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**DECLARATION OF
PARTY WALL RIGHTS,
COVENANTS, CONDITIONS,
RESTRICTIONS AND
EASEMENTS FOR
WOLCOTT TOWNHOME ASSOCIATION
7405-7407 N. WOLCOTT
CHICAGO, ILLINOIS**



Doc#: 0717131105 Fee: \$78.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 06/20/2007 02:48 PM Pg: 1 of 28

THIS Declaration of Party Wall Rights, Covenants, Conditions, Restrictions and Easements ("Declaration") is made and entered into on the date hereinafter set forth by Kaizen 2, LLC, an Illinois Limited Liability Company (hereinafter referred to as "Declarant").

WITNESETH:

WHEREAS, Declarant is the owner and legal title holder of certain real estate in the City of Chicago, County of Cook, State of Illinois which real estate is legally described in Exhibits "A", "B", "C", "D", "E" and "F" attached hereto and by this reference incorporated herein (the "Premises"); and

WHEREAS, the Declarant has deemed it desirable for the efficient preservation of the values and amenities of the proposed development to create an agency to which shall be delegated and assigned the powers of maintaining, administering enforcing the covenants and restrictions hereinafter contained and created; and

WHEREAS, Wolcott Townhome Association, an Illinois not for profit corporation, ("Association"), has been formed for the purpose of exercising the functions aforesaid; and

WHEREAS, the Declarant may, from time to time for the purposes hereinafter enumerated, convey certain portions of the property, as hereinafter defined, to various owners:

NOW, THEREFORE, the Declarant hereby declares that only the real estate described in Exhibits "A", "B", "C", "D", "E" and "F", and such additions thereto as may hereafter be made is and shall be transferred, held, conveyed and accepted subject to this Declaration of Party Wall Rights. The Declarant does hereby further declare that the burdens, uses, privileges, charges and liens shall: (1) exist at all times amongst all parties having or acquiring right, title or interest in any portions of the real estate; (2) be binding upon and inure to the benefit of each Owner (a hereinafter defined); and (3) run with the land subjected to this Declaration, to be held, sold and conveyed subject thereto.

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ARTICLE 1

DEFINITIONS

Sections 1.1: "Association" shall mean and refer to the Wolcott Townhome Association, an Illinois not for profit corporation, its successors and assigns.

Section 1.2: "Board" shall mean the Board of Directors of the Association as constituted any time or from time to time, in accordance with the applicable provisions of Article V.

Section 1.3: "Property" shall mean and refer to that certain real estate described in Exhibits A-E.

Section 1.4: "By Laws" shall mean the By-Laws of the Wolcott Townhome Association attached as Exhibit G.

Section 1.5 Intentionally left blank.

Section 1.6: "Townhouse Unit" shall mean (i) a residential housing unit consisting of a group of rooms which may be attached to one or more other Townhouse Units by common party walls and which are designed or intended for the Exclusive Use as living quarters for one Family, as hereinafter defined. The four (4) Townhouse Units hereby created shall be and are designated as "7407 East" ("Unit A"), "7407 West" ("Unit B"), "7405 East" ("Unit C"), and "7405 West" ("Unit D"). Unit A is delineated on Exhibit "A". Unit B is delineated on Exhibit "B". Unit C is delineated on Exhibit "C". Unit D is delineated on Exhibit "D".

Section 1.7: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, as hereinafter defined, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. The term "Owner" shall include the beneficiaries of the Declarant to the extent of the number of Lots owned by Declarant and also includes the interest of said beneficiaries or of Declarant as contract seller of any Lot.

Sections 1.8: "Declarant" shall mean Kaizen 2, LLC, an Illinois Limited Liability Company, its successors and or assigns.

Sections 1.9: "Lot" shall mean and refer to a platted lot designated as such upon any recorded survey plat of the Property and upon which lot a Townhouse Unit is situated.

Section 1.10: "Occupant" shall mean any person or persons other than the owner in possession of a Townhouse Unit.

Section 1.11: "Family" shall mean one or more persons each related to the other by blood, marriage, or legal adoption, or a group of not more than three (3) person not all so related, together with his or her domestic servants, maintaining a common household in a Townhouse

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Unit.

Section 1.12: "Parking Spot" That portion of each Townhouse Unit originally designed and intended for the parking or storing of motor vehicles and any separately platted Lots designated solely for parking and which are designated by Exhibit "E" and "F" which may be later attached to a designated Lot or Townhouse Unit.

Section 1.13: "Member" any Owner who holds membership in the Association pursuant to section 5.1 hereof and who is subject to assessment.

ARTICLE II

PARTY WALLS

Section 2.1: All divided walls which straddle the boundary line between, and all walls which serve two or more Townhouse Units, shall at all times be considered party wall, and each of the owners of Lots upon which any such party wall shall stand shall have the right to use said party wall below and above the surface of the ground and along the whole length or any part of the length thereof for the support of said Townhouse Units and for the support of any building constructed to replace the same, and shall have the right to maintain in or on said wall any pipes, ducts or conduits originally located therein or thereon subject to the restrictions hereinafter concerned.

Section 2.2: No owner of any Lot nor any successor in interest to any such owner shall have the right to extend said party wall in any manner, either in length, height or thickness.

Section 2.3: In the event of damage to or destruction by fire or other casualty of any party wall, including the foundation thereof, the owner of any Lot upon which such party wall may rest shall have the obligation to repair or rebuild such wall and the owner of each Lot upon which such wall shall rest, be served or benefited by shall pay his aliquot portion of the cost of such repair or rebuilding. All such repair or rebuilding shall be done within a reasonable time, in a workmanlike manner with materials comparable to those used in the original wall and shall conform in all respects to the laws and ordinances regulating the construction of building in force at the time of such repair or reconstruction. Whenever any such wall or any portion thereof shall be rebuilt, it shall be erected in the same location and on the same line and be of the same size as the original wall.

Section 2.4: The foregoing provision of this Article notwithstanding, the owner of any Lot, or other interested party, shall retain the right to receive a larger contribution from another or others under any rule or law regarding liability for negligence or willful acts or omissions. The right of any Owner under this Article shall be appurtenant to the land and shall pass to such Owners or other persons successors in title.

Section 2.5: The title of each owner to the portion of each party wall within such Townhouse Unit is subject to a cross easement in favor of the adjoining owner for joint use of said wall.

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ARTICLE III

RESTRICTIONS RELATING TO PROPERTY

Section 3.1: Each lot conveyed shall be designated by a separate legal description and shall constitute a freehold estate subject to the terms, conditions and provisions hereof.

Section 3.2: The Lots shall be used only for residential purposes, as a private residence, and no professional business or commercial use shall be made of the same, or any portion thereof or resident's use of a Lot endanger the health or disturb the reasonable enjoyment of any other Owner or resident, and provided further, that the Lot restrictions contained in this Section shall not be construed in any such a manner as to prohibit an Owner from (a) maintaining his personal professional library therein; (b) keeping his personal, business or professional records or accounts herein; or (c) handling his personal, business or professional telephone calls or correspondence therefrom.

Section 3.3: All rubbish, trash or garbage shall be kept so as not to be seen from neighboring Townhouse Units and streets, and shall be regularly removed from the Property, and shall not be allowed to accumulate thereon.

Section 3.4: An Owner shall do no act nor perform any work that will impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other properties or their owners.

Section 3.5: No nuisance, noxious or offensive activity shall be carried on the Property nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the Owners or Occupants.

Section 3.6: Each Lot is declared to be subject to an easement in favor of any other Lot to the extent necessary to permit pedestrian ingress and egress to, from and between Townhouse Units and Parking Spots, if any, over and through Property, Lot and Driveways and porches.

Section 3.7: The Owner of each Lot shall from time to time grant such additional easements and rights over, across, on, under and upon his Lot as may be reasonably necessary in connection with the supply of any utility for sanitary and storm sewers, water, gas, electricity, telephone, cable and any other necessary utilities to any part of the Property.

Section 3.8: An Owner shall not erect fences or barricades of any type or manner on any part of the Property and/or Lot that are not already in existence.

Section 3.9: The Owners may adopt such other rules and regulations from time to time governing the use and enjoyment of the Lots.

Section 3.10: All pets shall be controlled in such a manner so as not to trespass or otherwise interfere with any other Owner's enjoyment of their Lot. Pets are not allowed to

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defecate or urinate on any of the Lots and each Owner is required to clean any such waste up immediately. Any Owner who does not clean up after their pet shall be fined \$25 per day for any such violations.

ARTICLE IV

MEMBERSHIP

Every Owner of a Townhome Unit which is subject to assessment pursuant to Article hereof is hereby declared to be a member of the Association. Unit Membership is appurtenant to and shall not be separated from ownership of such Owner's Townhome Unit. By acceptance of a deed or other conveyance of a Townhome Unit, each Owner or subsequent Owner thereby becomes a Member whether this Declaration is incorporated by reference or otherwise expressed in the deed of conveyance. If there is more than one Owner of a Townhome Unit, all such Owners shall be members of the Association, however, there shall only be one Unit Membership per Townhome Unit. Multiple Owners of a Townhome Unit shall allocate the privileges and responsibilities appurtenant to Unit Membership among them as they determine. Any Owner who owns more than one Townhome Unit shall have the number of Unit Memberships equal to the number of Townhome Units owned by that Owner. If an Owner is a trustee, corporation, partnership or similar entity, then such Owner shall designate in writing to the Association the name and address of the individual who should receive correspondence and otherwise deal with the Association. Such designation may be changed from time to time thereafter by notice in writing to the Association. Ownership of Townhome Unit shall be the sole qualification for membership in the Association. Nothing herein contained shall be interpreted to exclude Declarant from membership while it or its successors in interest, if any owns one or more Townhome Unit(s). Voting rights with regard to each Member are set forth in Article V hereof.

ARTICLE V

VOTING RIGHTS AND BOARD OF DIRECTORS

Section 5.1: Membership. Members shall be all those Owners defined in Article IV. Members shall be entitled to one vote for each Townhome Unit in which they hold an interest required for membership per Article IV. The vote for each Townhome Unit shall be exercised as the members who own that Townhome Unit among themselves determine, but in no event shall more than one vote be cast with respect to any Townhome Unit. All Members holding any interest in a single Townhome Unit shall together be entitled to cast only one vote for the Townhome Unit.

Section 5.2: Provisions Mandatory. The provisions of Section 5.1 hereof shall be mandatory. No owner of any interest in any Townhome Unit shall have any right or power to disclaim, terminate or withdraw from membership in the Association or any obligations as a Member, and no purported disclaimer, termination or withdrawal thereof or therefrom on the part of any Owner shall be of any force or effect for any purpose.

Section 5.3: Board. The Association shall have a Board of four (4) Directors, who shall

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be elected by the Members of the Association at such intervals as the corporate charter and By-Laws of the Association shall provide; except, that vacancies in the Board occurring between regularly scheduled meetings of the Members may be filled by the Board by majority vote if so provided by the articles of incorporation or the by-laws. Prior to the election of the first Board of Directors by the Owners, the Developer may exercise all rights, powers and privileges of the Board and may perform all of its functions.

Section 5.4 Officers: The Association shall have such officers as shall be appropriate from time to time, who shall be elected by the Board. The officers shall manage and conduct the day to day affairs of the Association under the direction of the Board.

Section 5.5: Association Funds: The Association, being a not for profit corporation, shall not distribute to its Members any sums in the nature of dividends upon its shares. To the extent that funds shall not be required for current expenditures or for such reserves, the next quarterly assessments may, in the discretion of the board, be eliminated or the amount thereof appropriately reduced. Such reduction shall not prevent reinstatement of or increase in such assessments when required, but such reinstatement or increase shall not be retroactive.

Section 5.6: Professional Service Contracts: Whenever possible, the Association shall perform its functions and carry out its duties by entering into agreements for the performance thereof with such persons and business entities regularly engaged in the performance of snow plowing and landscaping, which agreements shall be for such length of time, at such rate of compensation and upon such other terms and conditions as the Board shall determine from time to time.

Section 5.7: Rules and Regulations. The Association, through the resolutions of the Board, shall have the right to adopt rules and regulations governing the Common Area and the use thereof provided, however, that no rule or regulation shall conflict with the Declaration, or any applicable laws, ordinances or codes.

ARTICLE VI

MAINTENANCE OF TOWNHOME UNITS

Section 6.1: Owner's Duty to Maintain. Each Unit Owner shall the obligation to maintain in good condition and repair, his roof, balconies, glass surfaces, fences, decks, screened porches, patios, garage doors, fireplaces, (including interior and exterior of chimneys), windows, entry doors, electrical fixtures appurtenant service walks located on the Townhome Unit. Upon the failure of any Owner to maintain those areas not the maintenance responsibility of the Association, the Association, through its agents and employees, is hereby granted the right to enter the Townhome Unit and into the Townhome Unit thereon and make such reasonable repairs, maintenance, rehabilitation or restoration of the premises as may be necessary, and the costs thereof shall become a lien upon the Townhome Unit.

Section 6.2: Association's Duty to Maintain. The Association shall be responsible for the water bill and the real estate taxes until such time as separate Property Identification Numbers

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and real estate taxes are issued for each parcel. The cost of such services shall be included in the assessment to be paid to the Association. Each Owner of the Association shall be responsible for one-fourth of the water bill and the tax bill for the Property. The Budget shall be prepared by Board by July 31 of each year beginning July 31, 2007. Each Owner shall be responsible for one fourth (1/4) of the Budget.

Section 6.3 Real Estate Taxes. It is understood that real estate taxes are to be separately taxed to each Owner for his Townhouse Unit provided, however, until such time as separate real estate tax bills are issued with respect to each Townhouse Unit, the real estate taxes imposed on the Property will be included in the assessments issued pursuant to this Declaration. The Board will specifically allocate assessments for real estate taxes to individual Townhouse Units.

Section 6.4 Insurance. Each Owner shall maintain appropriate property and liability insurance for their Townhouse Unit and shall provide the Board with evidence of such insurance on request.

ARTICLE VII

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 7.1: Covenant for Assessments and Liens. The Declarant, for each Townhome Unit owned within the Property, hereby covenants, and each owner of any Townhome Unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (i) quarterly assessments to be fixed, established and collected from time to time as hereinafter provided; and (ii) special assessments to be fixed, established and collected from time to time as hereinafter provided. The quarterly and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Townhome Unit against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Townhome Unit at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

Section 7.2: Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of paying the water bill or, if ratified by 3 out of 4 members, any resolution for promoting the health, safety and welfare of the residents in the property and in particular for the improvement and maintenance of the Property, services and facilities devoted to this purpose and related to the use and enjoyment of the Property. Such uses shall include, but are not limited to, the cost to the Association of the maintenance and repair and the caring for the driveway, fences and sidewalks.

Section 7.3: Authority to Fix Assessments. The Board shall be authorized to fix the annual assessments in an amount sufficient to meet the costs and expenses stated above.

Section 7.4: Special Assessment. In addition to the annual assessments authorized above,

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the Association may levy in any assessment year a special assessment applicable to the year only, for the purpose of defraying, in whole or in part, the cost of construction or reconstruction, unexpected repairs, maintenance or replacement upon the Common Area.

Section 7.5: Payment of Assessments. The annual assessments and special assessments shall be assessed to the Owners equally, and shall be collected on a quarterly basis, beginning on the first day of the month following the initial closing of the final Townhome Unit.

Section 7.6: Procedure. The assessments provided for herein shall commence for all Townhome Units within the property on the first day of each quarter following the conveyance of the last Townhome Unit. The Board shall fix the amount of the annual assessments against each Townhome Unit at the annual meeting of the Board and shall give each Owner written notice in advance of each quarterly assessment. An Owner shall be liable for the payment of the assessment on the 1st day of the every third month following the conveyance of title to him or by such other timetable as the Board may adopt by resolution. The Association shall upon demand issue a certificate in writing signed by an officer or agent of the Association setting forth whether the assessments on a specified Townhome Unit have been paid and, if not paid, the amount of such deficiency. Such certificate shall be conclusive evidence of payment of any assessment therein.

Section 7.7: Delinquency. Any assessments which are not paid when due shall be delinquent. Such assessment, interest and all costs of collection shall be a continuing lien upon the Townhome Unit against which each such assessment was made. If the assessment is not paid within thirty (30) days after the due date, then (i) the amount of the assessment shall bear interest from the date of delinquency at the rate of 1.5% per cent per month, and (ii) in addition to said interest, the delinquent Owner shall pay to the Association a late charge of \$25.00 for each month or portion thereof that said amount remains delinquent. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same, or foreclose the lien against the respective Townhome Unit and interest, late charges, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each Owner, by his acceptance of a deed to Townhome Unit, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such owner personally for the collection of such charges as a debt, and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property.

Section 7.8: Subordination. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed on the Townhome Units and recorded prior to the due date of the delinquent assessment; provided, however, any prior recorded mortgage shall be subject to the lien of all unpaid assessments which became due and payable for that Townhome Unit subsequent to the date the holder of said mortgage takes possession of that Townhome Unit, accepts a conveyance of any interest in that Townhome Unit, or has a receiver appointed in a suit to foreclose its lien. The lien of the assessments shall not be affected by the sale or transfer of the corresponding Townhome Unit unless the sale or transfer is pursuant to the foreclosure of the first mortgage thereon. In such a case, the transfer of title pursuant to the foreclosure shall extinguish the lien. However, neither the personal obligation of

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the transferor, if any, nor the resulting pro rate share of the burden of such non-payment or non-enforcement, imposed through a subsequent assessment, shall be affected.

Section 7.9: Limitation. With regard to any Townhome Unit which is being constructed or will be completed and to which title has not been conveyed by Declarant, the assessment respecting any such Townhome Unit shall be limited to the aggregate amount of actual operating expenses from time to time required to be paid with respect to such Townhome Unit; provided, however, that in the event Declarant enters into a lease or installment contract for any Townhome Unit, then Declarant shall, as of the first day of such lease or contract, be responsible for the payment of all assessments on those Townhome Units on the same basis as any other owner as provided in this Article. Actual operating expenses shall mean those ordinary expenses attributable only to the period in question covering the maintenance of the common area and snow plowing.

ARTICLE XIII

MISCELLANEOUS

Section 8.1: Any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, easements, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Any Owner found to be in violation by a court of competent jurisdiction of any of the foregoing shall also be liable for reasonable attorney's fees incurred in prosecuting any such action. The amount of such attorney's fees together with court costs, if unpaid, shall constitute an additional lien against the defaulting Owner's lot, enforceable as other liens herein established. Failure by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 8.2: Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 8.3: All of the easements, rights, covenants, agreements, reservations, restrictions and conditions herein contained shall run with the land and shall inure to the benefit of and be binding upon Declarant and each subsequent holder of any interest in any portion of the Property and their grantees, heirs, successors, personal representatives and assigns with the same full force and effect for all purposes as though set forth at length in each and every conveyance of the Property or any part thereof. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easement and covenants herein described shall be sufficient to create and reserve such easements and covenants to the respective grantees, mortgagees, or trustees of such parcels as fully and completely as though said easements and covenants were fully recited and set forth in their entirety in such documents.

Section 8.4: Any notices required to be sent to an Owners under the provisions of the Declaration shall be deemed to have been properly sent when mailed, postage prepaid to the last known address of such Owner.

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Section 8.5 The following provisions are intended for the benefit of each Eligible Mortgage Holder and to the extent if at all, that any other provisions of this Declaration conflict with the following provisions, the provisions of this Section 9.5 shall control:

a. Upon request in writing to the Association identifying the name and address of the Eligible Mortgage holder or the insurer or guarantor of a recorded first mortgage or trust deed on a Townhome Unit ("Insurer or Guarantor") and the unit number, the Association shall furnish each Eligible Mortgage Holder, Insurer or Guarantor a written notice of the default of any owner's obligations under this Declaration which is not cured within thirty (30) days. Any Eligible Mortgage Holder of a Townhome Unit who come into possession of the said Townhome Unit pursuant to the remedies provided in the mortgage, foreclosure of the mortgage, or deed (assignment) in lieu of foreclosure shall, to the extent permitted by law, take such property free of any claims for unpaid assessments or charges in favor of the Association against the mortgaged Townhome Unit which become due prior to (i) the date of the transfer of title, or (ii) the date on which the holder comes into possession of the Townhome Unit, whichever occurs first.

b. Upon request in writing, each eligible Mortgage Holder, Insures, or Guarantor shall have the right:

- (i) to examine current copies of this Declaration, the By-Laws, rules and regulations and the books and records of the Association during normal business hours;
 - (ii) to receive, without charge and within a reasonable time after such request, an financial statement prepared by the Association at the end of each of its respective fiscal years;
 - (iii) to receive written notices of all meetings of the Association and to designate a representative to attend all such meetings;
 - (iv) to receive written notice of any decision by the Association or Owners to make a material amendment to the Declaration, by-laws, or the articles of incorporation of the Association;
 - (v) to receive written notice of any proposed action which would require the consent of a specified percentage of eligible Mortgage Holders; and
 - (vi) to receive written notice of any condemnation or casualty loss that affects either a material portion of the property or the Townhome Unit on which it holds, insures or guarantees the mortgage.
- c. No provision of this Declaration, the by-laws, or the articles of incorporation of the Association or any similar instrument pertaining to the property or the Townhome Units therein shall be deemed to give an Owner or any other party priority over the rights of the Eligible Mortgage Holders pursuant to their mortgage in the case of distribution to Owners of insurance proceeds or condemnation awards for losses to or

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a taking of the Townhome Units, and/or the Common Area, or any portion thereof or interest therein. In such event, the Eligible Mortgage Holders, Insurers or Guarantors of the Townhome Units affected shall be entitled, upon specific written request, to timely written notice of any such loss.

Section 8.6: Each Owner shall notify the Association of the name and address of the Eligible Mortgage Holder relating to his respective Townhome Unit.

Section 8.7: This Declaration may not be amended, altered, changed, or modified unless it is writing and consented to, in writing, by four (4) of the Owners and all mortgagees of record of such Lots.

Section 8.9. Any controversy between Owners or any claim by an Owner against the Association or another Owner arising out of or relating to the Declaration, By-Laws, or rules and regulations of the Association may be settled by arbitration in accordance with the Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof.

IN WITNESS WHEREOF, the said Kaizen 2, LLC, an Illinois Limited Liability Company, has caused its name to be signed by these presents by its partners as of this 18 day of June 2007.

Kaizen 2, LLC



Charles Andrew Fritz, Managing Member

This Document Prepared By: Ronald A. Stearney, Esq., 211 W. Wacker Drive, Suite 500, Chicago, Illinois 60606.

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STATE OF ILLINOIS

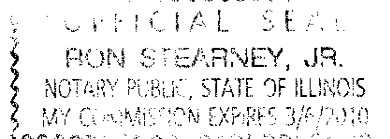
SS

COUNTY OF COOK

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that Charles Andrew Fritz, as the managing member of Kaizen 2, LLC, an Illinois limited liability company, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notary seal, this 18 day of June -2007.

Ra Stearney
NOTARY PUBLIC



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EXHIBIT A

LEGAL DESCRIPTION

PARCEL 4

THAT PART OF LOT 2 (EXCEPT THE NORTH 5.87 FEET THEREOF), AND THAT PART OF LOT 1 LYING NORTH OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF LOT 1 WHICH IS 36.29 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT TO A POINT ON THE EAST LINE WHICH IS 13.49 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1, ALL IN BLOCK 4 IN MURPHYS ADDITION TO ROGERS PARK IN THE SOUTHEAST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY ILLINOIS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED TRACT; THENCE EASTERLY ALONG THE NORTH LINE OF SAID TRACT A DISTANCE OF 101.49 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING EASTERLY ALONG SAID NORTHERLY LINE A DISTANCE OF 30.51 FEET; THENCE SOUTHERLY ALONG A LINE, SAID LINE BEING 18.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID TRACT, A DISTANCE OF 22.50 FEET; THENCE EASTERLY PARALLEL WITH THE NORTH LINE OF SAID TRACT, A DISTANCE OF 18.00 FEET; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID TRACT, A DISTANCE OF 10.00 FEET; THENCE WESTERLY PARALLEL WITH THE NORTH LINE OF SAID TRACT, A DISTANCE OF 18.00 FEET; THENCE SOUTHERLY PARALLEL WITH THE SAID EAST LINE OF SAID TRACT TO A POINT THAT IS 133.57 FEET NORTHEASTERLY OF THE SOUTHWEST CORNER OF SAID TRACT, AS MEASURED ALONG THE SOUTHERLY LINE OF SAID TRACT, A DISTANCE OF 28.44 FEET; THENCE SOUTHWESTERLY ALONG SAID SOUTHERLY LINE OF SAID TRACT, A DISTANCE OF 30.67 FEET; THENCE NORTHERLY ALONG A LINE SAID LINE ALSO BEING THE EXTENSION OF A PARTY WALL, A DISTANCE OF 65.41 FEET TO THE POINT OF BEGINNING

CONTAINING: 2,101.689 SQUARE FEET OR 0.048 ACRES MORE OR LESS

ADDRESS OF PROPERTY: 7407 N. Wolcott, Chicago, IL.

PIN: 11-30-410-032

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THAT PART OF LOT 2 (EXCEPT THE NORTH 5.87 FEET THEREOF) AND THAT PART OF LOT 1 LYING NORTH OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF LOT 1 WHICH IS 36.29 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT TO A POINT ON THE EAST LINE WHICH IS 13.49 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1, ALL IN BLOCK 4 IN MURPHY'S ADDITION TO ROGERS PARK IN THE SOUTHEAST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED TRACT; THENCE EASTERLY ALONG THE NORTH LINE OF SAID TRACT A DISTANCE OF 71.16 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING EASTERLY ALONG SAID NORTHERLY LINE, A DISTANCE OF 30.33 FEET; THENCE SOUTHERLY ALONG A LINE, SAID LINE ALSO BEING THE EXTENSION OF A PARTY WALL, TO A POINT THAT IS 102.90 FEET NORTHEASTERLY OF THE SOUTHWEST CORNER OF SAID TRACT, AS MEASURED ALONG THE SOUTHERLY LINE OF SAID TRACT, A DISTANCE OF 65.41 FEET; THENCE SOUTHWESTERLY ALONG SAID SOUTHERLY LINE OF SAID TRACT, A DISTANCE OF 30.57 FEET; THENCE NORTHERLY A DISTANCE OF 69.87 FEET TO THE POINT OF BEGINNING.

CONTAINING: 2,048.179 SQUARE FEET OR 0.047 ACRES MORE OR LESS

PARCEL 6

THE SOUTH 10.00 FEET OF THE NORTH 22.50 FEET OF THE EAST 18.00 FEET OF THE FOLLOWING DESCRIBED TRACT OF LAND: THAT PART OF LOT 2 (EXCEPT THE NORTH 5.87 FEET THEREOF), AND THAT PART OF LOT 1 LYING NORTH OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF LOT 1 WHICH IS 36.29 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT TO A POINT ON THE EAST LINE WHICH IS 13.49 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1, ALL IN BLOCK 4 IN MURPHY'S ADDITION TO ROGERS PARK IN THE SOUTHEAST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

CONTAINING: 180.004 SQUARE FEET OR 0.004 ACRES MORE OR LESS

ADDRESS OF PROPERTY: 7407 N. Wolcott, Chicago, IL.

PIN: 11-30-410-032

UNOFFICIAL COPY**EXHIBIT C****LEGAL DESCRIPTION****PARCEL 2**

THAT PART OF LOT 2 (EXCEPT THE NORTH 5.87 FEET THEREOF) AND THAT PART OF LOT 1 LYING NORTH OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF LOT 1 WHICH IS 36.29 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT TO A POINT ON THE EAST LINE WHICH IS 13.49 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1, ALL IN BLOCK 4 IN MURPHY'S ADDITION TO ROGERS PARK IN THE SOUTHEAST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED TRACT; THENCE EASTERLY ALONG THE NORTH LINE OF SAID TRACT A DISTANCE OF 40.82 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING EASTERLY ALONG SAID NORTHERLY LINE, A DISTANCE OF 30.34 FEET; THENCE SOUTHERLY ALONG A LINE TO A POINT THAT IS 72.33 FEET NORTHEASTERLY OF THE SOUTHWEST CORNER OF SAID TRACT, AS MEASURED ALONG THE SOUTHERLY LINE OF SAID TRACT, A DISTANCE OF 69.87 FEET; THENCE SOUTHWESTERLY ALONG SAID SOUTHERLY LINE OF SAID TRACT, A DISTANCE OF 30.68 FEET; THENCE NORTHERLY ALONG A LINE, SAID LINE ALSO BEING THE EXTENSION OF A PARTY WALL, A DISTANCE OF 74.34 FEET TO THE POINT OF BEGINNING.

CONTAINING: 2,187.555 SQUARE FEET OR 0.050 ACRES MORE OR LESS

PARCEL 5

THE NORTH 12.50 FEET OF THE EAST 18.00 FEET OF THE FOLLOWING DESCRIBED TRACT OF LAND: THAT PART OF LOT 2 (EXCEPT THE NORTH 5.87 FEET THEREOF), AND THAT PART OF LOT 1 LYING NORTH OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF LOT 1 WHICH IS 36.29 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT TO A POINT ON THE EAST LINE WHICH IS 13.49 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1, ALL IN BLOCK 4 IN MURPHY'S ADDITION TO ROGERS PARK IN THE SOUTHEAST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING: 225.005 SQUARE FEET OR 0.005 ACRES MORE OR LESS

ADDRESS OF PROPERTY: 7405 N. Wolcott, Chicago, IL.

PIN: 11-30-410-033

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EXHIBIT D

LEGAL DESCRIPTION

PARCEL 1

THAT PART OF LOT 2 (EXCEPT THE NORTH 5.87 FEET THEREOF), AND THAT PART OF LOT 1 LYING NORTH OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF LOT 1 WHICH IS 36.29 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT TO A POINT ON THE EAST LINE WHICH IS 13.49 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1, ALL IN BLOCK 4 IN MURPHY'S ADDITION TO ROGERS PARK IN THE SOUTHEAST $\frac{1}{4}$ OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED TRACT; THENCE EASTERLY ALONG THE NORTH LINE OF SAID TRACT, A DISTANCE OF 40.82 FEET; THENCE SOUTHERLY ALONG A LINE, SAID LINE ALSO BEING THE EXTENSION OF A PARTY WALL TO A POINT THAT IS 41.65 FEET NORTHEASTERLY OF THE SOUTHWEST CORNER OF SAID TRACT, AS MEASURED ALONG THE SOUTHERLY LINE OF SAID TRACT, A DISTANCE OF 74.34 FEET; THENCE SOUTHWESTERLY ALONG SAID SOUTHERLY LINE OF SAID TRACT, A DISTANCE OF 41.65 FEET TO THE SOUTHWEST CORNER OF SAID TRACT; THENCE NORTHERLY ALONG THE WEST LINE OF SAID TRACT, A DISTANCE OF 80.42 FEET TO THE POINT OF BEGINNING.

CONTAINING: 3,172.416 SQUARE FEET OF 0.072 ACRES MORE OR LESS.

ADDRESS OF PROPERTY: 7405 N. Wolcott, Chicago, IL.

PIN: 11-30-410-033

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EXHIBIT E

LEGAL DESCRIPTION

PARCEL 7

THE SOUTH 10.00 FEET OF THE NORTH 42.50 FEET OF THE EAST 18.00 FEET OF THE FOLLOWING DESCRIBED TRACT OF LAND: THAT PART OF LOT 2 (EXCEPT THE NORTH 5.87 FEET THEREOF) AND THAT PART OF LOT 1 LYING NORTH OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF LOT 1 WHICH IS 36.29 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT TO A POINT ON THE EAST LINE WHICH IS 13.49 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1, ALL IN BLOCK 4 IN MURPHYS ADDITION TO ROGERS PARK IN THE SOUTHEAST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING: 180.004 SQUARE FEET OR 0.004 ACRES MORE OR LESS

ADDRESS OF PROPERTY: 7407 N. Wolcott, Chicago, IL.

PIN: 11-30-410-032

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EXHIBIT F

LEGAL DESCRIPTION

PARCEL 8

THE EAST 18.00 FEET (EXCEPT THE NORTH 42.50 FEET THEREOF) OF THE FOLLOWING DESCRIBED TRACT OF LAND:

THAT PART OF LOT 2 (EXCEPT THE NORTH 5.87 FEET THEREOF), AND THAT PART OF LOT 1 LYING NORTH OF A LINE DRAWN FROM A POINT ON THE WEST LINE OF LOT 1 WHICH IS 36.29 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT TO A POINT ON THE EAST LINE WHICH IS 13.49 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1, ALL IN BLOCK 4 IN MURPHY'S ADDITION TO ROGERS PARK IN THE SOUTHEAST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CONTAINING: 308.014 SQUARE FEET OR 0.007 ACRES MORE OR LESS

ADDRESS OF PROPERTY: 7407 N. Wolcott, Chicago, IL.

PIN: 11-30-410-032

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EXHIBIT "G"

BY-LAWS FOR WOLCOTT TOWNHOME ASSOCIATION

Unless otherwise defined in these By-Laws, all defined terms shall have the meaning ascribed to them in the **DECLARATION OF PARTY WALL RIGHTS, COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR WOLCOTT TOWNHOME ASSOCIATION**.

SECTION ONE

ADMINISTRATION OF THE PROPERTY

The direction and administration of the Property shall be vested in the Board of the Association; provided, however, that for a period commencing on the date of recording of the Declaration and ending with the date of the initial meeting of the Board, the same rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Board and the Declaration shall be held and performed by the Declarant, and, except as otherwise provided in the Act, the acts and agreements made by the Declarant with respect to the Property shall be binding upon the Board. Each member of the Board shall be an Owner or contract purchaser as defined in Section 6(c) of these By-Laws. If an Owner or contract purchaser is a corporation, partnership, trust or other legal entity other than a natural individual, then any one (1) officer, director or other designated agent of such corporation, partner or other designated agent of such partnership, beneficiary or other designated agent of such trust or manager of such other legal entity shall be eligible to serve as a member of the Board.

SECTION TWO

ASSOCIATION

The Wolcott Townhome Association (herein called the "Association"), acting through the Board, shall be the governing body for the Not-For-Profit Corporation under the General Not-For-Profit Corporation Act of the State of Illinois; and shall be deemed to be the Board of Managers for same.

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SECTION THREE

VOTING RIGHTS

A. **Votes.** The total number of votes of all Owners shall be four (4), and each Owner shall be entitled to the number of votes equal to the number of Townhouse Units he or she owns. For purposes of voting and sitting on the Board, the Declarant or its designee shall be the Owner with respect to any Townhouse Unit owned by Declarant. An Owner may vote by proxy executed in writing by him or by his duly authorized attorney-in-fact. The proxy shall be invalid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy, and the proxy must bear the date of execution. Any proxy distributed for Board elections must give the Owner the opportunity to designate any persons the proxy holder and give the owner of the opportunity to express a preference for any known candidates for the Board or to write in a name.

B. **Multiple Owners.** If there are multiple Owners with respect to a Townhouse Unit and if only one (1) of such multiple Owners is present at a meeting of the Association, he/she shall be entitled to cast the vote allocated to that Townhouse Unit; however, if more than one (1) of the multiple Owners are present, the vote allocated to the Townhouse Unit may be cast only in accordance with the agreement of a majority of the multiple Owners present. For purposes of this paragraph, there is majority agreement if any one (1) of the multiple Owners casts the vote allocated to that Townhouse Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Townhouse Unit. Only one (1) of the multiple Owners may serve on the Board at any given time.

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SECTION FOUR

MEETINGS

A. **General Provisions.** Meetings of the Association shall be held at the Property or at such other place in the State of Illinois as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the Owners having fifty (50%) of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Owners at which a quorum is present upon the affirmative vote of the Owners having a majority of the total votes present at such meeting. Matters subject to affirmative vote of Owners having three-fourths (3/4) or more of the total votes at a meeting duly called for that purpose shall include, but not be limited to: (1) merger or consolidation of the Association; (2) sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the property and assets of the Association; and (3) the purchase or sale of land or of Townhouse Unit on behalf of all Owners; and (4) the commencement of any type of litigation, except for actions in forcible entry and detainer to collect assessments.

B. **Initial and Annual Meeting.** The initial meeting of the Association shall be held upon not less than ten (10) nor more than thirty (30) days' prior written notice given by Declarant to the Owners. Such initial meeting shall be held not later than sixty (60) days after the close out of the four Townhouse Units have been sold. The formation or incorporation of the Association by Declarant shall not require Declarant to call the initial meeting of the Association any earlier than provided in the preceding sentence. Thereafter, there shall be an annual meeting of the Association on the 1st day of July of each succeeding year thereafter at 7:30 P.M., or at such other reasonable time or date (not more than thirty (30) days before or after such date) as may be designated in a written notice from the Board. One of the purposes of the annual meeting shall be to elect members of the Board of Managers.

C. **Special Meetings.** Special meetings of the Association may be called at any time upon written notice for the purpose of considering matters which, by the terms of the Declaration or under the Act, require the approval of all or some of the Owners, or for any other reasonable purpose. Special meetings may be called by the President of the Association, twenty-five percent (25%) of the members of the Board or by the Owners having twenty-five percent (25%) or more of the total votes.

SECTION FIVE

NOTICES OF MEETINGS

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Notices of annual and special meetings shall be given pursuant to the provisions of the Declaration. Written notice of any membership meeting shall be mailed or delivered to Owners no less than ten (10) and no more than thirty (30) days prior to the meeting and said notice shall state the time, place and purpose of such meeting.

SECTION SIX

BOARD OF MANAGERS (BOARD OF DIRECTORS)

A. Election.

1. At the initial meeting and at each annual meeting thereafter, the Owners shall elect a Board of Managers, all of whom shall be elected at large. If there are multiple owners of a single unit only one (1) of the multiple owners shall be eligible to serve as a member of the Board at any one (1) time.

2. The Board shall consist of four (4) members. The term of office shall be one year.

3. Each member of the Board shall hold office until a successor shall have been duly elected and qualified; provided that Board members may succeed themselves. Members of the Board shall receive no compensation for their services.

B. Counting of Election Ballots. A candidate for election to the Board or such candidate's representative shall have the right to be present at the counting of ballots at such election.

C. Contract Purchasers. The purchaser of a Townhouse Unit from a seller other than the Declarant pursuant to an installment contract for purchase shall during such times as he or she resides in the Townhouse Unit be counted toward a quorum for purposes of election of members of the Board at any meeting of the Owners called for purposes of electing members of the Board, and shall have the right to vote for the election of members of the Board 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 and serve on the Board. Satisfactory evidence of the installment contract shall be made available to the Association or its agents. For purposes of this subparagraph, "installment contract" shall have the same meaning as set forth in

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Section 1(e) of "An Act relating to installment contracts to sell dwelling structures" approved August 11, 1967, as from time to time amended.

D. **Vacancies.** Vacancies on the Board due to resignation, removal or death, shall be filled by the remaining members of the Board by majority vote until the next annual meeting of the Association.

E. **Management of Property.** Except as otherwise provided in the Declaration, the Property shall be managed by the Board and the Board shall act by majority vote of those present at its meetings when a quorum exists. A majority of the Board shall constitute a quorum.

F. **Meetings.** Meetings of the Board may be called, held and conducted in accordance with such rules and regulations as the Board may adopt. Meetings of the Board shall be open to any Owner, except for the portion of any meeting held (i) 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, (ii) to consider information regarding appointment, employment or dismissal of an employee, or (iii) to discuss violations of rules and regulations of the Association or an Owner's unpaid share of Common Expenses; however, any vote on these matters shall be taken at a meeting or portion thereof open to any Owner. Any Owner may record the proceedings of meetings, or portions thereof, required to be open by the Act by tape, film or other means, subject to such reasonable rules and regulations as the Board may prescribe. Notice of such meetings shall be mailed or delivered to Board members at least forty-eight (48) hours prior thereto unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened. In addition, such copies of notices of meetings of the Board shall be posted in entranceways or other conspicuous places on the Property at least forty-eight (48) hours prior to the meeting of the Board. The Board may designate one or more locations in the proximity of the Units where the notice of meetings shall be posted. The Board shall meet at least once annually.

G. **Officers.** The Board shall elect the following officers from among the members of the Board: a President who shall preside over both its meetings and those of the Association, and who shall be the chief executive officer or the Board and the Association; a Secretary who shall keep the minutes of all meetings of the Board and of the Association and who shall, in general, perform all the duties incident to the office of Secretary; a Treasurer who shall keep the financial records and books of account; and such additional officers as the Board shall see fit to elect. Such officers shall serve at the will of the Board, which shall fill any vacancies. Officers shall be elected at the first meeting of the Board immediately following the initial meeting and each annual meeting thereafter of the Association.

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SECTION SEVEN

GENERAL POWERS AND DUTIES OF THE BOARD

The Board, for the benefit of all the Owners, shall acquire the following goods and services and do any of the following things, and shall pay for such goods, services and things as a common expense as follows:

A. **Utilities.** Sewer, water, scavenger service and other necessary utility service for the Association and the Owners and (if not separately metered or charged) for the Townhouse Unit.

B. **Taxes.** Real property taxes, special assessments, and any other special taxes or charges of the County of Cook, 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 Property. Upon authorization by a one-half vote of the members of the Board, the Board, acting on behalf of all Owners, shall have the power to seek relief from or in connection with the assessment or levy of real property taxes, special assignments and any other special taxes or charges of the State of Illinois or of any other political subdivision thereof, or other lawful taxing or assessing body. In addition, the Board may act on behalf of all Owners in connection with any other matter where the respective interests of the Owners are deemed by the Board to be similar and non-adverse to each other.

C. **Supplies and Services.** Landscaping, snow removal, cleaning, maintenance, decorating, repair and replacement of the easements as the Board shall determine are necessary and proper. The Board shall have the exclusive right to designate, employ and remove personnel necessary for the maintenance, repair and replacement of the Common Elements.

D. **Maintenance.** Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations or assessments which the Board is required to secure or pay for pursuant to the terms of the Declaration and these By-Laws or by law or which in its opinion shall be necessary or proper for the maintenance and operation of the property or for the enforcement of the Declaration, By-Laws, Rules and Regulations and the Act.

E. **Violation.** To impose charges for late payments of an Owner's proportionate share of the Common Expenses, 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.

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F. **Business**. The Board shall not conduct any business for profit on behalf of the Owners unless provided for or required by the Act or the Declaration or these By-Laws or approved by a majority of the Owners.

G. **Fiduciary Duty**. In the performance of their duties, the officers and members of the Board are required to exercise, whether appointed by either the Declarant, or elected by the Owners, the care required of a fiduciary of the Owners.

H. **Reserves**. The Board, in its sole discretion, shall have the right, upon notice to the Unit Owners, to provide for reserves for maintenance of the Property.

SECTION EIGHT

LIABILITY OF THE BOARD OF MANAGERS

A. **Liability to Owners**. Neither the Declarant (or its beneficiaries), the members of the Board nor the officers of the Association shall be liable to the Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such de facto or de jure Board members and officers, except for any acts or omissions found by a court of law to constitute willful misconduct in the performance of duty.

B. **Liability to Third Parties**. Subject to the provisions of the Act, the Owners (and, to the extent permitted by law, the Association) shall indemnify and hold harmless the Declarant (and its beneficiaries), each of the members of the Board and each of the officers against all contractual and other liabilities to others arising out of contracts made by or other acts of the Declarant (and its beneficiaries), the Board and officers on behalf of the Owners or the Association, or arising out of their de facto or de jure status as Board members or officers unless any such contract or act shall have been made fraudulently or with gross negligence or contrary to the provisions of the Declaration. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, attorney's fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other in which the Declarant (and its beneficiaries), any member of the Board or officers may be involved by virtue of such person being or having been or having served as such member or officers; provided, however, that such indemnity by the Association shall not be operative with respect to (i) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for willful misconduct in the performance of his duties as

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such member or officer, or (ii) any matter settled or compromised, unless, in the opinion of independent counsel selected by the Board (who may be counsel regularly retained by the Association) there are no reasonable grounds for such person or officer being adjudged liable for willful misconduct in the performance of his duties as such member or officer. The Board shall have authority to purchase and maintain insurance on behalf of the officers and members of the Board against any expenses (including attorney's fees), liability or settlement based on asserted liability, incurred by them by reason of being or having served in such capacity, whether or not the Association would have the power to indemnify them against such liability or settlement under the provisions of this Section Eight. The costs of any such insurance shall be a Common Expense. It is also intended that the liability of any Owner arising out of any contract made by the Board, the officers, Declarant (or the beneficiaries of Declarant), or out of the aforesaid Owners' indemnity, shall be limited to such proportion of the total liability thereunder as such Owner's percentage of ownership in the Common Elements bears to the total percentage of ownership in the Common Elements of all Owners. Every contract made by the Board, the officers, Declarant (or the beneficiaries of Declarant), or the managing agent on behalf of the Owners shall provide that they are acting only as agents for the Owners and shall have no personal liability thereunder (except as Owners) and that each Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as such Owner's percentage of ownership. If the Board or Association elects to or is required to indemnify or hold harmless a Board member or officer pursuant to this section, the Board reserves the right to provide defense of such member and to settle or compromise any claim against such individuals.

SECTION NINE

SIGNATURES

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

SECTION TEN

RESALE

A. **Documents.** In the event of any resale of a Townhouse Unit by an Owner other than the Declarant, such Owner shall obtain from the Board and

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shall make available for inspection to the prospective purchaser, concurrently with execution of any contract for sale, upon demand the following:

1. A copy of the Declaration, By-Laws, and any Rules and Regulations.
 2. A statement of the monthly common expense assessment for the selling Owner's Unit.
 3. A statement of any liens, including a statement of the account of the Unit setting forth the amounts of unpaid assessments and other charges currently due and owing from the selling Unit Owner.
 4. A statement of any other fees payable by the Unit Owners.
 5. The most recent regularly prepared balance sheet and income and expense statement, if any, of the Association.
 7. The current operating budget of the Association.
 8. A statement of any judgments against the Association, and the status of any pending suits to which the Association is a party, of which it has knowledge.
 9. A statement of whether the Board has received written notice from any Federal, State or local government of any violations of any applicable codes with respect to the Unit.
- B. The Association, within ten (10) days after a written request by an Owner, shall make a good faith effort to furnish accurate information necessary to enable the Owner to comply with this Section. An Owner delivering a statement of such information shall not be liable to the purchaser for any erroneous information from the Association, provided that the errors are unknown to the Owner.
- C. An Owner is not liable to a purchaser for the failure or delay of the Association to provide such information in a timely manner. Inability to obtain any of the information shall be set forth in the sworn statement of the Owner. The purchaser shall have five (5) days from receipt of such affidavit to void said contract for said failure to provide data.
- D. Immediately upon execution by both parties of a sales contract by both Owner and purchaser, the Owner shall provide to the Board the name and address of the purchaser and the Board shall from that time on send duplicates of all notices sent to Owner to the purchaser.

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SECTION TWELVE

AMENDMENT

The provisions of these By-Laws may be changed, modified or rescinded by an instrument in writing setting forth such change, modification or rescission, signed and acknowledged by the President and Secretary of the Board, and certifying that the Owners having at least a majority of the total votes have approved such amendment at a meeting of the Association duly called for such purpose, and containing an affidavit by an officer of the Board certifying that a copy of the change, modification or rescission has been mailed by certified mail to all First Mortgagees, no less than ten (10) days prior to the date of such affidavit. Notwithstanding the foregoing, an amendment to these By-Laws shall not be effective without the prior written approval of three-fourths (3/4) of all First Mortgagees. Until such date as Declarant has conveyed title to all the Units, no provision of these By-Laws may be changed, modified or rescinded and no provision may be added without the prior written consent of Declarant. Any change, modification or rescission shall be effective upon recording such instrument in the office of the Recorder of Deeds, Cook County, Illinois.

PROPOSED
Cook County Clerk's Office