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AMENDED AND RESTATED
DECLARATION OF
CONDOMINIUM PURSUANT TO
THE CONDOMINIUM
PROPERTY ACT FOR
BROOKSIDE OF PALOS
CONDOMINIUMS



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ROBERT B. KOGEN
Kovitz Shifrin Nesbit
750 Lake Cook Road, Suite 350
Buffalo Grove, IL 60089 - 847/537-0500

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AMENDED AND RESTATED DECLARATION OF CONDOMINIUM PURSUANT TO THE CONDOMINIUM PROPERTY ACT FOR

BROOKSIDE OF PALOS CONDOMINIUMS

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AMENDED AND RESTATED DECLARATION OF CONDOMINIUM OWNERSHIP FOR UNION COMMONS

This document is recorded for the purpose of amending the Declaration of Condominium Pursuant to the Condominium Property Act for Brookside of Palos Condominiums, which Declaration was recorded on March 26, 1980, as Document No. 26404181 in the Office of the Recorder of Deeds of Cook County, Illinois (the "Original Declaration").

RECITALS

This Amended and Restated declaration of Condominium Pursuant to the Condominium Property Act for Brookside of Palos Condominiums (the "Declaration") is made and entered into by the Board of the Brookside of Palos Condominium Association in accordance with Section 27(b) of the Illinois Condominium Property Act [765 ILCS 605/27] whereby the Board by a two-thirds (2/3) majority vote can amend the Declaration in order to conform to current law.

The Declaration incorporates all of the changes in the law implemented since the adoption of the Original Declaration. Such changes that supersede provisions of the Original Declaration are incorporated herein.

The Declaration was approved on the _____ day of _____, 20____, by no less than two-thirds (2/3) of the Board of the Association, as evidenced by the signatures affixed hereto.

Accordingly, the Declaration is hereby amended and restated to be and read, in its entirety, as follows:

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**AMENDED AND RESTATED DECLARATION OF CONDOMINIUM
PURSUANT TO THE CONDOMINIUM PROPERTY ACT
BROOKSIDE OF PALOS CONDOMINIUMS
PALOS PARK, COOK COUNTY, ILLINOIS**

ARTICLE I

Definitions

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

(a) "Act" means the "Condominium Property Act", as amended from time to time, of the State of Illinois.

(b) "Declaration" means the instrument by which the Property is submitted to the provisions of the Act, as hereinafter provided, and such Declaration as from time to time amended.

(c) "Parcel" means the lot or lots, tract or tracts of land, described in the Declaration, submitted to the provisions of the Act.

(d) "Property" means all the land, property and space comprising the Parcel, all improvements and structures erected, constructed or contained therein or thereon, including the buildings and all easements, rights, and appurtenances belonging thereto, and all fixtures and equipment intended for the mutual use, benefit or enjoyment of the unit owners, submitted to the provisions of this Act.

(e) "Unit" means a part of the Property designed and intended for any type of independent use.

(f) "Common Elements" means all portions of the Property except the units, including Limited Common Elements unless otherwise specified

(g) "Person" means a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

(h) "Unit Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a unit.

(i) "Majority" or "majority of the unit owners" means the owners of more than fifty percent (50%) in the aggregate in interest of the undivided ownership of the common elements.

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Any specified percentage of the unit owners means such percentage in the aggregate in interest of such undivided ownership.

(j) "Plat" means a plat or plats of survey of the Parcel and of all units in the Property submitted to the provisions, of this Act, which may consist of a three-dimensional horizontal and vertical delineation of all such units.

(k) "Condominium Instruments" means all documents and authorized amendments thereto recorded pursuant to the provisions of the Act, including the declaration, by-laws, and plat.

(l) "Common Expenses" means the proposed or actual expenses affecting the Property, including reserves, if any, lawfully assessed by the Board of Managers of the Unit Owner's Association.

(m) "Reserves" means those sums paid by unit owners which are separately maintained by the Board of Managers for purposes specified by the Board of Managers or the condominium instruments.

(n) "Unit Owner's Association" or "Association" means the association of all unit owners, acting pursuant to by-laws through its duly elected Board of Managers.

(o) "Purchaser" means any person or persons who purchase a unit in a bona fide transaction for value.

(p) "Limited Common Elements" means a portion of the common elements so designated in the declaration as being reserved for the use of a certain unit or units to the exclusion of other units, including but not limited to balconies, terraces, and patios.

(q) "Building" means all structures, attached or unattached containing one or more units.

(r) "Occupant" means a person, or persons, other than a unit owner in possession of one or more units.

(s) "Voting Member" means the person entitled to exercise all voting power in respect to each unit ownership.

(t) "Record" means to record in the Office of the Recorder of Deeds of Cook County, Illinois.

(u) "Parking Area" means the area of the property allocated for parking automobiles; it does not include a garage area which is part of each Unit.

(v) "Parking Space" means a portion of the parking area intended for the parking of a single automobile.

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(w) "Garage Area" means the area designated on Exhibit C, which is part of the Unit and provides for the parking of one or two automobiles.

(x) "Townhouse" refers to those units used as a townhouse residence for a single family.

(y) "Apartment" means those units, as contrasted with the townhouse unit, constructed so as to provide living quarters for a single family.

ARTICLE II

Parcel

1. Legal Description of Parcel. The parcel hereby submitted to the provisions of the Condominium Property Act as legally described on the Plat.

ARTICLE III

Units

1. Description of Units. All units are delineated on the Plat. The Legal description of each unit shall consist of the identifying number of such unit as shown on the Plat, which units are legally described and identified by number on Exhibit A attached hereto and made a part hereof. Each "townhouse unit" is to be constructed so as to provide a residence for single family. Each townhouse unit also has a garage area, which is part of the unit, and is to be used for the parking of motor vehicles. Each "apartment unit" is constructed so as to provide a residence for a single family, and also has a garage area that is part of the unit.

Each unit shall consist of the space enclosed and bounded by the horizontal and vertical planes set forth in the delineation thereof as shown on the Plat.

2. Subdividing or Combining of Units. The owners of the Units may subdivide or combine units subject to the following restrictions:

- (a) No Townhouse unit or apartment unit may be subdivided or combined in such manner so as to permit occupancy in any one townhouse or any one apartment by more than a single family in each townhouse and apartment; and
- (b) Subdividing and combining of the units may be done only in the manner provided by the Illinois Condominium Property Act.
- (c) To the extent that perimeter and partition walls, floors or ceilings are designated as the boundaries of the units or of any specified units, all decorating, wall and floor coverings, paneling, molding, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces thereof, shall be

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deemed a part of such units, while all other portions of such walls, floors or ceilings and all portions of perimeter doors and all portions of windows in perimeter walls shall be deemed part of the common elements.

- (d) If any chutes, flues, ducts, conduits, wires, bearing walls, bearing columns, or any other apparatus lies partially within and partially outside of the designated boundaries of a unit, any portions thereof serving only that unit shall be deemed a part of that unit, while any portions thereof serving more than one unit or any portion of the common elements shall be deemed a part of the common elements. Subject to the provisions of paragraph (2) of subsection (a), all space and other fixtures and improvements within the boundaries of a unit shall be deemed a part of that unit.
- (e) All pipes, wires, ducts, flues, chutes, conduits, public utility lines (to the outlets) and structural components running through a Unit and serving more than one Unit or serving, or extending into the Common Elements, or any part thereof, shall be deemed part of the Common Elements.

ARTICLE IV

Common Elements

1. Description of the Common Elements. Except as otherwise provided in this Declaration, the Common Elements shall consist of all portions of the Property, except the individual Units. Without limiting the generality of the foregoing, the Common Elements shall include but not be limited to the land, outside walks and driveways, water wells, pumps, and distribution facilities, sewer lines, landscaping, courtyards, patios, balconies, parking area, roof, pipes, ducts, electrical wiring and conduits, public utility lines and other utility installations to the outlets, floors, ceilings and perimeter walls not located within the Unit Boundaries as shown on the Plat, and structural parts of the Building, including any structural columns located within the boundaries of a Unit.

2. Ownership and Use of the Common Elements. Each Unit Owner shall own an undivided interest, in the percentage set forth in Exhibit D attached hereto and made a part hereof, in the Common Elements as a tenant in common with all the other Unit Owners, and, except as otherwise limited in this Declaration, shall have the right to use the Common Elements for all purposes incident to the use and occupancy of his Unit as a place of residence and such other incidental uses permitted by this Declaration, which right shall be appurtenant to and run with his Unit. Such right to use the Common Elements shall extend to each Unit Owner, his agents, tenants, family members and invitees and shall be subject to the Condominium Property Act, the provisions of this Declaration and the rules and regulations adopted from time to time by the Board. Subject to the provisions of the Declaration, the Board may lease or grant licenses or concessions with respect to parts of the Common Elements. All income derived from leases, licenses or concessions shall be held and used for the benefit of the Unit Owners and shall be deposited in the maintenance fund.

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3. Limited Common Elements. A portion of the Common Elements are composed of "Limited Common Elements" which are reserved for the use of a certain unit or units to the exclusion of other units.

4. Designation of Limited Common Elements: Balconies and patios are hereby designated as limited common elements, and each unit owner shall be entitled to the exclusive use and possession of that balcony or balconies, patio or patios, direct access to which is provided from any part of his respective Unit, and which is or are located outside of and adjoining any part of their respective Unit.

5. Those parts of the Common Elements serving exclusively each Building as an inseparable appurtenance thereto, including, without limitation, the Structural Components of each Building (the exterior and interior walls of and contained in each Building, floors, ceilings, doors, windows, roofs, foundations, support columns, conduits and pipes relating to utility facilities placed in each Building and all associated fixtures and structures therein, all as may lie outside the Unit boundaries), are hereby designated as Limited Common Elements for the exclusive use and benefit of the Units contained in each Building.

6. Maintenance of the Limited Common Elements. Unless and until the Board determines to the contrary, and subject to rules and regulations established from time to time by the Board, the unit owners to whom exclusive use of the Limited Common Elements is reserved, are responsible for the repair, maintenance, operation and appearance of the Limited Common Elements herein designated and reserved to them. Thus, each unit owner is responsible for the patios and balconies to which his unit has direct access and the unit owners of the units contained in each single building are responsible for the structural components. A unit owner shall not permit or otherwise decorate or adorn, or change the appearance of any balcony patio or the exterior of any building in any manner contrary to the rules and regulations adopted by the Board. Likewise, the Unit Owners of any building shall not alter the limited common elements of a particular building contrary to the rules and regulations adopted by the Board.

ARTICLE V

Assessments

1. Separate Assessments. Each unit owner shall receive notice, no less than ten (10) and no more than thirty (30) days prior to any meeting of the board of managers concerning the adoption of the proposed annual budget and regular assessments pursuant thereto or to adopt a separate (special) assessment, (ii) that except as provided in subsection (iv) below, if an adopted budget or any separate assessment adopted by the board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding 115% of the sum of all regular and separate assessments payable during the preceding fiscal year, the board of managers, upon written petition by unit owners with 20 percent of the votes of the association delivered to the board within 14 days of the board action, shall call a meeting of the unit owners within 30 days of the date of delivery of the petition to consider the budget or separate assessment; unless a majority of the total votes of the unit owners are cast at the meeting to reject the budget or separate assessment, it is ratified, (iii) that any common expense not set forth in the budget or any

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increase in assessments over the amount adopted in the budget shall be separately assessed against all unit owners, (iv) that separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the board of managers without being subject to unit owner approval or the provisions of item (ii) above or item (v) below. As used herein, "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, (v) that assessments for additions and alterations to the common elements or to association-owned property not included in the adopted annual budget, shall be separately assessed and are subject to approval of two-thirds of the total votes of all unit owners, (vi) that the board of managers may adopt separate assessments payable over more than one fiscal year. With respect to multi-year assessments not governed by items (iv) and (v), the entire amount of the multi-year assessment shall be deemed considered and authorized in the first fiscal year in which the assessment is approved.

2. Funds collected by the Association. All funds collected by the Association shall be held and expended for the purposes designated herein and in the Articles of Incorporation and the By-Laws. All such funds (except for such separate or special assessments) as may be levied against less than all of the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments shall be deemed to be held for the benefit, use and account of each of the Unit Owners in the same percentage as his ownership, from time to time, in the Common Elements.

3. Preparation of the Budget. Each year, on or before December 1st, the Board shall prepare and distribute to all Unit Owners a detailed proposed annual budget, setting forth with particularity, all anticipated assessments and other income. The proposed budget shall also set forth each unit owner's proposed common expense assessment. Any non-recurring common expense not set forth in the budget as adopted, and any increase in assessments over the amount adopted, shall be separately assessed against all unit owners subject to the provisions of Paragraph 8 of this Declaration.

Common expenses for insurance premiums may be assessed on a basis reflecting increased charges for coverage on certain units.

A copy of the proposed budget shall be delivered to the Unit Owners on or before 30 days prior to its adoption by the Board.

4. Sharing of expenses - Lien for non-payment. It shall be the duty of each unit owner to pay his proportionate share of the common expenses. The proportionate share shall be in the same ratio as his percentage of ownership in the common elements set forth in the declaration. In the event any unit owner fails or refuses to make any payment of the common expenses when due, the amount thereof shall constitute a lien against the non-paying unit owners unit, which may be perfected and foreclosed in the manner described in Section 9 of the Illinois Condominium Act.

5. Time for payment of assessments and remedies for non-payment. On or before the first day of the month following the adoption of the proposed annual budget and on or before the first day of each month thereafter in the ensuing year, each unit owner shall be obligated to pay

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the Board, or as it may direct, one twelfth of the unit's assessments for the year in question. The times herein stated may be varied from time to time by the Board. If a Unit Owner is in default in the monthly payment of any charge or assessments for thirty (30) days, the Board may assess a service charge of 4% of the balance of the said charges and assessments in default for thirty (30) days for each month, or part thereof, that said balance, or any part thereof, remains unpaid. In addition to any remedies or liens provide by law, if a Unit Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the Board may bring suit for and on behalf of itself and as the 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 attorney fees to be fixed by the Court. In addition, the Board 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 for by law. No Owner may waive or otherwise escape liability for the assessments provided for herein by not using the Common Elements or abandonment of his or her Unit. Notwithstanding anything in this Declaration and By Laws to the contrary, the shall be assessed, according to the aggregate percentage of ownership in the common elements for all units it owns that are completed but not occupied, only for that portion of the estimated annual budget that relates to the estimated cost and expenses that will be required irrespective of the number of units occupied, excluding from such estimate by way of illustration and not limitation, any reserves for contingencies and replacements. The Association's ultimate liability for maintenance expenses actually incurred and paid and for extraordinary expenditures shall be similarly computed.

6. Non-Waiver for failure to timely prepare budget. The failure or delay of the Board to prepare or serve the annual or adjusted budget on the Unit Owners shall not constitute a waiver or release in any manner of the 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 budget 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 or adjusted budget shall have been mailed or delivered.

ARTICLE VI

Easements

1. Encroachments and Easements. In the event that by reason of the construction, reconstruction, settlement or shifting of the buildings, or the design or construction of any Unit, 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 on any of the lots subject to this Declaration, 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 in no event shall a valid easement for any encroachment be created in favor of the owner of any Unit or in favor of the owners of the Common Elements if such encroachment occurred due to the willful conduct of said owner or owners.

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2. Easements for Utilities: AT&T, Commonwealth Edison Co., Northern Illinois Gas Co., and all other public utilities serving the property are hereby granted the right to install, lay, construct, operate, maintain, renew, repair or replace, conduits, cables, pipes and wires and other equipment into, over and under, along and on any portion of the Common Elements for the purpose of providing the Property with utility services, together with the reasonable right of ingress to and egress from the Property for said purpose. The Board may hereafter grant other or additional easements for utility purposes for the benefit of the Property 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. Easements are also hereby declared and granted to install, lay, operate, maintain, repair and replace any pipes, wires, ducts, conduits, public utility lines or structural components running through the walls of a Unit, whether or not such walls lie in whole or in part within the Unit boundaries.

(a) All easements and rights described herein are easements appurtenant, running with the land, 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 said land, or any part or portion thereof.

(b) 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 such parcels as fully and completely as though such easements and rights are recited fully and set forth in their entirety in such documents.

3. Easement to Village of Palos Park. An easement is hereby declared and established for the benefit of the Village of Palos Park and its police and fire department personnel and equipment and consists of the right of ingress and egress over, across and through the common elements in the course of performance of their official duties.

(a) A valid non-exclusive easement and right of access, ingress and egress is hereby declared and established for the benefit of each apartment condominium unit owner for access, ingress and egress to and from the garage area that is part of his unit and is designated on Exhibit C, and to the storage room which is part of his unit and designated on Exhibit C. This right of access, ingress and egress is granted to each apartment unit owner and from each apartment unit owner to each other apartment unit owner and shall be limited only to those Owners requiring said rights to use, occupy and possess their respective garage areas and storage rooms. This easement is a perpetual non-exclusive easement over the garage area of each apartment Unit and the Common Elements, if necessary, as indicated on Exhibit C and shall inure to those apartment unit owners requiring said easement to insure a right of access to their garage area and storage room, and these easements of access shall be appurtenant to and pass with the title to the respective unit to which said easement corresponds, whether or not said easement is expressly mentioned in a deed or deeds of such unit.

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(b) Each Unit Owner shall be responsible for his personal property in the storage room. The Board or the Association shall not be considered the bailee of such personal property, nor shall they or any of them be responsible for any loss or damage thereto whether or not due to the negligence, the Board and/or the Association.

(c) Each Unit Owner shall be responsible for his automobile and other personal property in the garage area. Neither the Board, nor the Association shall be considered the bailee of such automobile or personal property, nor shall they or any of them be responsible for any loss or damage thereto whether or not due to the negligence of the Board, and/or the Association.

ARTICLE VII

Transfer of Units

1. Sale, Leasing or other Alienation.

(a) Any unit owner who wishes to sell his unit ownership shall give to the Board not less than thirty (30) days prior written notice of his intent to sell and subsequently, the terms of any contract to sell, entered into subject to the Board's option as set forth hereinafter together with a copy of such contract, the name, address, and financial and character references of the proposed purchaser and such other information concerning the proposed purchaser as the Board may reasonably require. The members of the Board acting on behalf of the other unit owners shall at all times have the first right and option to purchase such unit ownership upon the same terms, which option shall be exercisable for a period of thirty (30) days following the date of receipt of such notice of contract. If said option is not exercised by the Board within said thirty (30) days the unit owner may, at the expiration of said thirty (30) day period, and at any time within ninety (90) days after the expiration of said period, proceed to consummate the sale such unit ownership to the proposed purchaser or lessee named in such notice upon the terms specified therein. If the unit owner fails to close said proposed sale transaction within said ninety (90) days, the unit ownership shall again become subject to the Board's right of first refusal as herein provided.

(b) Any unit owner who wishes to make a gift of his unit ownership or any interest therein to any person other than a permitted party under subparagraph (1) of this paragraph shall give to the Board not less than ninety (90) days written notice of his or her intent to make such gift prior to the contemplated date thereof together with the name, address, and financial and character reference of the intended donee and such other information concerning the intended donees as the Board may reasonably require. If the gift to such a party is not consented to by the Board, and the unit owner insists on making said gift, the members of the Board acting on behalf of the other unit owners, shall at all times have the first right and option to purchase such unit ownership or interest therein for cash at fair market value determined by arbitration as hereinafter provided, which option shall be exercisable until the date of expiration as provided herein. In the event that the Board exercises said option and the parties cannot arrive at an agreed price, then within fifteen (15) days after receipt of a written notice by the Board, the Board and the unit owner desiring to make such gift shall each select a qualified real estate appraiser. The two appraisers so selected shall, within ten (10) days after their selection, appoint

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another qualified real estate appraiser to act as the arbitrator. Within fifteen (15) days after the appointment of said arbitrator, the arbitrator shall determine the fair market value of the unit ownership or interest therein which the unit owner contemplates conveying by gift, and shall thereupon give written notice of such determination to the unit owner and the Board, and said determination shall be conclusive upon the parties. If either party shall fail to select an appraiser, then the appraiser designated by the other party shall make the appraisal. The Board's option to purchase the unit ownership or interest therein shall expire forty-five (45) days after the date of receipt by it of written notice of such determination of fair market value. The cost of appraisal shall be divided equally between such unit owner and the Board and the Board's share shall be a common expense.

(c) In the event any unit owner dies leaving a Will devising his unit ownership, or any interest therein to any person or persons not heirs-at-law of the deceased unit owner under the Rules of Descent of the State of Illinois, and said Will is admitted to probate, the members of the Board, acting on behalf of the other unit owners, shall have a like option (to be exercised in the manner hereinafter set forth) to purchase said unit ownership or interest in said Will, or if a power of sale is conferred by said Will upon the personal representative named therein, from the personal representative acting pursuant to said power, for cash at fair market value which is to be determined by arbitration as herein provided. In the event of a dispute as to purchase price, within sixty (60) days after the appointment of a personal representative for the estate of a deceased unit owner, the Board shall appoint a qualified real estate appraiser, and shall thereupon give written notice of such appointment to the said devisee or devisees or personal representative as the case may be. Within fifteen (15) days thereafter, said devisee or devisees or personal representative, as the case may be shall appoint a qualified real estate appraiser. Within ten (10) days after the appointment of the two (2) said appraisers, the two so appointed shall appoint another qualified real estate appraiser to act as the Arbitrator. Within fifteen (15) days thereafter the arbitrator shall determine the fair market value of the unit ownership or interest therein devised by the deceased unit owner, and shall thereupon give written notice of such determination to the Board and said devisee, devisees or personal representative, as the case may be, and said determination shall be conclusive upon the parties. If either party shall fail to select an appraiser, then the appraiser designated by the other party, shall make the appraisal. The Board's right to purchase the unit ownership, or interest therein, at the price determined by the arbitrator shall expire sixty (60) days after the date of receipt by it of such notice if the personal representative of the deceased unit owner is empowered to sell, and shall expire eight (8) months after the appointment of a personal representative who is not so empowered to sell. The Board shall be deemed to have exercised its option if it tenders the required sum of money to said devisee or devisees or to said personal representative, as the case option periods. The cost of appraisal shall be such unit owner and the Board and the Board's expense.

(d) In the event that any unit ownership or interest therein is sold at a Judicial or execution sale (other than a mortgage foreclosure sale) the person acquiring title through such sale shall, before taking possession of the unit ownership so sold, give thirty (30) days written notice to the Board of his intention so to do whereupon the Board, acting on behalf of the other unit owners, shall have an irrevocable option to purchase such unit ownership or interest therein at the same price for which it was sold at said sale. If said option is not exercised by the Board within said thirty (30) days after receipt of such notice, it shall thereupon expire and said

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purchaser may thereafter take possession of said unit. The Board shall be deemed to have exercised its option if it tenders the required sum of money to the purchaser within said thirty (30) day period.

(e) In the event any unit owner shall default in the payment of any monies required to be paid under the provisions of any mortgage or trust deed against his unit ownership, the Board shall have the right to cure such default by paying the amount so owing to the party entitled thereto and shall thereupon have a lien therefor against such unit ownership, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Condominium Property Act with respect to liens for failure to pay a share of the Common Expenses.

(f) The Board shall not exercise any option hereinabove set forth to purchase any unit ownership or interest therein without the prior consent of voting members having three-fourths (3/4) of the total votes. The Board or, its duly authorized representatives, acting on behalf of the other unit owners may bid to purchase at any sale of a unit ownership or interest therein of any unit owner living or deceased, which said sale is held pursuant to an order or direction of a court, upon the prior consent of voting members having three-fourths (3/4) of the total votes, which said consent shall set forth a maximum price which the Board or its duly authorized representative is authorized to bid and pay for said unit ownership or interest therein.

(g) Upon the consent of at least three-fourths (3/4) of the Board members, any of the options contained in this paragraph may be released, or waived and the unit ownership or interest therein which is subject to an option set forth in this paragraph may be sold, conveyed, leased, given, or devised free and clear of the provisions of this paragraph.

(h) A certificate executed and acknowledged by the acting secretary of the Board stating that the provisions of paragraph 11 as hereinabove set forth have been met by a unit owner, or duly waived by the Board, and the rights of the Board hereunder have terminated, shall be conclusive upon the Board and the unit owners in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any unit owner who has in fact complied with the provisions of this paragraph or in respect to whom the provisions of this paragraph have been waived, upon request at a reasonable fee, not to exceed Fifteen Dollars (\$15.00).

(i) Acquisition of unit ownership or any interest therein under the provisions of this paragraph may be made from the maintenance fund or any other financing arrangement as the Board deems desirable. If said fund is insufficient, the Board shall levy a special assessment against each unit owner in the ratio that his percentage of ownership in the Common Elements bears to the total of all such percentages applicable to Units subject to said special assessment, which assessment shall become lien and may be perfected and foreclosed in the manner provided in Section 9 of the Condominium Property Act with respect to liens for failure to pay share of the common expenses.

(j) If the members of the Board, in their discretion, borrow money to finance the acquisition of any unit ownership or interest therein authorized by this paragraph, no financing may be secured by an encumbrance or hypothecation of any portion of the property other than the unit ownership or interest therein to be acquired.

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(k) Unit ownership or interest therein acquired pursuant to the terms of this paragraph shall be held of record in the name of the Board and their successors in office, or such nominee as they shall designate, for the benefit of all the unit owners. Said unit ownerships or interests therein shall be sold by the members of the Board in such manner as the Board shall determine without complying with the foregoing provisions relating to the Board's right of first refusal. All proceeds of such sale shall be deposited in the maintenance fund and credited to each unit owner in the same proportion in which the Board could levy a special assessment under the terms of subparagraph (i) of this paragraph.

(l) The Board's right of first refusal as provided in subparagraphs a, b, and c of this paragraph, shall not apply to any sale, gift, devise or transfer by any corporation, trust, or other entity when the original unit owner or persons having at least majority control of said unit owner are in control of the transferee, or resulting from statutory merger or consolidation, or between co-owners of the same unit, or any one or of them, or to any trustee of a trust, the sole beneficiary or beneficiaries of which are the unit owner, the spouse or lawful child of the unit owner, or any one or more of them, or from any trustee of a trust to any one or more of the beneficiaries thereof. The beneficiaries of the trust are similarly excluded from compliance with the right of first refusal provisions set forth in this paragraph.

(m) If a proposed sale, devise, or gift of any unit ownership is made by any unit owner, after compliance with the foregoing provisions, the purchaser, devisee, or donee thereunder shall be bound by and be subject to all of the obligations of such unit ownership as provided in this Declaration, and in the case of a lease, said lease shall expressly so provide. The unit owner making any such lease shall not be relieved thereby from any of his obligations hereunder. Each Unit Owner making a lease unconditionally guarantees to the Association and to the other Unit Owners that their respective lessees and sublessees will faithfully abide by the provisions of this Declaration and the Rules and Regulations of the Association. In the event that any lessee or sublessee fails to do so, the responsible Unit Owner shall promptly indemnify the association and the other unit owners for all loss caused thereby and shall take appropriate action in the matter to correct such failure including termination of tenancy and judicial proceedings. If any Unit Owner fails to take such action the Association may do so, in its own behalf and/or in the Unit Owner's name. Upon the expiration or termination of such lease, or in the event of any attempted subleasing thereunder, the provisions hereof, with respect to the Board's right of first option, shall apply to such unit ownership. If any sale, lease, devise or gift of a unit ownership is made or attempted by any unit owner without complying with the foregoing provisions, such sale, lease, devise, or gift shall be subject to each and all of the rights and options of the Board hereunder and each and all of the remedies and actions available to the Board hereunder or at law or in equity in connection therewith. The foregoing provisions with respect to the Board's right of first option as to any proposed sale, lease, devise or gift shall be and remain in full force and effect until the property as a whole shall be sold or removed from the provisions of the Act, as provided in the Act, unless sooner rescinded or amended by the unit owners in the manner herein provided for amendments of this declaration. The Board may adopt rules and regulations from time to time, not inconsistent with the foregoing provisions, for the purpose of implementing and effectuating the same.

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ARTICLE VIII

Administration

1. Board of Managers. The administration of the Property shall be vested in a Board of Managers consisting of the number of persons, who shall be elected in the manner provided in the By-Laws attached hereto as Exhibit B and by this reference thereto made a part of this Declaration. The Association incorporated under the laws of the State of Illinois a not-for-profit corporation (herein referred to as "the Association") under the name of "Brookside of Palos Condominium Association," which corporation shall be the governing body for all the owners for the maintenance, repair, replacement, administration and operation of the Common Elements and for such other purposes as are hereinafter provided. The Board of Directors of the Association shall be deemed to be the board of Managers referred to herein and in the Act.

2. Duties and Powers of the Association. The duties and powers of the, Association and its Board shall be those set forth in its Articles of Incorporation, the By-Laws, and this Declaration; provided, however, that (i) the terms and provisions of the Act shall control in the event of any inconsistency between the Act, on the one hand, and this Declaration, the Articles of Incorporation and the By-Laws on the other hand, and (ii) the terms and provisions of this Declaration shall control in the event of any inconsistency between this Declaration, on the one hand, the Articles of Incorporation and the By-Laws on the other hand.

3. Indemnity. The members of the Board and the officers thereof shall not be liable to the Unit Owners for any mistake of judgment, or any acts or omissions made in good faith as such members or officers. The Unit Owners shall indemnify and hold harmless each of such members or officers against all contractual liability to others arising out of contracts made by such members or officers on behalf of the Unit Owners unless any such contract shall have been made in bad faith or contrary to the provisions of this Declaration. The liability of any Unit Owner arising out of any contract made by such members or officers or out of the aforesaid indemnity shall be deemed a common expense and shall be limited to such proportion of the total liability thereunder as his percentage interest in the Common Elements bears to the total percentage interest of all the Unit Owners in the Common Elements. Each agreement made by such members or officers shall be executed by such members or officers as agents for the Unit Owners.

4. Board's determination Binding. In the event of any dispute or disagreement between any Unit Owners relating to the property or any question of interpretation or application of the provisions of the Declaration, the determination thereof by the Board shall be final and binding on each and all of such Unit Owners.

5. Payments to be made by Board. The Board 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:

(a) water, waste removal, heating, electricity and telephone and other necessary utility service for the Common Elements and such services to the Units as are not separately

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metered or charged to the owners thereof (each Unit Owner shall pay the cost of all utilities which are separately metered to his Unit);

(b) such insurance as the Board is required or permitted to obtain as hereinafter provided;

(c) landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the interior surfaces, windows, doors of the Units, and roofs which the respective Unit Owners have the duty to clean, decorate, maintain and repair) and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same for the common elements;

(d) any other materials, supplies, furniture, labor services, maintenance, repairs, structural alterations, or assessment which the Board deems necessary or proper for the maintenance and operation of the property as a first class condominium development or for the enforcement of any restrictions or provisions contained herein;

(e) any amount necessary to discharge any mechanic's lien or other encumbrance levied against the property or any part hereof which may in the opinion of the Board 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 Board by reason of said lien or liens 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 foreclosed in the manner provided in Section 9 of the Condominium Property Act with respect to liens for failure to pay a share of the common expenses;

(f) maintenance and repair of any Unit or any other portion of the property which one or more Unit Owners are obligated to maintain or repair under the terms hereof, if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Elements, or any other portion of the property, and the owner or owners of said Unit or Units have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Unit Owners or owner; provided that the Board shall levy a special assessment against such Unit or Units 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 or Owners in the Property, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Condominium Property Act with respect to liens for failure to pay a share of the common expenses.

6. Accounting for preceding year's expenses.

(a) On or before the 1st day of March of each calendar year, the Board shall supply to all Unit Owners an itemized accounting of the maintenance expense for the preceding calendar year actually incurred and paid together with a tabulation of the amounts collected pursuant to the

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estimates provided, and showing the net amount over or short of the actual expenditures plus reserves. At the option of the Board, any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Owner's percentage of ownership in the Common Elements to the next monthly installments due from Owners under the current year's estimate, 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. The Board shall build up and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual budget which may become necessary during the year, shall be charged first against such reserve. If said annual budget proves inadequate for any reason including non-payment of any Owner's assessment, 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, provided however, the Board shall serve notice of its intent to levy such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefore and such notice shall comply with paragraph 13 (p). After adoption by the Board, such further assessment shall be payable with the next monthly maintenance payment and all Unit Owners shall be obligated to pay the adjusted monthly amount.

(b) The provisions of this Section are applicable to all condominium instruments recorded under this Act. Any portion of a condominium instrument that contains provisions contrary to these provisions shall be void as against public policy and ineffective. Any condominium instrument that fails to contain the provisions required by this Section shall be deemed to incorporate the provisions by operation of law.

7. Priority of first mortgage liens. Any first mortgage or first trust deed made, owned or held by a bank, insurance company or real estate investment trust and recorded prior to recording or mailing of a notice by the Board of the amount owing by a Unit Owner who has refused or failed to pay his share of the monthly assessment or any special assessment when due shall be superior to the lien of such unpaid common expenses set forth in said notice 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; provided, however, that after written notice to the holder of any such mortgage or trust deed, such mortgage or trust deed shall be subject to the lien of unpaid common expenses which are due and payable subsequent to the date when such holder takes possession of the Unit, accepts a conveyance of such Unit, or has a receiver appointed in a suit to foreclose the lien of such mortgage or trust deed.

8. Waiver of Notice. Whenever any notice is required to be given under the provisions of this Declaration, or 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 receipt of such notice.

9. Business for Profit Prohibited. Nothing hereinabove contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all the unit owners or any of them.

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10. Approval Required for legal Action. Except as to any legal action involving collection of unpaid maintenance expenses, and for the enforcement of liens with respect thereto, or with respect to the enforcement of liens or other litigation for collection of unpaid common expenses, and separate and special assessments, and enforcing the obligations of Unit Owners, all of which are specifically excepted, the Board shall not commence litigation, either in its own name or on behalf of the unit owners, without affirmative approval of 66-2/3% of the unit owners obtained at an annual meeting of the unit owners or a special meeting of the unit owners called for such purpose.

ARTICLE IX

Parking Area

1. Parking Spaces in Parking Area. Any portions of the property allocated by the Board to parking purposes and designated as a "Parking Area" shall be part of the common elements and not part of any individual unit. The Board from time to time may assign spaces and may prescribe such rules and regulations with respect to parking areas as the Board deems fit and the Board may determine to grant exclusive use of any parking spaces to unit owners on such terms and conditions the Board determines.

ARTICLE X

Insurance

1. Insurance. Required coverage. No policy of insurance shall be issued or delivered to a condominium association, and no policy of insurance issued to a condominium association shall be renewed, unless the insurance coverage under the policy includes the following:

2. Property insurance. Property insurance (i) on the common elements and the units, including the limited common elements and except as otherwise determined by the board of managers, the bare walls, floors, and ceilings of the unit, (ii) providing coverage for special form causes of loss, and (iii) in a total amount of not less than the full insurable replacement cost of the insured property, less deductibles, but including coverage for the increased costs of construction due to building code requirements, at the time the insurance is purchased and at each renewal date.

3. General liability insurance. Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the property in a minimum amount of \$1,000,000, or a greater amount deemed sufficient in the judgment of the board, insuring the board, the association, the management agent, and their respective employees and agents and all persons acting as agents. The developer must be included as an additional insured in its capacity as a unit owner, manager, board member, or officer. The unit owners must be included as additional insured parties but only for claims and liabilities arising in connection with the

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ownership, existence, use, or management of the common elements. The insurance must cover claims of one or more insured parties against other insured parties.

4. Fidelity bond; directors and officers coverage.

(a) The association must obtain and maintain a fidelity bond covering persons, including the managing agent and its employees who control or disburse funds of the association, for the maximum amount of coverage available to protect funds in the custody or control of the association, plus the association reserve fund.

(b) All management companies that are responsible for the funds held or administered by the association must be covered by a fidelity bond for the maximum amount of coverage available to protect those funds. The association has standing to make a loss claim against the bond of the managing agent as a party covered under the bond.

(c) For purposes of paragraphs (A) and (B), the fidelity bond must be in the full amount of association funds and reserves in the custody of the association or the management company.

(d) The board of directors must obtain directors and officers' liability coverage at a level deemed reasonable by the board, if not otherwise established by the declaration or bylaws. Directors and officers' liability coverage must extend to all contracts and other actions taken by the board in their official capacity as directors and officers, but this coverage shall exclude actions for which the directors are not entitled to indemnification under the General Not For Profit Corporation Act of 1986 or the declaration and bylaws of the association.

5. Contiguous units: improvements and betterments. The insurance maintained under subdivision (a)(1) must include the units, the limited common elements except as otherwise determined by the board of managers, and the common elements. The insurance need not cover improvements and betterments to the units installed by unit owners, but if improvements and betterments are covered, any increased cost may be assessed by the association against the units affected.

Common elements include fixtures located within the unfinished interior surfaces of the perimeter walls, floors, and ceilings of the individual units initially installed by the developer. Common elements exclude floor, wall, and ceiling coverings. "Improvements and betterments" means all decorating, fixtures, and furnishings installed or added to and located within the boundaries of the unit, including electrical fixtures, appliances, air conditioning and heating equipment, water heaters, or built-in cabinets installed by unit owners.

6. Deductibles. The board of directors, in the case of a claim for damage to a unit or the common elements, (i) pay the deductible amount as a common expense, (ii) after notice and an opportunity for a hearing, assess the deductible amount against the owners who caused the damage or from whose units the damage or cause of loss originated, or (iii) require the unit owners of the units affected to pay the deductible amount.

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7. Other coverages. The declaration may require the association to carry any other insurance, including workers compensation, employment practices, environmental hazards, and equipment breakdown, the board of directors considers appropriate to protect the association, the unit owners, or officers, directors, or agents of the association.

8. Insured parties; waiver of subrogation. Insurance policies carried pursuant to subsections (a) and (b) must include each of the following provisions:

(a) Each unit owner and secured party is an insured person under the policy with respect to liability arising out of the unit owner's interest in the common elements or membership in the association.

(b) The insurer waives its right to subrogation under the policy against any unit owner of the condominium or members of the unit owner's household and against the association and members of the board of directors.

(c) The unit owner waives his or her right to subrogation under the association policy against the association and the board of directors.

9. Primary insurance. If at the time of a loss under the policy there is other insurance in the name of a unit owner covering the same property covered by the policy, the association's policy is primary insurance.

10. Adjustment of losses; distribution of proceeds. Any loss covered by the property policy under subdivision (a)(1) must be adjusted by and with the association. The insurance proceeds for that loss must be payable to the association, or to an insurance trustee designated by the association for that purpose. The insurance trustee or the association must hold any insurance proceeds in trust for unit owners and secured parties as their interests may appear. The proceeds must be disbursed first for the repair or restoration of the damaged common elements, the bare walls, ceilings, and floors of the units, and then to any improvements and betterments the association may insure. Unit owners are not entitled to receive any portion of the proceeds unless there is a surplus of proceeds after the common elements and units have been completely repaired or restored or the association has been terminated as trustee.

11. Mandatory unit owner coverage. The board of directors may, under the declaration and bylaws or by rule, require condominium unit owners to obtain insurance covering their personal liability and compensatory (but not consequential) damages to another unit caused by the negligence of the owner or his or her guests, residents, or invitees, or regardless of any negligence originating from the unit. The personal liability of a unit owner or association member must include the deductible of the owner whose unit was damaged, any damage not covered by insurance required by this subsection, as well as the decorating, painting, wall and floor coverings, trim, appliances, equipment, and other furnishings.

If the unit owner does not purchase or produce evidence of insurance requested by the board, the directors may purchase the insurance coverage and charge the premium cost back to the unit owner. In no event is the board liable to any person either with regard to its decision not

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to purchase the insurance, or with regard to the timing of its purchase of the insurance or the amounts or types of coverages obtained.

12. Certificates of insurance. Contractors and vendors (except public utilities) doing business with a condominium association under contracts exceeding \$10,000 per year must provide certificates of insurance naming the association, its board of directors, and its managing agent as additional insured parties.

13. Settlement of claims. Any insurer defending a liability claim against a condominium association must notify the association of the terms of the settlement no less than 10 days before settling the claim. The association may not veto the settlement unless otherwise provided by contract or statute.

ARTICLE XI

Mortgages

1. Separate Mortgages. Each Unit Owner shall have the right, subject to the provisions herein, to make a separate mortgage or encumbrance on his respective Unit together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to make or create or cause to be made or created any mortgage or encumbrance or other lien on or affecting the Property or any part thereof, except only to the extent of his Unit and his respective ownership interest in the Common Elements.

2. Separate Real Estate Taxes. It is understood that real estate taxes are to be separately taxed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements, as provided in the Condominium Property Act. In the event that for any years such taxes are not separately taxed to each Unit Owner, but are taxed on the Property (or any portion thereof) as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements, and such taxes, levied the property (or any portion thereof) as a whole, shall be considered a common expense.

ARTICLE XII

Use and Occupancy

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

(a) No part of the property shall be used for other than housing; and the related common purposes for which the property was designed. Each apartment unit and each townhouse unit shall be used as a residence for a single family or such other uses permitted by this Declaration and for no other purposes.

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(b) No industry, business, trade, occupation or profession of any kind, commercial, religious, education, or otherwise, shall be conducted, maintained, or permitted on any part of the property. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the property .

(c) There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior consent of the Board except as herein expressly provided, except the air conditioning compressor servicing a Unit may be located outside that Unit.

(d) Each Unit Owner shall be obligated to maintain and keep his unit and its interior surfaces, the interior and exterior of its windows and doors, its patio or balcony, and its heating and air conditioning equipment and apparatus, including the air conditioning compressor located outside the Unit, in good and clean order and repair. The use of 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 Board. Each Unit Owner shall perform all the necessary and suitable maintenance, repairs and replacements of the Units' appliances, electrical, plumbing and heating fixtures, and shall pay for all painting and decorating within the Unit. The Board shall maintain, repair and replace, when necessary, the Common Elements.

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

(f) Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the building and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior written consent of the Board.

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

(h) No noxious or offensive activity shall be carried on in the 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 occupants.

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(i) Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity of the building or which would structurally change the building except as otherwise provided herein.

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

(k) There shall be no parking of boats, vans, campers, trailers, trucks and recreational vehicles on any part of the Common Elements without the prior consent of, and subject to any regulations of the Board.

(l) Nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board.

(m) Each Unit Owner and their lessees and sublessees and the Board waives and releases any and all claims which or it or they may have against any other Unit Owner, the officers and members of the Board and their respective employees and agents and any other lessee or sublessee for damage to the Common Elements, the Units, or to any personal property located in the Units or Common Elements, caused by fire or other casualty or any act or neglect to the extent that such damage is covered by fire or other form of hazard insurance.

(n) If, due to the act or neglect of a Unit Owner, or of a member of his family or household pet or of a guest or other authorized occupant or visitor or lessee or sublessee of such Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by another, 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 Board.

(o) Any release or waiver referred to in this Declaration 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.

(p) No Unit Owner and no lessee or sublessee shall overload the electric wiring in the building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating system or plumbing system, without the prior written consent of the Board.

(q) Nothing in this Article shall be construed to prevent or prohibit a Unit Owner or lessee or sublessee from maintaining his professional personal library, or keeping his personal business or professional record; or accounts or handling his personal business or professional telephone calls, or conferring with business or professional associates, clients or customers, or receiving business mail in his Unit.

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(r) Each unit owner shall be responsible for his own insurance on his personal property in his own unit, his personal property stored elsewhere on the property and his personal liability to the extent not covered by liability insurance for all the unit owners obtained by the Board as herein before provided.

ARTICLE XIII

Violations

1. Violation of Declaration. The violation of any restrictions or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to any other rights provided for in this Declaration: (a) to enter upon the Unit or any part thereof 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 the Board or its employees or agents, its successors and assigns shall not thereby be deemed guilty in any manner of trespass; 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.

Furthermore, if any Unit Owner (either by his own conduct or by the conduct of any Lessee or other occupant of his Unit) shall violate any of the covenants of this Declaration or the rules and regulations adopted by the Board and such violation shall not be cured within thirty (30) days after notice in writing from the Board or shall re-occur more than once thereafter, then the Board shall have the power to issue to 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 Unit and thereupon an action in equity may be filed by the Board against the defaulting Unit Owner for a Decree of Mandatory Injunction against the Unit Owner, lessees or occupants or, in the alternative a decree declaring the termination of the defaulting Unit Owner's right to occupy, use or control the unit owned by him on account of the breach of covenant 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 re-acquiring his interest at such judicial sale or by virtue of the exercise of any right of redemption which 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, court reporter charges, reasonable attorney fees and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting Unit Owner in said decree. Any balance of proceeds after satisfaction of such charges and any unpaid assessments hereunder or any liens shall be paid to the Unit Owner. Upon the confirmation of such sale, the purchaser thereat shall thereupon be entitled to a deed to the Unit and, subject to the Board's rights as provided in paragraph 11(d) hereof, 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.

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2. Entry by Board. The Board or its agents or employees may enter any Unit when necessary in connection with any painting, maintenance or reconstruction for which the Board is responsible, or which the Board has the right or duty to do. Such entry shall be made with as little inconvenience to the Unit Owners and their lessees or occupants as practicable, and any damage caused thereby shall be repaired by the Board at the expense of the maintenance fund.

ARTICLE XIV

Grantees

1. Grantees. Each grantee by the acceptance of a deed of conveyance, or each purchaser under the Articles of Agreement for Deed, or each lessee accepts the same subject to all easements, restrictions, conditions, covenants, reservations liens and charges and the jurisdiction, rights, and powers created or reserved by this Declaration, and the provisions of the Condominium Property 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 such person in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance.

Each and all of the provisions of this Declaration and the Exhibits attached hereto, as amended by such successive Amendment and the amended Exhibits attached thereto, shall be deemed to apply to each and all of the Units, including all such Added Units as well as all Existing Units, and to all of the Common Elements, including such Added Common Elements as well as all Existing Common Elements.

ARTICLE XV

Consent and Annexation

1. Consent to Amendment and Annexation. Each and all of the Unit Owners, of all Units and their respective mortgagees, grantees, heirs, administrators, executors, legal representatives, successors and assigns, by their acceptance of any deed or mortgage or other interest in or with respect to any of such Units, shall be deemed to have expressly agreed, assented and consented to each and all of the provisions of this Declaration and hereby further agree to each and all of the provisions of each and all of said Amendments which may hereafter be recorded in accordance with the foregoing provisions of this Declaration.

2. Each deed, mortgage or other instrument affecting a Unit shall be deemed given subject to the conditional limitation that the percentage of ownership in the Common Elements appurtenant to each Unit shall, upon the recording of each Amendment be divested pro tanto to the reduced percentage set forth in such Amendment and vested among the other Owners, mortgagees and others owning an interest in the other Units in accordance with the terms and percentages of each such recorded Amendment.

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3. If there is any unit owner other than the developer, the condominium instruments shall be amended only as follows:

(a) upon the affirmative vote of 2/3 of those voting or upon the majority specified by the condominium instruments, provided that in no event shall the condominium instruments require more than a three-quarters vote of unit owners; and

(b) with the approval of any mortgagees required under the provisions of the condominium instruments. Except in cases where this Act provides different methods of amendment or with respect to property whose declaration is recorded on or after July 1, 1984, no condominium instrument shall require more than a three-quarters vote of unit owners to amend the bylaws. Except to the extent authorized by other provisions of this Act, no amendment to the condominium instrument shall change the boundaries of any unit or the undivided interest in the common elements, the number of votes in the unit owners' association, or the liability for common expenses appertaining to a unit.

ARTICLE XVI

Violation of Rules

1. 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 the now incumbent Mayor of Chicago, Illinois, namely, the Honorable Jane Byrne, and the now incumbent President of the United States, the Honorable James E. Carter.

2. Severability. The invalidity of any restriction hereby imposed, or of any provision hereof, or of any part of such restriction or provision hereof, 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.

3. 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 a first class condominium development.

4. 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 hereunder 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

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whole or in part against any such lien or obligation, but the amount thereof shall continue to be a charge or lien upon the premises notwithstanding any transfer of beneficial interest or in the title of such real estate.

5. Unit Owner's Obligation upon Resale of Unit. In the event of any resale of a condominium unit by a unit owner then such owner shall obtain from the Board and shall make available for inspection to the prospective purchaser, upon demand, the following:

- (a) A copy of the Declaration and By-Laws, and any other Rules and Regulations.
- (b) A statement of any liens.
- (c) A statement of any capital expenditures anticipated by the unit owner's association within the current or succeeding two fiscal years.
- (d) A statement of the status and amount of any reserve for replacement fund and any portion of such fund earmarked for any specified project by the Board.
- (e) A copy of the statement of financial condition of the unit owner's Association for the last fiscal year for which such statement is available.
- (f) A statement of the status of any pending suits or judgments in which the unit owner's association is a party.
- (g) A statement setting forth what insurance coverage is provided for all unit owners by the unit owner's association.
- (h) A statement that any improvements or alterations made to the unit, or the limited common elements assigned thereto, by the prior unit owner are in good faith believed to be in compliance with the condominium instruments.
- (i) The President of the association or such other officer as is specifically designated shall furnish the above information:
 - (i) when requested to do so in writing,
 - (ii) and within 30 days of the request.

A reasonable fee, not to exceed 10 cents per page or copy may be charged by the association or its Board to the unit seller for providing such information.

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EXHIBIT A

The legal description to the individual units to be individually conveyed pursuant to the Eleventh Amendment to the Declaration shall consist of the Unit and Lot identifying number, as shown on the Plat attached hereto as the Eleventh Amended Exhibit "C", together with a reference to said Declaration and said Plat, and showing the document number, as follows:

Unit 101, Lot 1	Unit 101, Lot 8	Unit 201, Lot 12
Unit 102, Lot 1	Unit 102, Lot 8	Unit 202, Lot 12
Unit 103, Lot 1	Unit 201, Lot 8	Unit 301, Lot 12
Unit 101, Lot 2	Unit 202, Lot 8	Unit 401, Lot 12
Unit 102, Lot 2	Unit 101, Lot 9	Unit 101, Lot 13
Unit 103, Lot 2	Unit 102, Lot 9	Unit 102, Lot 13
Unit 101, Lot 3	Unit 103, Lot 9	Unit 101, Lot 16
Unit 102, Lot 3	Unit 101, Lot 10	Unit 102, Lot 16
Unit 103, Lot 3	Unit 102, Lot 10	Unit 103, Lot 16
Unit 101, Lot 4	Unit 201, Lot 10	Unit 101, Lot 18
Unit 102, Lot 4	Unit 202, Lot 10	Unit 102, Lot 18
Unit 103, Lot 4	Unit 101, Lot 11	Unit 101, Lot 19
Unit 101, Lot 5	Unit 102, Lot 11	Unit 102, Lot 19
Unit 102, Lot 5	Unit 103, Lot 11	Unit 201, Lot 19
Unit 103, Lot 5	Unit 104, Lot 11	Unit 202, Lot 19
Unit 101, Lot 6	Unit 201, Lot 11	
Unit 102, Lot 6	Unit 202, Lot 11	
Unit 103, Lot 6	Unit 203, Lot 11	
Unit 101, Lot 7	Unit 204, Lot 11	
Unit 102, Lot 7		

PHASE II

Unit 101	Unit 104	Unit 107
Unit 102	Unit 105	Unit 108
Unit 103	Unit 106	Unit 109

in BROOKSIDE OF PALOS CONDOMINIUM as delineated on survey of certain lots in Brookside Subdivision, being a subdivision of part of the East half of the Southeast quarter of Section 23, Township 37 North, Range 12 East of the Third Principal Meridian in Cook County, Illinois and the North 326.83 feet of the South 676.83 feet of the East 250.00 feet of the West 283.00 feet of the East 1/2 of the Southeast 1/4 of Section 23, Township 37 North, Range 12, East of the Third Principal Meridian in Cook County, Illinois, which survey is attached as Exhibit C to Declaration of Condominium made by HERITAGE/STANDARD BANK AND TRUST COMPANY, a corporation of Illinois, as Trustee under Trust Agreement dated August 15, 1978 and known as Trust No. 5990 recorded in the Office of the Recorder of Deeds, Cook County, Illinois, as Document No. 25406315 and amendments thereto, together with its undivided percentage interest in the Common Elements.

LEGAL DESCRIPTION OF AMENDED PARCEL ADDED TO PROPERTY VIA ELEVENTH AMENDMENT TO THE DECLARATION:

PHASE II

THE NORTH 326.83 FEET OF THE SOUTH 676.83 FEET OF THE EAST 250.00 FEET OF THE WEST 283.00 FEET OF THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 23, TOWNSHIP 37 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

UNOFFICIAL COPYEXHIBIT AContinued

LEGAL DESCRIPTION OF THE PROPERTY UNDER THE ELEVENTH AMENDMENT TO THE DECLARATION:

BEING ALL OF LOTS 1 THROUGH 19 AND OUTLOT "A" AND OUTLOT "B" IN BROOKSIDE SUBDIVISION (BEING A SUBDIVISION OF PART OF THE EAST $\frac{1}{4}$ OF THE SOUTHEAST $\frac{1}{4}$ OF SECTION 23, TOWNSHIP 37 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS) RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS ON NOVEMBER 17, 1978 AS DOCUMENT NO. 24723375; ALSO INCLUDING THE FOLLOWING DESCRIBED PROPERTY; THE NORTH 326.83 FEET OF THE SOUTH 676.83 FEET OF THE EAST 250.00 FEET OF THE WEST 283.00 FEET OF THE EAST $\frac{1}{4}$ OF THE SOUTHEAST $\frac{1}{4}$ OF SECTION 23, TOWNSHIP 37 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS; MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF 119TH STREET WITH THE EAST RIGHT-OF-WAY OF 82ND AVENUE, AS HERETOFORE DEDICATED IN BROOKSIDE SUBDIVISION AFOREDESCRIBED, THENCE NORTH $00^{\circ} 00'$ EAST ON THE EAST LINE OF 82ND AVENUE AFORESAID, A DISTANCE OF 770.60 FEET, TO A POINT OF THE NORTHERLY LINE OF BROOKSIDE DRIVE; THENCE NORTH $90^{\circ} 00'$ WEST, 33.00 FEET, TO A POINT ON THE WEST LINE OF SAID EAST $\frac{1}{4}$ OF THE SOUTHEAST $\frac{1}{4}$; THENCE NORTH $00^{\circ} 00'$ EAST ALONG SAID WEST LINE, 887.67 FEET TO THE MOST NORTHERLY CORNER OF BROOKSIDE SUBDIVISION, BEING A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF CALUMET SAC ROAD; THENCE SOUTHEASTERLY ALONG A CURVE CONVEX NORTHEASTERLY AND HAVING A RADIUS OF 1382.68 FEET, AN ARC DISTANCE OF 237.09 FEET; THENCE SOUTH $23^{\circ} 55' 36''$ EAST ALONG SAID RIGHT-OF-WAY LINE, 864.47 FEET TO A POINT OF CURVE; THENCE SOUTHEASTERLY ALONG A CURVE CONVEX SOUTHWESTERLY AND HAVING A RADIUS OF 1285.53 FEET, AN ARC DISTANCE OF 155.48 FEET TO THE MOST EASTERLY CORNER OF LOT 15 IN SAID BROOKSIDE SUBDIVISION; THENCE SOUTH $40^{\circ} 09'$ WEST, 95.08 FEET; THENCE SOUTH $00^{\circ} 00'$ WEST, 450.52 FEET TO THE SOUTHEAST CORNER OF LOT 14 IN SAID BROOKSIDE SUBDIVISION; THENCE NORTH $89^{\circ} 56' 20''$ WEST, 442.00 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

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EXHIBIT B

This Exhibit will contain plats of survey which will set forth the legal description of the first parcel of real property to be submitted under this Declaration, and will show the surveyed boundaries of such first parcel.

Exhibit C will also show the location, within this first parcel, of the initial units to be submitted to the Condominium Property Act.

Additional sheets in Exhibit "C" will set forth the measurements and other data for each of the spaces comprising the initial units. This will show not only the dwelling units, but also garage areas, balconies and/or patios.

Successive additions to BROOKSIDE OF PALOS CONDOMINIUMS can be made by recording Amendments to the Declaration, to which will be attached Exhibit C as amended, legally describing the additional parcels being annexed, and showing on a plat of survey the location and boundaries of such additional parcels with reference to the existing condominium parcels, and delineating the additional buildings and units.

LEGAL DESCRIPTION OF PROPERTY:

Lot 11 in Brookside Subdivision (being a subdivision of part of the East 1/2 of the Southeast 1/4 of Section 23, Township 37 North, Range 12 East of the Third Principal Meridian, in Cook County, Illinois), recorded in the Recorder's Office of Cook County, Illinois on November 17, 1978 as Document #24 723 375. (Containing 30,273 sq. ft. or 0.236 acres)

ALSO:

That part of Outlot "B" in Brookside Subdivision **aforedescribed** falling North of a North line of Outlot "A" (said North line being the North right-of-way line of Brookside Drive, an **easement** for ingress and egress, as heretofore granted in Brookside Subdivision **aforedescribed**), and falling West of a line drawn 166.33 feet East of and parallel with the East right-of-way line of 82nd Avenue, as established by Brookside Subdivision **aforedescribed**. (Containing 10,457 sq. ft. or 0.240 acres)

ALSO:

That part of Outlot "A" (Brookside Drive), as heretofore granted in Brookside Subdivision **aforedescribed**, bounded and described as follows. Beginning at the point of intersection of a Northerly right-of-way line of said Brookside Drive with the East right-of-way line of 82nd Avenue as heretofore dedicated in Brookside Subdivision **aforedescribed** (said point of beginning being a point on the East line of said 82nd Avenue and distant 193.84 feet North of the South line of said Brookside Subdivision); thence Southeasterly on the arc of a circle convex to the Southwest and having a radius of 133.00 feet, a distance of 73.72 feet to a point of reverse curve; thence Southeasterly on the arc of a circle convex to the Northeast and having a radius of 667.00 feet, a distance of 96.67 feet to a point on a line 166.33 feet East of and parallel with the East line of 82nd Avenue **aforedescribed**, thence South 00°00'00" East on the last described line, a distance of 27.30 feet to a point on the centerline of Brookside Drive **aforedescribed** (said centerline of Brookside Drive being an arc of a circle convex to the Northeast and having a radius of 640.00 feet); thence Northwesterly on the arc of said circle, a distance of 96.70 feet to a point of tangency; thence North 90°00'00" West, a distance of 70.00 feet to a line 33.00 feet East of and parallel with the centerline of said 82nd Avenue; thence North 00°00'00" East on the last described line, a distance of 46.92 feet to the point of beginning. (Containing 4,950 sq. ft. or 0.113 acres);

ALL IN COOK COUNTY, ILLINOIS.

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Exhibit C

The percentages of the undivided interests in the Common Elements allocated to each unit (which percentages shall be subject to change in the event the parcels are hereafter annexed or added to the condominium ownership, as provided in the Declaration) are as follows:

<u>LOT</u>	<u>UNIT</u>	<u>PERCENTAGE OF INTEREST IN THE COMMON ELEMENTS</u>	<u>ADDRESS</u>
1	101	1.726	11660 Brookside Drive
1	102	1.726	11656 Brookside Drive
1	103	1.726	11652 Brookside Drive
2	101	1.726	11716 Brookside Drive
2	102	1.726	11712 Brookside Drive
2	103	1.726	11708 Brookside Drive
3	101	1.726	11728 Brookside Drive
3	102	1.726	11724 Brookside Drive
3	103	1.726	11720 Brookside Drive
4	101	1.726	11740 Brookside Drive
4	102	1.726	11736 Brookside Drive
4	103	1.726	11732 Brookside Drive
5	101	1.726	11754 Brookside Drive
5	102	1.726	11752 Brookside Drive
5	103	1.726	11750 Brookside Drive
6	101	1.726	11760 Brookside Drive
6	102	1.726	11758 Brookside Drive
6	103	1.726	11756 Brookside Drive
7	101	1.726	11804 Brookside Drive
7	102	1.726	11800 Brookside Drive
8	101	1.236	11812 Brookside Drive #101
8	102	1.353	11812 Brookside Drive #102
8	201	1.236	11812 Brookside Drive #201
8	202	1.353	11812 Brookside Drive #202
9	101	1.726	11828 Brookside Drive
9	102	1.726	11824 Brookside Drive
9	103	1.726	11820 Brookside Drive
10	101	1.236	8140 Brookside Drive #101
10	102	1.353	8140 Brookside Drive #102
10	201	1.236	8140 Brookside Drive #201
10	202	1.353	8140 Brookside Drive #202
11	101	1.236	8154 Brookside Drive #101
11	102	1.236	8154 Brookside Drive #102
11	103	1.236	8150 Brookside Drive #103
11	104	1.236	8150 Brookside Drive #104
11	201	1.295	8154 Brookside Drive #201
11	202	1.295	8154 Brookside Drive #202
11	203	1.295	8150 Brookside Drive #203
11	204	1.295	8150 Brookside Drive #204
12	201	1.726	8153 Brookside Drive
(12	101	1.671	8149 Brookside Drive
12	301	1.671	8145 Brookside Drive
-12	401	1.726	8143 Brookside Drive
13	101	1.726	8135 Brookside Drive
13	102	1.726	8131 Brookside Drive
16	101	1.726	11753 Brookside Drive
16	102	1.726	11755 Brookside Drive
16	103	1.726	11757 Brookside Drive
18	101	1.726	11727 Brookside Drive
18	102	1.726	11731 Brookside Drive

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Exhibit C

Continued

<u>LOT</u>	<u>UNIT</u>	<u>PERCENTAGE OF INTEREST IN THE COMMON ELEMENTS</u>	<u>ADDRESS</u>
19	101	1.353	11719 Brookside Drive #101
19	102	1.353	11719 Brookside Drive #102
19	201	1.353	11719 Brookside Drive 1201
19	202	1.353	11719 Brookside Drive 1202

PHASE II

	101	1.726	8169 Brookside Court
	102	1.726	8167 Brookside Court
	103	1.726	8165 Brookside Court
	104	1.726	8163 Brookside Court
	105	1.726	8161 Brookside Court
	106	1.726	8160 Brookside Court
	107	1.726	8162 Brookside Court
	108	1.726	8164 Brookside Court
	109	1.726	8166 Brookside Court

Property of Cook County Clerk's Office

5,412

100

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EXHIBIT B

BY-LAWS

OF

BROOKSIDE OF PALOS CONDOMINIUM ASSOCIATION

An Illinois not-for-profit corporation

ARTICLE I

General Provisions

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.

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 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 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) The total number of votes of all members shall be 100. Each member shall be entitled to the number of votes equal to his percentage ownership interest in the Common Elements (as defined in the Declaration) at the time any matter is submitted to a vote of the members.

(b) 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 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 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.

(c) 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 of 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.

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 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 of members of the Board at any meeting of the Unit Owners called for the purposes of electing members of the Board, 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. "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.

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ARTICLE III

Meetings of Members

Section 1. Annual Meeting. An annual meeting of the members for the purpose of electing Board members and for the transaction of such other business as may come before the meeting shall be held on the third Tuesday of September of each year or such other date as is selected by the Board which date is within sixty (60) days before or after the third Tuesday of September, provided, however that no such meeting need be held less than one year after the first annual meeting of the members. If the election of members of the Board 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 called as soon thereafter as conveniently may be.

Section 2. Special Meetings. Special meetings of the members may be called by the Board, the President, or not less than 20% of the members. All matters to be considered at special meetings of the members called by not less than 20% of the members 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 called to consider such matters.

Section 3. Place and Time of Meeting. All meetings of the members shall take place at 7:00 P.M., 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 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. The notice of a meeting shall be deemed mailed when deposited in the United States mail addressed to the member at his 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 members, a member entitled to vote may vote either in person or by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution. Any proxy distributed by the Board for election of members of the Board shall give Unit Owners the opportunity to designate any person as the proxy holder and

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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 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 at a meeting duly called for that purpose:

- (a) Merger or consolidation of the Association;
- (b) Sale, lease, exchange or other disposition (other than a mortgage or pledge) of all, or substantially all, of the property and assets of the Association; 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 the Condominium as provided in the Act and the Declaration.

Section 2. Number, Tenure and Qualifications. The number of members of the Board shall be five (5) and shall be elected solely by, from and among, the members for a term of two years and until their respective successors shall have been elected and qualified. All members of the Board shall be elected at large at least 1/3 of the Board expires annually. Each member of the Board shall hold office without compensation. In the event that a member of the Association is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any shareholder, officer or director of such corporation, 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 member of the Board. If there are multiple owners of a single Unit, only one of the multiple owners shall be eligible to serve as a member of the Board at any one time. A member of the Board may succeed himself in office.

Section 3. Election. At each annual meeting of the members, the members shall be entitled to vote on a cumulative basis and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. The Association may, upon adoption of the appropriate rules by the Board, conduct elections by secret ballot whereby the voting ballot is marked only with the percentage interest for the Unit and the vote itself, provided that the Board further adopt rules to verify the status of the Unit Owner issuing a proxy or casting a ballot. A candidate for election to the Board or such candidate's representative shall have the right

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to be present at the counting of the ballots at such election. The Board may disseminate to Unit Owners biographical and background information about candidates for election to the Board if: (a) 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; and (b) the Board does not express a preference in favor of any candidate.

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 members. 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.

Section 5. Special Meetings. Special meetings of the Board may be called by or at the request of the President or 25% of the members of the Board. 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 members of the Board not calling the meeting at least 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 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 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 members of the Board. However, copies of said notices of meetings of the Board shall be posted in entranceways or other conspicuous places in the condominium designated by the Board at least 48 hours prior to the meeting.

Section 7. Quorum. A majority of the members of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. If less than a majority of the members of the Board 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 members of the Board 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 members of the Board. A member elected to fill a vacancy shall be elected until the next annual meeting of the members of the Association; provided that if

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a petition signed by members of the Association holding 20% of the votes in the Association requesting a meeting of the members to fill the vacancy for the balance of the unexpired term of his predecessor, the term of the member so elected by the Board shall terminate 30 days after the filing of the petition and a meeting of the members for the purpose of filling such vacancy for such unexpired term shall be called no later than 30 days following the filing of such petition. Members of the Board 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 members of the Board.

Section 10. Removal. Any member of the Board may be removed from office by the affirmative vote of at least 67% of all the members of the Association at a special meeting called for such purpose.

Section 11. Open Meeting. All meetings of the Board, whether regular or special, shall be open to the members of the Association except for the portion of any meeting held:

(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; employee; or

(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. 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.

A meeting of the Board shall occur when a quorum of the Board gathers to conduct Board business.

Section 12. 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 or a member of the Board members immediate family has a twenty-five percent (25%) or more interest, unless notice of intent to enter the contract is given to Unit Owners within twenty (20) days after a decision is made to enter into the contract and the Unit Owners are afforded an opportunity by filing a petition, signed by twenty percent (20%) of the Unit Owners, for an election 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

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thirty (30) days after filing the petition. For purposes of this Section, a "Board member's immediate family" means the Board member's spouse, parents and children.

Section 13. 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. However, nothing in the foregoing sentence shall be deemed to invalidate any provision in the Condominium Instruments placing limits on expenditures for the Common Elements by the Board without the prior approval of the Unit Owners, 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 for deteriorated or damaged portions of the Common Elements relating 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 elements or facilities; provided that, if the improvement results in a proposed expenditure exceeding 5% of the annual budget, the Board, upon written petition by Unit Owners with 20% of the votes of the Association delivered to the Board within fourteen (14) days of the Board action to approve the expenditure, shall call a meeting of the Unit Owners 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 Unit Owners are cast at the meeting to reject the expenditure, it is ratified.

ARTICLE V

Officers

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

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 among the members of the Board. A Board member may simultaneously serve no more than two offices. 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 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 members of the Board.

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.

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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 members of the Board. 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 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.

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; 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 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 and, if incorporated, of the seal of the Association and, if the Association is incorporated, see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these By-Laws; 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:

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- (a) Operation, care, upkeep, maintenance, replacement, and improvement of the Common Elements.
- (b) Preparing, adopting and distributing the annual budget for the Property.
- (c) Levying and spending of assessments.
- (d) Collecting assessments from Unit Owners.
- (e) Employing and dismissing 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.
- (h) Adopting and amending rules and regulations covering the details of the operation and use of the Property, after a meeting to adopt and amend rules and regulations covering the details of the operation and use of the property, after a meeting of the Unit Owners called for the specific purpose of discussing the proposed rules and regulations. Notice of the meeting shall contain the full text of the proposed rules and regulations, and the meeting shall conform to the requirements of Section 18(b) of this Act, except that no quorum is required at the meeting of the Unit Owners unless the Declaration, By-Laws or other condominium instrument expressly provides to the contrary. However, no rule or regulation may impair any rights guaranteed by the First Amendment to the Constitution of the United States or Section 4 of Article I of the Illinois Constitution, nor may any rules and regulations conflict with the provisions of this Act or the condominium instruments.
- (i) Keeping 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 assessments, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard,

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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.

(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 or erosion, where authorized by the Unit Owners under the provisions of Paragraphs 5(b) and 5(c) 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.

(q) Making reasonable accommodation of the needs of handicapped Unit Owners, as required by the Human Rights Act, in the exercise of its powers with respect to the use of the Common Elements or approval of modification in an individual Unit.

(r) The designation of an officer to mail and receive all notices and execute amendments to condominium instruments as provided for in the Act and in the condominium instruments.

(s) That if a rule adopted at least 120 days before a board election or the declaration or bylaws provide for balloting as set forth in this subsection, unit owners may not vote by proxy in board elections, but may vote only (i) by submitting an association-issued ballot in person at the election meeting or (ii) by submitting an association-issued ballot to the association or its designated agent by mail or other means of delivery specified in the declaration, bylaws or rule; that the ballots shall be mailed or otherwise distributed to unit owners not less than 10 and not more than 30 days before the election meeting; and the board shall give unit owners not less than 21 days' prior written notice of the deadline for inclusion of a candidate's name on the ballots; that the deadline shall be no more than 7 days before the ballots are mailed or otherwise distributed to unit owners; that every such ballot must include the names of all candidates who have given the board or its authorized agent timely written notice of their candidacy and must give the person casting the ballot the opportunity to cast votes for candidates whose names do not appear on the ballot; that a ballot received by the association or its designated agent after the close of voting shall not be counted; that a unit owner who submits a ballot by mail or other means of delivery specified in the declaration, bylaws, or rule may request

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and cast a ballot in person at the election meeting, and thereby void any ballot previously submitted by that unit owner.

(t) The Board of Managers shall have standing and capacity to act in a representative capacity in relation to matter involving the common elements or more than one unit, on behalf of the Unit Owners as their interests may appear.

(u) 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.

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 years and must be terminable by either party to such agreement without cause and without payment of a termination fee, upon not more than ninety (90) days' 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) To establish and maintain a system of master metering of public utility services and collect payments in connection therewith, subject to the requirements of the Tenant Utility Payment Disclosure Act, as amended from time to time.

(f) Upon authorization of a two-thirds vote of the members of the Board or by affirmative vote of not less than a majority of the Unit Owners at a meeting 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.

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(g) The Board shall not have the power to forbear the payment of assessments.

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.

Section 3. Authorized Expenditures. 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:

(a) Water, sewer, waste removal, heating, electricity, telephone and other necessary utility service for the Common Elements and such services to the Units as are not separately metered or charged to the owners thereof. The Association shall pay the bills for such common expenses in a timely manner (other than those bills in which reasonable grounds for protest exist) in order to avoid incurring a penalty or interruption in service.

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

Each Unit Owner shall own and be responsible for: (i) the maintenance, repairs and replacements within his own Unit, including, without limitation, all door and doorframes serving the Unit and all door and window locks and hardware with respect thereto, all internal installations of such Unit such as refrigerators, ranges and other kitchen appliances, lighting fixtures and other electrical fixtures, furnaces, air conditioners, condensers and plumbing, and any portion of any other utility service facilities located within the Unit; provided, however, that such maintenance, repairs and replacements as may be required for the bringing of water, gas and electricity to the Units, shall be furnished by the Association as part of the Common Elements; (ii) the decorating within his own Unit, including all additions, improvements, betterments and alterations thereto, painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating; and (iii) except to the extent as otherwise directed by the Board or as is otherwise provided herein, the maintenance, repair and replacement of Limited Common Elements benefiting his Unit, individually or collectively with other Units as well as the decks and patios serving the Units as Limited Common Elements appurtenant thereto. Notwithstanding anything to the contrary contained herein, the Association shall be responsible for the maintenance, repair and replacement of the awnings which are Limited Common Elements appurtenant to the Commercial Units, and the cost thereof shall be assessed to the Commercial Unit Owner benefited thereby.

At the discretion of the Board, the Board may perform, or cause to be performed, such maintenance, repairs, and replacements of the Limited Common Elements for which the Unit Owner is responsible and the cost thereof shall be assessed, in whole or in part, to the Unit Owners benefited thereby, and further, at the discretion of the Board, the Board may direct such Unit Owners, in the name and for the account of such Unit

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Owners, to arrange for such maintenance, repairs, and replacements, to pay the cost thereof with the funds of the Unit Owner, and to procure and deliver to the Board such lien waivers and contractor's or subcontractor's sworn statements as may be required to protect the Property from all mechanics' or material men's lien claims that may arise therefrom. Notwithstanding anything to the contrary contained herein, where the need for repair or replacement is due to the act or omission of a Unit Owner, occupant, guest, family member or pet, the Association shall charge the Unit Owner for the cost of such repair or replacement.

(c) 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.

(d) 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 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.

(e) 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 owner of said 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.

All expenses, charges and costs of the maintenance, repair, replacement or restoration 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 Board, and a written memorandum thereof prepared and signed by the treasurer. There shall be no capital additions or alterations to the Common Elements requiring an expenditure in excess of Ten Thousand Dollars (\$10,000.00) without the prior approval of at least 67% of the total votes of the Unit Owners. The term "capital additions or alterations" means

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expenditures for Association projects which substantially change or add to the existing structure, function or appearance of the condominium property and which are not deemed to be "repair, replacement or restoration" as defined herein.

Section 4. Annual Budget and Regular Assessments: Separate Assessments.

(a) The Board may establish, and each Unit Owner shall pay, user charges to defray the expense of providing services, facilities, or benefits which may not be used equally or proportionately by all of the Unit Owners or which, in the judgment of the Board, should not be charged to every Unit Owner. Such expense may include such services and facilities provided to Unit Owners that the Board determines should not be allocated among all of the Unit Owners in the same manner as the Common Expenses. Such user charges may be billed separately to each Unit Owner benefited thereby at such time and in such manner as determined by the Board, or may be added to such Unit Owner's share of the Common Expenses, as otherwise determined, and collected as a part thereof. The Association shall have all of the rights and remedies provided under the Declaration and the Act with respect to unpaid user charges as it has for unpaid Common Expenses. Nothing herein shall require the establishment of user charges pursuant to this Section, and the Board may elect to treat all or any portion thereof as Common Expenses.

(b) 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.

(c) 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 April 1 of each calendar year following of the first annual meeting of the members, 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, at the Board's option, either added to the Reserves or credited according to each Unit Owners percentage of

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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 Owners percentage of ownership of 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) If no audited financial statement is available, the Association shall allow an audited statement for the preceding fiscal year to be prepared by and at the expense of any holder, insurer or guarantor of a first mortgage secured by the Unit, upon submission to the Association of a written request therefor.

Section 6. Reserves.

(a) The Association may build up and maintain a reasonable Reserve for operations, contingencies and replacement. 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 Association or the Board deems appropriate.

(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 Building and Common Elements, and energy systems and equipment; (ii) the current anticipated return on investment of Association funds; (iii) any independent professional reserve study which the Association may obtain; (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.

Section 8. Default in Payment.

(a) If a Unit Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the Association may assess a service charge of up to \$20.00 plus 4% of the balance of the aforesaid charges and assessments for each month, or part thereof, that said balance, or any part thereof remains unpaid. 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

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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 Unit.

(b) Each such 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 the 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 account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

ARTICLE VII

Contract, 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 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 depositories 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.

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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 proceedings of its members, the Board and committees having any of the authority of the Board. The Board shall keep and maintain the following records, or true and complete copies thereof, at the Association's principal office:

- (a) the Declaration, By-Laws and Plat, and all amendments thereto;
- (b) any rules and regulations of the Association;
- (c) if the Association is incorporated as a corporation, the articles of incorporation of the Association and all amendments thereto;
- (d) minutes of all meetings of the Association and the Board for the immediately preceding seven years;
- (e) all current policies of insurance of the Association;
- (f) all contracts, leases, and other agreements then in effect to which the Association is a party or under, which the Association or the Unit Owners have obligations or liabilities;
- (g) a current listing of the names, addresses, and weighted vote of all members of the Association entitled to vote;
- (h) ballots and proxies related thereto for all matters voted on by the members of the Association during the immediately preceding twelve months, including, but not limited to, the election of members of the Board; and
- (i) the books and records of account for the Association's current and ten immediately preceding fiscal years, including, but not limited to, itemized and detailed records of all receipts and expenditures.

Section 2. Availability for Examination.

(a) Any member of the Association shall have the right to inspect, examine and make copies of the records described in subparagraphs. (a), (b), (c), (d) and (e) of Section 1 hereof, in person or by agent, at any reasonable time or times, at the Association's principal office. In order to exercise this right, a member must submit a written request to the Board or its authorized agent, stating with particularity the records sought to be examined. Failure of a Board to make available all records so requested within thirty days of receipt of the member's written request shall be deemed a denial. Any member who

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prevails in an enforcement action to compel examination of records described herein shall be entitled to recover reasonable attorney's fees and costs from the Association.

(b) Except as otherwise provided in subparagraph (d) of this Section, any member of the Association shall have the right to inspect, examine and make copies of the records described in subparagraphs: (f), (g), (h) and (i) of Section 1 hereof, in person or by agent, at any reasonable time or times but only for a proper purpose, at the Association's principal office. In order to exercise this right, a member must submit a written request, to the Board or its authorized agent, stating with particularity the records sought to be examined and a proper purpose for the request. Subject to the provisions of subsection (d) of this Section, failure of the Board to make available all records so requested within thirty business days of receipt of the member's written request shall be deemed a denial; provided, however, that the Board that has adopted a secret ballot election process as provided in Section 18 of the Act shall not be deemed to have denied a member's request for records described in subparagraph (i) of Section 1 hereof if voting ballots, without identifying Unit numbers, are made available to the requesting member within thirty days of receipt of the member's written request. In an action to compel examination of records described in subparagraphs (f), (g), (h) and (i) of Section 1 hereof, the burden of proof is upon the member to establish that the member's request is based on a proper purpose. Any member who prevails in an enforcement action to compel examination of the records described herein shall be entitled to recover reasonable attorney's fees and costs from the Association only if the court finds that the Board acted in bad faith in denying the member's requests.

(c) The actual cost to the Association of retrieving and making requested records available for inspection and examination under this Article VIII shall be charged by the Association to the requesting member. If a member requests copies of records requested under this Article VIII, the actual costs to the Association of reproducing the records shall also be charged by the Association to the requesting member.

(d) Notwithstanding the provisions of subparagraph (b) of this Section, unless otherwise directed by court order, the Association need not make the following records available for inspection, examination or copying by its members:

(1) documents relating to appointment, employment, discipline or dismissal of the Association's employees;

(2) documents relating to actions pending against or on behalf of the Association or the Board in a court or administrative tribunal;

(3) documents relating to actions threatened against, or likely to be asserted on behalf of, the Association or the Board in a court or administrative tribunal;

(4) documents relating to common expenses or other charges owed by a member other than the requesting member, and

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(5) documents provided to the Association in connection with the lease, sale or other transfer of a Unit by member other than the requesting member.

ARTICLE IX

Fiscal Year

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

ARTICLE X

Seal

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

ARTICLE XI

Waiver of Notice

Whenever any notice whatever 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 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

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted upon the affirmative vote of at least 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.

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ARTICLE XIII

Indemnification

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 officer of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he 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 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 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 conduct was unlawful.

The Association may indemnify any person who was or is a party, or is threatened to be made a party 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 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 in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he 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 liable for negligence or misconduct in the performance of his 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.

To the extent that a member of the 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 shall be indemnified against expenses (including attorneys fees) actually and reasonably incurred by him in connection therewith.

Any indemnification under the first two paragraphs of this Article shall be made by the Association only as authorized in the specific case, upon a determination that indemnification of the member of the Board or officer of the Association is proper in the circumstances because he has met the applicable standard of conduct set forth in the first two paragraphs of this Article. Such determination shall be made (1) by the Board by a

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majority vote of a quorum consisting of members of the Board 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 directors so directs, by independent legal counsel in a written opinion, or (3) by a majority of the members of the Association. 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 members of the Board or the officer of the Association to repay such amount, unless it shall ultimately be determined that he is entitled to be determined by the Association as authorized in this Article. The sums necessary to discharge the obligations of the Association under this Article shall be common expenses.

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 official capacity and as to action in 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.

ARTICLE XIV

Construction

(a) Nothing hereinabove contained shall in any way be construed as altering, amending or modifying the Declaration. Said 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 aforesaid Declaration, the provisions of the Declaration shall control.

(b) All words and terms used herein which are also used in the Declaration shall have the same meaning as provided for such words and terms in the Declaration.

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

APPROVED THIS 16 DAY OF NOVEMBER, 2007

BROOKSIDE OF PALOS CONDOMINIUMS

Walter H. Villan

President

Being the Board of Directors of the
Brookside of Palos Condominiums