: **PROSCRIBED ACTIVITIES**

No noxious or offensive activity shall be carried on in the Condominium Property and nothing shall be done in the Condominium Property, either willfully or negligently, which may be or become an annoyance or nuisance to the Owners or occupants of the Dwelling Units. Without limiting the foregoing, no stereo speakers or other sound equipment shall be installed in or attached to the wall between two separate Dwelling Units.

Section 3.14: **NO UNSIGHTLY USES**

No clothes, sheets, blankets, laundry of any kind, or other similar articles shall be hung out on any part of the Common Elements except as permitted by rules and regulations of the Board. The Condominium Property shall be kept free and clear of all rubbish, debris and other unsightly materials and no waste shall be committed thereon. All rubbish shall be deposited in such areas and such receptacles as shall be designated by the Board. Unless otherwise provided in rules and regulations adopted by the Board, all garbage shall be placed curbside no earlier than the morning of the day of collection and the empty receptacles shall be removed from curbside and returned to the Dwelling Units no later than 7:00p.m. on the day of collection.

Section 3.15: **RULES AND REGULATIONS**

- (a) The use and enjoyment of the Condominium Property shall be subject to reasonable rules and regulations duly adopted by the Board from time to time; provided that prior to adoption of any such rules, there shall first be held a meeting of the Owners called for the specific purpose of discussing the proposed rules and regulations or any amendments thereto. Notice of the Owners' meeting called for the specific purpose outlined in this Subsection shall contain the full text of the proposed rules and regulations, and the meeting shall conform to the requirements for Owners' meetings in the Act, except that no quorum is required at the meeting of the Owners. However, no rule or regulation may impair any rights guaranteed by the First Amendment to the Constitution of the United States or Section 4 of Article I of the Illinois Constitution including, but not limited to, the free exercise of religion, nor may any rules or regulations conflict with the provisions of the Act, the articles of incorporation of the Condominium Association, the Declaration or the By-Laws. Furthermore, no rule or regulation shall prohibit any reasonable accommodation for religious practices, including the attachment of religiously mandated objects to the front-door area of a Unit.
- (b) Without limiting the foregoing, the Board may levy a reasonable charge upon the Owners for a violation of a rule or regulation, in accordance with the procedures set forth in Section 7.05 of this Declaration.

Section 3.16: **CERTAIN UTILITY COSTS**

- (a) Certain utility costs incurred in connection with the use, operation and maintenance of the Common Elements may not be separately metered and billed to the Association. If the charges for any such utilities are metered to individual Dwelling Units rather than being separately metered for the Common Elements, then the following shall apply:

- (i) If in the opinion of the Board, each Owner is sharing in a fair and equitable manner the cost for such service, then no adjustment shall be made and each Owner shall pay his or her own bill; or
 - (ii) If in the opinion of the Board, the Owner of a Dwelling Unit is being billed disproportionately for costs allocable to the Common Elements, then the Association shall pay, or reimburse such Owner, an amount equal to the portion of the costs which, in the reasonable determination of the Board, is properly allocable to the Common Elements and the amount thereof shall be Common Expenses hereunder.
- (b) Certain utility costs, such as water and sewer costs, may be billed to the Association on a Building by Building basis. If this occurs, then the Association may charge to, and collect from, the Owners of Dwelling Units in a Building amounts necessary to pay the bills issued with respect to the Building, on such terms as the Board deems to be fair, reasonable and appropriate. For example, the Association may (but shall not be obligated to) submeter each Dwelling Unit and charge the Owner of the Dwelling Unit on a periodic basis for the portion of the bill for the Building which includes the Dwelling Unit based on actual usage. Alternatively (or in addition) the Association may (i) require an Owner to pay an amount each month which the Board believes will approximate what the utility costs allocable to the Owner's Dwelling Unit will be and (ii) make appropriate adjustments periodically to reflect the actual costs allocable to the Dwelling Unit.

Section 3.17: **PARKING/GARAGE**

- (a) The garage which is part of each Dwelling Unit and that portion of the driveway which is adjacent to and extends eighteen (18) feet beyond the garage door shall be used for parking only by the Resident of the Dwelling Unit and the Resident's guests.
- (b) The parking of vehicles in those portions of the Common Elements other than those areas adjacent to garages, as provided in (a) above, shall be subject to rules and regulations adopted by the Board from time to time, which rules and regulations may provide for the removal of any violating vehicles at the vehicle owner's expense or for the imposition of a fine for a violation of the rules and regulations. Without limiting the foregoing, unless expressly permitted by the Board, no boats, trucks, recreational vehicles, trailers or other vehicles shall be parked or stored on any portion of the Property (other than in a garage which is part of a Dwelling Unit) for more than twenty-four (24) hours at a time and, except for emergencies, no repairs shall be made to vehicles on the Condominium Property. Unless otherwise provided in rules and

regulations adopted by the Board from time to time, the following shall apply: (i) no Owner shall park a vehicle in a guest parking space for more than twenty-four (24) hours without the prior written permission of the Board; and (ii) a guest shall not be permitted to park a vehicle overnight in a guest parking space for more than seven (7) consecutive nights without the written permission of the Board.

Section 3.18: **PLANTING AREA**

Certain portions of the Common Elements may be designated as being reserved for the exclusive use of the Residents of a particular Dwelling Unit as a flower garden ("Planting Area"), as provided in this Section. The Declarant may have designated portions of the Common Elements as Planting Areas by so designating such portions on the Plat. Alternatively, the Board may designate Planting Areas pursuant to rules and regulations adopted from time to time by the Board. The Board shall maintain a record of all Planting Areas and to which Dwelling Unit each Planting Area is assigned. The right to use a Planting Area which is assigned to a Dwelling Unit shall run with title to the Dwelling Unit. Subject to rules and regulations established by the Board, an Owner may landscape his or her Planting Area in a manner which compliments and enhances the aesthetic appearance of the Condominium Property. The Owner shall be solely responsible, at his or her own expense, for the planting and replanting of flowers or other decorative landscaping installed by the Owner in his or her Planting Area and maintenance of the Planting Area. If an Owner fails, in the judgment of the Board, to properly maintain his or her Planting Area, then the Board, in its discretion and at the Owner's expense, may cause the Planting Area to be restored to its original state in conformity with the surrounding landscape and thereafter the Board may cause the Planting Area to be landscaped or maintained and the cost thereof shall be a Common Expense. If an Owner notifies the Board, in writing, that he or she no longer intends to install flowers or decorative landscaping in his or her Planting Area, then the Board shall landscape or maintain the Planting Area in a manner which it deems appropriate and the cost thereof shall be a Common Expense.

ARTICLE FOUR

The Condominium Association

Section 4.01: **THE CONDOMINIUM ASSOCIATION**

Declarant caused the Condominium Association to be incorporated as a not-for-profit corporation. The Condominium Association shall be the governing body for all of the Owners and for the administration and operation of the Buildings as provided in the Act, this Declaration and the By-Laws. All agreements and determinations lawfully made by the Condominium Association

shall be deemed to be binding on all Owners and their respective successors and assigns.

Section 4.02: **MEMBERSHIP**

- (a) There shall be only one class of membership in the Condominium Association. The Owner of each Dwelling Unit shall be a member of the Condominium Association. There shall be one membership per Unit Ownership. Membership shall be appurtenant to and may not be separated from ownership of a Dwelling Unit. Ownership of a Dwelling Unit shall be the sole qualification for membership. The Condominium Association shall be given written notice of a proposed change of ownership of a Dwelling Unit within ten (10) days prior to such change.
- (b) One individual shall be designated as the "Voting Member" for each Unit Ownership. The Voting Member or his or her proxy shall be the individual who shall be entitled to vote at meetings of the Owners.

Section 4.03: **THE BOARD**

The Board shall consist of the number of individuals provided for in Section 5.01 of the By-Laws, each of whom shall be an Owner or a Voting Member. The Board shall be elected at each annual meeting of the Owners as provided in the By-Laws.

Section 4.04: **VOTING RIGHTS**

Whenever a vote of the Owners of the Condominium Association is required, at any meeting of such Owners or otherwise, such votes shall be cast by the Voting Members or their proxies; provided that a Resident who is a contract purchaser of a Dwelling Unit from a contract seller other than the Declarant, shall have the right to vote for directors of the Condominium Association unless such contract seller expressly retains such right in writing. Except as otherwise specifically required under the Act, this Declaration or the By-Laws, each Voting Member shall have one vote for each Dwelling Unit which he or she represents.

Section 4.05: **DIRECTOR AND OFFICER LIABILITY**

Neither the directors nor officers of the Condominium Association shall be personally liable to the Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors or officers, except for any acts or omissions found by a court to constitute criminal conduct, gross negligence or fraud. The Condominium Association shall indemnify and hold harmless each of the directors and each of the officers, his or her heirs, executors or administrators, against all contractual and other

liabilities to others arising out of contracts made by or other acts of the directors and the officers on behalf of the Owners or the Condominium Association or arising out of their status as directors or officers unless any such contract or act shall have been made criminally, fraudulently or with gross negligence. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, administrative, or other, in which a director or officer may be involved by virtue of such person being or having been a director or officer; provided, however, that such indemnity shall not be operative with respect to: (i) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for criminal conduct, gross negligence or fraud in the performance of his or her duties as a director or officer, or (ii) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person being adjudged liable for criminal conduct, gross negligence or fraud in the performance of his or her duties as a director or officer.

Section 4.06: **LITIGATION**

No judicial or administrative proceedings shall be commenced or prosecuted by the Condominium Association without first holding a special meeting of the members and obtaining the affirmative vote of Voting Members representing at least seventy-five percent (75%) of the total votes represented by all Voting Members to the commencement and prosecution of the proposed action. This Section shall not apply to: (a) actions brought by the Condominium Association to enforce the provisions of this Declaration, the By-Laws or rules and regulations adopted by the Board (including, without limitation, an action to recover unpaid assessments or other charges or to foreclose a lien for unpaid assessments or other charges) or (b) counterclaims brought by the Condominium Association in proceedings instituted against it.

ARTICLE FIVE

Insurance/Condemnation

Section 5.01: **HAZARD INSURANCE**

The Board shall have the authority to and shall obtain insurance for the Condominium Property against loss or damage from special form causes of loss as may be required under the Act, or such additional coverage as reasonably required by First Mortgages, for the full insurable replacement cost of the Common Elements and the Dwelling Units, less any deductibles, plus including coverage for the increased costs of construction due to building code

requirements at the time the insurance is purchased, and at each renewal date. Premiums for such insurance shall be Common Expenses. Such insurance coverage shall be written in the name of, losses under such policies shall be adjusted by, and the proceeds of such insurance shall be payable to, the Board as trustee for each of the Owners in accordance with their Undivided Interests. All such policies of insurance: (i) shall contain standard mortgage clause endorsements in favor of the First Mortgagees as their respective interests may appear, (ii) shall provide that the insurance, as to the interests of the Board, shall not be invalidated by any act or neglect of any Owner, (iii) shall provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash settlement thereof, such option shall not be exercisable if the Owners elect to sell the Condominium Property or remove the Condominium Property from the provisions of the Act, (iv) to the extent possible, shall provide that such policy shall not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least thirty (30) days' written notice to the First Mortgagee of each Unit Ownership, (v) shall contain waivers of subrogation with respect to the Condominium Association and its directors, officers, employees and agents (including the managing agent), Owners, occupants of the Dwelling Unit, and First Mortgagees, and shall name all such parties as additional insured parties as their interests may appear, (vi) shall comply with applicable requirements of the Act and of the Federal National Mortgage Association, and (vii) shall contain language providing that each Owner and secured party is an insured person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Condominium Association.

Section 5.02: **INSURANCE TRUSTEE/USE OF PROCEEDS**

The Board may engage the services of any bank or trust company authorized to do trust business in Illinois to act as trustee, agent or depository on behalf of the Board for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms as the Board shall determine consistent with the provisions of the Act and this Declaration. The fees of such corporate trustee shall be Common Expenses. In the event of any loss in excess of \$100,000.00 in the aggregate, the Board shall engage a corporate trustee as aforesaid. In the event of any loss resulting in the destruction of the major portion of one or more Dwelling Units, the Board shall engage a corporate trustee as aforesaid upon the written demand of the First Mortgagee or any Owner of any Dwelling Unit so destroyed. The rights of First Mortgagees under any standard mortgage clause endorsement to such policies shall, notwithstanding anything to the contrary therein contained, at all times be subject to the provisions in the Act and this Declaration with respect to the application of insurance proceeds to the repair or reconstruction of the Dwelling Units or Common Elements. Payment by an insurance company to the Board or to such corporate trustee of the proceeds of any policy, and the receipt of a release from the Board of the company's liability under such policy,

shall constitute a full discharge of such insurance company, and such company shall be under no obligation to inquire into the terms of any trust under which proceeds may be held pursuant hereto, or to take notice of any standard mortgage clause endorsement inconsistent with the provisions hereof, or see to the application of any payments of the proceeds of any policy by the Board or the corporate trustee.

Section 5.03: **OTHER INSURANCE**

The Board shall also have the authority to and shall obtain such other insurance as the Board deems necessary or appropriate or which is required under the Act or under applicable requirements or guidelines of the Federal National Mortgage Association, including, without limitation, the following:

- (a) Comprehensive commercial general liability and property damage insurance against claims for personal injury or death or property damage suffered by the public or by any Owner occurring in, on or about the Condominium Property or upon, in or about the streets, private drives and passageways and other areas adjoining the Condominium Property, or arising in connection with the ownership, existence, use, or management of the Condominium Property, in such amounts as the Board shall deem desirable (but not less than \$1,000,000 covering all claims for personal injury and/or property damage arising out of a single occurrence). Such insurance policies provided for in this Subsection shall include each of the following provisions:
 - (i) Each Owner and secured party is an insured person under the policy with respect to liability arising out of the Owner's interest in the Common Elements or membership in the Condominium Association,
 - (ii) The insurer waives its right to subrogation under the policy against any Owner in the Condominium Association or members of the Owner's household and against the Condominium Association and members of the Board, and
 - (iii) The Owner waives his or her right to subrogation under the Condominium Association policy against the Condominium Association and the Board.
- (b) Such workmen's compensation insurance as may be necessary to comply with applicable laws.
- (c) Employer's liability insurance in such amount as the Board shall deem desirable.
- (d) Fidelity bond indemnifying the Condominium Association, the Board and the Owners for loss of funds resulting from fraudulent or dishonest acts

of any employee of the Condominium Association or of any other person handling the funds of the Condominium Association, the Board or the Owners and covering persons, including the managing agent and its employees, who control or disburse funds of the Condominium Association, for the maximum amount of coverage available to protect funds in the custody or control of the Condominium Association, plus the Condominium Association reserve fund, and as may otherwise be required by the Act or the applicable requirements of the Federal National Mortgage Association. All management companies that are responsible for the funds held or administered by the Condominium Association must be covered by a fidelity bond for the maximum amount of coverage available to protect those funds. The Condominium Association has standing to make a loss claim against the bond of the managing agent as a party covered under the bond. For purposes of this Subsection, the fidelity bond must be in the full amount of Condominium Association funds and reserves in the custody of the Condominium Association or the management company.

- (e) Directors and officers liability insurance at a level deemed reasonable by the Board. Directors' and officers' liability coverage shall extend to all contracts and other actions taken by the Board in their official capacity as directors and officers, but this coverage shall exclude actions for which the directors are not entitled to indemnification under the Illinois General Not For Profit Corporation Act of 1986 or the Declaration and By-Laws.
- (f) Such insurance shall be in such amounts and with such deductible amounts as are required by applicable law or the requirements of the Federal National Mortgage Association and shall include cross liability claims of one or more insured parties against other insured parties. To the extent possible, all of such policies shall provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least 30 days' prior written notice to the Condominium Association and First Mortgagees who specifically request such notice. The premiums for such insurance shall be Common Expenses.

Section 5.04: **OWNER'S RESPONSIBILITY**

Each Owner shall obtain his or her own insurance on the contents of his or her own Dwelling Unit and furnishings and personal property therein, and his or her personal property stored elsewhere on the Condominium Property, and his or her personal liability to the extent not covered by the liability insurance for all of the Owners obtained as part of the Common Expenses as above provided, and the Board shall have no obligation whatsoever to obtain any such insurance coverage on behalf of the Owners. Each Owner shall promptly report, in writing to the Board, any betterments or improvements to his or her

Dwelling Unit without prior request from the Board. Unless otherwise specifically agreed to by the Board, the Owner shall be responsible for insuring any such betterments and improvements to his or her Dwelling Unit and the Board shall not be responsible for obtaining insurance on such betterments or improvements and shall not be obligated to apply any insurance proceeds from policies it is obligated to maintain hereunder to restore the affected Dwelling Unit to a condition better than the condition existing prior to the making of such betterments or improvements. As used in this Section, the term "betterments and improvements" means all decorating, fixtures, and furnishings installed or added to and located within the boundaries of the Unit, including electrical fixtures, appliances, air conditioning and heating equipment, water heaters, or build-in cabinets installed by Owners.

Section 5.05: WAIVER OF SUBROGATION

Each Owner hereby waives and releases any and all claims which he or she may have against any other Owner, the Condominium Association, its directors and officers, the manager and the managing agent if any, and their respective employees and agents, for damage to the Common Elements, the Dwelling Units, or to any personal property located in the Dwelling Units or Common Elements, caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance, and to the extent this release is allowed by policies for such fire or other casualty insurance.

Section 5.06: REPAIR OR RECONSTRUCTION

- (a) In the case of damage by fire or other disaster to a portion of the Condominium Property (a "Damaged Improvement") where the insurance proceeds are sufficient to repair or reconstruct the Damaged Improvement, then the proceeds shall be used by the Condominium Association to repair or reconstruct the Damaged Improvement.
- (b) In the case of damage by fire or other disaster to a portion of the Condominium Property where the insurance proceeds are insufficient to repair or reconstruct the Damaged Improvement as provided under the Act or the Damaged Improvement cannot be reconstructed as originally designed and built because of zoning, building or other applicable laws, ordinances or regulations, the following procedure shall be followed:
 - (1) A meeting of the Owners shall be held not later than the first to occur of: (i) the expiration of thirty (30) days after the final adjustment of the insurance claims or (ii) the expiration of ninety (90) days after the occurrence which caused the damage.
 - (2) At the meeting, the Board shall present a plan for the repair or reconstruction of the Damaged Improvement and an estimate of

the cost of repair or reconstruction, together with an estimate of the amount thereof which must be raised by way of special assessment and a proposed schedule for the collection of a special assessment to pay the excess cost.

- (3) A vote shall then be taken on the question of whether or not the Damaged Improvement shall be repaired or reconstructed based on the information provided by the Board under (2) above, including the proposed special assessment. The Damaged Improvement shall be repaired or reconstructed and the proposed special assessment shall be levied only upon the affirmative vote of Voting Members representing at least three-fourths (3/4) of the votes cast.
- (4) If the Voting Members do not vote to repair or reconstruct the Damaged Improvement at the meeting provided for in (1) above, then the Board may, at its discretion, call another meeting or meetings of the Owners to reconsider the question of whether or not the Damaged Improvement shall be repaired or reconstructed. If the Voting Members do not vote to repair or reconstruct the Damaged Improvement within one hundred and eighty (180) days after the occurrence which caused the damage, then the Board may (but shall not be obligated to) in its discretion Record a notice as permitted under the Act.
- (5) If: (i) the Voting Members do not vote to repair or reconstruct the Damaged Improvement under Subsection (4) above, and (ii) the Board does not Record a notice as permitted under the Act, then the Board may, with the consent of Owners representing seventy-five percent (75%) of the Undivided Interests of Dwelling Units in such Building and First Mortgagees representing seventy-five percent (75%) of the Dwelling Units (by number) subject to First Mortgages in the Building, amend this Declaration to withdraw the Building which includes the Damaged Improvement as permitted under the Act. If a Building is withdrawn, then the amendment shall provide that the portion of the Condominium Property which is so withdrawn shall be owned by the Owners of Dwelling Units in such withdrawn portion as tenants-in-common with each Owner's interest being determined based on the relative Undivided Interests of the Dwelling Units in the Building prior to withdrawal. The amendment shall reallocate the Undivided Interests of the remaining Dwelling Units based on the percentage of Undivided Interests of the remaining Dwelling Units. The payment of just compensation, or the allocation of any insurance or other proceeds to any withdrawing or remaining Owner shall be made to such Owner and his or her First Mortgagee, as their

interests may appear, on an equitable basis, determined by the Board, as provided in the Act. From and after the effective date of the amendment referred to above in this paragraph, the Owner of a Dwelling Unit located in the Building which is withdrawn shall have no responsibility for the payment of assessments which would have been payable with respect to the Dwelling Unit if the amendment had not been Recorded.

- (c) If the Damaged Improvement is repaired or reconstructed, it shall be done in a workmanlike manner and the Damaged Improvement, as repaired or reconstructed, shall be substantially similar in design and construction to the improvements on the Condominium Property as they existed prior to the damage, with any variations or modifications required to comply with applicable law.
- (d) If the Damaged Improvement is not repaired or reconstructed, then the damaged portion of the Building shall be razed, or secured and otherwise maintained in conformance with the rules or standards adopted from time to time by the Board.

Section 5.07: **CONDEMNATION**

- (a) In the case of a taking or condemnation by competent authority of any part of the Condominium Property, the Condominium Association shall, if necessary, restore the improvements in the remaining portion of the Condominium Property to conform as closely as possible to the general design, structure and materials used with respect to the improvements as they existed prior to the taking or condemnation. Any proceeds or awards paid to the Condominium Association shall be applied first to the cost of any restoration and any remaining portion of such proceeds or awards shall be, in the discretion of the Board, either (i) applied to pay the Common Expenses or (ii) distributed to the remaining Owners and their respective First Mortgagees, as their interests may appear, based on their current Undivided Interests. Each Owner appoints the Condominium Association as attorney-in-fact for the purpose of representing him or her in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Elements or any part thereof.
- (b) In the event that part or all of one or more Dwelling Units is taken or condemned, then the portions so taken or condemned shall be deemed to have been removed from the provisions of the Declaration and the Act and the court which has jurisdiction of the action shall adjust the Undivided Interests of the remaining Dwelling Units in a just and equitable manner and as provided under the Act, and if the court fails to make such adjustment, such adjustment may be made by the Board.

The President and Secretary of the Condominium Association shall execute and Record an instrument on behalf of the Condominium Association as required by the Act which amends this Declaration, effective as of the effective date of the taking or condemnation, to reflect the removal of property and adjustments, if any, in the Undivided Interests as a result of an occurrence covered by this Section. From and after the effective date of the amendment referred to in the preceding sentence, the Owner of a Dwelling Unit which is removed in part or in whole from the provisions of this Declaration shall only be liable for the payment of assessments based on the Undivided Interest, if any, allocated to the Dwelling Unit in the amendment.

Section 5.08: **DEDUCTIBLES**

In the event any of the insurance policies of the Condominium Association have a deductible, the Board may, in the case of a claim for damage to a Unit or the Common Elements on such policy, (i) pay the deductible amount as a Common Expense, (ii) after notice and an opportunity for a hearing, assess the deductible amount against the Owner(s) who caused the damage or from whose Unit(s) the damage or cause of loss originated, or (iii) require the Owner(s) of the Unit(s) affected to pay the deductible amount.

Section 5.09: **ADJUSTMENT OF LOSSES AND DISTRIBUTION OF PROCEEDS**

Any loss covered by the property policy provided for in Section 5.01 of this Declaration shall be adjusted by and with the Condominium Association. The insurance proceeds for that loss shall be payable to the Condominium Association, or to the Insurance Trustee designated by the Condominium Association for that purpose. The Insurance Trustee or the Condominium Association shall hold any insurance proceeds in trust for Owners and secured parties as their interests may appear. The proceeds must be disbursed first for the repair or restoration of the damaged Common Elements, the bare walls, ceilings, and floors of the Units, and then to any improvements and betterments the Condominium Association may insure. Owners are not entitled to receive any portion of the proceeds unless there is a surplus of proceeds after the Common Elements and Units have been completely repaired or restored or the Condominium Association has been terminated as trustee.

Section 5.10: **CERTIFICATE OF INSURANCE**

Contractors and vendors (except public utilities) doing business with the Condominium Association under contracts exceeding Ten Thousand Dollars (\$10,000.00) per year shall provide certificates of insurance naming the Condominium Association, the Board, and the Condominium Association's managing agent as additional insured parties.

ARTICLE SIX

Assessments

Section 6.01: CREATION OF LIEN AND PERSONAL OBLIGATION

The Declarant, for each Unit Ownership, did covenant, and each Owner of a Unit Ownership, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be and is deemed to covenant and hereby agrees to pay to the Condominium Association such assessments or other charges or payments as are levied pursuant to the provisions of this Declaration. Such assessments, or other charges or payments, together with interest thereon and costs of collection, if any, as herein provided, shall be a charge on the Unit Ownership and shall be a continuing lien upon the Unit Ownership against which each such assessment is made. Each such assessment, or other charge or payment, together with such interests and costs, shall also be the personal obligation of the Owner of such Unit Ownership at the time when the assessment or other charge or payment is due.

Section 6.02: PURPOSE OF ASSESSMENTS

The assessments levied by the Condominium Association shall be exclusively for the purposes of promoting the recreation, health, safety, and welfare of members of the Condominium Association, to administer the affairs of the Condominium Association, and to pay the Common Expenses.

Section 6.03: ANNUAL ASSESSMENT

Each year at least sixty (60) days before the end of the Condominium Association's fiscal year, and at least thirty (30) days before final adoption thereof, the Board shall furnish each Owner with a proposed budget for the ensuing fiscal year which shall show the following, with reasonable explanations and itemizations:

- (a) The estimated Common Expenses with an allocation of portions thereof for the payment of real estate taxes, if any;
- (b) The estimated amount, if any, to maintain adequate reserves for Common Expenses;
- (c) The estimated net available cash receipts from sources other than assessments, including, without limitation, receipts from any leases, licenses or concessions;

- (d) The amount of the "Annual Assessment", which is hereby defined as the amount determined in (a) above, plus the amount determined in (b) above, minus the amount determined in (c) above, minus excess funds, if any, from the current year's operation;
- (e) That portion of the Annual Assessment which shall be payable by the Owner with respect to his or her Dwelling Unit each month until the next Annual Assessment or revised Annual Assessment becomes effective, which monthly portion shall be equal to one-twelfth (1/12th) of the Annual Assessment multiplied by the Dwelling Unit's Undivided Interest.

Section 6.04: **PAYMENT OF ASSESSMENTS**

On or before the first day of the fiscal year, and on or before the first day of each and every month thereafter until the effective date of the next Annual Assessment, each Owner of a Dwelling Unit shall pay to the Condominium Association, or as it may direct, that portion of the Annual Assessment, which is payable by such Owner.

Section 6.05: **REVISED ASSESSMENT**

If the Annual Assessment proves to exceed funds reasonably needed, then the Board may decrease the assessments payable under Section 6.03 as of the first day of a month by the giving of written notice thereof (together with a revised budget for the balance of the year and reasons for the decrease) not less than ten (10) days prior to the effective date of the decreased assessment.

Section 6.06: **SPECIAL ASSESSMENT**

- (a) The Board may levy a special or separate assessment: (i) to pay (or build up reserves to pay) extraordinary expenses incurred (or to be incurred) by the Condominium Association for a specific purpose including, without limitation, to make major repairs, additions, alterations or improvements to the Common Elements, or (ii) to cover an unanticipated deficit under the current or prior year's budget. If required under the Act, the special or separate assessment shall be approved by the requisite action of the Unit Owners. Each Owner shall be responsible for the payment of the amount of the special or separate assessment multiplied by his or her Dwelling Unit's Undivided Interest or, in the case of a special assessment for repairs, additions, alterations or improvements to Limited Common Elements, in the shares provided for or chosen by the Board hereunder. The Board shall serve notice of a special assessment on all Owners by a statement in writing giving the amount and reasons therefor, and the special assessment shall be payable in such manner and on such terms as shall be fixed by the

Board. Any assessments collected pursuant to this Section (other than those to cover an unanticipated deficit under the current or prior year's budget) shall be segregated in a special account and used only for the specific purpose set forth in the notice of assessment.

- (b) Provided that, if any special or separate assessment adopted by the Board in a given year would result in assessments payable in the current fiscal year exceeding one hundred and fifteen percent (115%) of the sum of all regular, special and separate assessments payable during the preceding fiscal year, then the Board, upon written petition by Owners with at least twenty percent (20%) of the total votes in the Condominium Association delivered to the Board within fourteen (14) days of the Board action adopting the annual budget, shall call a meeting of the Owners within thirty (30) days of the date of delivery of the petition to consider the special or separate assessment. Unless Owners with a majority of the total votes in the Condominium Association cast votes at the meeting to reject the special or separate assessment, it is ratified.
- (c) Any Common Expense not set forth in the budget or any increase in assessments over the amount adopted in the budget shall be separately assessed against all Owners.
- (d) Provided, however, that separate or special assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to Owner approval or the provisions of subsection (b) of this Section. As used in this Section, "emergency" means an immediate danger to the structural integrity of the Common Elements or to the life, health, safety or property of the Owners.
- (e) Provided further that assessments for additions and alterations to the Common Elements or to Condominium Association-owned property not included in the adopted annual budget shall be separately assessed and are subject to approval of Owners with at least two-thirds (2/3) of the total votes in the Condominium Association.

Section 6.07: **ANNUAL REPORT**

Within a reasonable time after the close of the Condominium Association's fiscal year, the Board shall furnish each Owner with an itemized accounting of the Common Expenses for such fiscal year actually incurred or paid, together with an indication of which portions of the Common Expenses for such fiscal year were incurred or paid for capital expenditures or repairs or the payments of real estate taxes, if any, and with a tabulation of the amounts collected pursuant to the annual budget or pursuant to assessments and showing the net excess or deficit of income over expenditures, plus reserves.

Section 6.08: **CAPITAL RESERVE**

The Condominium Association shall segregate and maintain a special reserve accounts to be used solely for making capital expenditures in connection with the Common Elements, including a reserve fund for replacements (the "Capital Reserve"). The Board shall determine the appropriate level of the Capital Reserve based on a periodic review of the useful life of improvements to the Common Elements and equipment owned by the Condominium Association as well as periodic projections of the cost of anticipated major repairs or improvements to the Common Elements or the purchase of equipment to be used by the Condominium Association in connection with its duties hereunder. The Capital Reserve may be built up by special assessment or out of the Annual Assessment as provided in the budget. Each budget shall disclose that percentage of the Annual Assessment which shall be added to the Capital Reserve and shall also disclose: (i) which portion thereof is for capital expenditures with respect to the Common Elements, and (ii) which portion thereof is for capital expenditures with respect to property owned or to be owned by the Condominium Association. Special accounts set up for portions of the Capital Reserve to be used to make capital expenditures with respect to the Common Elements shall be held by the Condominium Association as agent and trustee for the Owners of Dwelling Units with respect to which the Capital Reserve is held and such accounts shall be deemed to have been funded by capital contributions to the Condominium Association by the Owners.

Section 6.09: **INITIAL CAPITAL CONTRIBUTION**

Upon the closing of the sale of each Dwelling Unit by the Declarant to a purchaser for value, the purchasing Owner made a capital contribution to the Condominium Association in an amount equal to one-fourth (1/4) of the current year's Annual Assessment for that Dwelling Unit, which amount shall be held and used by the Condominium Association for its working capital needs (and not as an advance payment of the Annual Assessment).

Section 6.10: **NON-PAYMENT OF ASSESSMENTS**

Any assessments or other charges or payments which an Owner is required to make or is liable for hereunder which are not paid when due shall be deemed delinquent. If an assessment or other charge or payment is not paid within thirty (30) days after the due date, it shall bear interest from the due date at the contract rate permitted in Illinois, but not to exceed eighteen percent (18%) per annum, and the Board: (i) may bring an action against the Owner personally obligated to pay the same, together with interest, costs and reasonable attorneys' fees of any such action, which shall be added to the amount of such assessment or other charge or payment and shall be included in any judgment rendered in such action, and (ii) may enforce and foreclose any lien which it

has or which may exist for its benefit. In addition, the Board may in its discretion charge reasonable late fees for the late payment of assessments or other charges. No Owner may waive or otherwise escape liability for the assessments or other charges or payment provided for herein by nonuse, abandonment or transfer of his or her Dwelling Unit.

Section 6.11: **CONDOMINIUM ASSOCIATION'S LIEN SUBORDINATED TO MORTGAGES**

The lien on each Unit Ownership provided for in Section 6.01 of this Declaration for assessments or other charges or payments shall be subordinate to the lien of any First Mortgage on the Unit Ownership Recorded prior to the date that any such assessments or other charges or payments become due. Except as hereinafter provided, the lien provided for in Section 6.01 of this Declaration shall not be affected by any transfer of title to the Unit Ownership. Where title to the Unit Ownership is transferred pursuant to a decree of foreclosure or by deed or assignment in lieu of foreclosure of a First Mortgage, such transfer of title shall to the extent permitted by law extinguish the lien for any assessments or other charges or payments under Section 6.01 of this Declaration which became due prior to: (i) the date of the transfer of title, or (ii) the date on which the transferee comes into possession of the Dwelling Unit, whichever occurs first. However, the transferee of a Unit Ownership shall be liable for his or her share of any assessments or other charges or payments with respect to which a lien against his or her Unit Ownership has been extinguished pursuant to the preceding sentence which are reallocated among the Owners pursuant to a subsequently adopted annual, revised or special assessment, and nonpayment thereof shall result in a lien against the transferee's Unit Ownership as provided in Section 6.01 of this Declaration. If for any reason the Owner of a Dwelling Unit is permitted to remain in possession of his or her Dwelling Unit during the pendency of a foreclosure action with respect to the Dwelling Unit, the Owner shall be required to pay a reasonable rental for such right and the plaintiff in the foreclosure action shall be entitled to the appointment of a receiver to collect such rental.

Section 6.12: **STATEMENT OF ACCOUNT**

Upon seven (7) days' notice to the Board and the payment of a reasonable fee, if any, which may be set by the Board, any Owner shall be furnished with a statement of his or her account setting forth the amount of any unpaid assessments or other charges due and owing from the Owner as of the date of the statement. The statement shall be executed by a duly authorized officer or agent of the Condominium Association and shall be binding on the Condominium Association.

ARTICLE SEVEN

Remedies for Breach or Violation

Section 7.01: **SELF-HELP BY BOARD**

Subject to the provisions of Section 7.05 of this Declaration, in the event of a violation by an Owner of the provisions, covenants or restrictions of the Act, this Declaration, the By-Laws, or rules or regulations of the Board, where such violation or breach may be cured or abated by affirmative action, the Board, upon not less than ten (10) days prior written notice, shall have the right to enter upon that part of the Condominium Property where the violation or breach exists and summarily abate, remove or do whatever else may be necessary to correct such violation or breach, provided, however, that where the violation or breach involves an improvement located within the boundaries of a Dwelling Unit, judicial proceedings shall be instituted before any items of construction can be altered or demolished. Any and all expenses in connection with the exercise of the right provided by this section shall be charged to and assessed against the violating Owner.

Section 7.02: **INVOLUNTARY SALE**

Subject to the provisions of Section 7.05 of this Declaration, if any Owner (either by his or her own conduct or by the conduct of any Resident) shall violate any of the covenants or restrictions or provisions of this Declaration, the By-Laws, or the rules or regulations adopted by the Board, and such violations shall not be cured within thirty (30) days after notice in writing from the Board, or shall re-occur more than once thereafter, then the Board shall have the power to issue to said defaulting Owner a 10-day notice in writing to terminate the rights of said defaulting Owner to continue as an Owner and to continue to occupy, use or control his or her Dwelling Unit, and thereupon an action may be filed by the Board against said defaulting Owner for a decree declaring the termination of said defaulting Owner's right to occupy, use or control the Dwelling Unit owned by him or her on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the Condominium Property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and other terms as the court shall determine equitable. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Owner in the decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to the defaulting Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Dwelling Unit and to immediate possession of the Dwelling Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and

it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the Dwelling Unit so purchased subject to this Declaration.

Section 7.03: **FORCIBLE DETAINER**

In the event that an Owner is delinquent in payment of his or her proportionate share of the Common Expenses or any other charges or payments required to be paid by the Owner hereunder, the Board shall have the right to take possession of the Owner's Dwelling Unit and to maintain for the benefit of all other Owners an action for possession in the manner prescribed by "An Act in Regard to Forcible Entry and Detainer" (as may be re-codified), as provided in the Act.

Section 7.04: **OTHER REMEDIES OF THE BOARD**

In addition to or in conjunction with the remedies set forth above, in the event of a violation by an Owner of the Act, this Declaration, the By-Laws, or rules and regulations of the Board, the Board may levy reasonable fines or the Board or its agents shall have the right to bring an action at law or in equity against the Owner and/or others as permitted by law including, without limitation, (i) to foreclose a lien against the Unit Ownership, (ii) for damages, injunctive relief, or specific performance, (iii) for judgment or for the payment of money and the collection thereof, (iv) for any combination of the remedies set forth in this Article, or (v) for any other relief which the Board may deem necessary or appropriate. Any and all rights and remedies provided for in this Article may be exercised at any time and from time to time cumulatively or otherwise by the Board in its discretion. The failure of the Board to enforce any provisions of this Declaration, the By-Laws or rules and regulations of the Board shall in no event be deemed a waiver of the right to do so thereafter.

Section 7.05: **ENFORCEMENT BY THE BOARD**

Prior to the imposition of any fine and concurrently with the sending of the initial notices described in Sections 7.01 and 7.02 of this Declaration, the Board shall notify the Owner or Resident, as the case may be, in writing of the violation of the rule or regulation and the Board's proposed remedy. Any Owner or Resident who receives such notice may, within three (3) days after receipt of such notice, demand a hearing before the Board or its authorized committee. At such hearing a member of the Board shall present to the Owner or Resident the grounds for the notice and the Owner or Resident shall have an opportunity to challenge such grounds and to present any evidence on his or her behalf subject to such reasonable rules of procedure as may be established by the Board or its authorized committee, which rules shall adhere to the generally accepted standards of due process. If the Owner or Resident demands a hearing as herein provided, such hearing shall be held within four

(4) days after the Board receives the demand and no action shall be taken by the Board until the hearing has been held and notice of the decision of the Board or its authorized committee and the terms thereof has been delivered to the Owner or Resident. The decision of the Board or its authorized committee shall be rendered within three (3) days after the hearing and such decision shall be final and binding on the parties.

Section 7.06: **COSTS AND EXPENSES**

All expenses incurred by the Board in connection with the enforcement of the provisions of this Declaration or in connection with the exercise of its rights and remedies under this Article, including without limitation, court costs, attorneys' fees and all other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the contract rate of interest then permitted in Illinois until paid but not to exceed eighteen percent (18%) per annum, shall be charged to and assessed against the defaulting Owner, and the Condominium Association shall have a lien for all the same upon such Owner's Unit Ownership, as provided in Section 6.01 of this Declaration.

Section 7.07: **ENFORCEMENT BY OWNERS**

Enforcement of the provisions contained in this Declaration and the rules and regulations adopted hereunder may be by any proceeding at law or in equity by any aggrieved Owner against any person or persons violating or attempting to violate any such provisions, either to restrain such violation or to recover damages, and against a Unit Ownership to enforce any lien created hereunder.

ARTICLE EIGHT

Annexing Additional Property

[hereby deleted]

ARTICLE NINE

Amendments

Subject to the provisions of Article Ten of this Declaration, and except as otherwise provided in Sections 5.06 and 5.07 of this Declaration and the Act, the provisions of this Declaration may be amended, modified, enlarged or otherwise changed in whole or in part by the affirmative vote of Voting Members (either in person or by proxy), or by an instrument executed by Owners, representing at least 75% of the Undivided Interests; except that the provisions of Article Ten of the Declaration and the provisions of this Article may be amended only with the written consent of Eligible Mortgagees as provided in Section 10.02 of this Declaration. No amendment shall become

effective until Recorded.

ARTICLE TEN

Rights of First Mortgagees

Section 10.01: **NOTICE TO FIRST MORTGAGEES**

Each Owner shall notify the Condominium Association of the name and address of his or her First Mortgagee or its servicing agent, if any, and shall promptly notify the Condominium Association of any change in such information. The Condominium Association shall maintain a record of such information with respect to all Dwelling Units. Each First Mortgagee shall have the right to examine the books and records of the Condominium Association at any reasonable time and to have an audited statement of the Condominium Association's operations prepared for a fiscal year at its own expense. Upon the specific written request of a First Mortgagee to the Board, the First Mortgagee shall receive some or all of the following as designated in the request:

- (a) Copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Condominium Association to the Owner of the Dwelling Unit covered by the First Mortgagee's First Mortgage;
- (b) Any audited or unaudited financial statements of the Condominium Association which are prepared for the Condominium Association and distributed to the Owners;
- (c) Copies of notices of meetings of the Owners and the right to be represented at any such meetings by a designated representative;
- (d) Notice of any proposed action which would require the consent of a specified percentage of Eligible Mortgagees pursuant to Section 10.02 of this Declaration;
- (e) Notice of the decision of the Owners to make any material amendment to this Declaration, the By-Laws, or the Articles of Incorporation of the Condominium Association;
- (f) Notice of substantial damage to or destruction of any Dwelling Unit (in excess of \$1,000) or any part of the Common Elements (in excess of \$10,000);
- (g) Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Condominium Property;

- (h) Notice of any default of the Owner of the Dwelling Unit which is subject to the First Mortgagee's First Mortgage, where such default is not cured by the Owner within thirty (30) days after the giving of notice by the Condominium Association to the Owner of the existence of the default; or
- (i) The right to be treated as an "Eligible Mortgagee" for purposes of Section 10.02 of this Declaration.
- (j) Copies of any written notice received by the Association of lapse, cancellation or material change in any insurance policy or fidelity bond carried by the Condominium Association.

The request of a First Mortgagee shall specify which of the above it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Condominium Association. Failure of the Condominium Association to provide any of the foregoing to a First Mortgagee who has made a proper request therefor shall not affect the validity of any action which is related to any of the foregoing. The Condominium Association need not inquire into the validity of any request made by a First Mortgagee hereunder and in the event of multiple requests from purported First Mortgagees of the same Unit Ownership, the Condominium Association shall honor the most recent request received.

Section 10.02: **CONSENT OF ELIGIBLE MORTGAGEES**

- (a) In addition to any requirements or prerequisite provided for elsewhere in this Declaration, the consent of Eligible Mortgagees holding, in the aggregate, First Mortgages on at least sixty-seven percent (67%) of the Unit Ownerships (by number) which are subject to First Mortgages held by Eligible Mortgagees will be required for the Condominium Association to do or permit to be done any of the following:
 - (1) Adoption of an amendment to this Declaration which changes or adds to provisions of the Declaration relating to (i) voting rights; (ii) assessments, assessment liens, or the priority of assessment liens; (iii) reserves for maintenance, repair, and replacement of Common Elements; (iv) responsibility for maintenance and repairs; (v) reallocation of interests in the Common Elements (including Limited Common Elements) or rights to their use; (vi) redefinition of any Dwelling Unit boundaries; (vii) convertibility of Dwelling Units into Common Elements or Common Elements into Dwelling Units; (viii) insurance or fidelity bond requirements; (ix) leasing of Dwelling Units; (x) imposition of any restrictions on an Owner's right to sell or transfer his or her Dwelling Unit;

- (2) The abandonment or termination of the condominium;
 - (3) The partition or subdivision of a Dwelling Unit;
 - (4) The abandonment, partition, subdivision, encumbrance, sale or transfer of the Common Elements, (except for the granting of easements for public utilities or for other purposes consistent with the intended use of the Condominium Property and except for the encumbrance, sale or transfer of an Undivided Interest in connection with the encumbrance, sale or transfer of a Unit Ownership);
 - (5) The sale of the Condominium Property;
 - (6) The removal of a portion of the Condominium Property from the provisions of the Act and this Declaration;
 - (7) The effectuation of a decision by the Condominium Association to terminate professional management and assume self-management of the condominium when professional management had been required hereunder or by an Eligible Mortgagee; or
 - (8) Restoration or repair of the Condominium Property (after a hazard damage or partial condemnation) in a manner other than as specified in this Declaration or the use of hazard insurance proceeds for losses to the Condominium Property (whether to Dwelling Units or to the Common Elements) for other than the repair, replacement, or reconstruction of the damaged portion of the Condominium Property;
- (b) Whenever required, the consent of an Eligible Mortgagee shall be deemed granted unless the party seeking the consent is advised to the contrary in writing by the Eligible Mortgagee within thirty (30) days after making the request for consent by Registered or Certified Mail, Return Receipt Requested.

Section 10.03: **INSURANCE PROCEEDS/CONDEMNATION AWARDS**

In the event of: (i) any distribution of any insurance proceeds hereunder as a result of substantial damage to, or destruction of, any part of the Condominium Property, or (ii) any distribution of the proceeds of any award or settlement as a result of condemnation or eminent domain proceedings with respect to any part of the Condominium Property, any such distribution shall be made to the

Owners and their respective First Mortgagees, as their interests may appear, and no Owner or other party shall be entitled to priority over the First Mortgagee of a Dwelling Unit with respect to any such distribution to or with respect to such Dwelling Unit; provided, that, nothing in this Section shall be construed to deny to the Condominium Association the right to apply any such proceeds to repair or replace damaged portions of the Condominium Property or to restore what remains of the Condominium Property after condemnation or taking by eminent domain of a part of the Condominium Property.

Section 10.04: **ADMINISTRATOR APPROVALS**

Anything herein to the contrary notwithstanding, whenever this Declaration or the By-Laws provide for the approval or consent of the Department of Veteran's Affairs ("VA"), such approval or consent shall not be required unless the VA: (a) has issued its condominium project approval of the Condominium Property and such project approval has not terminated, (b) has issued a guarantee of the First Mortgage on at least one Dwelling Unit which guarantee is then outstanding, (c) is the owner or holder of a First Mortgage on a Dwelling Unit, or (d) is the Owner of a Dwelling Unit. Whenever required, such approval or consent shall be deemed granted unless the party seeking the consent or approval is advised to the contrary in writing within thirty (30) days of making the request for consent or approval.

ARTICLE ELEVEN

Declarant's Reserved Rights

[hereby deleted]

ARTICLE TWELVE

City Rights

Section 12.01: **IN GENERAL**

In addition to any rights, powers, or easements granted to the City elsewhere in this Declaration, the City shall have the rights, powers, and easements set forth in this Article.

Section 12.02: **ENFORCEMENT**

The City is hereby granted the right, but not the obligation, to enforce covenants and obligations of the Condominium Association or the Owners. If the Condominium Association or one or more Owners fail to comply with any such covenants and obligations, the City shall have the right (but shall not be obligated) to give notice to the Condominium Association or the offending

Owner or Owners of its, his, her or their failure to perform its, his, her or their obligations. If such notice is given and the Condominium Association or the offending Owner or Owners do not perform to the satisfaction of the City within thirty (30) days after the giving of such notice, then the City may (but shall not be obligated to) enter upon the Condominium Property and perform any and all work which it deems necessary and appropriate, either directly or through contractors engaged by the City. The Condominium Association or the offending Owner or Owners shall, upon demand, reimburse the City for the reasonable cost of such work and if payment is not made within thirty (30) days after demand, then the amount due, plus reasonable costs of collection, including reasonable attorneys' fees, shall become a lien on the property of the offending Owner or Owners or, in the case of the Condominium Association, the property of the Condominium Association; provided, however, that such lien shall be subordinate to the lien of any First Mortgage on a Unit Ownership Recorded prior to the date on which any such cost becomes a lien against the Unit Ownership as provided above.

Section 12.03: **MAINTENANCE**

The Condominium Association shall maintain the Common Elements in compliance with all applicable laws and ordinances of the City and all governmental bodies having jurisdiction over the Property, as such laws and ordinances may be amended and enforced from time to time.

ARTICLE THIRTEEN

Miscellaneous

Section 13.01: **SEVERABILITY**

Invalidation of all or any portion of any of the easements, restrictions, covenants, conditions and reservations, by legislation, judgment or court order shall not affect any liens, charges, rights, benefits and privileges and other provisions of this Declaration, which shall remain in full force and effect.

Section 13.02: **NOTICES**

Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of such Owner as it appears on the records of the Condominium Association at the time of such mailing, or upon personal delivery to the Owner's Dwelling Unit.

Section 13.03: **CAPTIONS/CONFLICTS**

The Article and Section headings herein are intended for convenience only

and shall not be construed with any substantive effect in this Declaration. In the event of any conflict between the statements made in the recitals to this Declaration and the provisions contained in the body of this Declaration, the provisions contained in the body of this Declaration shall govern.

Section 13.04: **PERPETUITIES AND OTHER INVALIDITY**

If any of the options, privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of: (a) the rule against perpetuities or some analogous statutory provisions, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provisions shall continue only until twenty-one (21) years after the death of the survivor of the living lawful descendants of George Bush, the former President of the United States at the time of Recording of this Declaration.

Section 13.05: **TITLE HOLDING LAND TRUST**

In the event title to any Unit Ownership is conveyed to a title holding trust, under the terms of which all powers of management, operation and control of the Dwelling Unit remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all assessments, charges or payments hereunder and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Unit Ownership. No claim shall be made against any such title holding trustee personally for payment of any lien or obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Unit Ownership and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Unit Ownership.

Section 13.06: **ASSIGNMENT BY THE DECLARANT**

All rights which are specified in this Declaration to be rights of the Declarant are assignable or transferable. Any successor to, or assignee of, the rights of the Declarant hereunder (including, whether by foreclosure or deed-in-lieu of foreclosure) shall hold or be entitled to exercise the rights of Declarant hereunder as fully as if named as such party herein. No party exercising rights as Declarant hereunder shall have or incur any liability for the acts of any other party which previously exercised or subsequently shall exercise such rights.

ARTICLE XIV

Managing Agent Standards

Section 14.01: **Managing Agent**

“Managing Agent”, as used in this Declaration, shall mean an individual who administers for compensation the coordination of financial, administrative, maintenance, or other duties called for in the Condominium Association’s property management contract, including individuals who are direct employees of the Condominium Association. A Managing Agent does not include support staff, such as bookkeepers, administrative assistants, secretaries, property inspectors, or customer service representatives.

Section 14.02: **Requirements**

To perform services as a Managing Agent, an individual must meet the following requirements:

- (1) The individual shall have attained the age of twenty-one (21) and be a citizen or legal permanent resident of the United States;
- (2) The individual shall not have been convicted of forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud or other similar offense or offenses;
- (3) The individual shall have a working knowledge of the fundamentals of community association management, including the Illinois Condominium Property Act, the Illinois Not-for-Profit Corporation Act, and any other laws pertaining to community association management; and
- (4) The individual shall not have engaged in the following activities: failure to cooperate with any law enforcement agency in the investigation of a complaint; or failure to produce any document, book, or record in the possession or control of the Managing Agent after a request for production of that document, book, or record in the course of an investigation of a complaint.

Section 14.03: **Access to Condominium Association Funds**

A Managing Agent, and the firm/company with whom the Managing Agent is employed, shall not solely and exclusively have access to and disburse funds of the Association unless:

- (1) There is a fidelity bond in place;
- (2) The fidelity bond is in an amount not less than all monies of the Condominium Association in the custody or control of the Managing Agent;

- (3) The fidelity bond covers the Managing Agent and all partners, officers, and employees of the firm/company with whom the Managing Agent is employed during the term of the bond, as well as the Condominium Association officers, directors, and employees of the Condominium Association who control or disburse funds;
- (4) The insurance company issuing the bond may not cancel or refuse to renew the bond without giving at least ten (10) days' prior written notice to the Condominium Association.
- (5) The Condominium Association shall secure and pay for the bond.

Section 14.04: Separate accounts

If the Managing Agent of the Condominium Association provides community association management services to any other community association besides the Condominium Association, the Managing Agent shall maintain separate, segregated accounts for each community association that it provides such services. The funds of the Condominium Association shall not, in any event, be commingled with funds of the Managing Agent, the firm/company of the Managing Agent, or any other community association. The maintenance of these accounts shall be custodial, and the account holding the Condominium Association's funds shall be in the name of the Condominium Association.

Section 14.05: Exempt Persons

Except as otherwise provided, this Article does not apply to any person acting as a receiver, trustee in bankruptcy, administrator, executor, or guardian acting under a court order or under the authority of a will or of a trust instrument.

Section 14.06: Right of Action

- (1) Nothing in this Article shall create a cause of action by an Owner against the Managing Agent or the firm/company of the Managing Agent; and
- (2) This Article shall not impair any right of action by an Owner against the Board under existing law.

END OF TEXT OF DECLARATION

This instrument was prepared by, and upon recording return to:

KEAY & COSTELLO, P.C. 
128 South County Farm Road
Wheaton, Illinois 60187
(630) 690-6446

STATE OF ILLINOIS)
) SS
COUNTY OF KANE)

I, the undersigned, hereby certify that I am the duly elected, qualified and acting President of the Board of Directors of Greenwich Square Condominium Owners Association, and that the attached is a true, correct, and accurate copy of the Amended and Restated Declaration of Condominium Ownership for Greenwich Square Condominium and the Amended and Restated By-Laws of the Greenwich Square Condominium Owners Association, which are attached hereto as Exhibit "E", and that said documents were approved by at least two-thirds (2/3) of the directors on the Board of Directors of Greenwich Square Condominium Owners Association at a Board meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of July, 2014.

Greenwich Square Condominium Owners Association

By: Martha G. Fannings
As President of the Board of Directors

I, TRACY FAGAN, a Notary Public, hereby certify that on the above date, the above President of the Board of Directors of Greenwich Square Condominium Owners Association, which Board member is personally known to me, appeared before me and acknowledged that, as such Board member, he/she signed this instrument as his/her free and voluntary act of said Board for the uses and purposes therein set forth.



BY: Tracy G. Fagan

EXHIBIT "A"

THE DEVELOPMENT AREA

This Exhibit is Intentionally Left Blank.

EXHIBIT "B"

THE PARCEL

Lots 16 through 40, both inclusive, in Greenwich Square, being a subdivision of part of the North Half of Section 4, Township 39 North, Range 8 East of the Third Principal Meridian, according to the plat thereof recorded June 11, 1999 as Document No. 1999K057717, Kane County, Illinois ("Greenwich Square Subdivision").

EXHIBIT "C"
PLAT OF SURVEY

This Exhibit is Intentionally Left Blank.

EXHIBIT "D"

UNDIVIDED INTERESTS

Undivided Interests

<u>Dwelling Unit No.</u>	<u>Model</u>	<u>Undivided Interest</u>
16-2179-B	B	.732%
16-2175-C	C	.784%
16-2183-A	A	.719%
16-2187-A	A	.719%
16-2191-C	C	.784%
16-2195-B	B	.732%
17-2207-B	B	.732%
17-2203-C	C	.784%
17-2211-A	A	.719%
17-2215-E	E	.850%
17-2219-C	C	.784%
17-2223-D	D	.806%
18-2231-B	B	.732%
18-2227-C	C	.784%
18-2235-A	A	.719%
18-2239-E	E	.850%
18-2243-C	C	.784%
18-2247-D	D	.806%
19-2251-C	C	.784%
19-2255-B	B	.732%
19-2259-A	A	.719%
19-2263-E	E	.850%
19-2267-C	C	.784%
19-2271-D	D	.806%
20-2275-C	C	.784%
20-2279-D	D	.806%
20-2283-E	E	.850%
21-2305-C	C	.784%
21-2309-B	B	.732%
21-2313-A	A	.719%
21-2317-E	E	.850%

<u>Dwelling Unit No.</u>	<u>Model</u>	<u>Undivided Interest</u>
21-2321-C	C	.784%
21-2325-D	D	.806%
22-2329-C	C	.784%
22-2333-B	B	.732%
22-2337-A	A	.719%
22-2341-A	A	.719%
22-2345-C	C	.784%
22-2349-B	B	.732%
23-2353-E	E	.850%
23-2357-A	A	.719%
23-2361-C	C	.784%
23-2365-B	B	.732%
23-2369-C	C	.784%
23-2373-D	D	.806%
24-2267-C	C	.784%
24-2271-D	D	.806%
24-2275-E	E	.850%
25-2243-C	C	.784%
25-2247-D	D	.806%
25-2251-E	E	.850%
25-2255-A	A	.719%
25-2259-C	C	.784%
25-2263-B	B	.732%
26-2219-C	C	.784%
26-2223-B	B	.732%
26-2227-A	A	.719%
26-2231-A	A	.719%
26-2235-C	C	.784%
26-2239-B	B	.732%
27-2207-E	E	.850%
27-2211-C	C	.784%
27-2215-D	D	.806%

<u>Dwelling Unit No.</u>	<u>Model</u>	<u>Undivided Interest</u>
28-2103-D	D	.784%
28-2107-C	C	.806%
28-2111-E	E	.850%
28-2115-E	E	.850%
28-2119-C	C	.784%
28-2123-D	D	.806%
29-2127-C	C	.784%
29-2131-B	B	.732%
29-2135-A	A	.719%
29-2139-E	E	.850%
29-2143-C	C	.784%
29-2147-D	D	.806%
30-2136-C	C	.784%
30-2138-B	B	.732%
30-2202-A	A	.719%
30-2210-A	A	.719%
30-2214-C	C	.784%
30-2218-B	B	.732%
31-2222-C	C	.784%
31-2226-D	D	.806%
31-2230-E	E	.850%
31-2234-E	E	.850%
31-2238-C	C	.784%
31-2242-D	D	.806%
32-2246-C	C	.784%
32-2250-B	B	.732%
32-2254-A	A	.719%
32-2258-E	E	.850%
32-2262-C	C	.784%
32-2266-D	D	.806%
33-2270-C	C	.784%
33-2274-B	B	.732%
33-2278-A	A	.719%
33-2282-A	A	.719%
33-2338-C	C	.784%
33-2340-B	B	.732%

<u>Dwelling Unit No.</u>	<u>Model</u>	<u>Undivided Interest</u>
34-2276-C	C	.784%
34-2280-D	D	.806%
34-2284-E	E	.850%
34-2288-E	E	.850%
34-2310-C	C	.784%
34-2314-D	D	.806%
35-2252-C	C	.784%
35-2256-B	B	.732%
35-2260-A	A	.719%
35-2264-E	E	.850%
35-2268-C	C	.784%
35-2272-D	D	.806%
36-2228-C	C	.784%
36-2232-B	B	.732%
36-2236-A	A	.719%
36-2240-A	A	.719%
36-2244-C	C	.784%
36-2248-B	B	.732%
37-2162-B	B	.732%
37-2164-C	C	.784%
37-2212-A	A	.719%
37-2216-E	E	.850%
37-2220-C	C	.784%
37-2224-D	D	.806%
38-2155-B	B	.732%
38-2151-C	C	.784%
38-2159-A	A	.719%
38-2163-A	A	.719%
38-2167-C	C	.784%
38-2171-B	B	.732%

TOTAL: 100.000%

2002K164526⁷

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EXHIBIT "E"

**THE AMENDED AND RESTATED BY-LAWS OF THE GREENWICH SQUARE
CONDOMINIUM OWNERS ASSOCIATION**

ARTICLE I

Name of Corporation

The name of this corporation is Greenwich Square Condominium Owners Association.

ARTICLE II

Purpose and Powers

Section 2.01: **PURPOSES**

The purposes of this Condominium Association are to act on behalf of its members collectively, as their governing body for civic functions and other purposes, with respect to the preservation, care, maintenance, replacement, improvement, enhancement, operation and administration of both real and personal property and for the promotion of the health, safety and welfare of the members of the Condominium Association, all on a not-for-profit basis. These By-Laws are attached as Exhibit E to the Amended and Restated Declaration of Condominium Ownership for Greenwich Square Condominium ("Declaration"). All terms used herein shall have the meanings set forth in the Declaration.

Section 2.02: **POWERS**

The Condominium Association shall have and exercise all powers as are now or may hereafter be granted by the General Not-For-Profit Corporation Act of the State of Illinois, the Act, the Declaration and these By-Laws.

Section 2.03: **PERSONAL APPLICATION**

All present or future Owners, tenants, future tenants, and their agents and employees, and any other person that might use the facilities of the Condominium Property in any manner, shall be subject to the provisions of the Declaration and these By-Laws. The acquisition or rental of a Dwelling Unit or the act of occupancy of a Dwelling Unit will signify that the Declaration and these By-Laws are accepted, ratified and will be complied with.

ARTICLE III

Offices

Section 3.01: **REGISTERED OFFICE**

The Condominium Association shall have and continuously maintain in this state a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Illinois as the Board may from time to time determine.

Section 3.02: **PRINCIPAL OFFICE**

The Condominium Association's principal office shall be maintained on the Condominium Property or at the office of the managing agent engaged by the Condominium Association.

ARTICLE IV

Meetings of Members

Section 4.01: **VOTING RIGHTS**

The Condominium Association shall have one class of membership. There shall be one individual with respect to each Dwelling Unit who shall be entitled to vote at any meeting of the Owners (the "Voting Member"). If the Owner of a Dwelling Unit is one individual then such individual shall be the Voting Member. If the Record ownership of a Dwelling Unit shall be in more than one individual or if the Owner is a trustee, corporation, partnership or other legal entity, then the Voting Member shall be designated by the Owner or Owners in writing to the Board, and if in the case of multiple individual Owners no designation is given, then the Board may, at its election, recognize an individual Owner of the Dwelling Unit as the Voting Member for such Dwelling Unit. Any or all Owners may be present at any meeting of the Owners, but the voting rights shall be vested exclusively in the Voting Members; provided, however, that a Voting Member may vote either in person or by proxy executed in writing by the Voting Member or his duly authorized attorney-in-fact and filed with the secretary before the meeting. No proxy shall be valid after eleven (11) months from the date of its execution. Each Voting Member shall have one vote for each Dwelling Unit which he or she represents.

Section 4.02: **PLACE OF MEETING; QUORUM**

Meetings of the Owners shall be held on the Condominium Property or at such other place in the County in which the Condominium Property is located and convenient to the Owners as may be designated in any notice of a meeting.

All meetings shall be conducted in accordance with the rules and provisions set forth in Roberts Rules of Order, as from time to time published. Voting Members holding twenty percent (20%) of the votes, represented in person or by proxy, shall constitute a quorum. The vote of a majority of the votes entitled to be cast by the Voting Members present or represented by proxy at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the Voting Members, unless a greater proportion is required by the Act, the Declaration or these By-Laws. The affirmative vote of Owners holding not less than two-thirds (2/3) of the total votes in the Condominium Association shall be required for the following actions: (a) merger or consolidation of the Condominium Association; and (b) sale, lease, exchange, or other disposition (excluding the mortgage or pledge) of all, or substantially all of the property and assets of the Condominium Association. The affirmative vote of Owners holding not less than two-thirds (2/3) of the total votes in the Condominium Association shall be required for the purchase or sale of land or of Dwelling Units on behalf of all Owners.

Section 4.03: **ANNUAL MEETINGS**

There shall be an annual meeting of the Owners held within thirty (30) days from the anniversary date of the initial annual meeting of the Owners at such time and on such date designated by the Board.

Section 4.04: **SPECIAL MEETINGS**

Special meetings of the Owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration, require the approval of all or some of the Voting Members or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by the President, a majority of the Board or by Voting Members representing at least twenty percent (20%) of the votes.

Section 4.05: **NOTICE OF MEMBERSHIP MEETINGS**

Written notice of any membership meeting shall be mailed or personally delivered and posted conspicuously on the Condominium Property, giving Owners not less than ten (10) nor more than thirty (30) days' notice of the time, place, and purpose of the meeting.

ARTICLE V

Board of Directors

Section 5.01: **IN GENERAL**

The affairs of the Condominium Association and the direction and

administration of the Condominium Property shall be vested in the Board, which shall consist of five (5) persons ("Directors"). The Board shall have all of the powers granted to it under the Act, the Declaration, these By-Laws and the General Not-For-Profit Corporation Act of the State of Illinois.

Section 5.02: **BOARDS MEMBERSHIP**

Each member of the Board shall be an Owner or a Voting Member, or both.

Section 5.03: **ELECTION**

At each election for members of the Board, each Voting Member for each Dwelling Unit which he or she represents shall be entitled to the number of votes equal to the number of Directors to be elected and cumulative voting shall be permitted; provided that a Resident who is a contract purchaser of a Dwelling Unit from a contract seller shall have the right to vote for Directors unless such contract seller expressly retains such right in writing. At the initial meeting of the Owners, a full Board of Directors was elected, three (3) to serve a two year term and two (2) to serve a one year term. The candidates receiving the three (3) highest number of votes were elected to serve a two year term and the candidates receiving the fourth and fifth highest number of votes to serve a one year term. Thereafter, all Directors shall serve two year terms. Each Director shall serve until his or her term expires or is terminated or until his or her successor shall have been elected and qualified. A Director may succeed himself or herself in office.

Section 5.04: **ANNUAL MEETINGS**

The Board shall hold an annual meeting within ten (10) days after the annual meeting of the Owners at such place as shall be fixed by the Directors at the annual meeting of the Owners.

Section 5.05: **REGULAR MEETINGS**

Regular meetings of the Board shall be held at such time and place as shall be determined at the annual meeting or, from time to time, by a majority of the Directors, provided that not less than four (4) such meetings shall be held during each fiscal year.

Section 5.06: **SPECIAL MEETINGS**

Special meetings of the Board may be called by the President or by at least twenty-five percent (25%) of the Directors then serving.

Section 5.07: **NOTICE OF BOARD MEETINGS**

Notice of each meeting of the Board shall be mailed or personally delivered to each Director at least forty-eight (48) hours prior to the meeting and notice of any meeting of the Board concerning the adoption of the proposed annual budget or any increase or establishment of an assessment shall be given to each Owner in the same manner as provided in Section 4.05 of these By-Laws, unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened. Notice of each meeting of the Board shall also be conspicuously posted on the Condominium Property at least forty-eight (48) hours prior to the meeting.

Section 5.08: **OPEN MEETINGS**

- (a) Each meeting of the Board, to the extent required by law, shall be open to any Owner, except for any portion of the meeting held:
 - (a) To discuss litigation when an action against or on behalf of the Condominium Association has been filed and is pending in a court or administrative tribunal, or when the Board finds, in its sole discretion, that such an action is probable or imminent;
 - (b) To consider information regarding appointment, employment or dismissal of an employee; or
 - (c) To discuss violations of rules and regulations or an Owner's unpaid share of Common Expenses.

However, any vote on the above matters shall be taken at a meeting or portion thereof open to any Owner. Any Owner may record the proceedings at meetings or portions thereof required to be open to the Owners by these By-Laws or the Act by tape, film or other means; provided, however, that the Board may prescribe reasonable rules and regulations to govern the right to make such recordings.

- (b) If required under the Act, notice of such meetings shall be mailed or personally delivered and posted conspicuously upon the Condominium Property at least 48 hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened. The Board may adopt reasonable rules governing the conduct of Owners who attend meetings and Owners who do not comply with such rules may be removed from the meeting.

Section 5.09: **QUORUM**

A majority of the Directors serving from time to time shall constitute a quorum

for the election of officers and for the transaction of business at any meeting of the Board. Except as otherwise expressly provided herein or in the Declaration, any action may be taken upon the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present.

Section 5.10: **COMPENSATION/REIMBURSEMENT FOR EXPENSES**

No Director shall be compensated by the Condominium Association for services rendered to the Condominium Association, except as expressly provided in a resolution duly adopted by the Voting Members. Upon the presentation of receipts or other appropriate documentation, a Director shall be reimbursed by the Condominium Association for reasonable out-of-pocket expenses incurred in the course of the performance of his duties as a Director.

Section 5.11: **REMOVAL OR RESIGNATION OF DIRECTOR**

- (a) Any Director may be removed from office, with or without cause, at any annual meeting or at a special meeting called for such purpose by the affirmative vote of Voting Members with at least two-thirds (2/3) of the votes present and voted, either in person or by proxy. Provided that, the notice for any such meeting shall be delivered to all Owners and shall state that a purpose of the meeting is to vote upon the removal of one (1) or more Directors, with such Director(s) being named in the notice, and only the Director(s) named in the notice may be removed at such meeting. Provided further, however, that if less than the entire Board is to be removed, no Director may be removed, with or without cause, if the votes cast against his or her removal would be sufficient to elect him or her if then cumulatively voted at an election of the entire Board. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.
- (b) Any Director may resign at any time by submitting his or her written resignation to the Board. If a Director ceases to be an Owner or a Voting Member, he or she shall be deemed to have resigned as of the date of such cessation.
- (c) A successor to fill the unexpired term of a Director who resigns or is removed may be filled by the affirmative vote of at least two-thirds (2/3) of the remaining Directors on the Board until the next annual meeting of the Owners. If there is still time left on the vacant term at the next annual meeting, the Voting Members present at such meeting shall elect an individual to fill the term for its remaining length. Provided, however, that if Owners holding at least twenty percent (20%) of the total votes in the Association, by written petition to the Board, request that a special meeting of the Voting Members be called to elect an individual to fill the vacated position on the Board, then a special meeting shall be held within

thirty (30) days of receipt of such written petition for the purpose of electing an individual to serve out the remainder of the vacated term on the Board, and any individual appointed to fill the vacancy on the Board by the Board shall serve only until the Voting Members at the special meeting elect an individual to serve out the remainder of the vacated term, but in no circumstances shall serve more than thirty (30) days following the delivery of the petition to the Board requesting the special meeting, unless elected by the Voting Members at the special meeting.

Section 5.12: **POWERS AND DUTIES OF THE BOARD**

The Board shall have all of the powers and duties granted to it or imposed upon it by the Act, the Declaration, these By-Laws, and the Illinois General Not-For-Profit Corporation Act, including, without limitation, the following powers and duties:

- (a) To engage the services of a manager or managing agent to assist the Condominium Association in performing and providing such services as the Condominium Association is required to provide to its members under the Declaration;
- (b) To provide for the designation, hiring and removal of such employees and such other personnel, including attorneys and accountants, as the Board may, in its discretion, deem necessary or proper for the effective administration of the Condominium Association;
- (c) To provide for any maintenance, repair, alteration, addition, improvement or replacement of the Common Elements for which the Condominium Association is responsible under the Declaration and these By-Laws;
- (d) To estimate and provide each Owner with an annual budget as provided for in the Declaration;
- (e) To set, give notice of, and collect assessments from the Owners as provided in the Declaration;
- (f) To pay the Common Expenses;
- (g) To adopt rules and regulations as provided in the Declaration;
- (h) To delegate the exercise of its power to committees appointed pursuant to Section 7.01 of these By-Laws;
- (i) To own, convey, encumber, lease, or otherwise deal with Dwelling Units or other real property conveyed to or purchased by the Condominium

Association; and

- (j) To keep detailed, accurate records of the receipts and expenditures affecting the use and operation of the Condominium Property.

ARTICLE VI

Officers

Section 6.01: OFFICERS

The officers of the Condominium Association shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such assistants to such officers as the Board may deem appropriate. All officers shall be elected at each annual meeting of the Board and shall hold office at the discretion of the Board. Officers may succeed themselves in office. The President, Secretary and Treasurer shall be Directors and all other officers may, but need not be, Directors.

Section 6.02: VACANCY OF OFFICE

Any officer may be removed at any meeting of the Board by the affirmative vote of the majority of the Directors in office, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

Section 6.03: POWERS OF OFFICERS

The respective officers of the Condominium Association shall have such powers and duties as are from time to time prescribed by the Board and as are usually vested in such officers of an Illinois Not-For-Profit Corporation including, without limitation, the following:

- (a) The President shall be the Chief Executive Officer of the Condominium Association and shall preside at all meetings of the Owners and at all meetings of the Board and shall execute amendments to the Declaration and these By-Laws, as provided for in the Act, the Declaration and these By-Laws;
- (b) The Vice President shall, in the absence or the disability of the President, perform the duties and exercise the powers of such office and other duties assigned by the Board. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to act in the capacity of President on an interim basis;
- (c) The Secretary shall keep minutes of all meetings of the Owners and of the Board and shall have custody of the corporate seal of the

Condominium Association and have charge of such other books, papers and documents as the Board may prescribe, and shall be responsible for giving and receiving all notices to be given to or by the Condominium Association under the Act, the Declaration or these By-Laws;

- (d) The Treasurer shall be responsible for Condominium Association funds and securities and for keeping full and accurate accounts of all receipts and disbursements in the Condominium Association books of accounts kept for such purpose. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Condominium Association in such depositories as may from time to time be designated by the Board.

Section 6.04: **OFFICERS' COMPENSATION**

The officers shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the Voting Members.

ARTICLE VII

Committees Designated by Board

Section 7.01: **BOARD COMMITTEES**

The Board, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent consistent with law and as provided in said resolution, shall have and exercise the authority of the Board in the management of the Condominium Association; but the designation of such committees and delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it, him or her by law.

Section 7.02: **SPECIAL COMMITTEES**

Other committees not having and exercising the authority of the Board in the management of the Condominium Association may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Owners and the Board shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Condominium Association shall be served by such removal.

Section 7.03: **TERM**

Each member of a committee shall continue as such until the next annual meeting of the Board and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 7.04: **CHAIRPERSON**

One member of each committee shall be appointed chairperson.

Section 7.05: **VACANCIES**

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 7.06: **QUORUM**

Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7.07: **RULES**

Each committee may adopt rules for its own government not inconsistent with the Declaration, these By-Laws or with rules adopted by the Board.

ARTICLE VIII

Instruments, Checks, Deposits and Funds

Section 8.01: **EXECUTION OF INSTRUMENTS**

The Board may authorize any officer or officers, agent or agents of the Condominium Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument (including amendments to the Declaration or these By-Laws which must be executed by the Condominium Association) in the name of and on behalf of the Condominium Association and such authority may be general or confined to specific instances. In the absence of any such authorization by the Board, any such contract or instrument shall be executed by the President or a Vice President and attested to by the Secretary or an Assistant Secretary of the Condominium Association.

Section 8.02: **PAYMENTS**

All checks, drafts, vouchers or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Condominium Association shall be signed by such officer or officers, agent or agents of the Condominium Association, and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Condominium Association.

Section 8.03: **BANK ACCOUNTS**

All funds of the Condominium Association not otherwise employed shall be deposited from time to time to the credit of the Condominium Association in such banks, trust companies or other depositaries as the Board shall elect.

Section 8.04: **SPECIAL RECEIPTS**

The Board may accept on behalf of the Condominium Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Condominium Association.

ARTICLE IX

Fiscal Management

Section 9.01: **FISCAL YEAR**

The fiscal year of the Condominium Association shall be determined by the Board and may be changed from time to time as the Board deems advisable.

Section 9.02: **ANNUAL STATEMENT**

Within a reasonable time after the close of each fiscal year the Board shall furnish each Owner with an itemized accounting of the Common Expenses for such fiscal year actually incurred or paid, together with an indication of which portion of the Common Expenses were incurred or paid for capital expenditures or repairs or the payment of real estate taxes, and with a tabulation of the amounts collected pursuant to the annual budget or pursuant to assessments, and showing the net excess or deficit of income over expenditures plus reserves.

Section 9.03: **ASSESSMENT PROCEDURE**

Annual assessments and special assessments shall be made and collected as provided in Article Six of the Declaration, and the provisions of Article Six are incorporated herein by reference.

ARTICLE X

Books and Records

The Condominium Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Members, the Board, and committees having any of the authority of the Board, and shall keep at the registered or principal office of the Condominium Association a record giving the names and addresses of the Members. The Board shall maintain the following records of the Condominium Association and make them available, within thirty (30) days of a specific written request for same received by the Board, for examination and copying at convenient hours of weekdays by any Owner or such Owner's mortgagees and their duly authorized agents or attorneys:

- (a) The recorded Declaration, By-Laws, and Plat, and all amendments of these;
- (b) Any rules and regulations adopted by the Condominium Association;
- (c) The articles of incorporation for the Condominium Association and all amendments of these;
- (d) The minutes of all meetings of the Condominium Association and the Board for the immediately preceding seven (7) years; and
- (e) All current policies of insurance of the Condominium Association.

And, except as otherwise provided in the Act, the following records of the Condominium Association shall be available for examination and copying at convenient hours of weekdays by any Owner or such Owner's duly authorized agents or attorneys, within thirty (30) days of a specific written request for same received by the Board, but only for a proper purpose. Any Owner desiring to examine or copy the following must submit a written request to the Board which states with particularity the records sought to be examined and the proper purpose for the request. For each such request, the Board shall determine whether such a request states a proper purpose:

- (f) All contracts, leases and other agreements then in effect to which the Condominium Association is a party or under which the Condominium Association or the Owners have obligations or liabilities;
- (g) A current listing of the names, addresses and weighted vote of all Owners entitled to vote;
- (h) Ballots and proxies related to ballots for all matters voted on by the Owners during the immediately preceding twelve (12) months, including, but not limited to, the election of members of the Board; and
- (i) The books and records of account for the Condominium Association's current and ten (10) immediately preceding fiscal years, including, but not limited to, itemized and detailed records of all receipts and expenditures.

The Condominium Association may charge a reasonable fee for the costs of retrieving and copying any such documents referred to in this Article.

ARTICLE XI

Seal

The Board may provide for a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Association and the words "Corporate Seal, Illinois".

ARTICLE XII

Amendments

These By-Laws may be amended or modified at any time, or from time to time in the same manner as provided in Article IX of the Declaration; provided, that no provision of these By-Laws may be amended or modified so as to conflict with the provisions of the Declaration or the Act. No amendment to these By-Laws shall become effective until Recorded.

END OF TEXT OF BYLAWS