

This document prepared
by and mail to:

Gregory P. Melnyk
1111 South Blvd.
Oak Park, IL 60302



DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
AND BYLAWS OF EUCLID SQUARE TOWNHOMES

This Declaration made this 24th day of January,
2000, by Old Kent Bank, successor to Pinnacle Bank, as Trustee
under Trust Agreement dated July 14, 1998 and known as Trust No.
11768, (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of certain Properties in the
County of Cook, State of Illinois, which is more particularly
described in Exhibit A attached hereto and incorporated herein; and

WHEREAS, the said Properties shall be conveyed, subject to
certain protective easements, restrictions, covenants, conditions,
reservations, liens and charges as hereinafter set forth.

NOW THEREFORE, the Declarant hereby declares that all of the
Properties described in said Exhibit A shall be held, sold and
conveyed subject to the following easements, restrictions,
covenants, conditions, reservations, liens and charges which are
for the purpose of protecting the value and desirability of, and
which shall run with the Properties and be binding on all parties
having any right, title or interest in the described Properties or
any part thereof, their heirs, successors and assigns, and shall
inure to the benefit of each owner thereof.

ARTICLE ONE

DEFINITIONS

SECTION 1. ASSOCIATION shall mean and refer to EUCLID SQUARE
TOWNHOMES ASSOCIATION, INC., an Illinois not-for-profit
corporation, its successors and assigns.

SECTION 2. OWNER shall mean and refer to the record owner,
whether one or more persons or entities, of a fee simple title to
any Lot which is a part of the Properties, including contract

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sellers, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 3. PROPERTIES shall mean and refer to that certain real property hereinbefore described on Exhibit A, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

SECTION 4. LOT for the purposes of this Declaration shall mean and refer to any plot of land shown upon any Plat of Subdivision of the Properties and upon which one individual townhouse dwelling unit is constructed or to be constructed.

SECTION 5. MEMBER shall mean and refer to every person or entity who holds a membership in the Association.

SECTION 6. DECLARANT shall mean and refer to Old Kent Bank, successor to Pinnacle Bank, as Trustee under Trust Agreement dated July 14, 1998 and known as Trust No. 11768, its successors and assigns if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

SECTION 7. PLAT OF SUBDIVISION shall mean a plat of the Properties, or any part thereof, subdividing or resubdividing the same into Lots, and recorded with the Recorder of Deeds of Cook County, Illinois.

ARTICLE TWO

MEMBERSHIP IN THE ASSOCIATION

SECTION 1. MEMBERSHIP. Every person or entity, including the Declarant, who is a record owner of a fee or an undivided fee interest in any Lot which is subject to this Euclid Square Townhomes Declaration of Covenants, Conditions and Restrictions, including contract sellers, shall be a Member of the Association and each purchaser of any Lot by acceptance of a deed therefor covenants and agrees to be a member of the Association whether or not it shall be so expressed in any deed or other conveyance. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. For each Lot owned, the Owner thereof shall be entitled to one (1) membership. Membership shall be appurtenant to and may not be separated from the fee ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership. For the purpose of this Declaration, the word "Member" shall include any beneficiary of a trust holding legal title to one or more Lots.

SECTION 2. TRANSFER. Membership held by any Owner of a Lot is an appurtenance to such Lot and shall not be transferred, alienated, or pledged in any way, except upon the sale or

encumbrance of such Lot, and then only to the purchaser of such Lot. Any attempt to make a transfer except by the sale or encumbrance of a Lot is void. Reference to the transfer of membership need not be made in an instrument of conveyance or encumbrance of such Lot for the transfer to be effective, and the same shall automatically pass with title to the Lot.

ARTICLE THREE

VOTING RIGHTS IN THE ASSOCIATION

The Association shall have one class of voting membership. Members shall be all those Owners as defined in Article Two. Members shall be entitled to one (1) vote for each Lot in which they hold the interest required for membership in Article Two. When more than one person holds such interest in any Lot, all such persons shall be Members and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Anything contained in the Articles of Incorporation or the Bylaws of the Association notwithstanding, so long as Declarant is a Member, it shall have the absolute right to appoint and remove any member of the Board of Directors and/or officers of the Association.

ARTICLE FOUR

PROPERTY RIGHTS

SECTION 1. MEMBERS' EASEMENTS OF INGRESS AND EGRESS. The Declarant hereby reserves unto itself, its successors, assigns and designees a perpetual non-exclusive right and easement for ingress and egress over and across the West 4.00 feet of the East 18.00 feet of Lot 3 in Block 3 in Blackstone's Addition to Oak Park, being a subdivision of that part of the West Half of the Southeast Quarter of Section 7, Township 39 North, Range 13, East of the Third Principal Meridian, lying North of the South 19.05 chains thereof, all in Cook County, Illinois; and over and across the North 29.90 feet of the West 5.00 feet of Lot 1 and the North 29.90 feet of the East 19.10 feet of Lot 2 in Block 3 in Blackstone's Addition to Oak Park, being a subdivision of that part of the West Half of the Southeast Quarter of Section 7, Township 39 North, Range 13, East of the Third Principal Meridian, lying North of the South 19.05 chains thereof, all in Cook County, Illinois to a height of 8.00 feet above ground level. Reference in the respective deeds of conveyance, or in any mortgage or trust deeds or other evidence of obligation, to the easements and covenants herein described shall be sufficient to create and reserve such easements and covenants to the respective grantees, mortgagees or trustees of said parcels as fully and completely as though said easements and covenants were fully recited and set forth in their

entirety in such documents.

SECTION 2. ACCESS TO LOTS. The Association and its respective agents, employees and independent contractors shall have the right and license to enter upon any Lot to the extent necessary to exercise any right or responsibility of the Association as set forth in this Declaration, as to the Lot or the home situated thereon, and shall not be guilty of trespass.

SECTION 3. ACCESS TO ADJOINING LOTS. Every Owner of a Lot and also the Association, and their respective agents, employees and independent contractors, shall have the right and license to enter upon the adjoining Lot to the extent necessary for the purpose of maintaining, repairing and replacing the improvements situated on or near the boundary of such Owner's Lot and shall not be guilty of any trespass. In the event the Owner of a Lot or the Association, or their respective agents, employees or independent contractors enter upon any such Lot for the purposes of exercising the right and license created by this Section 3, then such Owner, or the Association, as the case may be, shall make all necessary repairs or replacements on such Lot to correct any damage inflicted upon the same by exercise of the right and license.

SECTION 4. WAIVER OF USE. No Member may exempt himself from personal liability for assessments duly levied by the Association nor release the Lot owned by him from the liens and charges hereof, by abandonment of his Lot.

ARTICLE FIVE

COVENANT FOR ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Declarant (subject to the provisions set forth in Sections Seven and Eight of this Article Five) for each Lot owned within the Properties hereby covenants, and each owner of any Lot by acceptance of a deed therefor or possession thereof, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to personally and individually covenant and agree to pay to the Association; (1) annual assessments or charges (2) special assessments, and (3) a single initial assessment, such assessments to be fixed, established and collected from time to time as hereinafter provided. The assessments, together with interest thereon, attorney's fees and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment (and deficiency contributions, in the case of Declarant), together with such interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who is the Owner of such Lot at the time when the assessment falls due. The personal obligation shall pass to his successors in title accepting a deed to or assignment of beneficial

interest in any trust holding title to said Lot.

SECTION 2. PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety and welfare and enjoyment of its members, and in this connection, for the maintenance of the Lots, for the maintenance and repair of the townhouses constructed on the Lots as recited in Article Ten, Section 2. herein, for the payment of premiums for the insurance which is the obligation of the Association, and to provide funds for the Association to carry on its duties set forth herein or in its Articles of Incorporation or Bylaws.

SECTION 3. BASIS AND MAXIMUM OF ANNUAL ASSESSMENTS. Until January 1st of the year immediately following the year of conveyance of the first Lot to an Owner, the maximum annual assessment permitted shall be \$300.00 per Lot (and if collected monthly, at the rate of \$25.00 per month).

(a) From and after January 1st of the year immediately following the conveyance of the first Lot to any Owner, the maximum annual assessment may be increased effective January 1st of each year by the Board of Directors of the Association (at any meeting of the Board of Directors duly convened at least thirty (30) days prior to said January effective date) without a vote of the membership, provided that any such increase shall not be greater than a ten per cent (10%) increase over the maximum annual assessment permitted for the year immediately preceding.

(b) From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the annual assessment may be increased for any year by the Board of Directors of the Association at any time, over the maximum annual assessment permitted for the year immediately preceding, without the vote of the membership, if the same is necessary to pay the cost of increases in premiums for insurance procured by the Association over the prior year.

(c) From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased for the coming assessment year only or for all succeeding assessment years effective January 1st of each year by the Board of Directors at any meeting of the Board of Directors (duly convened at least thirty (30) days prior to said January 1st effective date) in an amount greater than provided in subsections (a) or (b) hereof for the coming assessment year provided that any such change shall have the assent of the majority of the votes of each class of Members voting in person or by proxy, at a meeting duly called for such purpose, at which a quorum is present, written notice of which will be sent to all Members not less than five (5) days nor more than forty (40) days in advance of the meeting, setting forth the purpose of the meeting.

(d) After consideration of future needs and expected expenditures of the Association, the Board of Directors may fix regular annual assessments in lesser amounts than the maximum annual assessments permitted or may, in its discretion, require no annual assessment whatsoever for any year, but such action shall not limit or prohibit the Board from fixing assessments for any year(s) following on the basis of increases in the maximum annual assessments permitted hereunder rather than the actual assessments so fixed.

SECTION 4. REASONABLE RESERVES. The Association shall establish and maintain from annual assessments collected hereunder, reasonable reserves for the costs of the maintenance and repair of the townhomes located on the Lots, which are the obligation of the Association hereunder.

SECTION 5. SPECIAL ASSESSMENTS. In addition to the annual assessments authorized above, the Association may levy in any assessment year, a special assessment for the purpose of defraying in full or in part the cost of any reconstruction, repair or replacement of the townhome located on any Lot, including landscaping related thereto, or for the purpose of providing funds to the Association to carry on any of its duties set forth in this Declaration or in its Articles of Incorporation or Bylaws, provided that any such assessment shall have the assent of a majority of the votes of each class of Members voting in person or by proxy at a meeting duly called for this purpose, at which a quorum is present, written notice of which shall be sent to all Members not less than five (5) days nor more than forty (40) days in advance of the meeting, setting forth the purpose of the meeting. Unless the special assessment specifies that it shall be applicable to a specified number of years, it shall be applicable only to the year enacted. In the event a special assessment is to be levied for the construction, reconstruction, repair or replacement of less than all of the townhouses located within the Properties, such assessment may, by the action described herein, be levied against only those Lots which benefit by such construction, reconstruction, repair, or replacement, in proportion to their benefit and not against the other Lots in the Properties.

SECTION 6. UNIFORM RATE OF ASSESSMENT. Annual assessments must be fixed at a uniform rate for all Lots, and may be collected on a monthly basis or such other basis as set by the Board of Directors.

SECTION 7. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS, DUE DATES. The annual assessments provided for herein shall commence for any Lot within the Properties on the day of the conveyance of the first Lot in the Properties and shall be prorated for the month of said conveyance. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period and in lieu thereof, the

amount of the prior year's annual assessment shall be the fixed amount. Written notice of any changed amount of the annual assessment shall be sent to every Owner subject thereto. The due dates when said annual assessments are due and payable shall be established by the Board of Directors.

SECTION 8. INITIAL ASSESSMENTS. At the time of the initial sale of any Lot from Declarant to any Owner, such Owner shall pay to the Declarant for the use of the Association a sum equal to one sixth (1/6) of the Annual Assessment then in effect. Such sum shall be delivered by Declarant to the Association for use as described in Section 2 of this Article Five. The Initial Assessment for any Lot shall be levied only upon the sale by Declarant to an Owner and shall not be levied on any subsequent sales of the Lot.

SECTION 9. CERTIFICATE OF PAYMENT. The Association shall, upon demand, furnish to any Owner liable for said assessment, a certificate in writing signed by an officer of the Association, setting forth whether the annual assessments on a specified Lot have been paid and the amount of the delinquency, if any. A reasonable charge may be made by the Board for the issuance of these certificates. Said certificates shall be conclusive evidence that any assessment therein stated to have been paid has in fact been paid. No charge shall be made for issuing from time to time said certificates to the Declarant on Lots then owned by Declarant.

ARTICLE SIX

EFFECT OF NONPAYMENT OF ASSESSMENTS, REMEDIES OF ASSOCIATION

SECTION 1. DELINQUENCY. Any assessment provided for in this Declaration which is not paid when due, shall be delinquent. With respect to each assessment not paid within fifteen (15) days after its due date, the Association may, at its election, require the Owner to pay a "late charge" in a sum to be determined by the Association and applied uniformly. If any such assessment is not paid within thirty (30) days after the delinquency date, the assessments shall bear interest from the date of delinquency at the highest rate permitted by Illinois law, and the Association may, at its option, bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien (provided for in Section 1 of Article 5 hereof) against the Lot, and there shall be added to the amount of such assessment the late charge, the costs of preparing and filing a Complaint and such action and reasonable attorney's fees, and in the event a judgment is obtained, such judgment shall include interest together with the costs of bringing the action. Each Owner vests in the Association or its assigns, the right and power to bring all actions at law or lien foreclosures against such Owner for the collection of such delinquent assessments.

SECTION 2. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or trust deed. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to the foreclosure of a mortgage or trust deed or any proceeding or deed in lieu thereof shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE SEVEN

PARTY WALLS

SECTION 1. GENERAL RULES OF LAW TO APPLY. Each wall which is built as part of the original construction of the townhouses and/or garage units in the subdivision and placed on the dividing line or adjacent to or near the dividing line (provided same serves two or more units) between the units shall constitute a party wall and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligent or willful acts or omissions shall apply thereto.

SECTION 2. SHARING OF REPAIR AND MAINTENANCE. The cost of reasonable repair and maintenance of a party wall or walls shall be shared by the Owners who make use of the wall or walls in proportion to such use.

SECTION 3. ENCROACHMENTS AND OVERHANGS. Since some of the individual townhouses in a building may be aesthetically and functionally designed with structures that encroach and/or overhang (above, beneath, and/or at grade level) adjoining Lots, the Owners of each Lot hereby take title subject to a perpetual easement for any such overhang and/or encroachment, which easement shall include the reasonable right of access thereto for inspection, maintenance, repair and/or replacement of all or a portion thereof. In the event of a fire or other casualty that results in a total or partial destruction of a townhouse or a building, each townhouse is entitled to be repaired or rebuilt in such a fashion to permit these overhangs or encroachments to be reestablished.

SECTION 4. DESTRUCTION BY FIRE OR OTHER CASUALTY. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and, if the Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to require for a larger contribution of reimbursement from the other Owners under any rule of law regarding liability for negligent or willful acts or omissions.

SECTION 5. WEATHERPROOFING. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole costs of furnishing the necessary protection against such elements.

SECTION 6. RIGHT TO CONTRIBUTION RUNS WITH LAND. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

ARTICLE EIGHT

EASEMENTS

SECTION 1. UTILITY EASEMENTS. The Declarant hereby reserves unto itself, its successors, assigns and designees, the right to create, declare and grant over, above, under and across the Properties nonexclusive perpetual utility easements for the installation, construction, improvement or removal or reconstruction, replacement, substitution and maintenance of sewer (storm and sanitary) water, gas, electricity, master television antenna and transmission systems, telephone and any other easements as may be necessary in the Declarant's sole judgment to develop, service and maintain the Properties. The aforesaid easement shall include reasonable rights of ingress and egress.

SECTION 2. OWNERSHIP OF UTILITY LINES. The Declarant shall initially own all storm sewers, sanitary sewers, and water lines when situated in, or over, under, along or across the Properties and shall have the right (but not the obligation) of maintenance, replacement, repair or removal thereof and reasonable access thereto. Prior to the termination of its Class B membership, Declarant shall transfer title to said storm sewers, sanitary sewers and water lines and Declarant's rights of maintenance, replacement, repair and removal thereof to any designee deemed beneficial or appropriate by Declarant (including the Association, the Village of Oak Park, the County of Cook, any public utility, or any governmental or quasi-governmental authority), which transfer and assignment shall be effectuated by a bill of sale or other appropriate writing.

SECTION 3. RESERVATION OF EASEMENTS FOR DECLARANT'S BENEFIT. Anything contained in this Declaration to the contrary notwithstanding, the Declarant hereby reserves for itself, its agents, employees, contractors, sub-contractors, workmen, materialmen, invitees and any successor builders an easement under, over and across the Properties for the purpose of constructing, completing, repairing, maintaining, inspecting, exhibiting and selling any Lots or townhouses then owned by the Declarant.

SECTION 4. EASEMENTS FOR CONSTRUCTION ERRORS, SETTLEMENT.

SHIFTING. Declarant hereby declares and reserves to itself and all Owners easements of not more than one (1) foot for the continuation, repair, and replacement of any walls or structures encroaching on any adjoining Lot by reason of inadvertent construction error, settlement or shifting.

ARTICLE NINE

ARCHITECTURAL COMMITTEE

No structure, patio, improvement or addition (including, but not limited to those set forth in Article ELEVEN, Section 5, hereof), shall be erected, placed or altered on any Lot within the Properties described herein (except as are installed or approved by the Declarant in connection with the initial construction of the dwellings and other improvements on the Lot) until the building plans, specifications and plot plan showing the location and proposed erection, placement or alteration of any such structure, patio, improvement or addition have been approved in writing as to conformity of external design and harmony with existing structures on the Properties and as to location with respect to topography and finished ground elevation, by an architectural committee which shall consist of three (3) members designated and replaced from time to time by the Board of Directors. The committee shall notify an applicant of such approval or disapproval of its action within thirty (30) days after said building plan and specifications and plot plan have been submitted to the committee; or, in the event, no suit to enjoin the erection, placement or alteration of such structure, patio, deck or other improvement or addition has been commenced prior to the completion thereof, such approval will not be required, and this covenant shall be deemed to have been fully complied with. No member of such committee, nor its designated representative, shall be entitled to any compensation for such services performed pursuant to this covenant.

ARTICLE TEN

DUTIES AND POWERS OF THE ASSOCIATION

SECTION 1. GENERAL. The Association shall have the power and duties to grant easements where necessary for public utilities to serve the Lots; adopt rules and regulations supplementing the General Use Restrictions as provided by Article ELEVEN hereof; maintain such policy or policies of insurance at all times as the Board of Directors deem necessary or desirable in furthering the purposes of and protecting the interests of the Association and its members, officers and directors including, but not limited to those described in Article SEVENTEEN hereof; employ a manager or other persons and contract with independent contractors, managing agents, collection agents and others to perform and effectuate all or any part of the duties and powers of the Association, if deemed necessary by the Directors; and establish such reserves as may be

required hereunder or as the Board of Directors shall from time to time deem necessary to fulfill and further the purposes of the Association.

SECTION 2. LOTS. The Association shall maintain and repair the Lots and the townhomes located thereon, as follows:

(a) Painting, maintenance and repair and replacement of and tuckpointing of all exterior surfaces of the Owner's home, excluding any glass surfaces, roofs, chimneys and gutters. All of the foregoing services shall comply with the aesthetic standards from time to time adopted by the Architectural Committee pursuant to the Article NINE hereof.

(b) Maintenance of the lawns and the original and normal complement of landscaping (as defined and limited by the Board) within each Lot unless fenced, surrounded by shrubs, landscaped, improved or equipped by the Owner in such manner as to preclude convenient access by large equipment.

(c) Refuse collection, snow removal and other services with respect to the residence areas to the extent deemed by the Board to be beneficial and convenient. In the event the Village of Oak Park has, by franchise, license or other contractual arrangement, granted the rights to provide refuse removal services throughout the Village to any entity, such entity shall have the right to remove refuse from the Lots for such fees as are uniformly charged by the Village for such services throughout the Village.

The foregoing services provided by the Association in regard to exterior surfaces of an Owner's home shall be limited to normal wear and tear and the Owner shall be solely responsible for all exterior repair and replacement resulting from causes other than normal wear and tear, including but not limited to losses from casualties for which Association or the Owner has obtained insurance coverage and shall be solely responsible for all interior and structural repair and replacement. Insurance proceeds from policies obtained by the Association shall be made available to any such Owner to defray the cost of rebuilding in the event of casualty loss covered by such policies. In the event the Owner shall fail to effect promptly the rebuilding, repairs or replacements of his townhome necessitated by causes other than normal wear and tear, or losses from casualties including those for which the Association has obtained insurance coverage, the Association may (but shall not be required to) effect such repairs and replacements and the Association shall be entitled to reimbursement in full from the Owner for its costs of every kind incurred in connection therewith, including the right to any insurance proceeds. Subject to the rights of the first mortgagee, if any, in the event of loss, all insurance proceeds recovered shall be applied to effect such repairs and replacements. In the event the Owner shall fail to effect such repairs and replacements,

the Association may elect upon reasonable notice (but shall not be required) to do so, and in such event, the expenditures incurred by the Association (including those in excess of any available insurance proceeds) shall become the personal obligation of the Owner and a continuing lien on the Lot, recoverable with interest, costs and reasonable attorneys' fees in the same manner and to the same extent as provided under Article FIVE Section 1 and shall give rise to the remedies available to the Association provided in Article SIX.

ARTICLE ELEVEN

USE RESTRICTIONS

SECTION 1. RESIDENTIAL USE. The Properties are hereby restricted to residential dwellings, and ancillary and accessory uses and buildings in connection therewith (except for model homes and sales offices which may be operated by Declarant or its designees during the construction or sales period). All buildings or structures erected on the Properties shall be of new construction and no buildings or structures shall be moved from other locations to the Properties and no subsequent buildings or structures other than townhouses shall be built on any Lot where the Declarant has theretofore constructed a townhouse. No building or structure of a temporary character, trailer, tent, shack, garage, barn or other outbuilding shall be placed on or used on any Lot at any time as a residence either temporarily or permanently.

SECTION 2. ANIMALS. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any Lot except for dogs and cats kept as household pets.

SECTION 3. COMMERCIAL ACTIVITIES, NUISANCES. No advertising signs, billboards, objects of unsightly appearance or nuisances shall be erected, placed or permitted to remain on any Lot, nor shall any Lot be used in any way or for any purpose which may endanger the health or unreasonably disturb the residents of the Properties except that no more than one (1) "for sale" sign or "for rent" sign of not more than five (5) square feet shall be maintained on any Lot and no such signs shall be permitted or the size of such signs shall be limited if the ordinances of general applicability of the Village of Oak Park so provide. No commercial activities of any kind whatsoever shall be conducted on any building or on any portion of the Properties except activities intended primarily to service residents in the Properties. The foregoing restrictions shall not apply to the commercial activities, signs and billboards, if any, of the Declarant or its designees, or the use or operation of sales offices or model units on any Lots by the Declarant or its designees during the construction and sales period or by the Association in furtherance of its powers and purposes set forth hereinafter and its Articles of Incorporation, Bylaws and Rules and Regulations, as the same may

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be amended from time to time. The Declarant and its successors and assigns shall have the right to rent any or all units.

SECTION 4. SCREENING, TRASH REMOVAL. All clotheslines, equipment, garbage cans, service sheds, woodpiles and storage piles shall be screened by adequate planting or fencing so as to conceal them from view of neighboring Lots and streets. All rubbish, trash and garbage shall be regularly removed from the Properties and shall not be allowed to accumulate thereon. In the event the Village of Oak Park has, by franchise, license or other contractual arrangement, granted the exclusive rights to provide trash removal services throughout the Village to any entity, such entity shall have the right to remove trash from the properties for such fees as are uniformly charged by the Village for such services throughout the Village. The foregoing restrictions shall not apply to the activities of Declarant, its designees and those working for or on behalf of Declarant during the construction and sales period.

SECTION 5. CHANGES OR IMPROVEMENTS. Awnings and other additions, changes or improvements to any building, changes in the colors of exterior building surfaces or any part thereof (including roofs, sliding doors, storm doors, windows, trim or window air conditioning units) or the placement of any fences, patios, decks or outbuildings on the rear portion of any Lot by any Owner other than Declarant will be allowed only with the approval of the Architectural Committee referred to herein.

SECTION 6. DERRICKS, ETC. No derrick or other structure designed for use in boring, mining, or quarrying for oil, natural gas or precious minerals, shall be erected, maintained or permitted upon any Lot in the Properties, provided that nothing in this Declaration shall be construed to restrict a public utility from erecting, maintaining and operating upon any Lot owned by it within the Properties, a well, housing, and equipment for the purpose of extracting from the sub-surface and/or the treatment, storage and distribution of water through the system of such public utility.

SECTION 7. RADIO, T.V. ANTENNAE. No radio or television receiving or transmitting antennae or external apparatus shall be installed on any Lot. Normal radio and television installations wholly within a building are excepted.

SECTION 8. MAINTENANCE OF EASEMENT AREAS. Easements for installation and maintenance of the utilities, sewer pipelines and facilities and drainage facilities over each of said Lots, and all pipelines and other facilities located and to be located in said easements are reserved as shown on the registered or recorded Plat of Subdivision or as created in accordance with this Declaration of Covenants, Conditions and Restrictions or any amendments hereof. Within these easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the direction in the flow of drainage channels in

the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority, a private or public utility company or the Association is responsible.

SECTION 9. LEASES OF LOTS. Any Owner may lease his Lot, but no lease may be for a period of less than thirty (30) days. All leases must be made expressly subject to the terms of this Declaration.

SECTION 10. PROHIBITION OF FENCES. Except as provided in Section 4 of this Article ELEVEN, there shall be no fences constructed on any Lot within the properties, unless approved by the Village.

ARTICLE TWELVE

RECONSTRUCTION

Each Owner, his successors and assigns, hereby covenants and agrees at all times to maintain his Lot and the townhouse dwelling unit constructed thereon in a neat and proper condition and to perform all necessary repairs thereto.

ARTICLE THIRTEEN

JOINT CONNECTION OF SEWER, WATER,
ELECTRICAL, GAS AND TELEPHONE LINES

The rights and duties of the Owners of Lots within the Properties with respect to sewer, water, gas and telephone shall be governed by the following:

(a) Wherever joint house connections of sanitary and storm sewer, water, electricity, gas or telephone lines are installed within the Properties, and the connections, or any portion thereof, lie in or upon Lots owned by others than the Lot Owners served by said connections, the Association and other Owners of any Lots served by said connection shall have the right, and are hereby granted an easement to the full extent necessary therefor, to enter upon Lots or have the utility companies enter upon the Lots within the Properties in or upon which said connection, or any portion thereof, lies to read meters, repair, replace and generally maintain said connection as and when the same may be necessary as set forth below, and further, if a majority of the Board of Directors of the Association deems the repair, replacement or maintenance of such connection to be an emergency, the Association shall have the right to repair, replace or maintain such connection and assess the costs thereof against the Lots served by such connection in the amounts the Owners would otherwise be responsible

for under subsections (c) and (d) herein, and each Owner, for himself, his heirs, successors and assigns, covenants that he will pay the Association (or its collecting agent) said assessment upon demand or in such periodic payments as may be determined by the Board of Directors, and that said assessment, if not paid on the date when due, shall become delinquent, shall become a continuing lien on the Lot and the personal obligation of the Owner and shall be subject to collection, enforceability foreclosure and remedies of the Association in the manner set forth in Articles FIVE and SIX hereof for other assessments by the Association.

(b) Wherever joint house connections of storm and sanitary sewer, water, electricity, gas or telephone lines are installed within the Properties and the connections serve more than one Lot, the Owners of each Lot serviced by said connection shall be entitled to the full use and enjoyment of such portions of said connection as services his Lot.

(c) In the event any portion of said connection or line is obstructed, damaged or destroyed through the act of an Owner of a Lot being served by said connection, or any of his agents, guests, or members of his family, whether or not such act is negligent or otherwise culpable, so as to deprive the other Owners being served by said connection of the full use and enjoyment of said connection, then the Owner shall forthwith proceed to replace or repair the same to as good condition as formerly, without cost to the other Owners served by said connection.

(d) In the event any portion of said connection or line is obstructed, damaged, or destroyed by some cause other than the act of any Owner being served by said connection, his agents, guests or members of his family (including ordinary wear and tear and deterioration from lapse of time), then in such event if said obstruction, damage or destruction shall prevent the full use and enjoyment of such connection by the other Owners served by said connection, all such owners who are thereby deprived of said use and enjoyment shall proceed forthwith to replace or repair said connection to as good a condition as it was formerly at their joint and equal expense.

ARTICLE FOURTEEN

AVAILABILITY OF RECORDS

Any Owner or first mortgagee of any Lot shall be entitled, upon reasonable request, to receive for inspection from the Association current copies of the Declaration, Articles of Incorporation, Bylaws, records and financial statements of the Association. Furthermore, any holder of a mortgage given on any Lot within the Properties and any phases annexed thereto, shall be entitled to receive from the Association, without cost, a copy of the Association's financial statement, if any, and if any mortgagee

shall so request in writing prior to the preparation of the annual financial statement of the Association, such financial statement.

ARTICLE FIFTEEN

RIGHTS OF FIRST MORTGAGEES

Upon written request, any first mortgagee of a Lot shall be entitled to and shall receive from the Association notices of any of the following as shall be requested:

(a) Any condemnation loss or casualty loss which affects a material portion of the Properties and any phases annexed thereto or the Lot on which its mortgage is held,

(b) Delinquency of assessments which remain incurred for a period of sixty (60) days or more,

(c) Any lapse, cancellation, or modification of any insurance policy or fidelity bond maintained by the Association,

(d) Any restoration or repair of the Properties after partial condemnation or damage, and

(e) Any termination of the legal status of the Properties. Any termination of legal status as provided herein, shall require the consent of the holders of the mortgages on at least 51% of the Lots contained in the Properties at the time thereof.

ARTICLE SIXTEEN

VILLAGE OF OAK PARK

SECTION 1. VILLAGE ORDINANCES PREVAIL. None of the covenants, conditions, restrictions or provisions of the Declaration are intended to supersede or prevail over the ordinances of general applicability of the Village of Oak Park in which the Properties are located, and in the event of any conflict, the applicable ordinances of the Village of Oak Park shall supersede and prevail over the covenants, conditions, restrictions and provisions of this Declaration.

SECTION 2. STANDARDS OF MAINTENANCE. The Standards of Maintenance of the Lots and the residences and improvements located thereon, adopted by the Association from time to time shall be at least equal to those set forth in the Ordinance of general applicability of the Village in effect from time to time which govern and control the maintenance of private property.

ARTICLE SEVENTEEN

INSURANCE

SECTION 1. CASUALTY INSURANCE FOR TOWNHOMES. The Association shall obtain and maintain a policy or policies of insurance covering the townhouses constructed on the Lots within the Properties including, without limitation, all alterations and additions thereto, against damage or destruction by the perils of fire, lightning and those casualties contained in an all risk form, and such other perils as the Board of Directors of the Association from time to time may determine should be included in such coverage, in an amount equal to 100% of the insurable replacement cost thereof, without depreciation and with an agreed amount provision. Such insurance shall name as the insured, and the proceeds thereof shall be payable to the Association, as trustee for the Owners of any townhouses damaged or destroyed. The proceeds from such insurance shall be made available, as the Board of Directors of the Association shall reasonably determine, for the repair, reconstruction, and restoration of such townhouses, subject to the right of first mortgagees. To the extent feasible, all such policies of insurance shall (i) provide that the insurance shall not be invalidated by the act or neglect of the Declarant, the Association, its Board of Directors, its officers, any Owner or occupant, or any agent, employee, guest or invitee of any of them, and (ii) shall contain an endorsement that such policies shall not be cancelled without at least thirty (30) days prior notice to the Association, the Owners, and all first mortgagees of the Lots. The policies obtained by the Association shall be deemed to be the primary insurance coverage for any townhouse.

SECTION 2. LIABILITY INSURANCE; THE ASSOCIATION. The Association shall obtain and maintain a policy or policies of comprehensive general liability insurance insuring on an occurrence basis the Association, its Directors, officers, the members, and the agents and employees against claims for personal injury, including death and property damage, arising out of any occurrence in connection with any act or omission of or in behalf of the Association, its Board of Directors, agents or employees within the Properties. Such policies shall be in the amount of \$1 Million for bodily injury, including death, and property damage arising out of a single occurrence, and shall contain a provision that they may not be cancelled without at least a thirty (30) day prior notice to the Association, the Owners, and the first Mortgagees of the Lots.

SECTION 3. WORKER'S COMPENSATION AND FIDELITY INSURANCE; OTHER INSURANCE. The Association shall obtain and maintain a policy or policies of insurance with reputable insurance carriers providing the following coverage:

(a) Worker's Compensation and employer's liability insurance in such form and in such amounts as may be necessary to comply with

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applicable laws;

(b) Fidelity insurance or bonds in reasonable amounts for all officers and employees having fiscal responsibilities, naming the Association as obligee; and

(c) Such other insurance in such limits and for such purpose as the Association may, from time to time, deem reasonable and appropriate.

SECTION 4. WAIVER OF SUBROGATION. To the extent feasible, all policies of insurance obtained by the Association shall contain provisions that no act or omission of any named insured shall affect or limit the obligation of the insurance company to pay the amounts of any loss sustained. So long as the policies of insurance provided for herein shall provide that a mutual release as provided for in this Section shall not affect the right of recovery thereunder, and further provide coverage for the matters for which the release herein is given, all named insureds and all parties claiming under them shall, and do by these presents mutually release and discharge each other from all claims and liabilities arising from or caused by any hazard or source covered by any insurance procured by the Association, regardless of the cause of damage or loss.

SECTION 5. INSURANCE PREMIUM EXPENSE. The expense of insurance premiums paid by the Association under this Article shall be an expense of the Association to which the assessments collected by the Association from the Owners shall be applied.

ARTICLE EIGHTEEN

GENERAL PROVISIONS

SECTION 1. ENFORCEMENT The Declarant, the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions covenants, liens and charges now or hereafter imposed by the provisions of the Declaration. Failure by the Declarant, the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Breach of any of the covenants shall not defeat or render invalid the lien or any mortgage or trust deed made in good faith and for value as to said Lots or property, or any parts thereof, but such provisions, restrictions or covenants shall be binding and effective against any Owner of said property whose title thereto is acquired from foreclosure, trustee's sale or otherwise.

SECTION 2. SEVERABILITY. Invalidation of any one or more of these covenants or restrictions by judgment or court order shall in no way effect any other provisions which shall remain in full force and effect.

SECTION 3. AMENDMENT. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarant, the Association, or the Owner of any Lot subject to this Declaration, and their respective legal representatives, heirs, successors, and assigns for a period of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by Lot Owners comprising not less than sixty seven per cent (67%) of the total votes collectively held by all classes of Members with the written consent of mortgagees holding at least fifty one per cent (51%) of the outstanding mortgages on the Properties, provided, however, that so long as Declarant is a Lot Owner, Declarant must join into such instrument. Any such amendment that has the effect of (i) terminating this Declaration or (ii) terminating the legal status of the Association shall require the written consent of mortgagees holding at least sixty-seven per cent (67%) of the outstanding mortgages on the Properties. Notwithstanding the foregoing, in the event the Declarant desires to amend this Declaration: (x) to correct a technical or typographical error or to clarify any purpose of causing the Declaration to comply with form and substance as may be required by either the Federal Housing Authority (FHA) or the Veteran's Administration (VA) to enable the sales of Lots from the Properties to qualify for the insurance by either such agency of end mortgage loans, made to Owners of such Lots, or as may be required to conform to the published manuals or guidelines of any governmental, quasi-governmental or private agency engaged in the business of the purchase of mortgage loans, including, but not limited to Federal Home Loan Mortgage Corporation (FHLMC) and Federal National Mortgage Association (FNMA) for the purpose of mortgage loans made on Lots in the Properties, it may do so by an instrument signed by Declarant without the consent of Owners, mortgagees, FHA or VA, but shall give notice of any such amendments to all Owners, the FHA, the VA, and all mortgagees of Lots who have requested the same in writing. The failure to give such notice shall not affect the validity or effectiveness of such amendment. In furtherance of the foregoing, a power coupled with an interest is hereby reserved to Declarant, as Attorney-in-Fact to so amend the Declaration as provided in this Section 3, and each deed, mortgage or other instrument with respect to a Lot and acceptance thereof shall be deemed a grant and acknowledgment of an a consent to such power to said Attorney-in-Fact. Any amendment must be recorded with the Cook County Recorder.

SECTION 4. QUORUM. Unless otherwise specified to the contrary in any provision of this Declaration, the presence of Members or of proxies entitled to cast thirty per cent (30%) of the votes of each class of membership shall constitute a quorum for any meeting of the Members of the Association. If the required quorum is not forthcoming at any meeting, another meeting may be called,

subject to the notice requirements set forth in the By-Laws of the Association and the required quorum at such subsequent meeting shall be fifty per cent (50%) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

EUCLID SQUARE TOWNHOMES ASSOCIATION

BY-LAWS

ARTICLE I

BOARD OF MANAGERS

1. Board of Managers (a) The direction and administration of the Euclid Square Townhomes Association shall be vested in a Board of Managers, consisting of three (3) persons who shall be appointed or elected in the manner herein provided. Each member of the Board shall be one of the Unit Owners and shall reside on the Property, provided, however, that in the event a Unit Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any officer, director or other designated agent of such corporation, partner of such partnership, beneficiary or other designated agent or such trust or manager of such other legal entity, shall be eligible to serve as a member of the Board, provided such person must reside on the Property unless he is a Board member nominated by the Trustee.

(b) At the initial meeting the Voting Members shall elect the three (3) Board Members. In all elections for members of the Board, each Voting Member shall be entitled to cumulate his votes in the manner provided by law and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. Members of the Board elected at the initial meeting shall serve until the first annual meeting. Three (3) Board Members shall be elected at the first annual meeting. The three (3) persons receiving the highest number of votes at the first annual meeting shall be elected to the Board for a term of one (1) year. Upon the expiration of the terms of office of the Board members so elected at the first annual meeting and thereafter, successors shall be elected for a term of one (1) each. The Voting Members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease such number of persons on the Board or may increase or decrease the term of office of Board members at any annual or special meeting, provided that such number shall not be less than three (3), and that the terms of at least one-third (1/3) of the persons on the Board shall expire annually and that no Board member shall be elected to a term in excess of two (2) years. Provided, however, that a Board member may be reelected at the expiration of his term. Members of the Board shall receive no compensation for their services, unless expressly authorized by the Board with the approval of Voting

Members having two-thirds (2/3) of the total votes. Vacancies in the Board, including vacancies due to any increase in the number of persons on the Board, shall be filled by the Voting Members present at the next annual meeting or at a special meeting of the Voting Members called for such purpose. Except as otherwise provided in this Declaration, the Property shall be managed by the Board and the Board shall act by majority vote of those present at its meeting when a quorum exists. A majority of the total number of the members of the Board shall constitute a quorum. Meetings of the Board may be called, held and conducted in accordance with such resolutions as the Board may adopt.

(c) The Board shall elect from among its members a President who shall preside over both its meetings and those of the Voting members, and who shall be the chief executive officer of the Board and the Association and who shall execute amendments to the Condominium Instruments, a Secretary who shall keep the minutes of all meetings of the Board and of the Voting Members, who shall mail and receive all notices, and who shall, in general, perform all the duties incident to the office of Secretary, a Treasurer to keep the financial records and books of account.

(d) Any Board member may be removed from office by affirmative vote of the Voting Members having at least two-thirds (2/3) of the total votes, at any special meeting called for the purpose. A successor to fill the unexpired term of a Board member removed may be elected by the Voting Members at the same meeting or any subsequent annual meeting or special meeting called for that purpose.

(e) The Board shall meet at least four (4) times annually, on the first Monday of February, May, August and November and at such other times as the Board deems necessary. Meetings of the board shall be open to any Unit Owner, notice of any such meeting shall be mailed at least forty-eight (48) hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice.

2. General Powers of the Board. The powers and duties of the Board of Managers shall include, but shall not be limited to, the following matters:

(a) preparation, adoption and distribution of the annual budget for the Property;

(b) levying of assessments;

(c) collection of assessments from Unit Owners;

(d) obtaining adequate and appropriate kinds of insurance;

(e) owning, conveying, encumbering, leasing and otherwise

dealing with Units conveyed to or purchased by it;

(f) adoption and amendment of rules and regulations covering the details of the operation and use of the Property;

(g) keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property;

(h) to pay for landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance and decorating, as the Board shall determine are necessary and proper;

(i) to pay for any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations or assessments which the Board is required to secure or pay for pursuant to the terms of this Declaration or By-Laws of which in its opinion shall be necessary or proper for the maintenance and operation of the Property, as a first class townhouse development or for the enforcement of these restrictions;

(j) to pay any amount necessary to discharge any mechanic's lien or other encumbrance against the entire Property or any part thereof which may in the opinion of the Board constitute a lien against the Property, rather than merely against the interests therein of particular Unit Owners. Where one or more unit owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be specially assessed to said Unit Owners;

(k) to maintain and repair any Unit if such maintenance or repair is necessary, in the discretion of the Board, to protect any other portion of the Building, and a Unit Owner of any Unit that has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair mailed or delivered by the Board to said Unit Owner, provided that the Board shall levy a special assessment against such Unit Owner for the cost of said maintenance or repair;

(l) the Board or its agent upon reasonable notice may enter any Unit when necessary in connection with any maintenance or construction for which the Board is responsible. Such entry shall be made with as little inconvenience to the Unit Owner as practicable, and any damage caused thereby shall be repaired by the Board as a common expense;

(m) the Board's powers hereinabove enumerated and described in the Declaration, shall be limited in that the Board shall have no authority to acquire and pay for any work requiring an expenditure in excess of Five Thousand Dollars (\$5,000.00) without in each case the prior approval of Voting Members having two-thirds (2/3) of the total vote;

(n) all agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the Treasurer and countersigned by the President of the Board;

(o) the Board may adopt such reasonable rules and regulations, not inconsistent herewith, as it may deem advisable for the maintenance, administration, management, operation, use, conservation and beautification of the Property, and for the health, comfort, safety and general welfare of the Unit Owners and Occupants of the Property. Written notice of such rules and regulations shall be given to all Unit Owners and occupants and the entire Property shall at all times be maintained subject to such rules and regulations;

(p) the Board may engage the services of an agent to manage the Property to the extent deemed advisable by the Board;

(q) nothing hereinabove contained shall be construed to give the Board, Association, or Unit authority to conduct an active business for profit on behalf of all the Unit Owners or any of them;

(r) Upon authorization by the affirmative vote of not less than a majority of the Voting Members at a meeting duly called for such purposes, the Board, acting on behalf of all Unit Owners, shall have the power to seek relief from or in connection with the assessment or levy of any real property taxes, special assessments and any other special taxes or charges of the State of Illinois or any political subdivision thereof, or any other lawful taxing or assessing body, which are authorized by law to be assessed and levied on real property and to charge and collect all expenses incurred in connection therewith as common expenses.

ARTICLE II

MEMBERS

1. Voting Rights. There shall be one person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such Voting Members shall be the Unit Owner or one of the group composed of all the Unit Owners of a Unit Ownership or may be some person designated by such Unit Owners to act as proxy on his or their behalf and who need not be a Unit Owner. Such designations shall be made in writing to the Board and shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator, or by written notice to the Board by the Unit Owner or Unit Owners. Any or all Unit Owners of a Unit Ownership, and their designee, if any, may be

present at any meeting of the Voting Members, but only the Voting Member of the Unit Ownership may vote or take any other action as a Voting Member either in person or by proxy. The total number of votes of all Voting Members shall be 20, and each Unit Owner shall be entitled to one vote. The Trustee shall designate the Voting Member with respect to any Unit Ownership owned by the Trustee. After the events enumerated in Article III of the Declaration, the Association shall have one class of membership only and that nothing contained in their Condominium Instruments shall permit or allow different classes of membership among the Unit Owners.

2. Meeting. (a) Meetings of the Voting Members shall be held at the Property or at such other place in Cook County, Illinois, as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the Voting Members of at least a majority of the Voting Members and Voting Members having at least a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Voting Members at which a quorum is present upon the affirmative vote of the Voting Members having a majority of the total votes represented at such meeting.

(b) The initial meeting of the Voting Members shall be held upon written notice, not less than or more than ten (10) days notice given by the Trustee or Developer. Such written notice may be given at any time after the conveyance by the Developer of three-fourths (3/4) of the Units or three (3) years after the recording of the Declaration, whichever is earlier. Thereafter, there shall be an annual meeting of the Voting Members in November at such reasonable time or date as may be designated by written notice of the Board delivered to the Voting Members not less than ten (10) days or more than thirty (30) days prior to the date fixed for said meeting.

(c) Special meetings of the Voting Members may be called at any time for the purpose of considering matters which, by the terms of this 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 of the Board, a majority of the Board, or by the Voting Members having 20% of the total votes and delivered not less than ten (10) days or more than thirty (30) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered. Matters to be submitted at special meetings of the Voting Members shall first be submitted to the Board of Managers, at least ten (10) days prior to the special meeting, who shall then submit the matters to the Voting Members.

3. Notices of Meetings. Notices of meetings required to be given herein may be delivered either personally or mailed to the person entitled to vote thereat, addressed to each such person at the

address given by him to the Board for the purpose of service of such notice, or to the Unit of the Unit Owner with respect to which such voting right appertains, if no address has been given to the Board.

4. Miscellaneous. No merger or consolidation of the Association; sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all of the Property and assets of the Association; and the purchase or sale of land or of Units on behalf of all Unit Owners shall be effectuated unless there is an affirmative vote of two-thirds (2/3) of the votes of Unit Owners, except as otherwise provided for in the Declaration.

ARTICLE III

ASSESSMENTS-MAINTENANCE FUND

1. Estimated Annual Budget and Assessments. Each year on or before November 1, the Board shall estimate the total amount necessary to pay the cost of all common expenses which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements. The annual budget shall set forth with particularity all anticipated common expenses by category as well as all anticipated assessments and other income. The budget shall also set forth each Unit Owners proposed common expense assessment. Each Unit Owner shall receive, at least thirty (30) days prior to the adoption thereof by the Board of Managers, a copy of the proposed annual budget. The "estimated annual budget" shall be assessed to the Unit Owners equally. Each Unit Owner shall receive notice in the same manner as is provided in this Declaration for membership meetings, or any meeting of the Board of Managers concerning the adoption of the proposed annual budget or any increase, or establishment of an assessment. Said meetings of the Board of Managers shall be open to any Unit Owner, and that notice of such meeting shall be mailed at least forty-eight (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. On or before January 1 of the ensuing year, and the first of each and every month of said year, said Unit Owner jointly and severally shall be personally liable for and obligated to pay to the Board or as it may direct one-twelfth (1/12) of the assessment against his Unit Ownership made pursuant to this Section. On or before April 1 of each calendar year following the year in which the initial meeting is held, the Board shall supply to all Unit Owners an itemized accounting of the Common expenses for the preceding year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget or assessments, and showing the net excess or deficit of income over expenditures plus reserves.

Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Unit Owner to the next monthly installments due from Unit Owners under the current year estimate, until exhausted, and any net shortage shall be added to the installments due in the succeeding six (6) months after rendering of the accounting.

2. Reserves and Adjustments. The Board shall establish and maintain a reasonable reserve for contingencies and replacements. Any extraordinary or non-recurring common expense, any common expense not set forth in the budget as adopted, and any increase in assessments over the amount adopted shall be separately assessed against all Unit Owners. Any such separate assessment shall be subject to approval by the affirmative vote of at least two-thirds (2/3) of the Unit Owners voting at a meeting of such Unit Owners duly called for the purpose of approving the assessment if it involves proposed expenditures resulting in a total payment assessed to a Unit Owner equal to the greater of five (5) times the Unit's most recent common expense assessment calculated on a monthly basis or three-hundred dollars (\$300.00). All Unit Owners shall be personally liable for and obligated to pay their respective adjusted monthly amount.

3. Initial Estimate of Annual Budget. When the first Board elected or appointed hereunder takes office it shall determine the "estimated annual budget" as hereinabove defined, for the period commencing thirty (30) days after said election and ending on December 31st of the calendar year in which said election occurs. Assessments shall be levied against the Unit Owners during said period as provided in Section 1 of this Article.

4. Failure to Prepare Estimates. The failure or delay of the Board to prepare or serve the annual or adjusted estimate on the Unit Owner shall not constitute a waiver or release in any manner of such Unit Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Unit Owner shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the next monthly maintenance payment which is due not more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

5. Books and Records. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures specifying and itemizing the maintenance and repair expenses incurred. Such records and the vouchers authorizing the payments shall be available for inspection by any Unit Owner or any representative of a Unit Owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the Unit Owner. Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Unit Owner shall be

furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

6. Use of Funds. All funds collected hereunder shall be held and expended for the purpose designated herein, and (except for such special assessments as may be levied hereunder against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the Unit Owners.

7. Insurance. Any insurance premiums assessed on a basis reflecting increased charges for coverage on certain Units shall be assessed to such Unit.

8. Assessments. If a Unit Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the members of the Board may bring suit for and on behalf of themselves and as representatives of all Unit Owners, to enforce collection thereof or to foreclose the lien therefor as herein after provided; and there shall be added to the amount due the costs of said suit, and other fees and expenses together with legal interest and reasonable attorneys' fees to be fixed by the Court. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided, shall be and become a lien or charge against the Unit Ownership of the Unit Owner involved when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of liens against real estate as provided by the Declaration. In addition to the foregoing, the Board or its agents shall have such other rights and remedies to enforce such collection as shall otherwise be provided or permitted by law from time to time. Without limiting the generality of the foregoing, if any Unit Owner shall fail to pay the proportionate share of the Common Expenses or of any other expenses required to be paid hereunder when due, such rights and remedies shall include: (1) the right to enforce the collection of such defaulting Unit Owner's share of such expenses (whether due by acceleration or otherwise), together with interest thereon, at the maximum rate permitted by law, and all fees and costs (including reasonable attorney's fees) incurred in the collection thereof; (2) the right, by giving such defaulting Unit Owner five days' written notice of the election of the Board so to do, to accelerate the maturity of the unpaid installments of such expenses accruing with respect to the balance of the assessment year; and (3) the right to take possession of such defaulting Unit Owner's interest in the Property, to maintain for the benefit of all the other Unit Owners an action for possession in the manner prescribed in the Illinois Code of Civil Procedure, Article IX, as amended, and to execute leases of such defaulting Unit Owner's interest in the Property and apply the rents derived therefrom against such expenses.

9. Nonuse. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Unit.

ARTICLE IV

COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

The Units shall be owned, occupied and used subject to the following covenants and restrictions:

1. General Use. No part of the Property shall be used for other than housing and related common purposes for which the Property was designed. Each Unit or any two or more adjoining Units used together shall be used as a residence for a single family or such other uses permitted by this Declaration and for no other purpose.

2. Unit Maintenance. Each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit.

3. Prohibited Use. Nothing shall be done or kept in any Unit which will increase the rate of insurance on the Building or contents thereof, applicable for residential use, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit which will result in the cancellation of insurance on the Building, or contents thereof, or which would be in violation of any law. No Unit Owner shall overload the electric wiring in the Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior written consent of the Board.

4. Unit Owner Insurance. Each Unit Owner shall be responsible for his own insurance on his personal property in his own Unit, his personal property stored elsewhere on the Property and his personal liability to the extent not covered by the liability insurance for all the Unit Owners obtained by the Board as herein before provided.

5. Exterior Attachments. Unit Owners shall not cause or permit anything to be placed on the outside walls of the Building and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof of any part thereof, without the prior consent of the Board.

6. Window Treatment. The use and the covering of the interior surfaces of the glass windows and/or doors appurtenant to the Units of the Building, whether by draperies, shades or other items visible from the exterior of the Building shall be subject to the rules and regulations of the Board.

7. Pets, etc. No animals, reptiles, rabbits, livestock, fowl or poultry of any kind shall be raised, bred or kept in any Unit, except that dogs, cats, or other household pets may be kept in Units, subject to rules and regulations adopted by the Board, provided that they are not kept, bred or maintained for any commercial purpose, and provided further that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days' written notice from the Board.

8. Nuisances. No noxious or offensive activity shall be carried on in any Unit nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or Occupants.

9. Unsuitable Dress. No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed to public view.

10. Commercial Activities. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designated for profit, altruism, exploration, or otherwise, shall be conducted, maintained or permitted in any Unit.

11. For Sale and For Rent Signs. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the Property except at such location and in such form, as shall be determined by the Board; provided that the right is reserved by the Trustees, the Developer and their agents, to maintain on the Property until the sale of the last Unit; all models, sales offices and advertising signs, banners, and lighting in connection therewith, at such locations and in such forms as they shall determine.

12. Exceptions. The Unit restrictions in paragraphs 1 and 11 of this Article shall not, however, be construed in such a manner as to prohibit a Unit Owner from: (a) maintaining his professional library therein, (b) keeping his personal business or professional records or accounts therein, or (c) handling his personal business or professional telephone calls or correspondence therefrom. Such uses are expressly declared customarily incident to the principal residential use and not in violation of sections 1 and 11 of this Article.

ARTICLE V

REMEDIES FOR BREACH OF COVENANTS

RESTRICTIONS AND REGULATIONS

1. Abatement and Enjoinment. The violation of any restriction, or

condition or regulation adopted by the Board, or the breach of any covenant or provisions herein contained, shall give the Board the right, in addition to the rights set forth in the next succeeding section: (a) to enter upon that part of the Property where such violation or breach exists and summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and the provisions hereof, and the Trustee, the Developer, or their successors or assigns, or the Board, or its agents, shall not thereby be deemed guilty in any manner of trespass; or, (b) to enjoin, abate or remedy by appropriate legal proceeding, either at law or in equity, the continuance of any breach. All expenses of the Board in connection with such actions or proceedings, including court costs and attorneys' fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the rate of seven-percent (7%) per annum until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of the same upon the Unit Ownership of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all his personal property in his Unit or located elsewhere on the Property. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise by the Board.

2. Involuntary Sale. If any Unit Owner (either by his own conduct or by the conduct of any Occupant of his Unit) shall violate any of the covenants or restrictions or provisions of this Declaration, or the regulations adopted by the Board, and such violation shall continue for thirty (30) days after notice in writing from the Board, or shall re-occur more than once after such notice, then the Board shall have the power to issue to the defaulting Unit Owner a ten (10) day notice in writing to terminate the rights of said defaulting Unit Owner to continue as a Unit Owner and to continue to occupy, use or control his Unit and thereupon an action in equity may be filed by the members of the Board against the defaulting Unit Owner for a decree of mandatory injunction against Unit Owner or Occupant or, in the alternative, for a decree declaring the termination of the defaulting Unit Owner's right to occupy, use or control the Unit owned by him on account of the said violation, and ordering that the right, title and interest of the Unit Owner in the Property shall be sole (subject to the lien of any existing mortgage) at a judicial sale upon such notice and terms as the court shall establish, except that the court shall enjoin and restrain the defaulting Unit Owner from re-acquiring his interest in the Property at such judicial sale. 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 the defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to the

Unit Owner. Upon the confirmation of such sale, the purchaser thereat shall thereupon be entitled to a deed to the Unit Ownership and, to immediate possession of the 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 provide, that the purchaser shall take the interest in the Property sold subject to the Declaration and these By-Laws.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal on the date first above written.

Old Kent Bank, successor to Pinnacle Bank, as Trustee under Trust Agreement dated July 14, 1998 and known as Trust No. 11768, and not individually.

CORPORATE SEAL

By: Glenn J. Richter
 GLENN J. RICHTER, VICE PRESIDENT

ATTEST:
Nancy Fudala
 NANCY FUDALA, ASSISTANT SECRETARY

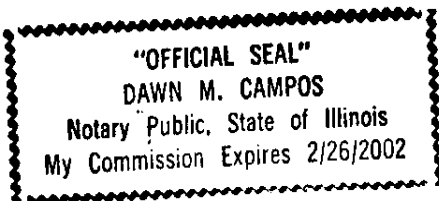
STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

EXONERATION PROVISION RESTRICTING ANY LIABILITY OF PINNACLE BANK, ATTACHED HERETO, IS HEREBY EXPRESSLY MADE A PART HEREOF. (only)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT GLENN J. RICHTER, Vice-President of Old Kent Bank and NANCY FUDALA, Assistant Secretary of Old Kent Bank, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they signed and delivered the said instrument as Vice-President and Assistant Secretary of said Corporation, and caused the corporation seal of said corporation to be affixed thereto, pursuant to the authority given by the Board of Directors of said corporation, as their free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 24th day of January, 2000.

Dawn M. Campos
 NOTARY PUBLIC



UNOFFICIAL COPY

Property of *County Clerk's Office*

OLD KENT

THIS DOCUMENT IS SIGNED BY PINNACLE BANK, NOT INDIVIDUALLY BUT SOLELY AS TRUSTEE UNDER A CERTAIN TRUST AGREEMENT KNOWN AS TRUST NO. 11268. SAID TRUST AGREEMENT IS HEREBY MADE A PART HEREOF. THE SIGNATURE OF SAID TRUSTEE WHICH MAY RESULT IN THE CONVEYANCE OF THIS DOCUMENT SHALL BE MADE PARALLEL TO THE PROPERTY WHICH MAY BE HELD THEREUNDER. THE SIGNATURE SHALL NOT BE PERSONALLY LIABLE FOR THE VIOLATION OF THE TERMS OR CONDITIONS OF THIS DOCUMENT. THE VALIDITY OR CONDITION OF THE TITLE OF SAID PROPERTY OR ANY AGREEMENT WITH RESPECT THERETO. THE PERSONAL LIABILITY OF PINNACLE BANK IS HEREBY DISCLAIMED BY THE PARTIES HERETO AND THEIR RESPECTIVE AGENTS AND OFFICERS.

RECORDED
INDEXED
MAY 10 1968
COUNTY CLERK'S OFFICE

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EXHIBIT "A"

Legal Description of Properties To Be Bound by Declaration

LOTS 1, 2 AND THE EAST 18.00 FEET OF LOT 3 IN BLOCK 3 IN BLACKSTONE'S ADDITION TO OAK PARK, BEING A SUBDIVISION OF THAT PART OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 7, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE SOUTH 19.50 CHAINS THEREOF, ALL IN COOK COUNTY, ILLINOIS.

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16-07-400-006-0000