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DECLARATION OF CONDOMINIUM PURSUANT TO THE ILLINOIS CONDOMINIUM PROPERTY ACT FOR 2300 COMMONWEALTH CONDOMINIUM

THIS DOCUMENT IS BEING RE-RECORDED TO
CORRECT A SCRIVENER'S ERROR TO PAGES 2
AND 3 OF THE ATTACHED SURVEY TO CORRECT
THE NUMERIC REFERENCES TO PARKING
SPACES AND STORAGE LOCKERS.

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DATE 11/7 COPIES 6
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Prepared by and mail to:
Jeremy E. Reis
Belgravia Group, Ltd.
833 North Orleans Street, Suite 400
Chicago, Illinois 60610

Property:
2300 North Commonwealth Avenue
Chicago, Illinois 60614
P.I.N. No. 14-33-200-012

RECORDING FEE 338-
DATE 10-6-06 COPIES 6
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TABLE OF CONTENTS

1.	Definitions.....	1
2.	Legal Description of Parcel.....	5
3.	Description of Units.....	5
4.	Use and Ownership of the Common Elements.....	5
5.	Declarant's Easements.....	7
6.	Lease of Common Elements.....	7
7.	Common Facilities.....	8
8.	Encroachments and Easements.....	8
9.	Pipes, etc.....	10
10.	Lease of Units or Sublease or Assignment of Lease Thereof.....	10
11.	Association.....	11
12.	Insurance, Repair and Reconstruction.....	11
13.	Separate Real Estate Taxes.....	16
14.	Use and Occupancy of Units and Common Elements.....	16
15.	Decorating.....	21
16.	Violation of Declaration.....	22
17.	Entry by Association.....	23
18.	Grantees.....	23
19.	Failure to Enforce.....	23
20.	Notices.....	24
21.	Amendments.....	24
22.	Arbitration.....	25
23.	Condemnation.....	25
24.	Violations of Certain Rules.....	26
25.	Severability.....	26
26.	Construction.....	26
27.	Changes or Modifications by Owner.....	27
28.	Rights of First Mortgagees.....	27
29.	Notice To First Mortgagees.....	28
30.	Consent of First Mortgagees.....	29
31.	Insurance Proceeds/Condemnation Awards.....	30
32.	Trustees.....	31
33.	Assignments by Declarant.....	31
34.	Exculpation.....	31
Exhibit A	Legal Description of Units	
Exhibit A-1	Legal Description of Parcel	
Exhibit B	Percentage Ownership Interest in Common Elements	
Exhibit C	By Laws of 2300 Commonwealth Condominium Association	
Exhibit D	Plat of Survey for 2300 Commonwealth Condominium	

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**DECLARATION OF CONDOMINIUM
PURSUANT TO THE ILLINOIS CONDOMINIUM
PROPERTY ACT FOR
2300 COMMONWEALTH CONDOMINIUM**

This Declaration made and entered into this 1st day of November, 2005, by 2300 COMMONWEALTH CONDOMINIUM LLC, an Illinois limited liability company (hereinafter referred to as "Declarant"):

WITNESSETH:

WHEREAS, Declarant is the owner in fee simple of certain real estate, hereinafter described, in Chicago, Cook County, Illinois; and

WHEREAS, Declarant intends to, and does hereby submit such real estate, together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in any way pertaining thereto, to the provisions of the Illinois Condominium Property Act; and

WHEREAS, Declarant desires to establish certain rights and easements in, over and upon said real estate for the benefit of itself and all future owners of any part of said real estate, and any unit or units thereof or therein contained, and to provide for the harmonious, beneficial and proper use and conduct of the real estate and all Units; and

WHEREAS, Declarant desires and intends that the several Unit Owners, mortgagees, occupants, and other persons hereafter acquiring any interest in the Property (all hereinafter defined) shall at all times enjoy the benefits of, and shall hold their interests subject to the rights, easements, privileges, and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of the Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Property.

NOW, THEREFORE, Declarant declares as follows:

1. **Definitions.** Certain words and terms used in this Declaration are defined as follows:

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

Amendment: An amendment to the Declaration, pursuant to the terms of **Section 33** hereof.

Annual Budget: The budget prepared in the manner set forth in **Article VI, Section 4** of the By-laws.

Association: 2300 Commonwealth Condominium Association, an Illinois not-for-profit corporation, the Association of all the Unit Owners acting pursuant to the By-Laws, attached hereto as **Exhibit C**, through its duly elected Board.

Bike Room: The bicycle storage area for use by Unit Owners.

Board: The board of managers of the Association as constituted at any time and from time to time. In the event the Association is incorporated, the Board shall mean the Board of Directors of the incorporated Association.

Building: All structures, attached or unattached located on the Parcel which contain one or more Units.

By-Laws: The By-Laws of the Association, which are attached hereto as **Exhibit C**.

Common Elements: All portions of the Property, except the Units, including without limiting the generality of the foregoing, stairways, corridors, roofs, storage areas, mechanical rooms and equipment therein, master television antenna or satellite system (whether leased or owned), refuse collection system, central heating system, exterior walls and structural parts of the improvements on the Parcel, wherever located.

Common Expenses: The proposed or actual expenses affecting the Property, including Reserves, if any, lawfully assessed by the Board.

Common Facilities: The facilities described in **Section 7**.

Condominium: 2300 Commonwealth Condominium created pursuant to this Declaration.

Condominium Instruments: All documents and authorized amendments thereto Recorded pursuant to the provisions of the Act, including the Declaration, By-Laws and Plat.

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Declarant: 2300 Commonwealth Condominium LLC, an Illinois limited liability company, its successors and assigns, or such other persons or entities as Declarant may from time to time designate.

Declarant Parking Spaces: Those Parking Spaces assigned to Declarant's exclusive use and enjoyment in accordance with **Section 4(c)** hereof, which have not been transferred by Declarant pursuant to **Section 4(c)** hereof.

Declaration: This Declaration of Condominium.

Developer: 2300 Commonwealth Condominium LLC, an Illinois limited liability company, its successors and assigns, or such other persons or entities as Developer may from time to time designate.

Dwelling Unit: A part of the Building containing one or more rooms, occupying one or more floors or a part or parts thereof, designed and intended for independent use as a single-family dwelling, and is designated on the Plat as a Unit.

Eligible First Mortgage: A mortgage as defined in **Section 21**.

First Mortgagee: The holder of a note secured by a bona fide first mortgage or first trust deed covering any portion of the Property.

Limited Common Elements: That part of the Common Elements contiguous to and serving a single Unit exclusively as an inseparable appurtenance thereto, including specifically such portions of the perimeter walls, floors and ceilings, windows in perimeter walls, doors in perimeter walls, and all fixtures and structures therein which lie outside the Unit boundaries, perimeter doors, windows in perimeter walls, pipes, ducts, flues, shafts, electrical wiring or conduits or other system or component part thereof which serve a Unit exclusively, to the extent such system or component part is located outside the boundaries of a Unit, and private balconies, Parking Spaces and Storage Lockers which have been designated on the Plat as Limited Common Elements.

Parking Garage: The indoor parking garage located on the Parcel.

Maintenance Fund: All monies collected or received by the Association pursuant to the provisions of the Condominium Instruments.

Majority of Unit Owners: The owners of more than 50% of the undivided ownership of the Common Elements.

Occupant: A person or persons, other than a Unit Owner, in possession of a Unit.

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Parcel: The lot or lots, tract or tracts of land, together with all improvements thereon submitted to the provisions of the Act pursuant to this Declaration.

Parking Garage: That portion of the Building which is part of the Condominium Common Elements designed for use as a garage for parking motorized vehicles.

Parking Space: A portion of the Parking Garage which is designed and intended to be used for the purpose of parking a single private, non-commercial automobile, motorcycle or similar motorized vehicle and which is separately identified in the Parking Garage and on the Plat by a distinguishing number assigned to it and designated as a Limited Common Element, and in the context of **Section 4** hereof, the concomitant right to the exclusive use and enjoyment of such Parking Space by the Unit Owner of the Unit to which such use and enjoyment thereof is assigned or transferred, as the case may be.

Person: A natural individual, corporation, limited liability company, partnership, trustee or other legal entity capable of holding title to real property.

Plat: A plat or plats of survey of the Parcel and of all Units in the Property submitted to the provisions of the Act, which shall consist of a three dimensional horizontal and vertical delineation of all such Units and such other data as may be required by the Act.

Property: All land, property and space comprising the underlying real estate, all improvements and structures erected, constructed or contained therein or thereon, including all Buildings and all easements, rights and appurtenances belonging thereto, and all fixtures and equipment intended for the mutual use, benefit and enjoyment of the Unit Owners, submitted to the provisions of the Act.

Record: To record in the Office of the Recorder of Deeds of Cook County, Illinois.

Reserves: Those sums paid by Unit Owners which are separately maintained by the Board for purposes specified by the Board or the Condominium Instruments.

User Charge for Parking Garage Expenses: Those expenses as defined in **Section 4(c)**.

Storage Areas: The storage area located on the 1st floor containing Storage Lockers for use by Unit Owners.

Storage Lockers: Those lockers in the Storage Areas which are Limited Common Elements.

Sun Deck: The deck located on the roof of the Building available for recreational use by Unit Owners.

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Unit: A part of the Building containing one or more rooms, occupying one or more floors or a part or parts thereof, designed and intended for independent use, and is designated on the Plat as a Unit.

Unit Betterments: With respect to any Unit, additions, alterations, improvements, betterments and decorations made to such Unit, anytime after the completion date of such Unit as originally constructed by Developer.

Unit Owner: The person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit.

2. **Legal Description of Parcel.** The Parcel hereby submitted to the provisions of the Act is legally described on **Exhibit A-1**, attached hereto.

3. **Description of Units.** All Units are delineated on the Plat attached hereto as **Exhibit D** and made a part of this Declaration. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on the Plat. Said Units are legally described on **Exhibit A** attached hereto and made a part hereof.

4. **Use and Ownership of the Common Elements.**

(a) The use of the Common Elements and the right of the Unit Owners with respect thereto shall be subject to and governed by the Act, the Condominium Instruments and the rules and regulations of the Board.

(b) (i) Each Unit Owner shall own an undivided interest in the Common Elements, in the percentage set forth in **Exhibit B** attached hereto and made a part hereof, as a tenant in common with all the other Unit Owners. Except for the Limited Common Elements, each Unit Owner, his or her agents, permitted Occupants, family members and invitees shall have the right to use the Common Elements for all purposes incident to the use and occupancy of his or her Unit as a place of residence and such other incidental uses permitted by the Condominium Instruments, which right shall be appurtenant to, and run with, his or her Unit.

(ii) Each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements contiguous to and serving only his or her Unit and the Limited Common Elements access to which is available only through his or her Unit. The right to the exclusive use and possession of the Limited Common Elements as aforesaid shall be appurtenant to and run with the Unit of such Unit Owner. The Limited Common Elements shall include but not be limited to, the following: (a) the interior surface of the perimeter walls, ceilings and floors which define the boundary planes of a Unit; (b) perimeter doors and windows which serve exclusively a single Unit; (c) any system or component part thereof which serves a Unit exclusively, to the extent

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that such system or component part is located outside the boundaries of a Unit; (d) storage lockers which serve an individual Unit exclusively and are designated with or to a particular Unit number; and (e) balconies which are contiguous to a Unit, if any, and designated as limited common elements. Any portion of the Common Elements which by the terms of this Declaration or by its nature or location is clearly intended to serve exclusively a certain Unit or Units (but less than all of the Units) or the owner or owners thereof shall be deemed a Limited Common Element.

(c) (i) The Parking Spaces are hereby designated and shall be part of the Limited Common Elements, and unless and until Declarant transfers Parking Spaces to other Unit Owners, in accordance with **Section 4(c)(ii)** hereof, the right to the exclusive use and enjoyment of all of the Parking Spaces is reserved for the Unit or Units (as the case may be) of which Declarant is the Unit Owner. Parking Spaces shall be used for the parking of a single private, non-commercial automobile, motorcycle or similar motorized vehicle. The legal description of each Parking Space shall consist of the identifying symbol of such Parking Space as shown on the Plat, e.g. "P-8", and every such description shall be deemed good and sufficient for all purposes.

(ii) Any and each of the Parking Spaces may be transferred by any Unit Owner (including Declarant) to any other Unit Owner subject to and in accordance with the following provisions of this **Section 4(c)(ii)**. Declarant may transfer any Declarant Parking Spaces to (1) any purchaser of a Unit by including a statement in Declarant's deed of conveyance to such purchaser that such Parking Space or Parking Spaces, as the case may be, are being so transferred to the Unit Owner of the Unit described therein, or (2) any other Unit Owner by way of separate assignment from Declarant to such Unit Owner where in the Parking Space or Parking Spaces, as the case may be, and the Unit of such transferee is specified. Each such deed or assignment by Declarant transferring any Declarant Parking Space shall (1) contain a certificate that a copy of the same has been delivered to the Board, (2) be deemed, for all purposes, an amendment to the Declaration made in accordance with the requirements of the Act, and (3) shall become effective when the same is recorded. Any Unit Owner other than Declarant may transfer any Parking Space assigned to a Unit Owner by such Unit Owner to any other Unit Owner in the manner specified in **Section 4(v)** below hereof respecting transfers of other Limited Common Elements. From and after the time any Parking Space is transferred and assigned from one Unit to another Unit (whether by Declarant or any other Unit Owner), such Parking Space shall be deemed to be transferred with the Unit to which it is so assigned, if and when such Unit is so transferred, even though the legal description in the instrument conveying or encumbering such Unit may refer only to the fee title to that Unit.

(iii) Declarant shall have the unrestricted right to lease or license the use of any Declarant Parking Spaces to any user thereof on such terms and conditions as are acceptable to Declarant, provided that the use of such Parking Spaces shall be subject to reasonable requirements pertaining to user and vehicle identification and other safety measures, as are applicable to all other users of Parking Spaces. Unit Owners other than Declarant shall have the right to license the right to use any Parking Space assigned to the Unit of such Unit Owner to any other Unit Owner or lease to a non-Unit Owner provided that a copy of such licensing agreement or lease is furnished to the Board and the same is for longer than 30 days.

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(iv) For any year the Board may in its discretion allocate Parking Garage Expenses to and among the Unit Owners to whom Parking Spaces are assigned, in which case, it shall be the duty of each Unit Owner to whose Unit one or more Parking Spaces is by this Declaration or hereafter assigned (including Declarant with respect to Declarant's Parking Spaces) to pay for each such Parking Space a portion of the Parking Garage Expenses equal to the quotient resulting from dividing the aggregate amount of such Parking Garage Expenses by the total number (forty (40)) of Parking Spaces in the Parking Garage and each monthly assessment to each such Unit Owner, as authorized and specified in the Bylaws, shall include, an addition for such Unit Owner's share of such Parking Garage Expenses ("User Charge for Parking Garage Expenses").

(v) The rights in Limited Common Element Parking Spaces assigned to a Unit pursuant to Section 4(c)(ii) shall be deemed to be transferred with the Unit, even though the legal description in the instrument conveying or encumbering such Unit may refer only to the fee title of the Unit. The use of Limited Common Elements assigned to a Unit pursuant to Section 4(c)(ii), may be transferred between Unit Owners at their expense, provided that the transfer may be made only in accordance with the Condominium Instruments, and the provisions of the Act. Each transfer shall be made by an amendment to the Declaration executed by all Unit Owners who are parties to the transfer and consented to by all other Unit Owners who have any right to use the Limited Common Element Parking Spaces affected. The amendment shall contain a certificate showing that a copy of the amendment has been delivered to the Board. No transfer shall become effective until the amendment has been Recorded. Rights and obligations in respect to any Limited Common Element Parking Spaces shall not be affected, nor shall any transfer of them be effective, unless a transaction is in compliance with the requirements of the Act, and, except as aforesaid, the rights in Limited Common Elements shall not be transferred separately from a Unit.

5. **Declarant's Easements.** Such rights to use and possess the Common Elements shall be subject to a blanket easement over the Common Elements and Limited Common Elements in favor of Developer and its representatives, agents, associates, employees, contractors, subcontractors, tenants, successors and assigns, over, under and through said Common Elements and Limited Common Elements, or any part thereof, for purposes of access and ingress to and egress from said Common Elements and Limited Common Elements, and for purposes of marketing, sales, brokerage, construction, installation, repair, replacement and restoration of utilities, driveways, buildings, landscaping and any other improvements on said Common Elements and Limited Common Elements until Declarant is no longer a Unit Owner and until the Developer no longer has obligations to Unit Owners regarding the purchase of their units.

6. **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 including Limited Common Element Parking Spaces not sold to Unit Owners, if any, and if transferred to the Association by the Developer. The rental, fees and terms of any such lease, license or concession shall be determined by the Board and any and all

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proceeds therefrom shall be used to pay the Common Expenses and shall be taken into account in the preparation of the annual budget.

7. **Common Facilities.** One (1) outside sun deck ("Sun Deck"), one (1) storage area ("Storage Area") containing storage lockers ("Storage Lockers"), two (2) bicycle storage rooms ("Bike Room"), one (1) exercise room ("Exercise Room") and one (1) business center ("Business Center") as well as all equipment and related facilities servicing such areas or utilized therein (collectively, the "Common Facilities") shall be part of the Common Elements. Each Unit Owner shall have the right to use the Common Facilities (subject to easements, leases or concessions made by or assigned to the Board or the Association) in common with all other Unit Owners; provided, however, that such use shall be subject to and governed by the provisions of the Act, the Declaration and the By-Laws and the rules and regulations of the Association. Such right shall extend not only to each Unit Owner but also to his or her agents, tenants, servants, family members, invitees and licensees (however, the rights of guests, invitees or licensees of Unit Owners to use the Common Facilities are subject to the rules and regulations by the Association).

The Board shall have the right and power to assign the right to use the Bike Room of the Condominium to Unit Owners on such terms and subject to such conditions as the Board may determine from time to time. Notwithstanding anything to the contrary contained in this Declaration, neither the Board, the Association, any Unit Owner or the Developer shall be considered a bailee of any personal property stored in the Common Elements and/or Limited Common Elements and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence.

8. **Encroachments and Easements.**

(a) If any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements, or any portion of any Unit encroaches upon any part of any other Unit as a result of the construction, repair, reconstruction, settlement or shifting of a Building, valid easements for the maintenance of such encroachment are hereby established and shall exist for the benefit of such Unit or Common Elements so encroaching so long as all or any part of the Building containing such Unit or Common Elements so encroaching shall remain standing; provided, however, that after the date this Declaration is recorded, a valid easement for an encroachment shall in no event be created in favor of any owner of a Unit other than the Declarant or in favor of the owners of the Common Elements if such encroachment occurred due to the willful conduct of said owner or owners.

(b) Easements are hereby declared and granted for utility purposes, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, and electrical conduits, wires and equipment over, under, along and on any part of the Common Elements, as they exist on the date the Parcel is submitted to the Act.

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(c) All public and private utilities serving (i) the Parcel, (ii) any portion of the Property or (iii) any portion of the Parcel are hereby granted a blanket easement over the Common Elements, granting such utilities, including any Person providing cable or satellite television or other similar entertainment, the right to install, lay, operate, construct, maintain, repair and replace any conduits, cables, pipes, wires, ducts, transformers, public utility lines, structural components and other equipment, into, over, under, along and through the Common Elements for the purpose of providing utility services to the Parcel (or any portion thereof), together with the reasonable right of ingress to and egress from the Property for such purpose, and granting such utilities the right to install, lay, operate, construct, maintain, repair and replace any conduits, cables, pipes, wires, ducts, transformers, public utility lines, structural components and other equipment running through the walls of a Unit, whether or not such walls lie in whole or in part within the Unit boundaries. Furthermore, easements are hereby granted to the suppliers of water to the Units to maintain and repair the meter located in the Common Elements, together with the reasonable right of ingress to and egress from the meter for said purpose. The Board may hereafter grant other or additional easements for utility purposes for the benefit of the Property and/or the Parcel, over, under, along and on any portion of said Common Elements, and each Unit Owner hereby grants the Board an irrevocable power of attorney to execute, acknowledge and record for and in the name of such Unit Owner, such instruments as may be necessary or appropriate to effectuate the foregoing.

(d) The City of Chicago and any other governmental agency or authority which has jurisdiction over the Property and/or the Parcel or which undertakes to provide services (including, without limitation, emergency services) to the Parcel are hereby declared, granted and reserved access easements for ingress and egress to, over and across the Property for the purpose of providing any such services.

(e) Upon approval by Unit Owners owning at least 67% of the undivided ownership of the Common Elements, portions of the Common Elements may be dedicated to a public body for purposes of streets. Where such a dedication is made, nothing in the Act or any other law shall be construed to require that the real property taxes of every Unit must be paid prior to the Recording of the dedication. Upon approval by a Majority of the Unit Owners, an easement may be granted to a governmental body for construction, maintenance, repair or for protection against water damage or erosion. Any action pursuant to this **Section 8(e)** must be taken at a meeting of Unit Owners duly called for that purpose.

(f) The Storage Areas of the Property and the Bike Room are included in the Common Elements. The Board shall have the right and power to assign the use of the Bike Room to Unit Owners on such terms and subject to such conditions as the Board may determine from time to time. Notwithstanding anything to the contrary contained in this Declaration, neither the Board, the Association, any Unit Owner, or Declarant shall be considered a bailee of any personal property stored in the Storage Areas, the Bike Room or the Common Elements nor shall such persons be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence.

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(g) In addition to the easements provided for herein, the Board, on behalf of all of the Unit Owners, shall have the right and power (i) to grant such easements with respect to the Common Elements (except the Limited Common Elements) as the Board deems necessary and proper for the benefit of any portion of the Property, 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 television system or other communication systems and/or (ii) to cancel, alter, change or modify any easement which affects the Property and does not benefit solely a Unit Owner, as the Board shall, in its discretion, determine.

(h) All easements and rights described herein are easements appurtenant, running with the Parcel, and shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any owner, purchaser, mortgagee and other person having an interest in the Property, or any part or portion thereof.

(i) Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Declaration, shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of (i) the Property or any portion thereof and (ii) the Units as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

9. **Pipes, etc.** All pipes, wires, ducts, flues, chutes, conduits, public utility lines (to the outlets), and structural components located in or running through a Unit and serving more than one Unit or another Unit or serving, or extending into, the Common Elements, or any part thereof, shall be deemed part of the Common Elements but shall not be deemed to be Limited Common Elements. No Unit Owner may take any action which would interfere with the ability of the Association to repair, replace or maintain said Common Elements as provided herein.

10. **Lease of Units or Sublease or Assignment of Lease Thereof.** Any Unit Owner shall have the right to lease, or permit a subsequent sublease or assignment of all (but not less than all) of his or her Unit upon such terms and conditions as the Unit Owner may deem acceptable, except that no Dwelling Unit shall be leased or subleased for hotel or transient purposes for terms less than six (6) months (except, however, for Unit Owners who are absent on an annual basis, for more than two (2) consecutive months). No Parking Space shall be leased or subleased for a term of less than one (1) month. No portion of a Unit which is less than the entire Unit shall be leased. Further, no more than thirty percent (30%), in number, of the Dwelling Units may, in the aggregate, be leased at any given time without the prior written consent of the Board or the managing agent of the Property acting in accordance with the Board's direction. Each lease of any one or more Units shall be in writing and a copy of every such lease, as and when executed shall be furnished to the Board. The lessee under every such lease shall be bound by and subject to all of the obligations under this Declaration and By-Laws of the Unit Owner making such lease and the failure of the lessee to comply therewith shall constitute a default under the lease which shall be enforceable by the

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Board or the Association, and the lease shall be deemed to expressly so provide. The Unit Owner making such lease shall not be relieved thereby from any of said obligations including payment of assessments and User Charges and is subject to this **Section 10** and **Section 14(q)** of the Declaration. Notwithstanding the foregoing, Developer and Declarant may lease, without limitation, any Unit and/or any Parking Space owned by them for any term until such time as Developer or Declarant ceases owning such Unit or Parking Space. In addition to any other remedies, by filing an action jointly against the Unit Owner and the lessee, sublessee or assignee, the Association may seek to enjoin a lessee, sublessee or assignee from occupying a Unit or may seek to evict a lessee, sublessee or assignee under the provisions of Article IX of the Code of Civil Procedure for failure of the lessor-Unit Owner to comply with the leasing requirements prescribed by this **Section 10** and **Section 14(q)** of the Declaration, the By-Laws, and the rules and regulations established by the Board.

11. Association.

(a) The Declarant, prior to the first annual meeting of Unit Owners, or the Association, thereafter, may cause the formation of an Illinois not-for-profit corporation for the purpose of facilitating the administration and operation of the Property and to act as the Association.

(b) Whether or not the Association is incorporated:

(i) each Unit Owner shall be a member of such Association, which membership shall terminate upon the sale or other disposition by such member of his or her Unit, at which time the new Unit Owner shall automatically become a member therein;

(ii) the provisions of **Exhibit C** of this Declaration shall be adopted as the initial By-Laws of such Association; and

(iii) the name of such Association shall be 2300 Commonwealth Condominium Association, or a similar name.

12. Insurance, Repair and Reconstruction.

(a) The Association shall acquire, and pay for out of the Maintenance Fund herein provided for, the following:

(i) Such insurance as the Association is required to obtain under the provisions of the Act or the provisions hereof and such other insurance as the Association deems advisable in the operation, and for the protection, of the Common Elements and the Units. The Association shall also comply with the insurance requirements of the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA"), the U.S. Department of Housing and Urban Development ("HUD"), the Federal Housing Authority ("FHA") or the Veteran's Administration ("VA") to the extent that: (1) such agency is a mortgagee, assignee of a mortgagee or an insurer or guarantor of a first

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mortgage with respect to any Unit and the Association is so notified thereof; and (2) such agency's requirements do not conflict with those contained in the Act. Any losses under such policies of insurance shall be payable, and all insurance proceeds recovered thereunder shall be applied and disbursed, in accordance with the provisions of this Declaration and the Act.

The Association may engage the services of any bank or trust company authorized to do business in Illinois to act as trustee or agent on behalf of the Association for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms as the Association shall determine consistent with the provisions of this Declaration. In the event of any loss resulting in the destruction of the major portion of one or more Units, occurring after the first annual meeting of the Unit Owners is held pursuant to the provisions of the By-Laws, the Association shall engage a corporate trustee as aforesaid upon the written demand of the mortgagee or owner of any Unit so destroyed. The fees of such corporate trustee shall be Common Expenses.

Each Unit Owner, other than the Declarant, shall notify the Association in writing of any additions, alterations or improvements to his or her Unit and he shall be responsible for any deficiency in any insurance loss recovery resulting from his or her failure so to notify the Association. The Association shall use its reasonable efforts to obtain insurance on any such additions, alterations, improvements or other Unit Betterments if such Unit Owner requests it to do so and if such Unit Owner shall make arrangements satisfactory to the Association to reimburse it for any additional premiums attributable thereto; and in the absence of insurance on such additions, alterations, improvements or other Unit Betterments, the Association shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations, improvements or other Unit Betterments. All such policies of insurance shall contain standard mortgage clause endorsements in favor of the mortgagee of each Unit and shall provide that such policies shall not be terminated, canceled or substantially modified without at least thirty (30) days' prior written notice to the mortgagee of each Unit.

(ii) The Board in conjunction with its obligations in this Declaration shall have the authority to and shall obtain insurance for the Property and/or Parcel as follows:

(1) Physical damage insurance on the Property (but excluding additions, alterations, improvements and Unit Betterments), subject to the following conditions:

(A) The Property shall be insured for an amount not less than one hundred percent (100%) of its full insurable replacement cost. Insurable replacement costs shall be deemed the cost of restoring the Common Elements, Units (excluding Unit Betterments

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except as aforesaid) or any part thereof to substantially the same conditions in which they existed prior to damage on destruction;

(B) Replacement cost values are to be reviewed annually, and the insurance policy or policies shall be endorsed with an agreed amount clause. The cost of any and all appraisals for insurance purposes shall be Common Expenses;

(C) Perils to be covered by such policies shall be no less than "all risk" or "special form" on real property and "broad form" named perils on personal property, and such other perils as may be deemed appropriate by the Board.

(2) Comprehensive General Liability insurance covering personal injury and property damage insuring against hazards of premises/operations, products and completed operations, contractual liability, personal injury liability (with exclusions (a) and (c) deleted), independent contractors and other extensions as deemed necessary by the Board. Such insurance shall provide limits of liability as deemed desirable by the Board, but in no event for less than One Million Dollars (\$1,000,000.00) with respect to each occurrence. Such policy shall be endorsed to cover cross-liability claims of one insured against the other.

(3) Umbrella Liability insurance in excess of the required Comprehensive General Liability and Employer Liability policies in an amount deemed desirable by the Board, but in no event less than Three Million Dollars (\$3,000,000.00) with respect to each occurrence. Such policy shall include coverage for damages caused by the sprinkler system in the Building. Such policy shall be no less than "following form" coverage of the primary liability policies.

(4) Worker's Compensation and Employer Liability (minimum amount \$100,000) as necessary to comply with applicable laws, including Voluntary Compensation to cover employees not covered under the Illinois statute for benefits.

(5) Fidelity bond insuring the Association, the Board and the Unit Owners against loss of funds as a result of the fraudulent or dishonest acts of any employee of the Association or its management agent or of any other person handling the funds of the Association, the Board and the Unit Owners in such amounts as the Board shall deem necessary but not less than 150% of the annual operating expenses of the Association, including reserves (or the maximum amount of coverage available to protect such funds). The premium

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for such fidelity bond shall be a Common Expense. Such bond shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression. Such bond shall provide that it may not be canceled for non-payment of any premiums or otherwise substantially modified without sixty (60) days prior written notice to all holders of first mortgages of record. Notwithstanding anything contained herein to the contrary, if the Board does not hire a management company or if fidelity insurance is not required by the Act, the Board shall not be required to obtain such insurance.

(6) Directors and Officers Liability insurance in such amounts as the Board shall determine to be reasonable.

(7) Such other insurance, which may include, without limitation, any or all of the following, in such amounts as the Board shall deem desirable; Boiler/Machinery, if applicable; Plate Glass insurance; Errors and Omissions coverage for the directors of the Board; and Medical Payments coverage for members of the public (not Unit Owners) injured on the Property, without regard to liability of the Board or the Association.

(iii) Such other forms of insurance as the Association shall elect to effect, including such worker's compensation insurance as may be necessary to comply with applicable laws.

(b) Except as otherwise provided in this Declaration, premiums for all insurance obtained or maintained by the Association, and the cost of any appraisal which the Association deems advisable in connection with any insurance, shall be Common Expenses.

(c) The Association shall secure insurance policies that will provide for the following:

(i) with respect to the insurance provided for in Section 12(a)(ii), for coverage of cross liability claims of one insured against another and to preclude the insurer's denial of a Unit Owner's claim because of negligent acts of the Association or of other Unit Owners; and

(ii) a waiver of any rights to subrogation by the insuring company against any named insured or any other owner of Property in the Parcel.

(d) The Association may, but shall not be required to, secure policies providing:

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(i) with respect to the insurance provided for in **Section 12(a)(i)**, that the policy cannot be canceled, invalidated or suspended on account of the conduct of any one or more individual Unit Owners; and

(ii) with respect to the insurance provided for in **Section 12(a)(i)**, that the insurer shall not have the option to restore the Property, if the Property is sold or removed from the provisions of the Act.

(e) Each Unit Owner shall be responsible for insurance coverage on the furnishings and other items of personal property belonging to a Unit Owner which are contained in a Unit and not a part of the Unit, and not insured pursuant to **Section 12(a)(i)**, and insurance for his or her personal liability to the extent not covered by insurance maintained by the Association.

(f) Upon the cancellation of any policy of insurance which the Association is required to obtain hereunder, the Association shall notify each party insured thereunder of such cancellation.

(g) In the event of fire or other disaster, the insurance proceeds, if sufficient to reconstruct the affected Building, shall be applied to restore such Building to substantially the same condition in which it existed prior to the fire or other disaster, with each Unit and Common Elements to have the same vertical and horizontal boundaries as before the fire or other disaster.

(h) If, in the event of fire or other disaster, the insurance proceeds are insufficient to restore the affected Building as set forth in the preceding sub-section, then:

(i) The Board shall call a meeting of Unit Owners to 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 fire or other disaster which caused the damage.

(ii) At such meeting, the Board shall present an estimate of the cost of repair or reconstruction, together with an estimate of the portion of such cost which must be raised by way of special assessment.

(iii) The affected Building shall be restored and the proposed special assessment shall be levied only upon the affirmative vote of Unit Owners owning at least 75% of the undivided ownership of the Common Elements.

(iv) If the Unit Owners do not vote to restore the affected Building at the meeting provided for in **Section 12(h)(i)** above, then the Board may, at its discretion, call another meeting or meetings of Unit Owners to reconsider the question. If the Unit Owners do not vote to restore the affected Building within one hundred eighty (180) days after the

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fire or other disaster, then the Board may (but shall not be required to) Record a notice as permitted under the Act.

(v) If the Unit Owners do not vote to restore the affected Building under the provisions of **Section 12(h)(iv)**, and the Board does not Record a notice as permitted under the Act, then the Unit Owners may, upon the affirmative vote of a Majority of Unit Owners voting at a meeting duly called for that purpose and with the consent of all First Mortgagees, authorize the President or Vice President and the Secretary or Assistant Secretary to execute and Record an amendment to this Declaration for the purpose of withdrawing any portion of the affected Building from the Act. Upon the withdrawal of any Unit or portion thereof, the percentage interest in the Common Elements appurtenant to such Unit shall be reallocated among the remaining Units on the basis of the relative percentage interest of the remaining Units. If only a portion of a Unit is withdrawn, the percentage interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution of the market value of the Unit, as determined by the Board. The allocation of any insurance, or other proceeds to any withdrawing or remaining Unit Owners shall be on an equitable basis, which need not be a Unit's percentage interest in the Common Elements.

Any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage interest in the Common Elements. Any such proceeds available from the withdrawal of Limited Common Elements shall be distributed in accordance with the percentage interests of those entitled to their use. Upon the withdrawal of any Unit or portion thereof, assessments attributable to the period after such withdrawal shall no longer be required for such withdrawn Unit or shall be equitably reduced to reflect such withdrawn portion.

13. **Separate Real Estate Taxes.** It is understood that real estate taxes are to be separately taxed to each Unit Owner for his or her Unit and its corresponding percentage of ownership of the Common Elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, then the Developer shall collect from each Unit Owner of a Unit not separately taxed, the proportionate share of the tax bill attributable to his or her Unit, based on the relative percentages of ownership of the Common Elements of each such Unit not separately taxed in proportion to the total percentage of ownership of the Common Elements of all of the Units located on the Property affected by such tax bill. Such taxes shall be considered a Common Expense of each such Unit and the Association shall be responsible for any shortfall of funds necessary for payment of such tax bill.

14. **Use and Occupancy of Units and Common Elements.** The Units and Common Elements shall be occupied and used as follows:

(a) No Unit shall be used for other than housing and the related common purposes for which the Property was designed. Each Dwelling Unit or any two or more adjoining Dwelling

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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 purposes. That part of the Common Elements separating any two or more adjoining Units used together may be altered to afford ingress and egress to and from such adjoining Units in accordance with the rules and regulations of the Association and upon such conditions as shall reasonably be determined by the Association, provided, however, that (i) such alteration or removal shall not impair or weaken the structural integrity of any Unit or any portion of the Common Elements; (ii) the Unit Owner shall furnish the Board not less than ten (10) day prior to the date the Unit Owner desires to commence such work all plans detailing the work to be done; (iii) the Board consents to the performance of such work and a Certificate of Insurance naming the Board as an additional insured for any liability; (iv) the expense of such alterations shall be paid in full by the Unit Owner making such alterations; (v) such Unit Owner shall pay in full the expense of restoring such Common Elements to their former condition prior to such alterations in the event such Units cease to be used together; and (vi) such Unit Owner and the work comply with all applicable building, health and safety laws, codes, rules, ordinance and regulations; provided, however, that the foregoing subsections (ii) and (iii) shall not apply to Developer or to Declarant.

(b) Until the Developer sells all of its Limited Common Element Parking Spaces, the Developer may directly or indirectly operate the garage as a commercial business for the Parking Spaces owned by Developer. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designed for profit, altruism, exploration, or otherwise, shall be conducted, maintained, or permitted on any part of the Condominium other than the Parking Garage. Except for appropriate signs permitted hereby, no signs shall be placed outside any Unit or shall be visible from the outside of any Unit. No "For Sale" or "For Rent" signs, advertising or other signs or displays shall be maintained or permitted on any part of the Condominium except at such location and in such form as shall be determined by the Association. The right is reserved by the Developer or its agent or agents, to place "For Sale" or "For Rent" signs on any unsold or unoccupied Units, and on any part of the Common Elements, and the right is hereby given to any First Mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such First Mortgagee. Until all the Units are sold and conveyed, the Developer shall be entitled to access, ingress and egress to the Property and the Parcel as it shall deem necessary in connection with the sale of, or work in, the Common Areas or any Unit. The Developer shall have the right to use any unsold Unit or Units as model apartments or for sales or display purposes, and to relocate the same from time to time, and to maintain on the Property, until the sale of the last Unit or Parking Space, all models, sales offices and advertising signs or banners, if any, and lighting in connection therewith. In addition to the foregoing, Developer, or its agents or designees, shall have access to, and ingress and egress over, the Property for purposes of photographing or drawing the Property, or any part thereof, and to use such photographs or drawings in any marketing or other materials as Developer shall choose; and such rights shall continue for a period of five (5) years from the date hereof. **Section 14(b)** shall not be construed to prevent or prohibit an owner of a Unit from maintaining a personal professional library, maintaining a computer or other office equipment, keeping personal business or professional records or accounts, handling personal business or professional telephone calls, or conferring with business or professional associates, clients or customers, in his or her Dwelling Unit.

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(c) There shall be no obstruction of the Common Elements and/or Limited Common Elements nor shall anything be stored in the Common Elements and/or Limited Common Elements without the prior consent of the Association except as herein expressly provided. Each Unit Owner shall be obligated to maintain and keep his or her own Unit in good, clean order and repair. The use and the covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the Building, shall be subject to the rules and regulations of the Association.

(d) Nothing shall be done or kept in any Unit, Common Elements or in the Limited Common Elements which will increase the rate of insurance on the Property, or contents thereof, applicable for residential use, without the prior written consent of the Association. No Unit Owner shall permit anything to be done or kept in his or her Unit, Common Elements or in the Limited Common Elements, which will result in the cancellation of any insurance maintained by the Association, or which would be in violation of any law. No waste shall be committed in the Common Elements or Limited Common Elements.

(e) Unit Owners shall not cause or permit anything to be hung or displayed on the outside or inside of windows or placed on the outside walls of the Building or upon the Limited Common Elements and no sign, awning, canopy, shutter, radio or television antenna, dish or other receptive or transmitting device, or other equipment, fixtures or items of any kind, without the prior written permission of the Board or the managing agent, acting in accord with the Board's direction; provided, however, that the foregoing shall not apply to Developer or to Declarant. No shortwave radio or other type of radio transmitter shall be permitted in or about any Unit which may interfere with the radio or television reception in any Unit. No Unit Owner shall at any time install speakers in or on common walls or common ceilings of a Unit. No air conditioning unit of whatever type, other than those installed as of the date this Declaration is recorded or those thereafter installed by the Developer or the Association, may be installed without the prior written permission of the Association.

(f) No animals, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any Unit, Common Elements or in the Limited Common Elements, except that household pets, including dogs and cats, may be kept in Units, subject to rules and regulations adopted by the Association, which rules or regulations may exclude any kind of pet, other than dogs or cats, by type or category, provided that permitted household pets are not kept, bred, or maintained for any commercial purpose; and provided further that any such authorized pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days' written notice from the Association.

(g) No noxious or offensive activity shall be carried on in any Unit, Common Elements or in the Limited Common Elements, 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

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occupants. No Unit Owner shall at any time install speakers in or on common walls or common ceilings of a Unit.

(h) Except as constructed or altered by or with the permission of the Developer or the Association or as permitted by the rules of the Association, (i) nothing shall be done in any Unit or in, on or to the Common Elements or Limited Common Elements which would impair the structural integrity, safety or soundness of the Building or which would structurally change the Building and (ii) no hard surface flooring such as wood, granite, marble, ceramic tile or vinyl shall be installed in any living room, dining room, bedroom or hallway of any Unit without proper subflooring and said flooring installation shall be approved by the Association. The Board may, in addition to other remedies provided for herein, require removal of such non-conforming work, at the expense of the offending Unit Owner.

(i) No clothes, sheets, blankets, laundry or other articles of any kind shall be hung out or exposed on any part of the Common Elements or Limited Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(j) No benches, chairs or other personal property shall be left on, nor shall any playing, lounging, parking of baby carriages, playpens, bicycles, wagons, toys or vehicles be permitted on, any part of the Common Elements or Limited Common Elements without the prior consent of, and subject to any rules and regulations of, the Association.

(k) Nothing shall be altered or constructed in or removed from the Common Elements or Limited Common Elements, except as constructed or altered by or with the permission of the Developer at any time prior to the first annual meeting of the Unit Owners, without the written consent of the Association.

(l) Each Unit Owner and the Association hereby waive and release any and all claims which he or it may have against any other Unit Owner, the Association, members of the Board, the Developer, and the owners of other parcels as described in the 2300 Commonwealth Easement Agreement and their respective employees and agents, for damage to the Common Elements, the Limited Common Elements, the Units, or to any personal property located in the Units, Common Elements or Limited Common Elements, caused by fire or other casualty or any act or omission referred to in **Section 14(m)**, to the extent that such damage is covered by fire or other form of hazard insurance.

(m) If the act or omission of a Unit Owner, or of a member of his or her family, a household pet, guest, Occupant or visitor of such Unit Owner, shall cause damage to the Common Elements, Limited Common Elements, or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be at the Common Expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Association, to the extent such payment is not waived or released under the provisions of **Section 14(l)**.

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(n) Any release or waiver referred to in **Section 14(l)** and **14(m)** hereof shall be valid only if such release or waiver does not affect the right of the insured under the applicable insurance policy to recover thereunder.

(o) Unit Owners shall not do work or alterations which in any way effect the following: concrete, floor, ceiling, heating/cooling system, fan coil units, life safety, ventilation or any other structural, mechanical, electric or plumbing elements that involve any system or component of such system, necessary for common use. No exterior modifications are permitted, nor any altering or replacement of the doors to a Unit from the common hallway. No Unit Owner shall overload the electric wiring in the Building, or operate machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Association, 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 or the managing agent, acting in accord with the Board's direction. No Unit Owner shall overload the floors of any Unit. Waterbeds and other furnishings which may cause floor overloads shall not be placed, kept or used in any Unit except only in accordance with advance written Board approval.

(p) The Board or its agents, upon reasonable notice or, in the case of an emergency, without notice, shall have the right to enter any Unit, including any of the Limited Common Elements appurtenant thereto, when necessary in exercise of its authority hereunder, 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 Unit Owners as practicable, and any damage caused thereby shall be repaired by the Board, as a Common Expense.

(q) **Limits on Lease Terms.** No Dwelling Unit shall be leased or subleased for hotel or transient purposes or terms less than six (6) months (except, however, for Unit Owners who are absent on an annual basis, for more than two (2) consecutive months). No Parking Space shall be leased or subleased for a term of less than one (1) month. No portion of a Unit which is less than the entire Unit shall be leased. Further, no more than thirty percent (30%), in number, of the Dwelling Units may, in the aggregate, be leased at any given time without the prior written consent of the Board or the managing agent of the Property acting in accordance with the Board's direction. Each lease of any one or more Units shall be in writing and a copy of every such lease, as and when executed shall be furnished to the Board. The lessee under every such lease shall be bound by and subject to all of the obligations under this Declaration and By-Laws of the Unit Owner making such lease and the failure of the lessee to comply therewith shall constitute a default under the lease which shall be enforceable by the Board or the Association, and the lease shall be deemed to expressly so provide. The Unit Owner making such lease shall not be relieved thereby from any of said obligations including payment of assessments and User Charges and is subject to this **Section 14(q)** and **Section 10** of the Declaration. Notwithstanding the foregoing, Developer and Declarant may lease, without limitation, any Unit and/or any Parking Space owned by them for any term until such time as Developer or Declarant ceases owning such Unit or Parking Space.

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(r) A lease of a Unit or Limited Common Element or interest therein, by Declarant or Developer shall not be subject to the provision of **Section 14(q)**. **Section 14(q)** cannot be amended or deleted without the prior written consent of Declarant and Developer, so long as Declarant owns any Units.

(s) **Zoning and Easement Obligations.** No Unit Owner shall make any alteration, addition or improvement or allow any use of their Unit or Limited Common Element or take or fail to take any action which would violate the provisions of the Chicago Zoning Ordinance and specifically PD 458, as said ordinance may be amended from time to time, or any similar or successor ordinance in effect from time to time hereafter and applicable to the Property or any portions thereof or any portion of the property governed by the 2300 Commonwealth Easement Agreement. No Unit Owner shall have the right to request or obtain any amendment to the Chicago Zoning Ordinance, or any similar or successor ordinance in effect from time to time hereafter and applicable to the Property or any portions thereof, as applicable to the Property without the consent of three-fourths (3/4) of the votes of the other Unit Owners voting on the basis of their respective percentage interests in the Common Elements as provided in the Declaration.

(t) **Non-Use and Abandonment.** No Unit Owner may waive or otherwise escape liability for assessments or User Charges provided for herein by non-use of the Common Elements, Limited Common Elements or his or her Unit.

15. **Decorating.**

(a) **Decorating.** Each owner of a Dwelling Unit at his or her own expense shall furnish and be responsible for all decorating within his or her own Unit and Limited Common Elements serving his or her Unit except Limited Common Element Parking Spaces, as may be required from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lighting and other furnishings and decorating. Each owner of a Dwelling Unit shall be entitled to the exclusive use of the interior surfaces subject to the rules and regulations of the Association, but each such owner of a Dwelling Unit shall have the right to decorate such interior surfaces from time to time as he or she may see fit and at his or her sole expense subject to the limitation on hard surface flooring in **Section 14(h)** above.

(b) **Decorating of the Common Elements (other than interior surfaces within the Dwelling Unit as above provided and other than Limited Common Elements) and any redecorating of Dwelling Units, to the extent such redecorating is made necessary by damage to Units caused by maintenance or the lack thereof, repair or replacement of the Common Elements by the Association, shall be furnished by the Association as part of the Common Expenses. The interior surfaces of all windows forming part of the perimeter wall of a Dwelling Unit shall be cleaned or washed at the expense of the owner of that Dwelling Unit. The exterior surfaces of all windows shall be cleaned by the Association and the cost thereof treated as a Common Expense.**

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16. Violation of Declaration. The violation of any rule or regulation adopted by the Association or the breach of any covenant or provision contained in this Declaration, the By-Laws, 2300 Commonwealth Easement Agreement or any other existing easement agreement by any Unit Owner, shall, in addition to any other rights provided for in this Declaration, the By-Laws, 2300 Commonwealth Easement Agreement or any other existing easement agreement, give the Association the right: (a) to enter upon the Unit, or any portion of the Property upon which, or as to which, such violation or breach exists and to 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 meaning of the provisions hereof, and neither the Association nor the officers, employees or agents thereof shall thereby be deemed guilty in any manner of trespass except, however, that judicial proceedings must be instituted prior to alteration or demolition of any items of construction; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession of such Unit Owner's interest in the Property and to maintain an action for possession of such Unit in the manner provided by law.

Provided, however, that except in cases of emergency where damage to persons or property is threatened, the Association shall not take any such action unless (a) it has first given the Unit Owner alleged to have violated any restriction, condition or regulation adopted by the Association or alleged to be in breach of any covenant or provision of this Declaration or the By-Laws, a hearing on such allegations pursuant to rules and regulations adopted by the Association, (b) the Association shall have determined such allegations to be true and (c) the Unit Owner shall not have desisted from such violation or breach or shall not have taken such steps as shall be necessary to correct such violation or breach within such reasonable period of time as determined by the Association and communicated to the Unit Owner. Any and all costs and expenses incurred by the Association in the exercise of its authority as granted in this **Section 16**, including but not limited to court costs, reasonable attorneys' fees as determined by a court of competent jurisdiction, and cost of labor and materials shall be paid by the Unit Owner in violation, and, until paid by such Unit Owner, shall constitute a lien on the interest of such Unit Owner in the Property, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Act with respect to liens for failure to pay a share of the Common Expenses. Any such lien shall be junior and subordinate to the lien of a First Mortgagee with respect to such Unit.

Furthermore, if after hearing and finding as aforesaid and failure of the Unit Owner to desist from such violation or to take such corrective action as may be required, the Association shall have the power to issue to the defaulting Unit Owner a ten (10) day notice in writing to terminate the rights of the said defaulting Unit Owner to continue as a Unit Owner and to continue to occupy, use or control his or her Unit, and thereupon an action in equity may be filed by the Association against the defaulting Unit Owner for a decree declaring the termination of the defaulting Unit Owner's right to occupy, use or control the Unit owned by him or her on account of the violation of a rule or breach of covenant or provision as aforesaid and ordering that all the right, title and interest of the Unit Owner in the Property shall be sold 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 reacquiring his or her interest at such judicial sale or by virtue of the exercise of any right of redemption which

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may be established, and except that the court shall direct that any existing first mortgage be retired out of the proceeds of such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, 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 thereof shall thereupon be entitled to a deed to the Unit 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 so provide, that the purchaser shall take the interest in the Property sold subject to this Declaration.

Any Unit Owner in default hereunder or under the provisions of the By-Laws or any rule or regulation adopted by the Association shall pay to the Association, as an agreed Common Expense with respect to his or her Unit, all interest, late charges, reasonable attorneys' fees, costs of collection and amount of any fine by the Association in enforcing the provisions of the By-Laws, this Declaration or the rules and regulations of the Association as to which the Unit Owner is in default including the 2300 Commonwealth Easement Agreement. Until such amounts are paid by the Unit Owner, the total amount thereof shall constitute a lien on the interest of the Unit Owner in the Property, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Act with respect to liens for failure to pay a share of the Common Expenses. Any such liens shall be junior and subordinate to the lien of a First Mortgagee with respect to such Unit.

17. **Entry by Association.** The Association or its officers, agents or employees may enter any Unit when necessary in connection with any painting, maintenance, repair or reconstruction for which the Association is responsible, or which the Association has the right or duty to perform. Such entry shall be made with as little inconvenience to the Unit Owner as practicable, and except in the event of emergency shall be done upon reasonable notice to the Unit Owner. Any damage caused thereby shall be repaired by the Association as a Common Expense.

18. **Grantees.** Each grantee of Declarant, each purchaser under Articles of Agreement for Deed and each tenant, subtenant or assignee under a lease, sublease or assignment accepts the same subject to all easements, restrictions, conditions, covenants, reservations, liens and charges, the By-Laws, the rules and regulations of the Association, and the jurisdiction, rights and powers created or reserved by this Declaration, and the provisions of the Act, as at any time amended, and all easements, rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of each grantee in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance.

19. **Failure to Enforce.** No terms, obligations, covenants, conditions, restrictions or provisions imposed hereby or contained herein shall be abrogated or waived by any failure to enforce the same, no matter how many violations or breaches may occur.

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20. Notices. Whenever any notice is required to be given under the provisions of this Declaration or the By-Laws, a waiver thereof in writing by the person or persons entitled to such notice, whether before or at the time stated therein, shall be deemed equivalent to the giving of such notice, provided such waiver or the time of giving same is not contrary to the provisions of the Act. Notices required to be given to any devisee or personal representative of a deceased Unit Owner shall be delivered by mail to such party at his or her or its address appearing in the records of the court wherein the estate of such deceased owner is being administered.

Other notices required or permitted to be given shall be in writing and shall be given in the manner set forth in the Condominium Instruments.

21. Amendments.

(a) Except as otherwise provided herein, this Declaration may be amended, changed or modified by an instrument in writing setting forth such amendment, change or modification, signed and acknowledged by all members of the Board, all of the Unit Owners and each mortgagee having a bona fide lien of record against any Unit. Except as herein otherwise provided, other provisions of this Declaration may be amended, changed or modified, upon approval of the Unit Owners collectively owning a percentage interest of at least 67% in the Common Elements, by an instrument in writing setting forth such amendment, change or modification, signed and acknowledged by the President or Vice-President and the Secretary or Assistant Secretary of the Association and containing an affidavit by an officer of the Association certifying that (i) the Unit Owners owning a collective percentage interest of at least 67% in the Common Elements have approved such amendment, change or modification, and (ii) a copy of the amendment, change or modification has been mailed by certified mail to all mortgagees having bona fide liens of record against any Unit, not less than ten (10) days prior to the date of such affidavit.

(b) Except as provided in **Section 28** of this Declaration, the approval of First Mortgagees of Units who have requested that the Association notify them on any proposed action that requires the consent of a specified percentage of such mortgagees ("Eligible First Mortgagees") and which represent at least 51% of the Units subject to mortgages or trust deeds held by Eligible First Mortgagee in order, shall be required in order to materially amend any provisions of the Declaration or By-Laws or to add any material provisions thereto, which establish, provide for, govern or regulate any of the following:

- (1) Voting;
- (2) Assessments, assessment liens or subordination of such liens;
- (3) Reserves for maintenance, repair and replacement of the Common Elements;
- (4) Insurance or fidelity bonds;
- (5) Rights to use of the Common Elements;
- (6) Responsibility for maintenance and repair of the Common Elements;
- (7) The addition, annexation or withdrawal of property to or from the Property;

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- (8) Boundaries of any Unit;
- (9) Interests in the Common Elements or Limited Common Elements;
- (10) Convertibility of Units into Common Elements or of Common Elements into Units;
- (11) Leasing of Units;
- (12) Imposition of any right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer, or otherwise convey his or her Unit in the condominium;
- (13) Establishment of self-management by the Association where professional management has been required by FHLMC, FNMA, HUD, FHA or VA; or
- (14) Any provisions that expressly benefit First Mortgagees, insurers or guarantors or FHLMC, FNMA, HUD, FHA or VA.

The approval of a Eligible First Mortgagee shall be implied when such a mortgagee fails to submit a response to any written proposal for an amendment within thirty (30) days after it receives proper notice of the proposal, delivered by certified or registered mail, with a "return receipt" requested. Any amendment, change or modification shall conform to the provisions of the Act and shall be effective upon Recordation thereof.

(c) No change, modification or amendment which affects the rights, privileges or obligations of Declarant shall be effective without the prior written consent of Declarant.

(d) The By-Laws may be amended in accordance with the provisions of **Article XII** thereof.

22. Arbitration.

(a) Any controversy between Unit Owners or any claim by a Unit Owner against the Association or another Unit Owner arising out of or relating to the Declaration, By-Laws, or rules and regulations of the Association shall be settled by binding arbitration in accordance with the Illinois Uniform Arbitration Act, and judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof. The Association may require the disputants to bear the costs of the arbitration.

(b) Nothing contained herein shall be construed to prevent an aggrieved Unit Owner from instituting an action at law or in equity against either the Association or any Unit Owner for failure to comply with the provisions of the Declaration or the decisions of the Association.

23. Condemnation.

(a) In the case of a taking or condemnation by competent authority of any part of the Property other than as provided in **Section 23(b)**, the Association shall, if necessary, restore the improvements in the remaining portion of the 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 Association shall be applied first to

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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 Unit Owners and their respective First Mortgagees, as their interests may appear, based on their percentage interests in the Common Elements. Each Unit Owner appoints the Association as his or her attorney-in-fact for the purpose of representing him 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 Units is taken or condemned, then the portions so taken or condemned shall be deemed to have been removed from the provisions of the Act and the percentage of ownership interest in the Common Elements allocated to such Unit or portion thereof (as determined by the Board on the basis of diminution in market value of the Unit) shall be reallocated among the remaining Units on the basis of the relative percentage of ownership interests in the Common Elements of the remaining Units. In such cases, this Declaration and the Plat shall be amended accordingly by an instrument executed by the President or Vice-President and the Secretary or Assistant Secretary of the Association, which the Board shall Record. The allocation of any condemnation award, or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest in the Common Elements. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage interest in the Common Elements. Any such proceeds available from the withdrawal of Limited Common Elements shall be distributed, in accordance with the interests of those entitled to their use, to each Unit Owner and his or her First Mortgagee, as their interests may appear. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof so withdrawn shall cease or shall be equitably reduced.

24. Violations of Certain Rules. If any of the options, privileges, covenants or rights created by this Declaration shall be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of George W. Bush, the President of the United States, and Richard Cheney, the Vice-President of the United States.

25. Severability. The invalidity of any restriction hereby imposed, or of any provision hereof, or of any part of such restriction or provision, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration and all of the terms hereof are hereby declared to be severable.

26. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Property as a first-class condominium development.

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27. Changes or Modifications by Declarant. Until the first annual meeting of Unit Owners is called, Declarant, or its successors or assigns, shall have the right from time to time to change or modify the Condominium Instruments, which change or modification shall be effective upon the Recording of a written amendment containing the subject change or modification; provided, however, that the provisions of **Section 28** of this Declaration shall not be amended, modified or changed without the consent of any First Mortgagee affected thereby, and provided further that such right shall only be exercised (i) to bring the Declaration into compliance with the Act or to conform the Declaration to the requirements of FHLMC, FNMA, HUD, FHA or VA, or (ii) to correct clerical or typographical errors in the Declaration, (iii) to modify the Plat to include in any Unit the portion of a hallway servicing only such Unit and other Units owned by the same Unit Owner, provided such change complies with all applicable laws, codes and ordinances or (iv) to modify the legal descriptions for the Parcel or the Additional Parcel, if any, in order to correctly describe the Property intended to be submitted to the Act, or (v) to the extent otherwise permitted or required by applicable law. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to Declarant, to make any change or modification as authorized hereunder on behalf of each Unit Owner, as attorney-in-fact for such Unit Owner. Each deed, mortgage, trust deed, other evidence of obligation or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to Declarant as aforesaid. The right of the Declarant to act pursuant to rights reserved or granted under this Section shall terminate at such time as the Declarant no longer holds or controls title to a Unit.

28. Rights of First Mortgagees. Any mortgage or trust deed owned or held by a First Mortgagee and Recorded prior to the Recording or mailing of a notice by the Association of the amount owing by a Unit Owner who has refused or failed to pay his or her share of the monthly assessment when due shall be superior to the lien of such unpaid Common Expenses set forth in said notice and to all assessments for Common Expenses which become due and are unpaid subsequent to the date of Recording of such first mortgage or first trust deed. Any First Mortgagee who comes into possession of a Unit pursuant to the remedies provided in the mortgage or trust deed, foreclosure of the mortgage or trust deed or deed (or assignment) in lieu of foreclosure shall not be liable for, and shall take the Unit and its proportionate interest in the Common Elements free from, claims for unpaid common or special assessments levied by the Association which accrue prior to the date of possession as aforesaid.

A First Mortgagee, or an insurer or guarantor of the note held by a First Mortgagee, upon written request to the Association (such request to state the name and address of such First Mortgagee, insurer or guarantor and the Unit number), shall be entitled to timely written notice of:

- (a) Any proposed action that requires the consent of a specified percentage of Eligible First Mortgagees;
- (b) Any proposed termination of 2300 Commonwealth Condominium as a condominium project;

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(c) Any condemnation loss or any casualty loss which affects a portion of the Common Elements, which loss exceeds \$10,000.00, or which affects any Unit, which loss exceeds \$1,000.00, on which there is a first mortgage held, insured or guaranteed by such eligible holder;

(d) Any delinquency in the payment of assessments or charges owed by a Unit Owner subject to the mortgage of a First Mortgagee, insurer or guarantor, where such delinquency has continued for a period of sixty (60) days; and

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

29. Notice To First Mortgagees. Each Unit Owner shall notify the Association of the name and address of his or her First Mortgagee or its servicing agent, if any, and shall promptly notify the Association of any change in such information. The Association shall maintain a record of such information with respect to all Units. Upon written request, each First Mortgagee shall have the right to examine the books and records of the Association at any reasonable time and to have an audited statement of the Association's operations prepared for a fiscal year at such First Mortgagee's 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 Association to the Unit Owner of the Unit covered by the First Mortgagee's first mortgage;

(b) Any audited or unaudited financial statements of the Association which are prepared by or for the Association and distributed to the Unit Owners;

(c) Copies of notices of meetings of the Unit 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 First Mortgagees pursuant to **Section 21**;

(e) Notice of the decision of the Unit Owners to make any material amendment to this Declaration, except as permitted by **Section 27**, the By-Laws, or the Articles of Incorporation of the Association;

(f) Notice of substantial damage to or destruction of any Unit which is subject to such First Mortgagee's first mortgage, in excess of Ten Thousand Dollars (\$10,000.00) or any part of the Common Elements in excess of Fifty Thousand Dollars (\$50,000.00);

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(g) Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Property;

(h) Notice of any default of the Unit Owner of the Unit which is subject to the First Mortgagee's first mortgage, where such default is not cured by the Unit Owner within thirty (30) days after the giving of notice by the Association to such Unit Owner of the existence of the default;

(i) Copies of notices received by the Association of the cancellation or substantial modification of any insurance policy carried by the Association; and

(j) The right to be treated as an Eligible First Mortgagee for purposes of

Section 21.

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 Association. Failure to provide any of the foregoing to a First Mortgagee by the Association. Failure of the 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 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 Owner, the Association shall honor the most recent request received.

30. Consent of First Mortgagees

(a) In addition to any requirements or prerequisites provided for elsewhere in this Declaration, the consent of First Mortgagees holding, in the aggregate, first mortgages on at least fifty-one (51%) percent of the Units (by number) that are subject to mortgages held by Eligible First Mortgagees will be required for the Association to do or permit to be done any of the following:

(i) Except as specifically provided herein, adoption of an amendment to this Declaration which changes or adds provisions to this Declaration, relating to (i) voting rights; (ii) assessments, assessment liens or 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 or rights to their use; (vi) redefinition of the boundaries of any Units; (vii) the convertibility of Units into Common Elements or vice versa; (viii) expansion or contraction of the Property or the addition, annexation or withdrawal of real estate to or from the Property; (ix) insurance or fidelity bonds; (x) the leasing of Units; (xi) restrictions on a Unit Owner's right to sell or transfer a Unit; (xii) a decision by the Association to establish self-management; (xiii) restoration or repair of the Property or Building (after casualty or partial condemnation) in a manner other than that specified in the Condominium Instruments; (xiv) any action to terminate the legal status of the Property after substantial destruction or condemnation

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occurs; or (xv) any provisions which expressly benefits First Mortgagees or guarantors or insurers of first mortgages;

(ii) The abandonment or termination of the Condominium for reasons other than substantial destruction or condemnation of the Property (except that this action shall require the consent of First Mortgagees holding first mortgages on at least two-thirds (2/3) of the Units (by number) which are subject to first mortgages held by Eligible First Mortgagees);

(iii) The partition or subdivision of a Unit;

(iv) The abandonment, partition, subdivision, encumbrance, sale or transfer of the Common Elements (except for (i) the granting of easements for public utilities or for other purposes consistent with the intended use of the Property and the Condominium Instruments, (ii) the encumbrance, sale or transfer of an interest in the Common Elements in connection with the encumbrance, sale or transfer of a Unit or leasing of Common Elements as permitted hereby or (iii) the lease, license or grant of a concession of a portion of the Common Elements by the Board pursuant to **Section 6** herein);

(v) The sale of the Property;

(vi) The removal of all or a portion of the Property from the provisions of the Act and this Declaration; or

(vii) The use of hazard insurance proceeds from casualty losses to the Property (whether to Units or to the Common Elements) for other than the repair, replacement, or reconstruction of such Units or Common Elements;

(b) The Consent of First Mortgagees will not be required with respect to any action under **Sections 30(a)(i)** and **30(a)(ii)** above which occurs as a result of (i) a taking of a portion or all of the Property by condemnation or eminent domain (including, without limitation, action taken pursuant to **Section 23(b)** or (y) changes in the percentage interests as permitted under this **Section 30**.

(c) Whenever required, the consent of a First Mortgagee shall be deemed granted unless the party seeking the consent is advised to the contrary in writing by the First Mortgagee within thirty (30) days after making the request for consent.

31. 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 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 Property, any such distribution shall be made to the Unit Owners and their respective First Mortgagees, as their interests may appear, and no Unit Owner or other party shall be entitled to priority over the First Mortgagee of

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a Unit with respect to any such distribution to or with respect to such Unit; provided, that, nothing in this **Section 31** shall be construed to deny the Association the right to apply any such proceeds to repair or replace damaged portions of the Property or to restore what remains of the Property after condemnation, or the taking by eminent domain, of a part of the Property.

32. Trustees. In the event title to any Unit should be conveyed to a land title holding trust, under which all powers of management, operation and control of the premises remain vested in the trust beneficiary or beneficiaries, then the trust estate under such trust and the beneficiaries thereunder from time to time shall be liable for payment of any obligation, lien, or indebtedness chargeable or created under this Declaration against such Unit. No claim shall be made against any such title holding trustee personally for payment of any claim, lien, or obligation hereby created, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against any such lien or obligation, but the amount thereof shall continue to be a charge or lien upon such Unit and such Unit's appurtenant percentage of ownership interest in the Common Elements, notwithstanding any transfer of beneficial interest or the title of such premises.

33. Assignments by Declarant. All rights which are specified in this Declaration to be rights of Declarant are mortgageable, pledgeable, assignable or transferable. Any successor to, or assignee of, the rights of Declarant hereunder (whether as the result of voluntary assignment, foreclosure, assignment in lieu of foreclosure or otherwise) 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.

34. Exculpation. No personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforced against Declarant, its agents or employees on account hereof or on account of any covenant, undertaking or agreement herein, either express or implied, all such personal liability, if any, being hereby expressly waived and released by every person now or hereafter claiming any right hereunder. Anything herein contained to the contrary notwithstanding, it is understood and agreed that Declarant shall have no obligation to see to the performance or non-performance of any of the covenants herein contained and shall not be personally liable for any action or non-action taken in violation of any of the covenants herein contained.

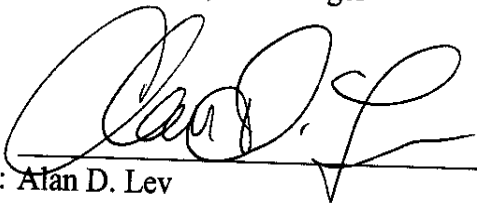
[Signature Page Follows]

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IN WITNESS WHEREOF, Declarant has executed this Declaration as of the day and year first above written.

2300 COMMONWEALTH CONDOMINIUM LLC,
an Illinois limited liability company

By: Belgravia Group, Ltd.,
an Illinois corporation, its manager

By: 
Name: Alan D. Lev
Its: President

Property of Cook County Clerk's Office

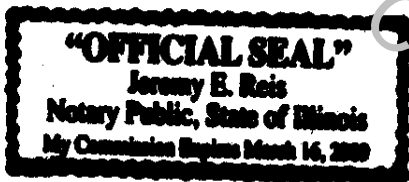
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STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, Jeremy E. Reis, a Notary Public in and for said County and State, do hereby certify that Alan D. Lev, the President of Belgravia Group, Ltd., an Illinois corporation which is the manager of 2300 Commonwealth Condominium LLC, an Illinois limited liability company, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such President, appeared before me this day in person and acknowledged that he signed, sealed and delivered said instrument as his free and voluntary act, and as the free and voluntary act of said corporation and such limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 1st day of November, 2005.

Jeremy E. Reis
Notary Public



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CONSENT OF MORTGAGEE

LaSalle Bank National Association, a national banking association, holder of a note secured by that certain Construction Mortgage, Security Agreement, Assignment of Rents and Leases and Fixture Filing and Security Agreement on the Property dated as of June 3, 2005, and recorded with the Recorder of Deeds of Cook County, Illinois, on June 7, 2005 as Document No. 0515845047, hereby consents to the execution of a recording of the above and foregoing Declaration of Condominium, and hereby subordinates said mortgage to the provisions of the foregoing Declaration of Condominium and the Condominium Property Act of the State of Illinois.

LASALLE BANK, a national banking association

By: [Signature]

Its: Drew E. Burlak, FVP

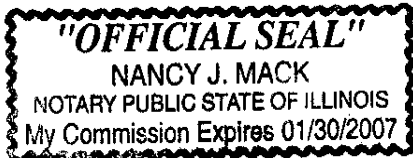
ATTEST:
[Signature]

Its: V.P.

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, NANCY J. MACK, a Notary Public in and for said County and State, do hereby certify that DREW E. BURLAK, the FIRST VICE-PRESIDENT of LASALLE BANK personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such F.V.P. appeared before me this day in person and acknowledged that he signed, sealed and delivered said instrument as his free and voluntary act, and as the free and voluntary act of _____, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 2nd day of Nov., 2005.



[Signature]
Notary Public

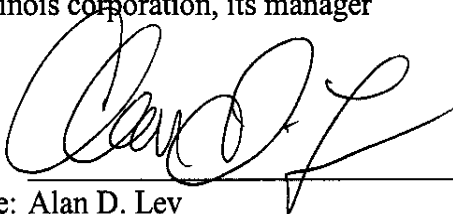
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CERTIFICATE

The undersigned hereby certifies that prior to the execution by the undersigned or its agent of any agreement for the sale of a Unit, as that term is defined in the DECLARATION OF CONDOMINIUM, a copy of a notice of intent to submit the property to the Illinois Condominium Property Act, as that term is described in said Act, was furnished to all persons, if any, who are tenants in the Building, as that term is defined in said Act, as of the date the notice was furnished.

2300 COMMONWEALTH CONDOMINIUM LLC,
an Illinois limited liability company

By: Belgravia Group, Ltd.,
an Illinois corporation, its manager

By: 
Name: Alan D. Lev
Its: President

Property of Cook County Clerk's Office

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EXHIBIT A

LEGAL DESCRIPTION OF UNITS

Units 1-A, 2-A, 2-B, 2-C, 2-D, 2-E, 2-F, 2-G, 2-H, 2-I, 2-K, 2-L, 3-A, 3-B, 3-C, 3-D, 3-E, 3-F, 3-G, 3-H, 3-I, 3-J, 3-K, 3-L, 4-A, 4-B, 4-C, 4-D, 4-E, 4-F, 4-G, 4-H, 4-I, 4-J, 4-K, 4-L, 5-A, 5-B, 5-C, 5-D, 5-E, 5-F, 5-G, 5-H, 5-I, 5-J, 5-K, 5-L, 6-A, 6-B, 6-C, 6-D, 6-E, 6-F, 6-G, 6-H, 6-I, 6-J, 6-K, 6-L, 7-A, 7-B, 7-C, 7-D, 7-E, 7-F, 7-G, 7-H, 7-I, 7-J, 7-K, and 7-L in 2300 Commonwealth Condominium, as delineated on a Plat of Survey of 2300 Commonwealth Condominium, which Plat of Survey is attached as **Exhibit D** to the Declaration of Condominium recorded _____, 2005 in the office of the Recorder of Deeds of Cook County, Illinois, as Document No. _____.

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EXHIBIT A-1

LEGAL DESCRIPTION OF PARCEL

The East 126 Feet of Lot 8 in Block 2 in Peterboro Terrace Addition to Chicago, Being a Subdivision of Part of Block 2 in Canal Trustees' Subdivision of Section 33, Township 40 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Property of Cook County Clerk's Office

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EXHIBIT B

**PERCENTAGE OWNERSHIP
INTEREST IN COMMON ELEMENTS**

[See Attached]

Property of Cook County Clerk's Office

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Unit No.	Percent of Ownership
1A	1.748%
2A	1.864%
2B	1.768%
2C	0.892%
2D	1.262%
2E	1.262%
2F	1.262%
2G	1.262%
2H	1.262%
2I	1.262%
* 2K	1.768%
2L	1.768%
3A	1.864%
3B	1.768%
3C	0.892%
3D	1.262%
3E	1.262%
3F	1.262%
3G	1.262%
3H	1.262%
3I	1.262%
3J	0.892%
3K	1.768%
3L	1.768%
4A	1.864%
4B	1.768%
4C	0.892%
4D	1.262%
4E	1.262%
4F	1.262%
4G	1.262%
4H	1.262%
4I	1.262%
4J	0.892%
4K	1.768%
4L	1.768%
5A	1.864%
5B	1.768%
5C	0.892%
5D	1.262%
5E	1.262%
5F	1.262%

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Unit No.	Percent of Ownership
5G	1.262%
5H	1.262%
5I	1.262%
5J	0.892%
5K	1.768%
5L	1.768%
6A	1.864%
6B	1.768%
6C	0.892%
6D	1.262%
6E	1.262%
6F	1.262%
6G	1.262%
6H	1.262%
6I	1.262%
6J	0.892%
6K	1.768%
6L	1.768%
7A	1.864%
7B	1.768%
7C	0.892%
7D	1.262%
7E	1.262%
7F	1.262%
7G	1.262%
7H	1.262%
7I	1.262%
7J	0.892%
7K	1.768%
7L	1.768%

TOTAL 100 %

* Intentionally not in sequence.

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EXHIBIT C

BY-LAWS OF

2300 COMMONWEALTH CONDOMINIUM ASSOCIATION

ARTICLE I

General Provisions

Section 1. The Association is responsible for the overall administration of the Property through its duly elected Board. Whether or not incorporated, the Association shall have the powers and responsibilities specified in the General Not-For-Profit Corporation Act of 1986 of the State of Illinois which are not inconsistent with the Act or the Condominium Instruments. The Association shall have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Association is organized and to do every other act not inconsistent with law which may be appropriate to promote and attain the purposes set forth in the Act or the Condominium Instruments.

Section 2. All capitalized terms used herein shall have the meanings ascribed to them in the Declaration of Condominium for 2300 Commonwealth Condominium (the "Declaration") recorded on _____, 2005, as Document No. _____ unless otherwise specifically defined herein.

ARTICLE II

Members

Section 1. Classes of Members, Membership, and Termination Thereof. The Association shall have one class of members. The designation of such class and the qualifications of the members of such class shall be as follows:

Each Unit Owner shall be a member of the Association, which membership shall terminate upon the sale or other disposition of such Member's Unit, at which time the new Unit Owner shall automatically become a Member of the Association. Such termination shall not relieve or release any such former Unit Owner from any liability or obligation incurred under or in any way connected with the Condominium or the Association, during the period of such former Unit Owner's ownership and membership in the Association. Furthermore, such termination shall not impair any rights or remedies which the Board or others may have against such former Unit Owner arising from, or in any way connected with, such ownership and membership and the covenants and obligations incident thereto. No certificates of stock or other certificates evidencing membership shall be issued by the Association.

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Section 2. Votes and Voting Rights.

(a) Until the date of the first annual meeting of the Members of the Association, as provided in **Article III, Section 1** hereof, no Member of the Association shall have the right to elect the Board and all such members of the Board Members (hereinafter defined) shall be appointed and shall hold office as provided in **Article IV, Section 2** of these By-Laws.

(b) Commencing with the date of the said first annual meeting of the Members of the Association, the total number of votes of all Members shall be 100. Each Member shall be entitled to the number of votes equal to his or her percentage ownership interest in the Common Elements (as defined in the Declaration) multiplied by the total number of votes (100) of all Members.

(c) If a Unit is owned by more than one person, the voting rights with respect to such Unit shall not be divided, but shall be exercised as if the Unit Owner consisted of only one person in accordance with the proxy or other designation made by the persons constituting such Unit Owner. Any proxy must be executed in writing by the Unit Owner or his or her duly authorized attorney-in-fact, must bear the date of execution, and shall be invalid after 11 months from the date of its execution. If only one of the multiple owners of a Unit is present at a meeting, he or she is entitled to cast all the votes allocated to that Unit. If more than one of the multiple owners are present, and if any one of the multiple owners cast the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit, there is deemed to be majority agreement among the multiple owners of such Unit.

(d) Any specified percentage of the Members, whether majority or otherwise, for purposes of voting or for any other purpose, wherever provided in these By-Laws, shall mean such percentage of the total number of votes hereinabove set forth. Such percentage shall be computed in the same manner as is a specified percentage of the Unit Owners of the Condominium as provided in the Declaration; provided, however, that when 30% or fewer of the Units, by number, possess over 50% in the aggregate of the votes as provided herein, any percentage vote of the Members specified herein or in the Declaration shall require the specified percentage by number of Units rather than by percentage interest in the Common Elements allocated to Units that would otherwise be applicable.

Section 3. Transfer of Membership. Membership in this Association is not transferable or assignable, except as provided in **Article II, Section 1** hereof.

Section 4. Installment Contracts. Anything herein to the contrary notwithstanding, in the event of a sale of a Unit, the purchaser of such Unit from a seller other than Declarant pursuant to an installment contract for purchase shall, during such times as he or she resides in the Unit, be counted toward a quorum for purpose of election Board at any meeting of the Members of the Association called for the purposes of electing Board Members (hereinafter defined), shall have the right to vote for the election or Board Members and to be elected to and serve on the Board, unless the seller expressly retains in writing any or all of such rights. In no event may the seller and purchaser both be counted toward a quorum, be permitted to vote for a particular office or be elected

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and serve on the Board. Satisfactory evidence of the installment contract shall be made available to the Association or its agents. "Installment Contract" shall have the same meaning as set forth in Section 1(e) of "An Act Relating to Installment Contracts to Sell Dwelling Structures", approved August 11, 1967, as amended.

ARTICLE III

Meetings of Members

Section 1. Annual Meeting. The first annual meeting of the Members of the Association shall be held on such date as is fixed by Declarant, which date shall in no event be later than the earlier of (a) three years from the date the Declaration is recorded in the Office of the Recorder of Deeds of Cook County, Illinois, (b) sixty (60) days from the date when 75% of the Units have been conveyed by Declarant, or (c) such earlier time as selected by Declarant. Thereafter, an annual meeting of the Members of the Association for the purpose of electing Board Members (hereinafter defined) and for the transaction of such other business as may come before the meeting shall be held on the third Wednesday of September each year at 7:30 p.m. or such other date and time as is selected by the Board which date is within sixty (60) days before or after the third Wednesday of September; provided, however, that no such meeting need be held less than one year after the first annual meeting of the Members of the Association. If the election of Board Members shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board shall cause the election to be held at a special meeting of the Members of the Association called as soon thereafter as conveniently may be.

Section 2. Special Meetings. Special meetings of the Members of the Association may be called by the Board, the President, or not less than 20% of the Members of the Association. All matters to be considered at special meetings of the Members of the Association called by not less than 20% of the Members of the Association shall first be submitted in writing to the Board not less than ten (10) days prior to the date of the special meeting of the Members of the Association called to consider such matters.

Section 3. Place and Time of Meeting. All meetings of the Members of the Association shall take place at a time and in some section of the Property designated by the person or persons calling the meeting, or at such other reasonable place or time designated by the Board or the person or persons calling the meeting.

Section 4. Notice of Meetings. Written or printed notice stating the purpose, place, day and hour of any meeting of Members of the Association shall be mailed or delivered to each Member entitled to vote at such meeting, not less than ten (10) nor more than thirty (30) days before the date of such meeting, by or at the direction of the President or the Secretary, or the officer or persons calling the meeting, provided that notice of the first annual meeting of the Members of the

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Association shall be mailed or delivered to all Members of the Association as well as to all persons who have executed a Purchase Agreement for the purchase of a Unit Cost whose closing on such purchase has not been consummated, not less than twenty-one (21) nor more than thirty (30) days before the date of such meeting. The notice of a meeting shall be deemed mailed when deposited in the United States mail addressed to each Member at his or her address as it appears on the records of the Association, with proper postage thereon prepaid.

Section 5. Quorum. The Members present at a meeting in person or by proxy, holding 20% of the votes which may be cast at any meeting, shall constitute a quorum at such meeting. If a quorum is not present at the commencement of any meeting of Members, the meeting shall be adjourned and may only be called again in accordance with the provisions of these By-Laws.

Section 6. Proxies. At any meeting of the Members of the Association, a Member entitled to vote may vote either in person or by proxy executed in writing by the member or by his or her duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution. Any proxy distributed for election of Board Members (hereinafter defined) shall give Unit Owners the opportunity to designate any person as the proxy holder and shall give the Unit Owner the opportunity to express a preference for any of the known candidates for the Board or to write in a name.

Section 7. Manner of Acting. Except as set forth below and except as otherwise required by the Declaration or the Act, any action to be taken at any meeting of the Members of the Association at which a quorum is present shall be upon the affirmative vote of more than 50% of the Members represented at such meeting. The following matters shall require the affirmative vote of not less than 67% of all the Members of the Association at a meeting duly called for that purpose:

- (a) Merger or consolidation of the Association;
- (b) Sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all, of the Property; or
- (c) The purchase and sale of land or Units on behalf of the Unit Owners.

ARTICLE IV

Board

Section 1. In General. The affairs of the Association shall be managed by its Board which shall act as the Board of Managers of the Condominium as provided in the Act and the Declaration.

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Section 2. Number, Tenure and Qualifications. The number of members of the Board shall initially be three (3) (the "Board Members"). Until the date of the first annual meeting of the Members of the Association as hereinabove provided, the Board Members shall be the directors named in the Articles of Incorporation of the Association, if the Association is incorporated; otherwise, the Board Members shall be as appointed by Declarant. Such Board Members shall hold office until the first annual meeting of the Members of the Association. Commencing with the date of the first annual meeting of the Members of the Association, the number of the Board Members shall be increased to five (5) and shall be elected solely by, from and among, the Members of the Association until their respective successors shall have been elected and qualified. All Board Members shall be elected at large. The Board elected at such first annual meeting shall be the initial Board of Managers as provided in the Act. Each Board Member shall hold office without compensation. In the event that a Member of the Association is a corporation, limited liability company, partnership, trust or other legal entity other than a natural person or persons, then any shareholder, officer or director of such corporation, member of such limited liability company, partner of such partnership, beneficiary or individual trustee of such trust, or manager of such other legal entity, may be eligible to serve as a Board Members. If there are multiple owners of a single Unit, only one of the multiple owners shall be eligible to serve as a Board Members at any one time. A Board Members may succeed himself in office.

Section 3. Election. At each annual meeting of the Members of the Association, the Members shall, on a non-cumulative basis and by vote of a plurality of the Members present at such meeting, elect Board Members to fill the vacancies created by any expiring term of office. At the first annual meeting of the members, after the occurrence of one of the events described in **Article III, Section 1**, the five candidates receiving the highest total of votes shall be elected. The three receiving the highest total of votes shall serve a term of two (2) years; the two with the next highest totals shall serve a term of one (1) year. Thereafter, at each annual meeting of the Members of the Association, the Members shall elect Board Members for terms of two (2) years. A candidate for election to the Board or such candidate's representative shall have the right to be present at the counting of the ballots at such election. The Board may disseminate to the Members of the Association biographical and background information about candidates for election to the Board if: (a) no preference is expressed in favor of any candidate; and (b) reasonable efforts to identify all candidates are made and all candidates are given an opportunity to include biographical and background information in the information to be disseminated.

Section 4. Regular Meetings. A regular annual meeting of the Board shall be held immediately after, and at the same place as, the annual meeting of the Members of the Association. The Board shall, by regulations which the Board may, from time to time adopt, provide the time and place for the holding of additional regular meetings of the Board, provided that the Board shall meet at least four times per year.

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Section 5. Special Meetings. Special meetings of the Board may be called by or at the request of the President or 25% of the Board Members. The person or persons permitted to call special meetings of the Board may fix the time and place for holding any special meeting of the Board called by them.

Section 6. Notice. Written notice of any special meeting of the Board shall be mailed or delivered to all Members of the Association and all Board Members not calling the meeting at least forty-eight (48) hours prior to the date of such special meeting. Written notice of regular meetings of the Board shall be mailed or delivered to all Members of the Association at least forty-eight (48) hours prior to the date of such meeting. All such notices shall be deemed to be mailed when deposited in the United States mail addressed to each Member at his or her address as it appears on the records of the Association, with proper postage thereon paid. The business to be transacted at, or the purpose of any regular or special meeting of the Board, shall be specified in the notice. Notices of a regular meeting of the Board need not be served on Board Members. However, copies of said notices of meetings of the Board shall be posted in entrance ways or other conspicuous places in the Condominium designated by the Board at least forty-eight (48) hours prior to the meeting.

Section 7. Quorum. A majority of the Board Members shall constitute a quorum for the transaction of business at any meeting of the Board. If less than a majority of the Board Members are present at the commencement of said meeting, the meeting shall be adjourned and may only be called again in accordance with the provisions of these By-Laws.

Section 8. Manner of Acting. The act of a majority of the Board Members present at a meeting at which a quorum is present at the commencement of the meeting shall be the act of the Board, except where otherwise provided by law or in the Condominium Instruments.

Section 9. Vacancies. Any vacancy occurring in the Board by reason of death, removal or resignation of a member of the Board shall be filled by a two-thirds vote of the remaining Board Members. A member elected to fill a vacancy shall be elected until the next annual meeting of the Members of the Association; provided, that if a petition signed by Members of the Association holding 20% of the votes in the Association requesting a meeting of the Members of the Association to fill the vacancy for the balance of the unexpired term of his or her predecessor, the term of the Board Member so elected by the Board shall terminate thirty (30) days after the filing of the petition and a meeting of the Members of the Association for the purpose of filling such vacancy for such unexpired term shall be called no later than thirty (30) days following the filing of such petition. Board Members, including those appointed by Declarant, may resign at any time by written resignation delivered or mailed to any officer of the Association, which resignation shall be effective upon receipt of said resignation. If as the result of the death, removal or resignation of a member of the Board, no member of the Board remains in office, a special meeting of Members of the Association may be called to fill all vacancies for the unexpired terms of the resigning or removed Board Members.

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Section 10. Removal. From and after the date of the first annual meeting of the Members of the Association, any Board Member may be removed from office by the affirmative vote of 66-2/3% of all the Members of the Association at a special meeting called for such purpose.

Section 11. Adoption of Rules and Regulations. All rules and regulations, or amendments thereto, shall be adopted by the Board after a meeting of the Members of the Association called for the specific purpose of discussing the proposed rules and regulations, notice of which contains the full text of the proposed rules and regulations, which rules and regulations conform to the requirements of **Section 18(b)** of the Act and the Declaration and these By-Laws. No quorum is required at such meeting of the Members of the Association. No rules or regulations 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, nor may any rules or regulations conflict with the provisions of the Act or the Condominium Instruments. Such rules and regulations shall be effective sixty (60) days after their adoption, provided that the Members of the Association may veto any rule or regulation at a special meeting of the Members called for such purpose, and held before the effective date of the rule or regulation, by a vote of 66-2/3% of all the Members of the Association.

Section 12. Open Meetings. All meetings of the Board, whether regular or special, shall be open to the Members of the Association, except for meetings:

- (a) To discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Board finds 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 of the Association or a Unit Owner's unpaid share of Common Expenses.

Any vote on the above matters shall be taken at a meeting or portion thereof open to any Member of the Association. Any Member may record the proceedings at meetings required to be open by the Act or these By-Laws by tape, film, or other means, subject to reasonable rules and regulations prescribed by the Board to govern the right to make such recordings.

Section 13. Contracts. The Board may not enter into a contract with a current Board Member or with a corporation or partnership in which a Board Member has a twenty-five percent (25%) or more interest, unless notice of intent to enter the contract is given to the Members of the Association within twenty (20) days after a decision is made to enter into the contract and such Members are afforded an opportunity by filing a petition, signed by twenty percent (20%) of the Unit Owners, to approve or disapprove the contract. Such petition shall be filed within twenty (20) days after such notice and such election shall be held within thirty (30) days after filing the petition.

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Section 14. Powers and Duties. The powers and duties of the Board shall include, but not be limited to, the operation, care, upkeep, maintenance, replacement and improvement of the Common Elements.

ARTICLE V

Officers

Section 1. Officers. The officers of the Association ("Officers") shall be a President, one or more Vice-Presidents (the number thereof to be determined by the Board), a Treasurer, a Secretary and such other Officers as may be determined by the Board to be reasonable and necessary.

Section 2. Election and Term of Office. The Officers of the Association shall be elected annually by the Board at the regular annual meeting of the Board, from and among the Board Members. If the election of Officer shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be possible. Vacancies may be filled or new offices created and filled at any meeting of the Board. Each Officer shall hold office until his or her successor shall have been duly elected and shall have qualified. An Officer may succeed himself in office. Officers shall serve without compensation.

Section 3. Removal. Any Officer elected by the Board may be removed by a majority vote of the Board Members.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board for the unexpired portion of the term.

Section 5. President. The President shall be the principal executive Officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Board Members. He may sign, with the Secretary or any other proper officer of the Association authorized by the Board, any deeds, mortgages, contracts, or other instruments which the Board has authorized to be executed and any amendment to the Declaration or Plat as provided in the Act, and, in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

Section 6. Vice-President. In the absence of the President or in the event of his or her inability or refusal to act, the Vice-President (or in the event there be more than one Vice President, the Vice-Presidents, in the order of their election) shall perform the duties of the President, and when so acting, shall have all the power of, and be subject to all the restrictions upon, the President. Any Vice-President shall perform such other duties as from time to time may be assigned to him by the President or by the Board.

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Section 7. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of **Article VII** of these By-Laws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the Members of the Association and of the Board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; receive all notices on behalf of the Association and, together with the President, execute on behalf of the Association amendments to Condominium Instruments and other documents as required or permitted by the Declaration, these By-Laws or the Act; be custodian of the records of the Association; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board.

ARTICLE VI

Powers and Duties of the Association and Board

Section 1. General Duties, Powers, Etc. of the Board. The Board shall exercise for the Association all powers, duties and authority vested in the Association by the Act and the Condominium Instruments, including but not limited to the following:

- (a) Operation, care, upkeep, maintenance, replacement, and improvement of the Common Elements and the Limited Common Elements.
- (b) Preparation, adoption and distribution of the annual budget for the Property.
- (c) Levying of assessments.
- (d) Collection of assessments from Unit Owners.
- (e) Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements.
- (f) Obtaining adequate and appropriate kinds of insurance.
- (g) Owning, conveying, encumbering, leasing, and otherwise dealing with Units conveyed to or purchased by it.

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- (h) Adoption and amendment of rules and regulations covering the details of the operation and use of the Property.
- (i) Keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property.
- (j) Having access to each Unit, from time to time, as may be necessary for the maintenance, repair or replacement of any Common Elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit or Units.
- (k) Paying real property taxes, special assessments, any other special taxes or charges of the State of Illinois or of any political subdivision thereof, or other lawful taxing or assessing body, which are authorized by law to be assessed and levied upon the real property of the Condominium.
- (l) Imposing charges for late payments of a Unit Owner's assessment or User Charge, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levy reasonable fines for violation of the Declaration, By-Laws, and rules and regulations of the Association.
- (m) Assigning its right to future income, including the right to receive assessments.
- (n) Recording the dedication of a portion of the Common Elements to a public body for use as, or in connection with, a street or utility where authorized by the Unit Owners under the provisions of **Sections 8(c) or 8(g)** of the Declaration.
- (o) Recording the granting of an easement for the laying, maintenance, and repair of cable television cable or for construction, maintenance, and repair of a project for protection against water damage of erosion, where authorized by the Unit Owners under the provisions of **Section 8(g)** of the Declaration.
- (p) Borrowing money at such rates of interest as it may determine; to issue its notes, bonds and other obligations to evidence such borrowing; and to secure any of its obligations by assigning its right to future income, including the right to receive assessments for common expenses, and/or by making a mortgage or giving a security interest in all or any of its property or income; provided, if such mortgage or security interest encumbers all or substantially all of the assets of the Association, the approval of the Members of the Association shall first be obtained pursuant to **Article III, Section 7**, of these By-Laws.
- (q) Reasonable accommodation of the needs of handicapped Unit Owners, as required by the Human Rights Act, and others applicable statutes, ordinances and regulations, in the exercise of

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its powers with respect to the use of the Common Elements or approval of modification in an individual Unit.

- (r) Granting of easements or licenses with respect to the Common Elements.

In the performance of their duties, the officers and members of the Board, whether appointed by Declarant or elected by the members, shall exercise the care required of a fiduciary of the Members of the Association.

Section 2. Specific Powers and Duties. Anything herein contained to the contrary notwithstanding, the Association shall have the power:

(a) To engage the services of a manager or managing agent, who may be any person, firm or corporation, upon such terms and compensation as the Association deems fit, and to remove such manager or managing agent at any time, provided any agreement with such manager or managing agent shall extend for not more than three (3) years and must be terminable by either party to such agreement without cause and without payment of a termination fee, upon ninety (90) days or less prior written notice.

(b) To engage the services of any persons (including, but not limited to, accountants and attorneys) deemed necessary by the Association, at such compensation as is deemed reasonable by the Association, in the operation, repair, maintenance and management of the Property, or in connection with any duty, responsibility or right of the Association and to remove, at any time, any such personnel.

(c) To establish or maintain one or more bank accounts, or functionally similar accounts such as money market fund accounts, for the deposit of any funds paid to, or received by, the Association.

(d) To invest any funds of the Association in certificates of deposits, money market funds, or comparable investments.

(e) Upon authorization of a two-thirds vote of the Board Members or by affirmative vote of not less than a majority of the Unit Owners at a meeting of the Members of the Association duly called for such purpose, 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 or charges of the State of Illinois or any political subdivision thereof or of any lawful taxing or assessing body, and to charge and collect all expenses incurred in connection therewith as Common Expenses.

Nothing herein shall be construed to give the Association authority to conduct an active business for profit on behalf of all the Unit Owners or any of them.

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Section 3. Authorized Expenditures.

(a) The Association shall acquire and make arrangements for, and pay for out of the Maintenance Fund, in addition to the manager, managing agent or other personnel above provided for, the following:

(i) Water, waste removal, heating, electricity, telephone and other necessary utility services for the Common Elements and such services to the Units as are not separately metered or charged to the owners thereof.

(ii) Such insurance as the Association is required or permitted to obtain as provided in the Declaration.

(iii) Landscaping, (including landscaping on the parkway), gardening, snow removal, painting, cleaning, touchpointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the Limited Common Elements which are not visible from the exterior of the Building and which the Unit Owners enjoying the use thereof shall paint, clean, decorate, maintain and repair) and such furnishings and equipment for the Common Elements as the Association shall determine are necessary and proper, and the Association shall have the exclusive right and duty to acquire the same for the Common Elements. Anything in the foregoing to the contrary notwithstanding, the Association shall be responsible for the repair and replacement of all windows and doors; provided, that where the need for repair or replacement is due to the act or omission of a Unit Owner, guest, occupant, family member or pet, the Association shall charge the Unit Owner for the cost of such repair or replacement.

(iv) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, or assessments which the Association deems necessary or proper for the maintenance and operation of the Property or for the enforcement of any restrictions or provisions contained herein, including payment of any and all balcony license fees and driveway permit fees, including those arising under the 2300 Commonwealth Easement Agreement.

(v) Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property or any part thereof which may, in the opinion of the Association, constitute a lien against the Property or against the Common Elements, rather than merely against the interest 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 Association by reason of said lien or liens, including, but not limited to, any interest, late charges, reasonable attorneys' fees, costs of collections and the amount of any unpaid fine, shall be specially assessed to said Unit Owners and shall, until paid by such Unit Owners, constitute a lien on the interest of such Unit Owners in the Property, which lien may be perfected and

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foreclosed in the manner provided in Section 9 of the Act with respect to liens for failure to pay a share of the Common Expenses.

(vi) Maintenance and repair of any Unit or any other portion of the Property which a Unit Owner is obligated to maintain or repair under the terms hereof, if such maintenance or repair is necessary, in the discretion of the Association, to protect the Common Elements, or any other portion of the Property, and the Unit Owner of such Unit 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 is delivered by the Association to said Unit Owner; provided, that the Association shall levy a special assessment against such Unit for the cost of said maintenance or repair and the amount of such special assessment shall constitute a lien on the interest of such Unit Owner in the Property, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Act with respect to liens for failure to pay a share of the Common Expenses.

(vii) Payment of any assessment costs, taxes, reserves or any other charges levied against the Property pursuant to the 2300 Commonwealth Easement Agreement.

(viii) All expenses, charges and costs of the maintenance, repair or replacement of the Common Elements, and any other expenses, charges or costs which the Association may incur or expend pursuant hereto, shall be approved by the Association, and a written memorandum thereof prepared and signed by the Treasurer. Nothing contained herein shall invalidate any provision in the Condominium Instruments placing limits on expenditures for the Common Elements, provided, that such limits shall not be applicable to expenditures for repair, replacement or restoration of existing portions of the Common Elements. The term "repair, replacement or restoration" means expenditures to deteriorated or damaged portions of the Property related to the existing decorating, facilities, or structural or mechanical components, interior or exterior surfaces, or energy systems and equipment with the functional equivalent of the original portions of such areas. Replacement of the Common Elements may result in an improvement over the original quality of such Common Elements or facilities; provided, that, if the improvement results in a proposed expenditure exceeding five percent (5%) of the Annual Budget (defined below), the Board upon the written petition of Members of the Association having twenty percent (20%) of the votes of the Association delivered to the Board within fourteen (14) days after the Board action to approve the expenditure, shall call a meeting of the Members of the Association within thirty (30) days of the date of delivery of the petition to consider the expenditure. Unless a majority of the total votes of the Members of the Association are cast at the meeting to reject the expenditure, it is ratified; upon such a majority of votes it shall be repealed.

Section 4. Annual Budget.

(a) Each year on or before November 1st, the Board shall estimate the annual budget of Common Expenses (the "Annual Budget") including: (i) the total amount required for the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar

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year for the rendering of all services, required to be performed by the Association, (ii) the amount considered by the Association to be necessary for a reserve for contingencies and replacements (as hereinafter specified), (iii) all anticipated regular and separate (special) assessments and income and each Unit Owner's proposed Common Expense assessment, (iv) an indication of which portions of the Annual Budget are intended for capital expenditures or repairs of payment of real estate taxes and (v) the expenses or budget required for the Parking Garage ("Parking Garage Expenses") and thus the User Charge imposed upon Unit Owners for Parking Spaces. The Board shall deliver a copy of the proposed Annual Budget and Parking Garage Expenses to each Unit Owner at least thirty (30) days prior to the adoption thereof. The Association shall give Unit Owners notice as provided in **Section 4, Article III** of the By-Laws of the meeting of the Board at which the Board proposes to adopt the Annual Budget, or at which any increase or establishment of any assessment, regular or special, is proposed to be adopted.

(b) Other than as provided for in **Section 3(f)** hereof, if an adopted Annual Budget and regular assessments pursuant thereto or Parking Garage Expenses and User Charges pursuant thereto, assessed in accordance with **Section 4(c)**, hereof or any separate assessment adopted by the Board would result in the sum of all regular and special assessments against Unit Owners payable in the current fiscal year exceeding 115% of the sum of all regular and special assessments for the preceding fiscal year, then upon the written petition Members of the Association having twenty percent (20%) of the votes of the Association given within fourteen (14) days of the Board action, the Board shall call a Meeting of the Association within thirty (30) days of the date of delivery of the petition to consider the Annual Budget or separate assessment. Unless more than fifty percent (50%) of the votes of the Association are cast at a meeting to reject the Annual Budget or separate assessment, it is ratified; upon such a majority vote it shall be repealed.

(c) The Annual Budget shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements. Each Unit Owner shall be obligated to pay to the Association, or as it may direct, the portion of the Annual Budget assessed to such Unit Owner, in equal monthly installments (subject to acceleration as hereinafter provided) on or before January 1st of the ensuing year, and the 1st day of each and every month of said year. Notwithstanding the foregoing, assessments will not begin until such time as Declarant elects to stop paying all Association expenses; provided, however, that the Board will begin assessing all Unit Owners if and when a request is made therefor by FHLMC, FNMA, HUD, FHA or VA.

(d) The failure or delay of the Association to prepare or serve the Annual Budget on the Unit Owners shall not constitute a waiver or release in any manner of each Unit Owner's obligation to pay the maintenance and other costs and necessary Reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual or adjusted budget, the Unit Owners shall continue to pay the monthly assessment charges at the then existing monthly rate established for the previous period until the monthly assessment payment which is due more than ten (10) days after such new Annual Budget shall have been mailed.

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(e) Anything herein or in the Declaration to the contrary notwithstanding, the Board may charge to fewer than all Unit Owners such portion of the insurance premium for insurance the Association is required or permitted to obtain which reflects increased charges for coverage on the Units owned by such Unit Owners, on such reasonable basis as the Board shall determine. Such charge shall be considered a common expense with respect to the Units owned by such Unit Owners for all purposes herein and under the Declaration.

(f) All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Unit Owners and for such special 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 in their relative percentages of ownership interest in the Common Elements.

Section 5. Annual Accounting.

(a) On or before the 1st day of April following the Recordation of the Declaration, and each year thereafter, the Association shall supply to all Unit Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid, together with an indication of which portions of the Annual Budget were for capital expenditures or repairs or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the budget or assessment, 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's percentage of ownership in the Common Elements, to the next monthly installments due from Unit Owners under the current year's Annual Budget, until exhausted, and any net shortage shall be added, according to each Unit Owner's percentage of ownership in the Common Elements, to the installments due in the succeeding six months after rendering of the accounting.

(b) The Association shall allow any First Mortgagee to examine the books and records of the Association during reasonable business hours and to receive, on request, annual reports and other financial data prepared by the Association or at its direction.

(c) The Association must provide an audited financial statement for the preceding fiscal year upon submission of a written request by any holder, insurer or guarantor of a first mortgage secured by a Unit.

Section 6. Reserves.

(a) The Association may build up and maintain a reasonable Reserve for operations, contingencies and replacement. To establish such Reserve, Declarant shall collect from each Unit Owner, upon conveyance by Declarant of a Unit to such Unit Owner, an amount equal to one sixth of the Annual Budget as initially established by Declarant for the first year following the first annual

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meeting of the Members of the Association and allocable to such Unit, and shall remit such amount to the Association. Extraordinary expenditures not originally included in the Annual Budget which may become necessary during the year shall be charged first against such Reserve. In addition, the Association or the Board shall have the right to segregate all or any portion of the Reserve for any specific replacement or contingency upon such conditions as the Board deems appropriate. On or before the day of the first annual meeting of the Members of the Association, Declarant shall pay for each Unit then owned by Declarant, such Unit's percentage interest multiplied by one sixth of the Annual Budget as initially established by Declarant for the first year following the first annual meeting of the Members of the Association. When such Units are later sold, Declarant may collect from the purchasers of such Units sufficient funds to reimburse itself for the funds paid at the time of the first annual meeting of the Members of the Association.

(b) The Annual Budget shall provide for reasonable reserves for capital expenditures and deferred maintenance for repair or replacement of the Common Elements. To determine the amount of Reserves appropriate for the Association, the Board shall take into consideration the following: (i) the repair and replacement cost, and the estimated useful life, of the property which the Association is obligated to maintain, including but not limited to structural and mechanical components, surfaces of the Buildings and Common Elements, and energy systems and equipment; (ii) the current and anticipated return on investment of Association funds; (iii) any independent professional reserve study which the Association may commission; (iv) the financial impact on Unit Owners, and the market value of the Units, of any assessment increase needed to fund Reserves; and (v) the ability of the Association to obtain financing or refinancing.

(c) **Section 6(a)** of this Article VI notwithstanding, the Association may elect to waive in whole or in part the Reserve requirements of this **Section 6** by a vote of not less than 67% the Members of the Association. In the event the Association elects to waive all or part of the Reserve requirements of this **Section 6**, such fact must be disclosed to all Members of the Association after the meeting at which such waiver occurs by the Association as well as in the financial statements of the Association (highlighted in bold print), and in the response to any request of a prospective purchaser for the information prescribed under Section 22.1 of the Act. In the event that the Association waives the Reserve requirements of this **Section 6**, no member of the Board or the managing agent of the Association shall be liable, and no cause of action may be brought for damages against these parties, for the lack or inadequacy of Reserve funds in the Annual Budget. If the Association elects to waive all or part of the Reserve requirements of this **Section 6**, the Association may, by a vote of not less than 67% of the total votes of the Association, elect to again be governed by the Reserve requirements of this **Section 6**. The Reserve may be built up by special assessment or out of the annual assessment as provided in the Annual Budget.

(d) Each Annual Budget shall disclose that percentage of the Annual Assessment or which shall be added to the 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 Association. Special accounts shall be set up for the deposit of those portions of the Reserve to be used to make capital

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expenditures with respect to property owned or to be owned by the Association. Special accounts may also be set up for those portions of the Reserve to be used to make capital expenditures with respect to the Common Elements. All Reserve Funds shall be held by the Association as agent and trustee for the Unit Owners and accounts established for the deposit of all Reserve Funds shall be deemed to have been funded by capital contributions to the Association by the Unit Owners.

Section 7. Special Assessments.

(a) If the Annual Budget proves inadequate for any reason, including nonpayment of any Unit Owner's assessment, or any non-recurring Common Expense or any Common Expense not set forth in the Annual Budget as adopted, the Board may at any time levy a further assessment, which shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements, and which may be payable in one lump sum or such installments as the Board may determine (a "Special Assessment"). The Board may adopt a Special Assessment which is payable over more than one (1) year and the entire amount of any such a Special Assessment (except those adopted pursuant to subsections (b) and (c) of this Section 7) shall be deemed considered and authorized in the first fiscal year in which the Assessment is approved.

(b) Special Assessments for additions and alterations to the Common Elements or to property owned by the Association shall be subject to approval of 66-2/3% of the total votes of all Unit Owners. The Board shall serve notice of such a Special Assessment on all Unit Owners (as provided in Section 4, Article III) by a statement in writing giving the amount and reasons therefor. Such a Special Assessment shall not be effective until approved by 66-2/3% of the total votes of all Unit Owners at a meeting of Unit Owners duly called for such purpose. Each Unit Owners shall be obligated to pay that portion of the Special Assessment equal to the total amount of such Special Assessment multiplied by the percentage interest in the Common Elements attached to each Unit Owner's Unit.

(c) A Special Assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board without Unit Owner approval. As used herein, the term "emergency" means an immediate danger to the structural integrity of the Common Elements or to the life, health, safety or property of the Unit Owners.

Section 8. Default in Payment.

(a) If a Unit Owner is in default in the monthly payment of assessments or his or her portion of any Special Assessment for thirty (30) days, the Association may assess a service charge of \$20.00, to be increased from time to time by the Board, for each month, or part thereof, that said balance, or any part thereof, remains unpaid. In addition to any remedies or liens provided by law, if a Unit Owner is in default in the monthly payment of the aforesaid charges or assessments for more than sixty (60) days, all other monthly payments of charges and assessments and the Unit Owner's portion of all Special Assessments which are, or will become, due for the calendar year in which

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such default occurs shall accelerate and become immediately due and payable. The Association may bring suit for and on behalf of itself and as representative of all Unit Owners, to enforce collection thereof or to foreclose the lien therefor as provided by law; and there shall be added to the amount due, the costs of said suit, together with legal interest and reasonable attorneys fees to be fixed by the Court. In addition, the Association may also take possession of such defaulting Unit Owner's interest in the Property and maintain an action for possession of the Unit in the manner provided by law. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his or her Unit.

(b) Each Unit Owner's monthly payment of assessments are his or her portion of any Special Assessment, together with interest, court costs, late charges and reasonable attorneys' fees and costs of collections or the amount of any unpaid fine shall also be the personal obligation of the person who was the Unit Owner at the time such assessment or Special Assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title or interest unless assumed by them, or required by applicable law.

Section 9. Unit Owner Accounts. Upon ten (10) days' notice to the Association, and the payment of a reasonable fee fixed by the Association not to exceed Fifteen Dollars (\$15.00), any Unit Owner shall be furnished a statement of his or her account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

Section 10. Rules and Regulations. The Association may, pursuant to the provisions of Section 11 of Article IV and Section 1(h) of Article VI of these By-Laws, from time to time, adopt or amend such rules and regulations governing the operation, maintenance, beautification and use of the Common Elements and the Units, not inconsistent with the terms of the Declaration, as it sees fit, and the Unit Owners shall conform to, and abide by, such rules and regulations. Written notice of such rules and regulations shall be delivered to all Unit Owners and occupants. A violation of such rules or regulations shall be deemed a violation of the terms of the Declaration.

ARTICLE VII

Contracts, Checks, Deposits and Funds

Section 1. Contracts. The Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the 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

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the Board, such instruments shall be signed by the Treasurer and countersigned by the President of the Association.

Section 3. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositaries as the Board may elect.

Section 4. Gifts. The Board may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.

ARTICLE VIII

Books and Records

Section 1. Maintaining Books and Records. The Association shall keep correct and complete books and records of account and shall also keep minutes of the meetings of the Members, the Board and committees having any of the authority of the Board.

Section 2. Availability for Examination. The Association shall maintain the following records of the Association, and make such records available for examination and copying at convenient hours of weekdays by the Unit Owners, holders, insurers and guarantors of first mortgages that are secured by Units and their duly authorized agents or attorneys:

(a) Copies of the Recorded Declaration, By-Laws, other Condominium Instruments and any amendments thereto, the Articles of Incorporation of the Association, if incorporated, annual reports, if incorporated, and any rules and regulations adopted by the Board. Upon the first annual meeting of the Members of the Association, the Declarant shall provide to the Board the records set forth in this subsection (a).

(b) Detailed accurate records in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred, and copies of all contracts, leases or other agreements entered into by the Association.

(c) The minutes of all meetings of the Association and the Board. The Association shall maintain these minutes for a period of not less than seven (7) years.

(d) A record giving the names and addresses of the Members of the Association entitled to vote.

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(e) Ballots and proxies related thereto for all elections to the Board and for any other matters voted on by the Unit Owners. The Association shall maintain these ballots and proxies for a period of not less than one (1) year.

(f) Such other records of the Association as are available for inspection by members of a not-for-profit corporation pursuant to the General Not-For-Profit Corporation Act of 1986 of the State of Illinois, as amended.

A reasonable fee covering the direct out-of-pocket cost of providing such information and copying may be charged by the Association or the Board for the cost of providing such information and copying.

ARTICLE IX

Fiscal Year

Section 1. The fiscal year of the Association begin on the first day of January and end on the last day of December of each year.

ARTICLE X

Construction

Section 1. Nothing hereinabove contained shall in any way be construed as altering, amending or modifying the Declaration. The Declaration and these By-Laws shall always be construed to further the harmonious, beneficial, cooperative and proper use and conduct of the Property. If there is any inconsistency or conflict between these By-Laws and the Declaration, the provisions of the Declaration shall control.

Section 2. In the event the Association is incorporated, the words, "Board of Directors" and "Director" shall be substituted for the words "Board" and "Board Member," respectively, wherever they appear herein.

ARTICLE XI

Waiver of Notice

Section 1. Whenever any notice is required to be given under the provisions of the Condominium Property Act of Illinois, the General Not-For-Profit Corporation Act of 1986 of the State of Illinois or under the provisions of the Articles of Incorporation or By-Laws of the Association, or the Declaration, a waiver thereof (subject to all the provisions of such instruments) in

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writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII

Amendments to By-Laws

Section 1. These By-Laws may be altered, amended or repealed and new By-Laws may be adopted upon the affirmative vote of not less than 67% of all of the members at a regular meeting or at any special meeting called for such purpose, by Recording an instrument in writing setting forth such alteration, amendment or repeal, which is signed and acknowledged by the President or Vice President and the Secretary or Assistant Secretary of the Association and which contains an affidavit by an officer of the Board certifying that the necessary affirmative vote of the members of the Association has been obtained.

ARTICLE XIII

Indemnification

Section 1. The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a member of the Board or an Officer of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 2. The Association may indemnify any person who was or is a party, or is threatened to be made a part to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or she is or was a member of the Board or an Officer of the Association against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be

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liable for negligence or misconduct in the performance of his or her duty to the Association, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

Section 3. To the extent that a Board or Officer of the Association has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in the foregoing two paragraphs, or in defense of any claim, issue or matter therein, he and she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

Section 4. Any indemnification under the first two Sections of this Article shall be made by the Association only as authorized in the specific case, upon a determination that indemnification of the Board or Officer of the Association is proper in the circumstances because he or she has met the applicable standard of conduct set forth in either of the first two Sections of this Article. Such determination shall be made (1) by the Board by a majority vote of a quorum of Board Members who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Board Members so directs, by independent legal counsel in a written opinion, or (3) by a majority of the Members of the Association.

Section 5. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, as authorized by the Board in the specific case, upon receipt of an undertaking by or on behalf of the Board Members or the Officer of the Association to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association as authorized in this Article.

Section 6. The sums necessary to discharge the obligations of the Association under this Article shall be Common Expenses.

Section 7. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association or disinterested members of the Board, or otherwise, both as to action in his or her official capacity and as to action in any other capacity while holding such office, and shall continue as to a person who has ceased to be a member of the Board or an Officer of the Association.

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EXHIBIT D

PLAT OF SURVEY
FOR
2300 COMMONWEALTH CONDOMINIUM

[See attached]

Property of Cook County Clerk's Office

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EXHIBIT

ATTACHED TO

0627916112

10-6-06

DOCUMENT

Pg - 65
64 - 10

Total - 75

SEE PLAT INDEX