

Freedom Title Corporation
2200 Hicks Road
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6716496 1/6



DECLARATION OF
PARTY WALL RIGHTS,
COVENANTS, CONDITIONS,
RESTRICTIONS AND
EASEMENTS FOR
7225 S. EXCHANGE
TOWNHOME ASSOCIATION

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Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 08/19/2016 12:24 PM Pg: 1 of 45

THIS Declaration of Party Wall Rights, Covenants, Conditions and Easements ("Declaration") is made and entered into on the date hereinafter set forth by Gruppoatma, LLC, A Delaware limited liability company (hereinafter referred to as "Declarant"). (above reserved for Recorder's Stamp)

WITNESETH:

A. Declarant is the owner and legal title holder of certain real estate in the City of Chicago, County of Cook and State of Illinois which real estate is legally described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Premises"); and

B. Declarant presently intends to construct on that portion of the Premises legally described in Exhibit "B", (the "Property"), a development ("Development") containing nine (9) Townhome Units, as hereinafter defined, together with certain common areas which will require uniformity and continuing care and maintenance for the privacy, benefit and enjoyment of all persons owning and residing in the Townhome Units; and

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

E. 7225 S. Exchange Townhome Association, an Illinois not for profit corporation ("Association"), has been formed for the purpose of exercising the functions aforesaid; and

F. The Declarant desires to establish for its own benefit and the mutual benefit of all future owners, tenants and occupants of the Development and the Property and any part thereof, certain easements or rights in, over, under, upon and along the Development and the Property and certain mutually beneficial restrictions and obligations with respect to the use, conduct and maintenance thereof; and

G. The Declarant may, from time to time for the purpose hereinafter enumerated, convey certain portions of the Property, as hereinafter defined, to the Association, as well as to various owners.

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NOW, **THEREFORE**, Declarant hereby declares that the Property and such additions thereto as may hereinafter be made is, and hereafter shall be, transferred, held, sold, conveyed and accepted subject to this Declaration. Declarant does hereby further declare that the following rights, easements, covenants, restrictions, conditions, burdens, uses, privileges, charges and liens shall: (1) exist at all times hereafter among all parties having or acquiring any right, title or interest in any portion of the Property; (2) be binding upon and inure to the benefit of each Owner (as hereinafter defined); and (3) run with the land subject to this Declaration, to be held, sold and conveyed subject thereto.

ARTICLE 1 DEFINITIONS

1.01 Additional Parcel. The real estate described in Article 11 and legally described in Exhibit "E" attached hereto and made a part hereof, which may be annexed and added to the Property and Development pursuant to the terms of Article 11.

1.02 Association. The 7225 S. Exchange Townhome Association, an Illinois not-for-profit corporation, its successors and assigns.

1.03 Board. The Board of Directors of the Association as constituted at any time or from time to time, in accordance with the applicable provisions of Article 3.

1.04 By-Laws. The By-Laws of 7225 S. Exchange Townhome Association, a copy of which is attached as Exhibit "C" hereto and by this reference made a part hereof.

1.05 Common Area. Those portions of the Property owned by the Association for the common use and enjoyment of all members of the Association (except for those portions reserved for the exclusive use or certain Owners as hereinafter set forth) and such uses thereto by way of easement or other grant from the Declarant, the Association or others as may be granted to or by the Association for the common use and enjoyment of the Owners. The Common Area to be conveyed to and owned by the Association is hereinafter legally described in the Easement recorded as document number 0810818043 with the Cook County Recorder of Deeds and by this reference made a part hereof, and such additions thereto as may hereafter be brought within the jurisdiction of, or conveyed to, the Association.

1.06 Declarant. Gruppoatma, LLC, a Delaware limited liability company.

1.07 Declaration. This Declaration of Party Wall Rights, Covenants, Conditions, Restrictions and Easements for 7225 S. Exchange Townhome Association.

1.08 Developer. 7225 S. Exchange, LLC, an Illinois limited liability company, its successors and assigns.

1.09 Development. All improvements constructed on the Property by Developer including the Townhome Units and Common Area.

1.10 Eligible Mortgage Holder. Each holder of a first mortgage on a Townhome Unit which

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has requested in writing that the Association notify it of any proposed action that requires consent of a specified percentage of mortgage holders.

1.11 Family. One or more persons each related to the other by blood, marriage, civil union or legal adoption, or a group of not more than five (5) persons not all so related, together with his or their domestic servants, maintaining a common household in a Townhome Unit.

1.12 Garage. That portion of each Townhome Unit originally designed and intended for the parking or storing of motor vehicles.

1.13 Material Amendment Any amendment to the Declaration, By-Laws or the Association's articles of incorporation that would change any of the following in a manner other than as expressly provided herein: voting rights in the Association; assessments, assessment liens, or subordination of assessment liens; reserves for maintenance, repair and replacement of the Driveway; responsibility for the maintenance and repair of the Driveway; allocation of interests in the Driveway, or rights to use the Driveway; boundaries of any Townhome Unit; convertibility of Townhome Units into Driveway or convertibility of Driveway into Townhome Units; expansion or contraction of the Property, or the addition, annexation or withdrawal of property from the Property; insurance or fidelity bonds; leasing of Townhome Units; imposition of any restrictions on an Owner's right to sell or transfer his or her Townhome Unit; a decision by the Association to establish self-management when professional management had previously been required by an Eligible Mortgage Holder; requirements for the restoration or repair of the Property; termination of the legal status of the Association or the Property following substantial destruction or condemnation; or any provisions that expressly benefit holders, insurers or guarantors of mortgages secured by portions of the Property.

1.14 Member An Owner who holds membership in the Association pursuant to section 2.01 hereof and who is subject to assessment.

1.15 Occupant. Any person or persons other than the Owner in possession of a Townhome Unit.

1.16 Owner. The record owner, whether one or more persons or entities, of fee simple title to any Townhome Unit, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. The term "Owner" shall include the Declarant to the extent of the number of Townhome Units owned by Declarant and also includes the interest of the Declarant as contract seller of any Townhome Unit.

1.17 Premises. The real estate legally described on Exhibit "A" attached hereto and made a part hereof, which includes the Property and the Additional Parcel.

1.18 Property. That portion of the Premises legally described on Exhibit "B" attached hereto and made a part hereof, which is hereby subjected to this Declaration.

1.19 Townhome Unit A residential housing unit consisting of a group of rooms which may be attached to one or more other Townhome Units by common party walls and which are designed or intended for the exclusive use as living quarters for one Family, as hereinafter defined, as constructed by the

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Developer upon the Property, and/or (ii) the lot upon which such residential housing unit is or will be constructed.

1.20 Turnover Date. The date which is the earlier of: (i) the date on which seventy-five percent (75%) of the Townhome Units have been conveyed to Owners other than the Declarant or (ii) three (3) years after the first Townhome Unit is conveyed to an Owner other than the Declarant.

Section 1.21 "Driveway Easement" shall mean that portion of each Property for ingress and egress into and from each Property's Garage and, which, by way of easement or other grant from the Declaration, the owner, his successors, assigns and guests of Exhibit B shall have the right of ingress and egress.

ARTICLE 2 MEMBERSHIP

Every Owner of a Townhome Unit which is subject to assessment pursuant to Article 6 hereof is hereby declared to be a Member of the Association. Unit Membership is appurtenant to and shall not be separated from ownership of such Owner's Townhome Unit. By acceptance of a deed or other conveyance of a Townhome Unit, each Owner or subsequent Owner thereby becomes a Member whether this Declaration is incorporated by reference or otherwise expressed in the deed of conveyance. If there is more than one Owner of any Townhome Unit, all such Owners shall be members of the Association, however, there shall only be one Unit Membership per Townhome Unit. Multiple Owners of a Townhome Unit shall allocate the privileges and responsibilities appurtenant to Unit Membership among them as they determine. Any Owner who owns more than one Townhome Unit shall have the number of Unit Memberships equal to the number of Townhome Units owned by that Owner. If an Owner is a trustee, corporation, partnership or similar legal entity, then such Owner shall designate in writing to the Association the name and address of the individual who should receive correspondence and otherwise deal with the Association. Such designation may be changed from time to time thereafter by notice in writing to the Association. Ownership of a Townhome Unit shall be the sole qualification for membership in the Association. Nothing herein contained shall be interpreted to exclude Declarant from membership while it or its successors in interest, if any, owns one or more Townhome Unit(s). Voting rights with regard to each Member are set forth in Article 3 hereof.

ARTICLE 3 VOTING RIGHTS AND BOARD OF DIRECTORS

3.01 Classes of Membership. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all those Owners defined in Article 2, provided that the Declarant shall not be a Class A Member until the Turnover Date. Class A Members shall be entitled to one vote for each Townhome Unit in which they hold the interest required for membership pursuant to Article 2. The vote for each Townhome Unit shall be exercised as the Class A Members who own that Townhome Unit among themselves determine, but in no event shall more than one vote be cast with respect to any Townhome Unit. All Members holding any interest in a single Townhome Unit shall together be entitled to cast only one vote for the

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Townhome Unit.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each Townhome Unit in which it holds the interest required for membership by Article 2; provided that the Class B membership shall cease and be converted to Class A membership on the Turnover Date.

3.02 Provisions Mandatory. The provisions of Section 3.01 hereof shall be mandatory. No owner of any interest in any Townhome Unit shall have any right or power to disclaim, terminate or withdraw from membership in the Association or any obligations as a Member, and no purported disclaimer, termination or withdrawal thereof or therefrom on the part of any Owner shall be of any force or effect for any purpose.

3.03 Board. The Association shall have a Board of three (3) Directors who shall be elected by the Members of the Association at such intervals as the corporate charter and By-Laws of the Association shall provide, except that vacancies in the Board occurring between regularly scheduled meetings of the Members may be filled by the Board by majority vote if so provided by the articles of incorporation or By-Laws. Prior to the election of the first Board by the Owners after the Turnover Date, the Developer may exercise all rights, powers and privileges of the Board and may perform all of its functions. The Board appointed by the Developer shall consist of three (3) Directors. Except as expressly otherwise provided by the Association's articles of incorporation, this Declaration or the By-Laws, all power and authority to act on behalf of the Association both pursuant to this Declaration and otherwise shall be vested in its Board and its officers under the direction of the Board, and shall not be subject to any requirement of approval on the part of its Members. The articles of incorporation and By-Laws of the Association may include such provisions for the protection and indemnification of its officers and directors as shall be permissible by law.

3.04 Appointment of Directors by Developer. Notwithstanding any other provision of this Declaration or the By-Laws, the first and each subsequent Board shall consist of such persons as Developer shall from time to time appoint, until the Turnover Date. The Developer's right to appoint Directors shall be to the exclusion of the right of the Members of the Association to do so. The Owners shall not, without the prior written consent of Developer, have the right to amend, modify or change the By-Laws or in any way diminish the authority of the Board prior to the Turnover Date.

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

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

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3.07 Professional Service Contracts. Whenever possible, the Association shall perform its functions and carry out its duties by entering into agreements for the performance thereof with such persons and business entities regularly engaged in the performance of generally similar functions and duties as the Board shall determine, which agreements shall be for such length of time, at such rates of compensation and upon such other terms and provisions as the Board shall determine from time to time provided however, that if the Association, Declarant or Board shall enter into an agreement or agreements for the professional management of the Property or the Development before the Turnover Date, such agreement or agreements shall provide that it is terminable by the Association without cause at any time after the Turnover Date and shall not require the payment of any penalty by the Association and shall not require advance notice of termination of more than ninety (90) days. Such persons or business entities may, but need not, be persons or business entities owning or otherwise directly or indirectly interested in the Property or any part thereof. The Association itself shall also have power to perform its functions and carry out its duties.

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

3.09 Records Available for Inspection. A copy of this Declaration, other duly recorded covenants and any amendments thereto, the articles of incorporation for the Association, the By-Laws, rules and regulations, the Association books, records and financial statements, and minutes of meetings of the Association Members and the Board during the preceding seven (7) years shall be available for inspection by any Owner or any representative of an Owner duly authorized in writing, the City of Chicago, or any Eligible Mortgage Holder at reasonable times during normal business hours as may be requested by the Owner or by the holder of said first mortgage lien. Where a request for records is made in writing to the Board, failure to provide the requested record or to respond within thirty (30) days shall be deemed a denial of the request. The Association may charge a reasonable fee for photocopying and delivery costs.

ARTICLE 4

PROVISIONS RELATING TO THE COMMON AREA DRIVEWAY EASEMENT

4.01 Driveway. The owner(s) of Parcel B shall a right and easement in, over and to the Driveway Easement for purposes of vehicular (as appropriate) and pedestrian ingress and egress. This grant of easement extends to the tenants, invitees, guests, successors and assigns of the owner of Parcel B and shall run with the land. The owner of Parcel A shall not in any way install any fences or other structure that would in any way inhibit, block or prevent the owner(s) of Parcel B from the full use and enjoyment of the Driveway Easement.

4.02 Pedestrian Ingress and Egress. Each Owner and his tenants, guests and invitees shall have a right and easement in, over, upon and to any sidewalks located in the Common Area for the purposes of pedestrian ingress and egress.

4.03 Improvements. There shall be located upon the Premises such driveways or portions thereof and walks as shall be necessary to provide ingress and egress to and from the Townhome Units for the use and benefit of the Owners. The Declarant or the Association may plant or construct landscaping,

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walks, benches, and other improvements as the Declarant or the Association or Board shall from time to time deem appropriate or necessary. All planting and construction shall be in compliance with applicable governmental laws, ordinances and regulations as shall then be in effect. The Premises may also contain facilities for the housing of tools, vehicles, equipment, and such other structures and facilities as shall be reasonably necessary for the carrying out of the duties imposed upon the Association hereunder, or as the Association may determine to erect from time to time.

4.04 City of Chicago. An irrevocable license and non-exclusive easement is hereby granted to the City of Chicago and police, fire, water, health and other authorized officials, employees and vehicles of the City of Chicago, to go upon the Common Area (and, to the same extent granted to the Association pursuant to Section 5.05 below, the Townhome Units) at any time and from time to time in order to perform official duties and to enforce this Declaration and all City of Chicago ordinances, rules and regulations, the statutes of the State of Illinois and the United States. In addition, duly designated officials and employees of the City of Chicago are hereby granted a non-exclusive easement to enter upon, on and over the Common Area in order to maintain, except as otherwise provided hereunder, the drainage systems, storm and sanitary sewers, water mains, and any other utility or public service and to correct or eliminate nuisances or violations resulting from the failure to exercise maintenance responsibilities by the Developer or its successors and assigns, any Owner or the Association. Except in the event of emergency situations, the City of Chicago shall serve written notice upon the Association setting forth the manner in which the Association has failed to comply with its obligations under this Declaration under any source of law. Said notice shall include a demand that such deficiency be cured within 30 days from the date such notice is received. If such deficiency has not been cured within said 30 days or any extension thereof granted by the City of Chicago, the City of Chicago may (but shall not be obligated to) exercise said easement by entering the Common Area and performing such maintenance or repair. The Association shall reimburse the City of Chicago from all expenses incurred by it in performing such maintenance or repair. If the Association has not reimbursed the City of Chicago in full for all such expenses incurred within 90 days after receipt of a bill detailing such expenses, then the cost of such maintenance or repair not so reimbursed, together with interest and all reasonable costs of collections, including attorneys' fees, shall be assessed in equal shares against the Townhome Units, and shall become a lien upon such Townhome Units. Such lien may be enforced by all methods generally available for the enforcement of liens including foreclosure by an action brought in a like manner as a mortgage or deed of trust lien on real property. Said easement shall be exercised only to the extent and for such period of time that the maintenance or repair is required to accomplish the purpose hereinabove mentioned. It is the intention of this Section 4.04 to provide that the obligation for maintenance and repair of those main utility lines which service the Property (water, storm sewer and sanitary sewer) shall be borne by the City of Chicago and that the obligation for maintenance and repair of all other portions of the Common Area, including those lines which service individual Townhome Units (storm sewer, sanitary sewer and water) shall be borne by the Association. The Association shall also be responsible for snow removal on sidewalks and driveways located within the dedicated right-of-way intended to serve the Property and its residents. The City of Chicago shall be under no obligation to exercise the rights herein granted except as it shall determine to be in its best interest. No failure to exercise any right herein granted to the City of Chicago shall be construed as a waiver of that or any other rights.

4.05 Delegation. Any Owner may delegate, in accordance with the By-Laws, his right of ingress and egress to the Common Area to the members of his family, Occupants, guests, invitees, or contract purchasers who reside on the Property.

4.06 Conveyance of Driveway. The Declarant hereby covenants for itself, its successors and assigns, that it will convey to the Association fee simple title to the property legally described in the Driveway Easement recorded as Document number 0810818043 with the Cook County Recorder of Deeds (Driveway"). Upon any conveyance or assignment of the Driveway to the Association, Declarant shall be entitled to a proration credit for all expenses of the Association defrayed by Declarant (including insurance and real estate taxes) which have not theretofore been reimbursed to Declarant. Title to the Driveway may

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be subject to all general and special title exceptions contained in any owner's title insurance policy covering the Driveway which Declarant shall deliver to the Association in connection with such conveyance. If any Driveway shall be held in any title holding trust, Declarant may assign the beneficial interest in such trust to the Association in lieu of causing the trustee to convey the same by trustee's deed. The Driveway shall be conveyed or assigned without any express or implied warranties, which warranties are expressly disclaimed by Declarant.

4.07 Easement in favor of Declarant. Declarant, its beneficiary, agents, employees, guests and invitees shall have the right and easement of ingress and egress in, over, upon, under and across the Driveway for sales and construction purposes until Declarant has conveyed all of the Townhome Units to third party purchasers.

4.08 Rights of the Association.

(a) The Association shall have the right and duty to repair and maintain the Driveway in accordance with approved plans.

(b) The Association shall have the right of ingress and egress over and upon the Driveway for any and all purposes in connection with the use, maintenance, construction, operation, repair and reconstruction of the Driveway.

(c) The Association, through resolutions of the Board, shall have the right to adopt rules and regulations governing the use, maintenance and administration of the Driveway and for the health, comfort, safety and general welfare of persons using the Driveway.

4.09 Reserved Rights. Notwithstanding any provisions herein to the contrary, the easements herein created shall be subject to:

(a) The right of Declarant to execute all documents and do all other acts and things affecting the Property which, in the Declarant's sole opinion, are desirable in connection with Declarant's rights hereunder.

(b) Easements of record on the date hereof, and any easements which may hereafter be granted by Declarant or the Association to any public utilities or governmental bodies for the installation and maintenance of electrical and telephone conduit and lines, gas pipes, sewers or water mains and pipes, or any other utility services serving any Townhome Unit and to any provider of cable television service.

4.10 No Dedication. Nothing contained in this Declaration shall be construed or be deemed to constitute a dedication, express or implied, of any part of the Common Area to which Declarant is in title as of the date hereof to or for any public use or purpose whatsoever.

4.11 Easement in favor of Certain Utilities. Easements for serving the Common Area and other properties with public utilities and municipal services are hereby granted to Commonwealth Edison Company, People's Gas Company, Illinois Bell Telephone Company, the City of Chicago, and all other suppliers of utilities serving the Common Area and their respective successors and assigns, jointly and

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severally to install, lay, construct, renew, operate, maintain or remove, from time to time, conduits, cables, pipes, wire transformers, switching apparatus and other facilities and appurtenances used in connection with serving the Common Area and adjacent property with telephone communications, electric, sewer, gas, water, drainage, cable television, or other municipal services, upon, across and under the Common Area for the Property approved by the City of Chicago.

Further, an easement is hereby reserved for and granted to the Peoples Gas Light and Coke Company, its successors and assigns, to install, construct, operate, maintain, inspect, repair, renew, replace, remove or abandon in place gas mains and service pipes, together with the necessary valves, valve boxes, regulators and other attachments, connections and fixtures for distributing gas to properties within and without the subdivision, upon, under, across and within all roads, streets, alleys and common areas (if any) within the subdivision provided however, that such facilities, equipment and appurtenances, when installed, will not interfere with the movement of traffic upon such roads, streets, alleys or common areas.

4.12 Proper Maintenance. All areas of and facilities upon the Common Area, including, but not limited to, all open space and all landscaping shall be maintained by the Association in such a manner as to ensure the proper use and functioning of such areas as facilities as originally designated and/or constructed.

4.13 Payment of Taxes on Common Area. The Association shall pay, as agent and on behalf of the Owners and out of the funds furnished to it by them for such purpose, all tax and other governmental impositions levied upon the Driveway or any part thereof.

4.14 Compliance. The Common Area shall at all times be used and maintained in compliance with all applicable ordinances, codes and regulations of the City of Chicago.

4.15 Turnover. Within sixty (60) days following the election of the initial Board after the Turnover Date, the Developer shall deliver to the Board:

(a) All original documents as recorded or filed pertaining to the Townhouse Units, the Driveway and the Association, such as the Declaration, Articles of Incorporation, other instruments, annual reports, minutes, rules and regulations, contracts, leases, or other agreements entered into by the Association. If any original documents are unavailable, a copy may be provided.

(b) Copies of all insurance policies, and a list of any loans or advances to the Association which are outstanding;

(c) All funds belonging to the Association, which shall at all times have been segregated from any other moneys of the Developer;

(d) A schedule of all real or personal property, equipment and fixtures belonging to the Association, including documents transferring the property, warranties, if any, for all real and personal property and equipment, deeds, title insurance policies, and tax bills; and

(e) A list of all litigation, administrative action and arbitrations involving the Association, any notices of governmental bodies involving actions taken or which may be taken

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concerning the Association, engineering or architectural drawings and specifications as approved by any governmental authority, all other documents filed with any other governmental authority, all governmental certificates, correspondence involving enforcement of any Association requirements, copies of any documents relating to disputes involving Owners, and originals of all documents relating to everything listed in this subparagraph.

ARTICLE 5 MAINTENANCE OF TOWNHOME UNITS

5.01 Duty to Maintain.

(a) The Association shall determine the need for and may carry out or cause to be performed all maintenance and repair to the exteriors of the Townhome Units, including without limitation, garage exterior (but not including roofs, garage doors, windows and fixtures), siding and trim, building foundations, gutters and downspouts) which is necessary and desirable in the sole discretion of the Association as a result of natural or ordinary wear and deterioration. In addition, the Association shall determine the need for and shall carry out or cause to be performed all maintenance and repair of gas, telephone, cable and electrical lines incorporated into and forming a part of the Townhome Units as originally constructed that service more than one Townhome Unit (it being expressly understood that an individual Owner shall maintain and repair all gas, telephone, cable, electrical, water, storm sewer and sanitary sewer lines which service only his Townhome Unit) and additionally that such maintenance and repair shall not include the maintenance or repair of any furnaces, water heaters, stoves, refrigerators, washing machines or household appliances, sump pumps, glass surfaces, patio areas, balconies, windows and patio doors, interior and exterior of chimneys, fences, decks, screened porches, front entry and garage doors, electrical fixtures, air conditioners and compressors, or any other portion of said unit which services only one Townhome Unit or the interior of any Townhome Unit or portion thereof.

(b) In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family, guests or invitees, the cost of such maintenance or repair shall be added to and become a part of the assessment to which such Townhome Unit is subject.

(c) The Association shall be responsible for the proper maintenance of all landscaping located on the Driveway and shall additionally be responsible for the snow plowing of all driveways, parking areas, and sidewalks, and the storage of such snow on appropriate areas of the Driveway or on parkways located in the dedicated right-of-way. The cost of such services, the cost of any such services shall be included in the assessment to be paid to the Association.

5.02 Owner's Duty to Maintain. In addition to the items described in Section 5.01 above, each Owner shall have the obligation to maintain in good condition and repair his roof, balconies, glass surfaces, decks, screened porches, patios, garage doors, fireplaces (including the interior and exterior of chimneys), windows, entry doors, electrical fixtures, appurtenant service walks located on or serving his Townhome Unit and any portion of such appurtenant service walk or driveway located within the Common Area, and all other items which service only such Owner's Townhome Unit. Upon the failure of any Owner to maintain those areas not the maintenance responsibility of the Association, the Association, through its

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agents and employees, is hereby granted the right to enter upon the Townhome Unit and into the Townhome Unit thereon and make such reasonable repairs, maintenance, rehabilitation or restoration of the premises as may be necessary, and the costs thereof shall become a lien upon the Townhome Unit in the same manner as provided in Article 6 hereof for nonpayment of maintenance assessments.

5.03 Plantings. The Association shall provide for the maintenance of the Townhome Unit planting which has been offered by the Developer in the sale of the Townhome Unit. In the event the Owner installs his own planting within his Townhome Unit, in accordance with the provisions as hereinafter set forth in Section 9.21 hereof, the Association shall have the right to assess each Owner for any additional cost in providing for the maintenance of such planting.

5.04 Right to Draw Water. The Association shall have the right to draw water from the exterior taps of individual Townhome Units as required for the efficient performance of their duties hereunder.

5.05 Right to Enter. An irrevocable license and non-exclusive easement is hereby granted to the Association (and, to the extent provided in Section 4.04, the City of Chicago) to enter upon the Townhome Units for purposes of performing its obligations and exercising its rights pursuant to this Article 5.

ARTICLE 6 COVENANTS FOR MAINTENANCE ASSESSMENTS

6.01 Covenant for Assessments and Lien. The Declarant, for each Townhome Unit owned within the Property, hereby covenants, and each Owner of any Townhome Unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) annual assessments to be fixed, established and collected from time to time as hereinafter provided; and (2) special assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Townhome Unit against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Townhome Unit at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

6.02 Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, and welfare of the residents in the Property and in particular for the improvement and maintenance of the Property, services and facilities devoted to this purpose and related to the use and enjoyment of such Common Area, and of the Townhome Units situated upon the Property. Such uses shall include, but are not limited to, the cost to the Association of all taxes, insurance, repair, replacement and maintenance of the Common Area and of the maintenance and repair of the exteriors of the Townhome Units (except as otherwise provided herein) as may from time to time be authorized by the Board, and other facilities and activities including, but not limited to, caring for the grounds, landscaping, equipment, non-dedicated portions of the storm water management system, all fencing, sanitary and storm sewer and water lines which service Townhome Units, structures and

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appurtenances (other than facilities and activities maintained by any governmental authority or utility company), and other charges required by this Declaration or that the Board shall determine to be necessary or desirable to meet the primary purpose of the Association, including the establishment and maintenance of a reserve fund for repair, maintenance, replacements, taxes, and other charges as specified herein. In addition, water, waste removal and/or any utilities which are not separately metered or otherwise directly charged to individual Owners shall be paid for by the Association from the assessments levied hereunder. The Board reserves the right to levy additional assessments against any Owner to reimburse it for excessive use by such Owner of any utility service, the expense of which is charged to the maintenance fund. At the time of closing of the sale of each Townhome Unit by the Declarant, the Owner shall pay (in addition to the first monthly assessment) to the manager or managing agent, or as otherwise directed by the Board, an amount equal to two (2) times the first full monthly assessment for such Owner, which amount shall be used and applied as a working capital fund in the manner herein provided.

6.03 Authority to Fix Assessments. The Board shall be authorized to fix the annual assessment in an amount sufficient to meet the costs and expenses detailed in Section 6.02 hereof.

6.04 Special Assessments. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair, maintenance or replacement (including those items of maintenance and repair described in Section 5.01 hereof) of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, if any.

6.05 Payment of Assessments. Except as provided in Section 6.09, annual and special assessments shall be assessed to the Owners according to each Townhome Unit's percentage of ownership in the Common Area as set forth in Exhibit "D" attached hereto, and shall be collected on a monthly basis.

6.06 Procedure. The annual assessments provided for herein shall commence for all Townhome Units within the Property on the first day of the month following the conveyance of the first Townhome Unit, except as otherwise provided in Section 6.09. The Board shall fix the amount of the annual assessment against each Townhome Unit and give written notice to all Owners at least thirty (30) days in advance of each annual assessment period; in lieu thereof, the amount of the prior year's annual assessment shall be the fixed amount. An Owner shall first be liable for payment of the full monthly assessment on the 1st day of the month following conveyance of title to him. This payment shall be in addition to the prorated portion of the monthly assessment which Owner shall pay as of the date title to his Townhome Unit is conveyed. The Association shall upon demand at any time furnish a certificate in writing signed by an officer or agent of the Association setting forth whether the assessments on a specified Townhome Unit have been paid and, if not paid, the amount of any such deficiency. Such certificate shall be conclusive evidence of payment of any assessment therein.

6.07 Delinquency. Any assessments which are not paid when due shall be delinquent. Such assessments, interest and all costs of collection shall be a continuing lien upon the Townhome Unit against which each such assessment was made. If the assessment is not paid within thirty (30) days after the due date, then (i) the amount of the assessment shall bear interest from the date of delinquency at the maximum rate allowed by law, and (ii) in addition to said interest, the delinquent Owner shall pay to the Association a

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late charge of \$25 for each month or portion thereof that said amount remains delinquent, said late charge to cover the Association's administrative costs in monitoring and collecting such amount. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same, or foreclose the lien against the respective Townhome Unit and interest, late charges, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each Owner, by his acceptance of a deed to a Townhome Unit, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt, and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property.

6.08 Subordination. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed on the Townhome Units and recorded prior to the due date of the delinquent assessment; provided, however, any prior recorded mortgage shall be subject to the lien of all unpaid assessments which became due and payable for that Townhome Unit subsequent to the date the holder of said mortgage takes possession of that Townhome Unit, accepts a conveyance of any interest in that Townhome Unit, or has a receiver appointed in a suit to foreclose its lien. The lien of the assessments shall not be affected by the sale or transfer of the corresponding Townhome Unit unless the sale or transfer is pursuant to the foreclosure of the first mortgage thereon. In such a case, the transfer of title pursuant to the foreclosure shall extinguish the lien. However, neither the personal obligation of the transferor, if any, nor the resulting pro rata share of the burden of such non-payment or non-enforcement, imposed through a subsequent assessment, shall be affected.

6.09 Limitation. With regard to any Townhome Unit which is being constructed or will be completed and to which title has not been conveyed by Declarant, the assessment respecting any such Townhome Unit shall be limited to the aggregate amount of actual operating expenses from time to time required to be paid with respect to such Townhome Unit; provided, however, that in the event Declarant enters into a lease or installment contract for any Townhome Unit, then Declarant shall, as of the first day of such lease or contract, be responsible for the payment of all assessments on those Townhome Units on the same basis as any other Owner as provided in this Article. Actual operating expenses shall mean those ordinary expenses attributable only to the period in question covering the maintenance and operation of the Property and shall not include capital expenditures, amounts set aside as a reserve for contingencies or replacements, repair items or inventory items to the extent attributable to subsequent periods. The Declarant hereby agrees to satisfy any deficit or shortage in the Association's operating budget for any period in which the Declarant has paid reduced assessments pursuant to this Section 6.09, provided, however, that the Declarant's liability hereunder shall not exceed the amount by which the Declarant's assessments have been reduced below the assessments of each other Owner by reason of this Section 6.09. Until such time as the Turnover Date has occurred, the assessments covering the Townhome Units which have not been sold by the Declarant may be paid on a monthly basis or, at its option, paid to the Association at the close of each calendar year without interest.

ARTICLE 7 INSURANCE

7.01 Association's Obligation to Provide Insurance.

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(a) The Association, acting through the Board, shall have the authority to and shall procure and maintain the following insurance: (i) comprehensive public liability insurance, including liability for injuries to and death of persons in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence, and property damage, in such limits as the Board shall deem desirable, and other liability insurance as the Board may deem desirable, insuring the Association from liability in connection with the ownership and/or use of the Common Area; and (ii) such policies of insurance for the Common Area against loss or damage by fire and such other hazards contained in a customary "all risk" policy provided that such policies shall: (a) provide that such policies may not be canceled or substantially modified without at least thirty (30) days written notice to the Association and all mortgagees of record of the Common Area; (b) provide that all mortgagees of record of the Common Area shall have the right to pay overdue insurance premiums and to obtain new coverage in the event the existing insurance policy lapses; (c) provide for coverage in the amount of one hundred percent (100%) of current full replacement value; and (d) contain standard mortgage clause endorsements in favor of the mortgagee(s) of the Common Area, as their respective interests may appear. Replacement cost shall be determined annually by an independent appraiser or by a method acceptable to the insurance company providing such coverage. The liability policy shall also name as insureds the Association's agents, officers, employees, each Owner and the City of Chicago, its agents, officers and employees.

(b) The Association shall be responsible for procuring and maintaining a fidelity bond insuring the Association, the Board and the Owners against loss of funds as a result of the fraudulent or dishonest acts of any employee of the Association or its management agent or of any other person handling the funds of the Association, the Board or the Owners in such amounts as the Board shall deem necessary but not less than 150% of the annual operating expenses of the Association, including reserves. Such bond shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression. Such bond shall provide that it may not be canceled for non-payment of any premiums or otherwise substantially modified without thirty (30) days prior written notice to all holders of first mortgages of record.

(c) The Association may also obtain such other kinds of insurance as the Association shall from time to time deem prudent in such amounts as the Association shall deem desirable including, but not limited to, the following: Earthquake and Flood risk; Directors and Officers Liability; Workman's Compensation and Employer Liability; and Non-Owned or Hired Automobile Insurance.

7.02 Owner's Obligation to Provide Insurance. Each Owner shall procure and maintain in full force at all times insurance covering his Townhome Unit consisting of, or providing all the protections afforded by, the insurance now generally described in an "all risk" policy to one hundred percent (100%) of the full insurable value thereof, with loss payable on the basis of the cost of replacement without deduction for depreciation, less a deductible amount of no more than one thousand (\$1,000.00) dollars and naming the Association as an additional insured on each policy. Such insurance shall be written by companies reasonably acceptable to the Association. A certificate of insurance evidencing such coverage shall be furnished to the Association and new certificates evidencing the renewal of each expiring policy of

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insurance shall be furnished to the Association in each case at least ten (10) days prior to the expiration date of the expiring insurance. In the event a Townhome Unit or any portion thereof shall be damaged or destroyed by fire or other casualty and the Owner thereof shall cause it to be repaired, restored or reconstructed, as the case may be, the repairs, restoration or reconstruction shall be in the same architectural style and design as was originally constructed and shall conform in all respects to all applicable laws or ordinances in force at the time of such repair, restoration or reconstruction. In the event of the total or substantial destruction of all of the Townhome Units, the architectural design of the Townhome Units to be rebuilt and the materials to be used in constructing the same shall be agreed upon among the Owners thereof, and in the absence of agreement, the rebuilt Townhome Units shall be substantially similar in architectural design as the original Townhome Units and shall be constructed of comparable materials and quality of construction.

7.03 Failure to Insure. Upon the failure of any Owner to procure and maintain the insurance required in Section 7.02 hereof, or, in the event the Board, in its sole discretion, determines that any Townhome Unit is underinsured, the Board shall have the authority to procure such insurance and/or additional insurance, as the case may be, and the costs thereof shall become a lien upon the Townhome Unit in the same manner as provided in Article 6 hereof for nonpayment of maintenance assessments.

7.04 Repair and Restoration. All repair, restoration or rebuilding pursuant to the provisions of this Article 7 shall be carried out under such supervision and direction as the Board shall deem appropriate in order to assure the expeditious and correct completion of the work concerned, and the Owner or Owners of each Townhome Unit which shall have been damaged or destroyed shall fully cooperate with, and abide by all instructions and directions of, the Association in connection therewith.

7.05 Cooperation of Mortgagees. In the event of damage or destruction of a Townhome Unit, the holder of the mortgage encumbering said Townhome Unit shall cause the proceeds of any insurance required pursuant to Section 7.02 hereof to be utilized in restoring the Townhome Unit pursuant to the terms of this Article.

7.06 Association's Ability to Repair. In any case in which the Owner or Owners concerned shall fail to perform or cause to be performed the repair, restoration or rebuilding required by the provisions of this Article VII, the association shall cause such repairs or rebuilding to be furnished, provided and installed in the manner as set forth in Section 7.03 hereof; provided, however, that to the extent the insurance proceeds referred to in Section 7.02 are insufficient as to any Townhome Unit, the particular Owner shall be responsible to the Association for such deficiency, and the Association shall have, and is hereby granted, a continuing lien on the Townhome Unit for which any such repairs or rebuilding are furnished by the Association in the aggregate amount of (a) the amount that cost thereof exceeds insurance proceeds, (b) interest at the rate of twelve percent (12%) per annum from the date of the Association's payment of such costs, and (c) reasonable attorneys fees and any court or other costs incurred by the Association in connection therewith, which lien shall bind such Townhome Unit. In the event such Owner does not forthwith fully repay the Association therefor, as aforesaid, such lien shall be foreclosed against the Townhome Unit by the Association in the same manner as hereinafter provided in connection with unpaid assessments. The Association's lien created pursuant to this Section 7.06 shall be subordinate to the lien of any first mortgage now or hereafter placed upon the Townhome Unit.

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7.07 Damage to Exterior. In the event of any damage or destruction to the exterior portion of a Townhome Unit and the loss is covered by policies of insurance, the Board shall have the authority to settle and adjust any claim under such policies without the consent of the respective Owner.

7.08 Payment of Premium at Closing. At the time of closing of the sale of each Townhome Unit by the Declarant, the Owner shall pay, in addition to the first monthly assessment and working capital fund, the Townhome Unit's pro rata share of the insurance premium for the insurance property in effect for the Townhome Unit at closing.

ARTICLE 8 INTERIM PROCEDURE

8.01 Developer as Owner. Until each and every Townhome Unit has been conveyed by the Declarant to the first Owner thereof (or to such Owners nominee), the Developer, with respect to each such unsold Townhome Units and as specified herein, shall have all the rights granted to and obligations imposed upon the Owners.

8.02 Developer Controlled Board. Until the initial meeting of the Members following the Turnover Date, the Declarant (or its beneficiary or designees) may appoint the Board which shall have the same powers and authority as given to the Board generally.

8.03 Developer to Collect Assessments. The powers granted to the Developer by Section 8.02 hereof shall include, without limitation, the power to assess upon and collect from the individual Owners, their respective proportionate shares of the funds required for the carrying~ out of all the duties and obligations of the Association.

ARTICLE 9 RESTRICTIONS RELATING TO PROPERTY

9.01 Compliance with Laws. The Owners shall comply with all applicable ordinances, codes and regulations of the City of Chicago in connection with the use of any Townhome Unit. All buildings or structures on the Property shall be of new construction.

9.02 Freehold. Each Townhome Unit shall constitute a freehold estate subject to the terms, conditions and provisions hereof.

9.03 Residential Use. The Townhome Units shall be used only for residential purposes, as a private residence, and no professional business or commercial use shall be made of the same, nor shall any use of a Townhome Unit endanger the health or disturb the reasonable enjoyment of any other Owner or resident, except as provided in Sections 4.1(b) and 9.7 herein. Nothing contained in this Section shall be construed to prohibit an Owner from (a) maintaining his personal professional library therein; (b) keeping his personal, business or professional records or accounts therein; or (c) handling his personal, business or professional telephone calls or correspondence therefrom.

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9.04 Additional Construction. No buildings other than Townhome Units originally constructed by the Declarant shall be constructed at the Property. All repairs, renovation, and reconstruction which occurs on the Property shall be carried out under the supervision and direction of the Board in order to assure the expeditious and correct completion of the work concerned.

9.05 Limitation on Use. Except as hereinafter provided in Section 9.07 hereof, no structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuildings shall be used as a residence at any time, either temporarily or permanently.

9.06 Signage. No advertising sign (except one "For Rent" or "For Sale" sign of not more than five square feet per Townhome Unit), billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on the Townhome Unit except as provided in Sections 4.1(b) or 9.7 hereof. Any such sign shall be in compliance with all applicable City of Chicago ordinances.

9.07 Exception. The covenants contained in this Article 9 shall not apply to the activities of the Association or the Developer. The Developer may maintain, while engaged in construction and sales activities, nor upon such portions of the Property as Developer determines, such temporary facilities as in its sole discretion may be necessary or convenient, including, without limitation, offices, storage areas, temporary toilets, model units, signs and construction and storage trailers.

9.08 Animals. No animals, livestock or poultry of any kind shall be raised, bred, or kept on the Property, except that dogs, cats or other common household pets may be kept at any Townhome Unit provided that they are not kept, bred, or maintained for any commercial purposes.

9.09 Refuse. All rubbish, trash, or garbage shall be kept so as not to be seen from neighboring Townhome Units and streets, and shall be regularly removed from the Property, and shall not be allowed to accumulate thereon.

9.10 Clothes Drying. Drying of clothes shall be confined to the interior of the Townhome Units.

9.11 Antennae and Other Structures. Without prior written authorization of the Board, no television, radio or ham radio antennas, of any sort shall be placed, allowed or maintained on the exterior of any Townhome Unit or any portion of the exterior of the improvements located on the Property, nor upon any structure situated upon the Property.

9.12 Restriction. An Owner shall take no action that will impair any easement or hereditament, nor do any act or permit any condition to exist which will adversely affect the other properties or their owners.

9.13 Color. There shall be no change in any exterior color of any Townhome Unit from the color scheme in place at the time of the initial conveyance of the Townhome Unit from Declarant without the prior written approval of the Association.

9.14 Fences, Porches, Etc. There shall be no fences, screened porches, patios, decks or similar

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improvements commenced, erected, or maintained upon any Townhome Unit, other than those constructed by the Developer, if any, without first obtaining the prior written approval of the Association and thereafter (but only thereafter) seeking and obtaining, as required, the issuance of any appropriate permit or variation from the City of Chicago. No such improvements, other than those constructed by the Developer, if any, shall encroach upon any portion of the Common Area without the express prior written consent of the Association, nor interfere with any easement.

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

9.16 Easement for Maintenance and Repair. Each Townhome Unit is hereby declared to be subject to an easement and right to and in favor of the Association and each and all of the Association's employees, agents and instrumentalities to go upon such Townhome Unit for reasonable inspection thereof from time to time and for the purpose of carrying out any and all of the obligations and functions with respect to such Townhome Unit and the Townhome Unit located thereon as are herein imposed upon or permitted to the Association. Each Townhome Unit is further declared to be subject to an easement in favor of any adjoining Townhome Unit to the extent necessary to permit the maintenance, supply, repair, and servicing of utility services to the various Townhome Units located thereon.

9.17 Additional Easements. The Owner of each Townhome Unit shall from time to time grant such additional easements and rights over, across, on, under and upon his Townhome Unit as may be reasonably necessary in connection with the supply of any of the utilities described in Section 4.16 hereof to any part of the Property.

9.18 Rules and Regulations. The Board may adopt such other rules and regulations from time to time governing the use and enjoyment of the Common Area and the use of the Townhome Unit as the Board, in its sole discretion, deems appropriate or necessary.

9.19 Restrictions on Usage of Garages. Subject to applicable City of Chicago ordinances, Garages, parking areas and driveways shall be used for storage and parking of operable automobiles and private vans only and shall not be used for campers, recreational vehicles, trucks, buses, motorcycles, trailers, commercial vans, snowmobiles, boats or for any other purpose. The Board may authorize such vehicles parked in violation of this provision to be towed away and any such towing charge shall become a lien upon the Townhome Unit of the owner of the vehicle in the same manner as provided in Article 6 hereof for nonpayment of maintenance assessments. All parking areas located in the Common Area and not serving exclusively a Townhome Unit shall be restricted to guest parking only by the posting of appropriate signage.

9.20 Common Easements for Maintenance and Repair. Each Townhome Unit and the Common Area are hereby subjected to a permanent easement appurtenant to any adjoining Townhome Unit and any adjoining portion of the Common Area to permit the construction, existence, maintenance, repair and restoration of structures located on such adjoining Townhome than those constructed by the Developer, if any, without first obtaining the prior written approval of the Association and thereafter (but only

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thereafter) seeking and obtaining, as required, the issuance of any appropriate permit or variation from the City of Chicago. No such improvements, other than those constructed by the Developer, if any, shall encroach upon any portion of the Common Area without the express prior written consent of the Association.

9.21 Developer's Right to Lease. Until such time as title to any Townhome Unit is conveyed to a bona fide purchaser, the Declarant reserves the right to lease such Townhome Unit upon such terms and conditions as the Declarant may, in its sole discretion, approve. This Section 9.21 may only be amended by a unanimous vote of the Members.

ARTICLE 10 PARTY WALLS

10.01 Party Walls. All dividing walls which straddle the boundary line between Townhome Units and which stand partly upon one Townhome Unit and partly upon another, and all walls which serve two or more Townhome Units, shall at all times be considered party walls (individually a "Party Wall" and collectively "Party Walls"), and each of the Owners of Townhome Units upon which any Party Wall shall stand shall have the right to use the Party Wall below and above the surface of the ground and along the whole length or any part of the length thereof for the support of said Townhome Units and for the support of any building constructed to replace the same, and shall have the right to maintain in or on the Party Wall any pipes, ducts or conduits originally located therein or thereon, subject to the restrictions hereinafter contained.

10.02 No Alteration. No Owner of any Townhome Unit nor any successor in interest to any such Owner shall have the right to extend a Party Wall in any manner, either in length, height or thickness.

10.03 Damage and Restoration. In the event of damage to or destruction by fire or other casualty of any Party Wall, including the foundation thereof, the Owner of any Townhome Unit upon which a Party Wall may rest shall have the obligation to repair or rebuild such wall and the Owner of each Townhome Unit upon which such wall shall rest, be served or benefited by shall be done within reasonable time, in a good and workmanlike manner with materials comparable those used in the original wall and shall conform in all respects to the laws or ordinances regulating the construction of building in force at the time of such repair or reconstruction. Whenever any such wall or any portion thereof shall be rebuilt, it shall be erected in the same location and on the same line and be of the same size as the original wall.

10.04 Additional Recovery. The foregoing provisions of this Article 10 notwithstanding, the Owner of any Townhome Unit, or other interested party, shall retain the right to receive a larger contribution from another or others under any rule or law regarding liability for negligent or willful acts or omissions. The right of any Owner, or other interested party, to contribution from any other Owner under this Article 10 shall be appurtenant to the land and shall pass to such Owner's or other applicable person's successors in title.

10.05 Cross-Easements. The title of each Owner to the portion of each Party Wall within such Townhome Unit is subject to a cross easement in favor of the adjoining Owner for joint use of said wall for purposes described in this Article 10.

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ARTICLE 11 ADDING ADDITIONAL PARCEL

11.01 In General. Trustee and/or Developer reserves the right, from time to time prior to seven (7) years from the date of the recording of this Declaration, to add portions of the Additional Parcel to the Property and submit such portions to this Declaration by recording a supplement to this Declaration (a "Supplemental Declaration"), as hereinafter provided. For the purposes of this Article, any dwelling units in the Additional Parcel shall be referred to as "Added Dwelling Units." In making the Additional Parcel subject to this Declaration, the following shall apply:

- (a) The Additional Parcel may be made subject to the Declaration at different times; there is no limitation on the order in which Additional Parcel may be made subject to this Declaration; and no particular portion of the Additional Parcel must be made subject to this Declaration.
- (b) The maximum number of dwelling units which may be made subject to this Declaration pursuant to this Article 11 is eighteen (18).
- (c) Any Added Dwelling Units which are made subject to this Declaration pursuant to this Article 11 shall be compatible with or of substantially style, floor plan, size and quality as the dwelling units, in Developer's sole determination, initially made subject to this Declaration.

11.02 Power to Amend. In furtherance of the foregoing, Trustee and/or Developer reserves the right to record a Supplemental Declaration, at any time and from time to time prior to seven (7) years from the date of recording of the Declaration, which amends Exhibit "B", "D", and "E" hereto, subject to the following limitations:

- (a) Exhibit "B" may only be amended to add portions of the Additional Parcel to Exhibit "B";
- (b) Exhibit "D" may only be amended to reflect the addition of the Added Dwelling Units, to assign to each Added Dwelling Unit an interest, and to reassign interests to each dwelling unit shown on Exhibit "D" immediately prior to the recording of such Supplemental Declaration. The percentage of ownership of the Common Area which shall be allocated to each dwelling unit for the purpose of determining the allocable percentage of ownership of the Common Area to each dwelling unit shall be determined by the Developer based upon the relative values or square footages of each dwelling unit as it relates to all dwelling units which are subject to this Declaration; and
- (c) Exhibit "E" may only be amended so that the plat which makes up Exhibit "E" describes all of the property, including the Additional Parcel, identifies every dwelling unit, including the Added Dwelling Units.

11.03 Effect of Amendment. Upon the recording of a Supplemental Declaration by the Developer

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which makes the Additional Parcel subject to this Declaration, as provided in this Article, then:

(a) The restrictions, conditions, covenants, reservations, liens, charges, rights, benefits and privileges set forth and described herein shall run with and bind the Additional Parcel (including the Added Dwelling Units) and inure to the benefit of and be the personal obligation of the owners of Added Dwelling Units in the same manner, to the same extent, and with the same force and effect that this Declaration applies to the property and owners of Townhome Units which were initially subjected to this Declaration;

(b) Every person who is an owner of an Added Dwelling Unit shall be a member of the Association on the same terms and subject to the same qualifications and limitations as those members who are owners of existing Townhome Units;

(c) Each owner of an Added Dwelling Unit shall pay the monthly assessments determined by the Association based upon the percentage of ownership of the Common Area for such Added Dwelling Unit; provided, that, the owner of an Added Dwelling Unit shall not be required to pay any installment of a special assessment levied to cover a deficit under a prior year's budget;

(d) The amount of the lien for assessments, charges or payments levied against an existing Townhome Unit prior to the recording of the supplemental declaration shall not be affected.

ARTICLE 12 MISCELLANEOUS

12.01 **Enforcement.** The Association, the City of Chicago or any Owner, their successors or assigns, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, easements, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Any Owner found to be in violation by a court of competent jurisdiction of any of the foregoing shall also be liable for reasonable attorney's fees incurred by the Association or the City of Chicago in prosecuting such action. The amount of such attorney's fees together with court costs, if unpaid, shall constitute an additional lien against the defaulting Owner's Townhome Unit, enforceable as other liens herein established. Failure by the Association, the City of Chicago or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association shall use its best efforts to assist the City of Chicago in connection with the enforcement of any provisions hereunder, the violation of which shall also be considered a violation of any applicable City of Chicago ordinance. Any aggrieved Owner may enforce the provisions of this Declaration, the By-Laws, or any rules and regulations promulgated by the Board, by an action at law or in equity against the defaulting Owner (or occupant of his Townhome Unit).

12.02 **Severability.** If any one or more of the terms, provisions, promises, covenants or conditions contained in this Declaration shall be adjudged to be invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction or an arbitration tribunal, such provision shall be as narrowly construed as possible, and each and all of the remaining terms, provisions, promises,

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covenants and conditions contained in this Declaration or their application to other persons or circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12.03 Binding Effect. The covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association, the City of Chicago, the Owner of any Townhome Unit subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, subject to amendment as hereinafter set forth. All the easements, rights, covenants, agreements, reservations, restrictions and conditions herein contained shall run with the land and shall inure to the benefit of and be binding upon Declarant and each subsequent holder of any interest in any portion of the Property and their grantees, heirs, successors, personal representatives and assigns with the same full force and effect for all purposes as though set forth at length in each and every conveyance of the Property or any part thereof. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and covenants herein described shall be sufficient to create and reserve such easements and covenants to the respective grantees, mortgagees or trustees of such parcels as fully and completely as though said easements and covenants were fully recited and set forth in their entirety in such documents.

12.04 Perpetuities and Other Invalidity. If and to the extent that any of the covenants would otherwise be unlawful or void for violation of (a) the rule against perpetuities, (b) the rule restricting restraints on alienation, or (c) any other applicable statute or common law rule analogous thereto or otherwise imposing limitations upon the time for which such covenants may be valid, then the provision concerned shall continue and endure only after the expiration of a period of twenty-one (21) years after the death of the last to survive of the class of persons consisting of all of the lawful descendants of George Walker Bush, President of the United States of America, living at the date of this Declaration.

12.05 Notices. Any notices required under the provisions of this Declaration to be sent to any member, Owner, or to any holder, insurer or guarantor of a first mortgage secured by any portion of the Property shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of such Member, Owner or holder, insurer or guarantor as it appears on the records of the Association at the time of such mailing.

12.06 Re-Recording. If at any time or times the Board shall deem it necessary or advisable to rerecord this Declaration or any part hereof in the Recorder's Office in order to avoid the expiration hereof, they shall submit the matter to a meeting of the Members called upon not less than ten (10) days notice, and unless at such meeting at least two-thirds (2/3) of Members shall vote against such rerecording, the Association shall have, and is hereby granted, power to so rerecord this Declaration or such part thereof, and such rerecording shall be binding upon all Owners of any part of the Property in every way and with all the full force and effect as though such action were taken by each of said Owners and rerecorded document executed and acknowledged by each of them.

12.07 Amendments. The covenants and restrictions of this Declaration may be amended during the first fifty (50) year period or within any successive ten (10) year period by an instrument signed by

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those Members (Class A and Class B) entitled to cast seventy-five percent (75%) of the total votes as provided in Article III, Section 3.01 hereof and then properly recorded, provided, however, that, except as set forth in Section 12.17(iv) below, no Material Amendment to this Declaration, the By-Laws or the Associations articles of incorporation shall be effective unless approval thereof is obtained from Eligible Mortgage Holders representing at least fifty-one percent (51%) of the Townhome Units that are subject to mortgages held by Eligible Mortgage Holders. These covenants and restrictions may also be cancelled or amended by an instrument signed by sixty percent (60%) of Owners executed and recorded within ninety (90) days of the expiration of any successive ten (10) year period, such cancellation or amendment to be effective on the date of commencement of the alteration of the legal status of the Association or the Property for reasons other than substantial destruction or condemnation of the Property. No cancellation or amendment as provided in the previous sentence shall be effective unless approval thereof is obtained from Eligible Mortgage Holders representing at least sixty-seven percent (67%) of the Townhome Units that are subject to mortgages held by Eligible Mortgage Holders. Any instrument executed pursuant to the provisions contained in this Section 12.07 shall be filed for record in the Recorder's Office and a true, complete copy of such instrument promptly shall be transmitted to each Owner.

12.08 Additional Remedies. In amplification of and in addition to the provisions contained in Article VI, in the event of any default of any Owner, the Association, all other Owners and the City of Chicago may and shall have all rights and remedies as shall otherwise be provided or permitted by law or in equity.

12.09 Encroachments. In the event that any part of any Townhome Unit (including any service walk or driveway appurtenant thereto) encroaches or shall hereafter encroach upon any part of any other Townhome Unit or the Common Area, valid easements for the maintenance of such encroachments are hereby established and shall exist so long as all or any part of the same shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of any Owner if such encroachment or use is detrimental to or interferes with the reasonable use and enjoyment of the Townhome Unit of another Owner or if it occurred due to the willful conduct of any Owner.

12.10 Restrictions on Leasing. No Owner shall lease or rent his or her Townhome Unit for a term less than thirty (30) days. Every lease of a Townhome Unit shall be in writing and shall be made expressly subject to the requirements, rights, covenants, conditions, restrictions and easements of this Declaration and of the By-Laws.

12.11 Eligible Mortgage Holders. The following provisions are intended for the benefit of each Eligible Mortgage Holder and to the extent if at all, that any other provisions of this Declaration conflict with the following provisions, the provisions of this Section 12.11 shall control:

(a) Upon request in writing to the Association identifying the name and address of the Eligible Mortgage Holder or the insurer or guarantor of a recorded first mortgage or trust deed on a Townhome Unit ("Insurer or Guarantor") and the unit number, the Association shall furnish each Eligible Mortgage Holder, Insurer or Guarantor a written notice of the default of any Owner's obligations under this Declaration which is not cured within thirty (30) days. Any Eligible Mortgage Holder of a Townhome Unit who comes into possession of the said Townhome Unit pursuant to the remedies provided in the mortgage, foreclosure of the mortgage, or deed (or

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assignment) in lieu of foreclosure shall, to the extent permitted by law, take such property free of any claims for unpaid assessments or charges in favor of the Association against the mortgaged Townhome Unit which become due prior to (i) the date of the transfer of title or (ii) the date on which the holder comes into possession of the Townhome Unit, whichever occurs first.

(b) Upon request in writing, each Eligible Mortgage Holder, Insurer or Guarantor shall have the right:

- (i) to examine current copies of this Declaration, the By-Laws, rules and regulations and the books and records of the Association during normal business hours;
- (ii) to receive, without charge and within a reasonable time after such request, an audited financial statement prepared by the Association at the end of each of its respective fiscal years;
- (iii) to receive written notices of all meetings of the Association and to designate a representative to attend all such meetings;
- (iv) to receive written notice of any decision by the Association or Owners to make a Material Amendment to the Declaration, By-Laws or the articles of incorporation of the Association;
- (v) to receive written notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
- (vi) to receive written notice of any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders; and
- (vii) to receive written notice of any condemnation or casualty loss that affects either a material portion of the Property or the Townhome Unit on which it holds, insures or guarantees the mortgage.

(c) No provision of this Declaration, the By-Laws or the articles of incorporation of the Association or any similar instrument pertaining to the Property or the Townhome Units therein shall be deemed to give an Owner or any other party priority over the rights of the Eligible Mortgage Holders pursuant to their mortgages in the case of distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of the Townhome Units and/or the Common Area, or any portion thereof or interest therein. In such event, the Eligible Mortgage Holders, Insurers or Guarantors of the Townhome Units affected shall be entitled, upon specific written request, to timely written notice of any such loss.

(d) Upon specific written request to the Association, each Eligible Mortgage Holder, Insurer or Guarantor of a Townhome Unit shall be furnished notice in writing by the Association of any damage to or destruction or taking of the Common Area if such damage or destruction or taking exceeds Ten Thousand Dollars (\$10,000.00), or if damages shall occur to a Townhome Unit in excess of One Thousand Dollars (\$1,000.00), notice of such event shall also be given.

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(e) If any Townhome Unit or portion thereof or the Common Area or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the Eligible Mortgage Holder, Insurer or Guarantor of said Townhome Unit will be entitled to timely written notice, upon specific written request, of any such proceeding or proposed acquisition and no provisions of any document will entitle the owner of a Townhome Unit or other party to priority over such Eligible Mortgage Holder with respect to the distribution to such Townhome Unit of the proceeds of any award or settlement.

12.12 Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a first class attached single-family housing development.

12.13 Eminent Domain. If all or any part of the Common Area only shall be taken through condemnation by any governmental authority having power to do so, the net proceeds of such taking shall be paid to and retained by the then owner of the Common Area subject, however, to the rights of the holders of first mortgage liens on the Townhome Units. If any part of the Property including one or more Townhome Units shall be taken by one or more concurrent condemnation proceedings, the entire net proceeds of such taking or takings including (without limitation) all proceeds received on account of such taking of any part of the Common Area, shall be divided equitably among, and retained by, the Owners of the Townhome Units wholly or partially taken in such condemnation proceedings, subject to the rights of the holders of first mortgage liens on the Townhome Units. If the effect of such condemnation shall be to isolate any part of the Property from the remainder of the Property, and if no residential structures shall then have been constructed or be situated within the portion of the Property so isolated, then all the Townhome Units lying wholly or partly within the portion of the Property so isolated shall be deemed to have been and shall be removed from and released from all of the terms and provisions of this Declaration and this Declaration shall be of no further force or effect with respect thereto. For purposes of this Section 12.13, the term "condemnation" shall include also any sale under threat or condemnation to any governmental authority having condemnation power.

12.14 Successor Association. Upon any dissolution of the Association, its assets shall be transferred to another homeowner's association having similar purposes.

12.15 Declarant's Right to Amend.

(a) Declarant reserves the right and power, to be exercised without the consent or any Owner or Eligible Mortgage Holder, to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which causes this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration, or any other governmental agency or any other public, quasi-public, or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee first mortgages

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covering a Townhome Unit, (iii) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto, or (iv) notwithstanding that such change or modification could otherwise be considered a Material Amendment, to change or modify any of the terms or conditions of this Declaration based upon Declarant's determination, made in good faith, that such change or modification is in the best interests of the Property and is consistent with the intent and purposes of this Declaration. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to a Special Amendment on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Townhome Unit, and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power of the Declarant to vote in favor of, make, execute and record Special Amendments. The right of the Declarant to act pursuant to rights reserved or granted under this Section 12.15 shall terminate at such time as the Declarant no longer holds or controls title to any Townhome Unit.

(b) Inasmuch as the lot lines for the Townhome Units have been established based upon Declarant's assumption that a certain type and size of Townhome Unit will be located on each lot and Declarant expects that in the sale of Townhome Units a configuration of Townhome Units may result which is different than the configuration contemplated by the Declarant, Declarant hereby expressly reserves to itself the right and power, to be exercised without the consent of any Owner or his Eligible Mortgage Holder, to change, amend or modify the configuration of the lots which comprise the Townhome Units with respect to the portion or portions of the Property affected for purposes of changing, modifying or adjusting those lot lines dividing two or more immediately adjacent Townhome Units then owned by Declarant.

12.16 Address of Eligible Mortgage Holder. Each Owner shall notify the Association of the

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name and address of the Eligible Mortgage Holder relating to his respective Townhome Unit.

12.17 City of Chicago. Notwithstanding anything to the contrary contained in this Declaration, without the express prior written consent of the City of Chicago, neither the Declarant nor the Association shall make any change or modification to this Declaration which materially amends the terms and provisions concerning: (i) the City of Chicago's right of entry onto and maintenance of the Property and its right to place liens thereon as provided in Section 4.04 above; (ii) the obligation of Declarant or the Association to own and maintain the non-dedicated portions of the storm water management facilities and drainage systems located on the Property; (iii) the obligation of the declarant or the Association to provide snow removal for driveways serving individual Townhome Units and sidewalks serving the development located within the dedicated right-of-way and to store excess snow in appropriate off-street locations as set forth in Sections 4.04 and 5.01 above; (iv) the obligation of Association approval prior to seeking and obtaining the issuance of any appropriate permits or variations from the City of Chicago as set forth in Section 9- 14 above; and (v) the obligation that Owners comply with all applicable ordinances, codes and regulations of the City of Chicago.

12.18 Gender and Number. Whenever the context of this Declaration requires, the gender of all words herein shall include the masculine, feminine and neuter, and the number of all words herein shall include the singular and plural.

IN WITNESS WHEREOF, the said, an Illinois limited liability company, has caused its name to be signed by these presents by its manager as of this 9th day of August, 2016.

Gruppoatma, LLC,

[Signature]

, Manager

JERRY CEDICCI

+ made to:
This Document Prepared By: David Chaiken, Esq., 111 W. Washington, #823 Chicago, Illinois 60616

Los California
STATE OF ILLINOIS)
Los Angeles
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that Jerry Cedicci as the Manager, of Gruppoatma, LLC, A Delaware limited liability company, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notary seal, this 09 day of August, 2016.

[Signature]

NOTARY PUBLIC



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EXHIBIT "A"

LEGAL DESCRIPTION

SUBJECT PROPERTY LEGAL DESCRIPTION

LOTS 17 AND 18 IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 66, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

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EXHIBIT B LEGAL DESCRIPTION

PARCEL A: 7227 S. EXCHANGE AVE., CHICAGO, IL

THE NORTHWESTERLY 23.46 FEET OF THE SOUTHWESTERLY 60.42 FEET OF LOTS 17 AND 18 IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 66, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL B: 7229 S. EXCHANGE AVE., CHICAGO, IL

THE SOUTHEASTERLY 19.23 FEET OF THE NORTHWESTERLY 42.69 FEET OF THE SOUTHWESTERLY 60.42 FEET OF LOTS 17 AND 18 IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 66, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL C: 7231 S. EXCHANGE AVE., CHICAGO, IL

THE SOUTHEASTERLY 19.18 FEET OF THE NORTHWESTERLY 61.87 FEET OF THE SOUTHWESTERLY 60.42 FEET OF LOTS 17 AND 18 IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 66, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL D: 7233 S. EXCHANGE AVE., CHICAGO, IL

THE SOUTHEASTERLY 19.80 FEET OF THE NORTHWESTERLY 81.67 FEET OF THE SOUTHWESTERLY 60.42 FEET OF LOTS 17 AND 18 IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL

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HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 66, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL E: 7235 S. EXCHANGE AVE., CHICAGO, IL

THE SOUTHEASTERLY 19.78 FEET OF THE NORTHWESTERLY 118.95 FEET OF THE SOUTHWESTERLY 60.42 FEET OF LOTS 17 AND 18 IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 66, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL F: 7237 S. EXCHANGE AVE., CHICAGO, IL

THE SOUTHEASTERLY 19.23 FEET OF THE NORTHWESTERLY 138.18 FEET OF THE SOUTHWESTERLY 60.42 FEET OF LOTS 17 AND 18 IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 66, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL G: 7239 S. EXCHANGE AVE., CHICAGO, IL

THE SOUTHEASTERLY 19.15 FEET OF THE NORTHWESTERLY 157.33 FEET OF THE SOUTHWESTERLY 60.42 FEET OF LOTS 17 AND 18 IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 66, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

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PARCEL H: 7241 S. EXCHANGE AVE., CHICAGO, IL

THE SOUTHEASTERLY 19.19 FEET OF THE NORTHWESTERLY 176.52 FEET OF THE SOUTHWESTERLY 60.42 FEET OF LOTS 17 AND 18 IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 66, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL I: 7243 S. EXCHANGE AVE., CHICAGO, IL

THE SOUTHWESTERLY 60.42 FEET OF LOTS 17 AND 18 (EXCEPT THE NORTHWESTERLY 176.52 FEET THEREOF) IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 66, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

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EXHIBIT "C"

BY-LAWS OF 7225 S. EXCHANGE TOWNHOMIE ASSOCIATION

ARTICLE 1 Purposes and Powers

The Association shall be responsible for the general management and supervision of the Property and the ownership of the Common Area thereof and shall have all of the powers to perform, and shall be responsible to perform, all of the obligations provided in the Declaration. Further, the Association shall have all powers now or hereafter granted by the General Not For Profit Corporation Act of the State of Illinois which shall be consistent with the purposes specified herein and in the Declaration.

ARTICLE 2 Offices

2.1 Registered Office. The Association shall have and continuously maintain in this State a Registered Office and a Registered Agent whose office shall be identical with such Registered Office. The Association may have other offices within or without the State of Illinois as the Board of Directors may from time to time determine.

2.2 Principal Office. The principal office of the Association shall be maintained in Chicago, Illinois.

ARTICLE 3 Membership

3.1 Voting Members. Every person or entity who is a record owner of a fee or undivided fee interest in any Townhome Unit which is subject by covenants of record to assessment by the Association shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Townhome Unit which is subject to an assessment by the Association. Ownership of such Townhome Unit shall be the sole qualification of membership. Nothing herein contained shall be interpreted to exclude Declarant from membership while it or its successors in interest, if any, owns one or more Townhome Units. Voting rights with regard to each Member are set forth in Section 3.2 hereof.

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3.2 Classes of Membership. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all those Owners as defined in Section 3.1, provided that the Declarant shall not be a Class A Member until the Turnover Date.. Class A Members shall be entitled to one vote for each Townhome Unit in which they hold the interest required for membership by Section 3.1. When more than one person holds such interest in any Townhome Unit, all such persons shall be Members. The vote for such Townhome Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Townhome Unit. All Members holding any interest in a single Townhome Unit shall together be entitled to cast only one vote for the Townhome Unit.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be entitled to three (3) votes for each Townhome Unit in which it holds the interest required for membership by Section 3.1; provided that the Class B membership shall cease and be converted to Class A membership on the Turnover Date.

3.3 Meetings

(a) Quorum: Procedure. Meetings of the Members shall be held at the principal office of the Association or at such other place in Cook County, Illinois as may be designated in any notice of a meeting. The presence at any meeting, in person or by proxy, of a majority of the total votes determined pursuant to Section 3.2 above shall constitute a quorum. Unless otherwise expressly provided herein or in the Declaration, any action may be taken at any meeting of the Members at which a quorum is present upon the affirmative vote of the Members having a majority of the total votes present at such meeting. Any Member in writing may waive notice of a meeting, or consent to any action of the Association without a meeting.

(b) Initial and Annual Meeting. The initial meeting of the Members shall be held at such time as may be designated upon thirty (30) days' written notice given by the Declarant, provided that such initial meeting shall be held no later than the first to happen of (i) one hundred and twenty (120) days after the date the Declarant has sold and delivered its deed for at least seventy-five percent (75%) of the Townhome Units or (ii) three (3) years from the date of the recording of this Declaration. Thereafter, there shall be an annual meeting of the Members each succeeding year. If the date for the annual meeting of Members is a legal holiday, the meeting will be held at the same hour on the first day succeeding such date which is not a legal holiday.

(c) Special Meetings. Special meetings of the Members may be called at any time for the purpose of considering matters which, by the terms of the Declaration or these By-Laws, require the approval of all or some of the Members, or for any other reasonable purposes. Said meetings shall be called by written notice, authorized by a

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majority of the Board or by the Members having one-half (1/2) of the total votes entitled to be cast by Class A Members as provided in Section 3.2 above, and delivered not less than five (5) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered.

3.4 Notices of Meeting Notices of meetings required to be given herein may be delivered either personally or by mail to the persons entitled to vote thereat, addressed to each such person at the address given by him to the Board for the purpose of service of such notice, or to the Townhome Unit of the Owner with respect to which such voting right appertains, if no address has been given to the Board. The notices required herein shall state the specific purpose and the nature of the business for which the meeting is called. At any meeting (other than the annual meeting), no business may be transacted other than that specified in the notice.

3.5 Proxies. At any meeting of Members, a Member entitled to vote may either vote 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 (11) months from the date of its execution unless otherwise provided in the proxy.

ARTICLE 4

Board of Directors

4.1 Board of Directors. The direction and administration of the Property in accordance with the provisions of the Declaration shall be vested in the Board of Directors, consisting of three (3) persons who shall be elected in the manner hereinafter provided, except for the first Board of Directors appointed by the Declarant (or its designee) which shall be three in number. The Members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease the number and term of the office of the Board members at any annual meeting, provided that such number shall not be less than three (3), and that the terms of at least two fifths (2/5) of the persons on the Board shall expire annually. Each member of the Board, with the exception of the Board members initially appointed by the Declarant (or its designee) shall be one of the Owners (including the Declarant); provided, however, that in the event an Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any director or officer of such corporation, partner of such partnership, individual trustee or beneficiary of such trust, or manager of such legal entity, shall be eligible to serve as a member of the Board and provided further that in the event a member of the Board has entered into a contract to sell his Townhome Unit and vacates the Townhome Unit prior to the consummation of that transaction, such member shall no longer be eligible to serve on the board and his term of office shall be deemed terminated.

4.2 Determination of the Board to be Binding All matters of dispute or disagreement between Owners with respect to interpretation or application of the provisions of the Declaration or these By-Laws shall be determined by the Board as hereinafter

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provided, which determination shall be final and binding on the Association and on all Owners subject, however, to the jurisdiction of any applicable court of law.

- 4.3 Election of Board Members. At the initial meeting of the Members and at all subsequent annual meetings of the Members there shall be elected a Board of Directors. In all elections for members of the Board of Directors, each Member shall be entitled to vote on a now 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 initial Board of Directors designated by the Declarant pursuant to Section 4.1 hereof shall serve for a period commencing on the date the Declaration is executed and ending upon the qualification of the directors elected at the initial meeting of Members held as provided in Section 3.3(b) hereof. Members of the Board elected at the initial meeting shall serve until the first annual meeting thereafter. Three (3) Board Members shall be elected at the initial meeting for a term of two (2) years. Upon the expiration of the terms of office of the Board members so elected at the initial meeting and thereafter, successors shall be elected for a term of two (2) years each. Notwithstanding the aforesaid election procedure the Declarant or its designee or beneficiaries may appoint a Board which shall have the same powers and authority as given to the Board generally, as provided hereinafter, and such appointed Board shall function until such time as the initial meeting of the Members is held.
- 4.4 Compensation. Members of the Board shall receive no compensation for their services, unless expressly allowed by the Board at the direction of the Members having two-thirds (2/3) of the total votes. However, any director may be reimbursed for reasonable expenses incurred in the performance of his duties.
- 4.5 Vacancies in Board. Vacancies in the Board, other than as a result of removal pursuant to Section 4.7 hereof, including vacancies due to any increase in the number of persons on the Board, shall be filled by the remaining Members of the Board or by the Members present at the next annual meeting or at a special meeting of the Members called for such purpose.
- 4.6 Election of Officers. The Board shall elect from among its members a President who shall preside over both its meetings and those of the Members, and who shall be the chief executive officer of the Board and Association, a Secretary who will keep the minutes of all meetings of the Members and of the Board who shall, in general, perform all the duties incident to the office of Secretary, and a Treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect. All officers shall be elected at each annual meeting of the Board and shall hold office at the pleasure of the Board.
- 4.7 Removal of Board Members. Any Board member (other than a Board member appointed by Declarant) may be removed from office by affirmative vote of the Members having

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at least two-thirds ($2/3$ rds) of the total votes, at any special meeting called for the purpose in the manner aforesaid. A successor to fill the unexpired term of a Board member removed may be elected by the Members at the same meeting or any subsequent meeting called for that purpose.

4.8 Meeting of Board. The initial meeting of the Board shall be held immediately following the initial meeting of the Members and at the same place. At such meeting the Board shall elect its officers to serve until the first annual meeting of the Board which shall be held immediately following the first annual meeting of the Members and at the same place. All subsequent annual meetings of the Board shall be held at the same place as the annual meeting of Members. Special meetings of the Board shall be held upon call by the President or by a majority of the Board on not less than forty-eight (48) hours prior notice in writing to each member, delivered personally or by mail or telegram. Any member may in writing waive notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action of the Board without a meeting. A majority of the number of Board members shall constitute a quorum for the transaction of business. Unless otherwise expressly provided herein, any action may be taken by the Board upon the affirmative vote of those present at its meetings when a quorum is present.

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

ARTICLE 5 Powers of the Board

5.1 General Powers of the Board. Without limiting the general powers which may be provided by law, the Declaration or these By-Laws, the Board shall have the following general powers and duties:

- (a) to elect the officers of the Association as hereinabove provided;
- (b) to administer the affairs of the Association and the Property and to collect assessments;
- (c) subject to Section 5.3(b) below, to engage the services of a manager or managing agent who shall manage and operate the Property and the Driveway thereof;
- (d) to formulate policies for the Administration, management and operation of the Property, and the Driveway thereof;

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52 Tax Relief. In connection with the Common Area, the Board shall have the power to seek relief from or in connection with the assessment or levy of any real proper-ty taxes, special assessments and any other special taxes or charges of the State of Illinois or any other lawful taxing or assessing body, which are authorized by law to be assessed and levied on real property and to charge all expenses incurred in connection therewith to the maintenance fund.

5.3 Rules and Regulations; Management.

(a) Rules. The Board may adopt such reasonable rules and regulations as it may deem advisable for the maintenance, conservation and beautification of the Property, and for the health, comfort, safety and general welfare of the Owners and Occupants. Written notice of such rules and regulations shall be given to all Owners and Occupants, and the entire Property shall at all times be maintained subject to such rules and regulations.

(b) Management. The Declarant or the Board shall engage the initial management organization under contracts expiring not later than ninety (90) days after the date the initial meeting of Members is held. Thereafter, the Board may engage the services of an agent to manage the Property to the extent deemed advisable by the Board provided however, that if the Association, declarant or Board shall enter into an agreement or agreements for the professional management of the Property before the Turnover Date, such agreement or agreements shall be terminable by the Association without cause at any time after the Turnover Date and shall not require the payment of any penalty by the Association and shall not require advance notice of termination of more than ninety (90) days. Any management fees incurred pursuant to this Section 5.3(b) shall be paid from the assessments collected pursuant to Article 6 hereof.

(c) Nothing hereinabove contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all of the Owners or any of them.

5.4 Liability of the Board of Directors. The members of the Board and the officers of the Association shall not be personally liable to the Owners or others for any mistake of judgment or for any acts or omissions made in good faith by such officers or Board members. The Owners shall indemnify and hold harmless each of the members of the Board and each of the officers against all contractual liability to others arising out of contracts made by the Board or officers on behalf of the Owners unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration. The liability of any Owner arising out of any such contract made by the Board or officers or out of the aforesaid indemnity in favor of the members of the Board or officers, to the extent not covered by insurance, shall be limited to his proportionate share of the total liability thereunder.

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ARTICLE 6

Assessments Maintenance Fund

- 6.1 Preparation of Estimated Budget. Each year on or before November 15, the Board shall estimate the total amount necessary to pay the cost of wages, materials, taxes, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services authorized by the Board, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements, and shall, on or before December 1, notify each Owner in writing as to the amount of such estimate ('Estimated Cash Requirement'), with reasonable itemization thereof. The Estimated Cash Requirement shall be assessed among all of the Owners as provided in Section 6.05 of the Declaration (other than the Declarant as provided in Section 6.09 of the Declaration). On or before January 1 of the ensuing calendar year, and the first of each and every month of said year, each Owner, other than Declarant, shall be obligated to pay to the Board, or as it may direct, one-twelfth (1/12) of the assessment made pursuant to this Section 6.1. On or before the date of the annual meeting of each calendar year, the Board shall supply to all Owners an itemized accounting of the maintenance expenses for the preceding fiscal year actually incurred and paid, together with a tabulation of the amounts collected from the Owners pursuant to assessments made during such year (including amounts collected from Declarant) and showing the net amount over or short of the actual expenditures, plus reserves. The Board shall upon demand at any time furnish a certificate in writing signed by an officer or agent of the Association, setting forth whether the assessments on a specified Townhome Unit have been paid. Such certificates shall be conclusive evidence of payment of any assessment therein.
- 6.2 Extraordinary Expenditures. The Board shall build up and maintain a reasonable reserve fund for authorized capital expenditures, contingencies, replacements and deficits in the Association's operating account ("Extraordinary Expenditures") not originally included in the annual estimate. Extraordinary Expenditures which may become necessary during the year shall be charged against such reserve fund. If such reserve fund 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 divided pro rata among the remaining installments for such fiscal year and assessed equally among the Owners. In the event, however, that the Board determines that there exists a surplus in the reserve for Extraordinary Expenditures, the Board shall have the authority to transfer such funds into the operating account to fund any deficit in said account. The Board shall serve notice of further assessment on all such Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the monthly maintenance payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All such Owners shall be obligated to pay the adjusted monthly amount. At the time of closing of the sale of each Townhome Unit by the Declarant, the Owner shall pay (in addition to the first

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monthly assessment) to the Association, or as otherwise directed by the Board, an amount equal to two (2) times the first full monthly assessment for such Owner, which amount shall be used and applied for start-up costs and as a working capital fund in connection with initial operating expenses for the Common Area and held for future working capital needs.

6.3 Estimate for First Year. When the first Board elected hereunder (or appointed by the Declarant) takes office, it shall determine the Estimated Cash Requirement, as hereinabove defined, for the period commencing on the first day of the month following the conveyance of the first Townhome Unit and ending on December 31 of the calendar year following said conveyance. The initial Estimated Cash Requirement shall be divided among the remaining monthly installments of such calendar year and assessed equally to all Owners, other than the Declarant.

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

6.5 Books and Records. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Common Area, specifying and itemizing the maintenance and repair expenses of the Common Area and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for inspection by any Owner or any representative of an Owner duly authorized in writing or any holder, insurer or guarantor of a first mortgage secured by any portion of the Property at such reasonable time or times during normal business hours as may be requested by such Owner or his representative or such holder, insurer or guarantor. Upon ten (10) days' notice to the Board, any Owner shall be furnished a statement of his account, setting forth the amount of any unpaid assessment or other charges due and owing from such Owner. In addition, the Board shall provide for the preceding fiscal year upon the written request of any holder, insurer or guarantor of a first mortgage secured by any portion of the Property any annual audited or unaudited financial statements which are prepared and distributed by the Association to the Owners at the end of each of its respective fiscal years, provided, however, that in the event an audited financial statement is not available, 51% or more of the Eligible Mortgage Holders (by number) shall upon request, be entitled to have such an audited statement prepared at their expense.

6.6 Status of Collected Funds. All funds collected hereunder shall be held and expended for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Owners and for such

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adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held in trust for the benefit, use and account of all the Owners, other than the Declarant. All funds not otherwise employed 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.

6.7 Remedies for Failure to Pay Assessments. Any assessment which is not paid when due shall be delinquent. Such assessments, interest and all costs of collection shall be a continuing lien upon the Townhome Unit against which each such assessment was made. If the assessment is not paid within thirty (30) days after the due date, then (i) the amount of the assessment shall bear interest from the date of delinquency at the maximum rate allowed by law, and (ii) in addition to said interest, the delinquent Owner shall pay to the Association a late charge of \$25 for each month or portion thereof that said amount remains delinquent, said late charge to cover the Association's administrative costs in monitoring and collecting such amount. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same, or foreclose the lien against the respective Townhome Unit and interest, late charges, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each Owner, by his acceptance of a deed to a Townhome Unit, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt, and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property. Unless otherwise provided in the Declaration, the members of the Board and their successors in office, acting on behalf of the other Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. The lien of the assessments provided for herein shall be subordinate to the lien of any first or prior recorded mortgage now or hereafter placed on the Townhome Unit provided, however, that such prior recorded mortgage shall be subject to the lien of all unpaid assessments with respect to such Townhome Unit which became due and payable subsequent to the date the holder of said mortgage takes possession of the Townhome Unit, accepts a conveyance of any interest in the Townhome Unit or has a receiver appointed in a suit to foreclose his lien.

6.8 Exempt Townhome Units. With regard to any Townhome Units being constructed or which have been completed but title has not been conveyed by Declarant, the assessment respecting any such Townhome Unit shall be limited to the aggregate amount of actual operating expenses from time to time required to be paid with respect to such Townhome Unit, provided, however, that in the event Declarant enters into a lease or installment contract for any Townhome Unit, then Declarant shall be responsible for the payment of assessments on those Townhome Units on the same basis as any other Owner. Actual operating expenses shall mean those ordinary expenses attributable only to the period in question covering the maintenance and operation of the Property and shall not include capital expenditures, amounts set aside as a reserve for contingencies or replacements, prepaid items or inventory

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items to the extent attributable to subsequent periods. Until such time as the Turnover Date has occurred, the assessments covering the Townhome Units which have not been sold by the Declarant may be paid on a monthly basis or, at its option, paid to the Association at the close of each calendar year without interest.

ARTICLE 7

Covenants and Restrictions as to Use and Occupancy

All Owners shall maintain, occupy and use their Townhome Units and the Common Area only in accordance with the terms of the Declaration and any additional rules and regulations adopted by the Board or by the Members.

The Board shall have full authority to enforce all such rules and regulations by taking all action as may be necessary.

ARTICLE 8

Committees

8.1 Board Committees. The Board, by resolution adopted by a majority of the directors in office, may designate one (1) or more committees, each of which shall consist of one (1) or more directors; said committees, to the extent consistent with law and as provided in said resolution, shall have and exercise the authority of the Board in the management of the Association; but the designation of such committees and the delegation thereof of authority shall not operate to relieve the board, or any individual director, of any responsibility imposed upon it or him by law.

8.2 Special Committees. Other committees not having and exercising the authority of the Board in the management of the Association may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Members, and the President of the Association shall appoint the members thereof. Any member thereof may be removed whenever in the Board's judgment the best interests of the Association shall be served by such removal.

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

8.4 Chairperson. One (1) member of each committee shall be appointed chairperson.

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

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

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

ARTICLE 9 Interim Procedure

Until the initial meeting of the Members, the declarant (or its designee) may appoint the Board which shall have the same powers and authority as given to the Board generally.

ARTICLE 10 Amendments

These By-Laws may be amended or modified from time to time in accordance with the provisions of Section 12.07 of the Declaration. Such amendments shall be recorded in the Office of the Recorder of Deeds of Cook County, Illinois.

ARTICLE 11 Definition of Terms

The terms used in these By-Laws shall have the same definition as set forth in the Declaration to which these By-Laws are attached to the extent such terms are defined therein.

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EXHIBIT "D"

PERCENTAGE OWNERSHIP OF THE COMMON AREA

<u>Townhome Unit</u>	<u>Percentage of Ownership</u>
A	12.80%
B	10.50%
C	10.50%
D	10.90%
E	10.90%
F	10.50%
G	10.50%
H	10.50%
I	12.90%
TOTAL	100.00%

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EXHIBIT E

LEGAL DESCRIPTION ADDITIONAL PARCEL

LOTS 17 (except for the southwesterly 60.42 feet) AND 18 (except for the southwesterly 60.42 feet) IN DIVISION THREE IN SOUTH SHORE SUBDIVISION OF THE NORTH FRACTIONAL HALF OF FRACTIONAL SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH A RESUBDIVISION OF LOTS 1, 2, 4, 64, 68, 126, 127 AND 128 IN DIVISION ONE IN WESTFALL'S SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER AND THE SOUTHEAST FRACTIONAL QUARTER OF SECTION 30, AFORESAID, IN COOK COUNTY, ILLINOIS.

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