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AMENDED
AND
RESTATED
DECLARATION OF
PARTY WALL RIGHTS,
COVENANTS, CONDITIONS,
RESTRICTIONS AND
EASEMENTS FOR COURTYARDS OF
ORLAND PARK



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KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

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AMENDED AND RESTATED DECLARATION OF PARTY WALL RIGHTS, COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS

WHEREAS, the Courtyards of Orland Park Homeowners Association (the "Association") is a not-for-profit corporation and a common interest community association organized and existing pursuant to the laws of the State of Illinois; and

WHEREAS, the Association is governed by a certain Courtyards of Orland Park Declaration of Party Wall Rights, Covenants, Conditions, Restrictions and Easements (the "Declaration") which was recorded with the Cook County Recorder of Deeds on November 3, 1995 as Document Number 95754987; and

WHEREAS, the Declaration was amended by that certain Amendments to the Courtyards of Orland Park Declaration of Party Wall Rights, Covenants, Conditions Restrictions and Easements which was recorded with the Cook County Recorder of Deeds on November 17, 2015 as Document Number 1532118080; and

WHEREAS, the Declaration was amended by an additional Amendment to the Courtyards of Orland Park Declaration of Party Wall Rights Covenants, Conditions, Restrictions and Easements and By-Laws which was recorded with the Cook County Recorder of Deeds on November 17, 2015 as Document Number 1532118081; and

WHEREAS, the Declaration creates the Association; and

WHEREAS, the Association is operated and administered by its Board of Directors (the "Board"); and

WHEREAS, Section 1-60 of the Common Interest Community Association Act permits the Board to adopt an amended and restated declaration to bring the Declaration into compliance with current law and also to consolidate the Declaration and any amendments thereto into one document; and

WHEREAS, the Board believes that adopting an Amended and Restated Declaration will assist in the proper and orderly administration of the association; and

NOW THEREFORE, the following shall be the Amended and Restated Declaration of Party Wall Rights, Covenants, Conditions, Restrictions and Easements for Courtyards of Orland Park:

ARTICLE I **DEFINITIONS**

Section 1.01 "Association" shall mean and refer to Courtyards of Orland Park Homeowners' Association, an Illinois not-for-profit corporation.

Section 1.02 "Property" shall mean and refer to that certain real estate described in Exhibit "A".

Section 1.03 "Common Area" shall mean all real 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 of 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 Exhibit "B" attached hereto and by this reference made a part

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hereof and such additions thereto as may hereafter be brought within the jurisdiction of or conveyed to the Association.

Section 1.04 "Townhouse Unit" shall mean a residential housing unit consisting of a group of rooms which may be attached to one or more other Townhouse Units by common party walls and which are designed or intended for the exclusive use as living quarters for one Family, as hereinafter defined, as constructed by the Developer upon the Property.

Section 1.05 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, as hereinafter defined, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.06 "Member" shall mean and refer to any person or entity who holds membership in the Association.

Section 1.07 "Declarant" shall mean and refer to Palos Bank and Trust Company, solely as Trustee as aforesaid, its successors and assigns, if such successors and assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 1.08 "Lot" shall mean and refer to a platted lot or a portion of a platted lot designated as such upon the Plat of Subdivision recorded in the Office of Recorder of Cook County, Illinois as Document No. 95-753441 and upon which a Townhouse Unit is constructed or to be constructed.

Section 1.09 "Board" shall mean the Board of Directors of the Association as constituted at any time or from time to time, in accordance with the applicable provision of Article III.

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

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

Section 1.12 "By-Laws" shall mean the By-Laws of Courtyards of Orland Park Homeowners' Association, a copy of which is attached as "Exhibit "C" hereto and by this reference made a part hereof.

Section 1.13 "Declaration" shall mean this Courtyards of Orland Park Declaration of Party Wall Rights, Covenants, Conditions, Restrictions and Easements.

Section 1.14 "Material Amendment" shall mean 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 Common Area responsibility for the maintenance and repair of the Common Area; allocation of interests in the Common Area, or rights to use the Common Area, boundaries of any Lot or Townhouse Unit; convertibility Lots into Common Area, or convertibility of Common Area into Lots; expansion or contraction of the Property, or the addition, annexation or withdrawal of property from the Property; insurance or fidelity bonds; leasing of Townhouse Units; imposition of any restrictions on an Owner's right to sell or transfer his or her Lot or Townhouse 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

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substantial destruction or condemnation; or any provisions that expressly benefit holders, insurers or guarantors of mortgages secured by portions of the Property.

Section 1.15 "Eligible Mortgage Holder" shall mean each holder of a first mortgage on a Lot or Townhouse Unit that has requested in writing that the Association notify it of any proposed action that requires consent of a specified percentage of mortgage holders.

Section 1.16 "Developer" shall mean Courtyards of Orland Park, Inc., an Illinois corporation, its successors and assigns.

Section 1.17 "Village" shall mean the Village of Orland Park, Illinois, its elected and appointed officials, officers, agents and employees.

ARTICLE II **MEMBERSHIP**

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including a contract seller, 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. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification of membership. Voting rights with regard to each Member are set forth in Article III hereof.

ARTICLE III **VOTING RIGHTS AND BOARD OF DIRECTORS**

Section 3.01 Voting Rights. The Association shall have one class of voting members. Each Owner, as defined in Article II, shall be a Member. Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article II. When more than one person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. All Members holding any interest in a single Lot shall together be entitled to cast only one vote for the Lot.

Section 3.02 Declaration Binding. The provisions of Section 3.01 hereon shall be mandatory. No owner of any interest in any Lot shall have any right or power to disclaim, terminate or withdraw from his membership in the Association or any of his obligations as such Member, and no purported disclaimer, termination or withdrawal thereof or therefrom on the part of any such owner shall be of any force or effect for any purpose.

Section 3.03 Board of Directors. The Association have a Board of five (5) 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 two-thirds of the remaining members of the Board until the next annual meeting or until members holding 20% of the votes of the Association request a meeting to fill the vacancy for the remainder of the term. A meeting of the members shall be called for the purpose of filling a vacancy no later than thirty (30) days following the filing of a petition signed by the Members holding 20% of the votes of the Association requesting such a meeting. The Association shall have such officers as shall be appropriate from time to time, who shall be elected by the Board who shall manage and conduct the affairs of the Association under the direction of the Board. Except as expressly otherwise provided by the Association's articles of incorporation, this Declaration or the By-Laws, all power and authority to act

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on behalf of the Association both pursuant to this Declaration and otherwise shall be vested in its Board from time to time and its officers under the directions 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.

Section 3.04 Not For Profit Corporation. The Association being a not-for-profit corporation, shall not distribute 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.

Section 3.05 Association Operations. 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, as such rates of compensation and upon such other terms and provisions as the Board shall determine from time to time. 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.

Section 3.06 Rules and Regulations. The Association, through the resolutions of the Board, shall have the right to adopt rules and regulations governing the Lots 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.

Section 3.07 Records. The Board shall maintain the following records of the Association and make them available for examination and copying at convenient hours of weekdays by any Member of Owner subject to the authority of the Board, its mortgagees, and their duly authorized agents or attorneys:

- (a) Copies of the recorded Declaration, By-Laws, Rules and Regulations, other duly recorded covenants and By-Laws and any amendments, articles of incorporation, annual reports.
- (b) Detailed and accurate records in chronological order of the receipts and expenditures affecting the common areas, specifying and itemizing the maintenance and repair expenses of the common areas and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the Board.
- (c) The minutes of all meetings of the Board, which shall be maintained for seven (7) years.
- (d) With a written statement of a proper purpose, ballots and proxies related thereto, if any, for any elections held for the Board and for other matters voted on by the Members, which shall be maintained for not less than one year.
- (e) With a written statement of a proper purpose, such other records of the Board as are available for inspection by Members of a not-for-profit corporation pursuant to Section 107.75 of the General Not For Profit Corporation Act of 1986.

A reasonable fee may be charged by the Board for the costs of retrieving and copying records properly requested.

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ARTICLE IV PROVISIONS RELATING TO THE COMMON AREA

Section 4.01 Easements; Dedications. Every Owner shall have a right and easement in, over, upon and to the Common Area for purposes of vehicular and pedestrian ingress and egress and use of the open spaces and other common facilities and the Common Area shall be held for the use and benefit of each Owner, and such easement shall be appurtenant to and shall pass with the title to every Lot subject to the following provision:

(a) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Owners. No such dedication or transfer shall be effective unless an instrument signed by Owners entitled to cast sixty-seven percent (67%) of the votes of the members, if any, has been recorded, agreeing to such dedication or transfer.

(b) Each Owner shall be entitled to the exclusive use and possession of that portion of the driveway and any patio, stairs and deck falling within the Common Area (see Exhibit B) which is contiguous to and serves his Lot except as otherwise provided herein.

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

Section 4.03 Other Easements. There shall be upon the Common Area such driveways or portions thereof and walks as shall be necessary to provide ingress and egress to and from the Lots for the use and benefit of the Owners of the Lots and their guests and invitees and such landscaping and walks, benches and spaces for the parking of motor vehicles as the Association or Board shall from time to time determine and shall be in compliance with such governmental laws, ordinances and regulations as shall be in effect during the development of the Property. There may also be upon the Common Area such facilities and structures as shall be reasonably necessary for the carrying out of the duties imposed upon the Association hereunder, or as in the Association may determine to erect from time to time.

Section 4.04 Easements in Favor of Village. An irrevocable license and easement is hereby granted to the Village and police, fire, water, health and other authorized officials, employees and vehicles of the Village, to go upon the Common Area at any time and from time to time for the purpose of performance of official duties and for the purpose of enforcing this Declaration and all Village ordinances, rules and regulations, and the statutes of the State of Illinois and the United States. In addition, duly designated officials and employees of the Village are hereby granted an easement to enter upon, on and over the Common Area for the purposes of maintaining, except as otherwise provided hereunder, the storm water detention area, drainage systems, storm and sanitary sewers, water mains, streets, sidewalks 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, as applicable. Except in the event of emergency situations, the Village 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 said thirty (30) days from the date such notice is received. If such deficiency has not been cured within said thirty (30) days or any extension thereof granted by the Village, the Village may exercise said easement by entering the Common Area and performing such maintenance or repair. The Association shall reimburse the Village from all expenses incurred by it in performing such maintenance or repair. 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

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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 Village and that the obligation for maintenance and repair of all other portions of the Common Area, including those lines which service individual Townhouse Units (storm sewer, sanitary sewer and water) shall be borne by the Association. The Village 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 Village shall be construed as a waiver of that or any other rights.

Section 4.05 Delegation of Use. 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.

Section 4.06 Perpetual Easements. Upon conveyance to the Association of the Common Area, there shall be reserved a perpetual and non-exclusive easement for egress and ingress in, to and from each Lot which it shall grant to each Lot upon the conveyance thereof.

Section 4.07 [Intentionally Omitted]

Section 4.08 Common Areas.

(a) The Association shall have the right and duty to build, repair and maintain the Common Area.

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

(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 Common Area and for the health, comfort, safety and general welfare of persons using the Common Area.

Section 4.09 Easement Limitations. Notwithstanding any provisions herein to the contrary, the easements herein created shall be subject to:

(a) Easements of record on the date hereof, including those easements granted on the Plat of Subdivision for the Property recorded in the Office of the Recorder of Deeds of Cook County, Illinois, and any easements which may have been 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 Lot and to any provider of cable television service.

Section 4.10 No Implied 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 or for the public use or purpose whatsoever.

Section 4.11 Easements in Favor of Utilities. Easements for serving the Common Area and other properties with public utilities and municipal services are hereby granted to Commonwealth Edison Company, Northern Illinois Gas Company, Ameritech, the Village, and all other suppliers of utilities serving the Common Area and the respective successors and assigns, jointly and 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

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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; provided, however, that all such public utilities shall be installed underground. Notwithstanding any code or ordinance provision which may provide otherwise, no public utility shall be installed over-the-ground and nothing herein shall be deemed or construed as permitting over-the-ground utilities.

Section 4.12 Maintenance of Common Areas. All areas of and facilities upon the Common Area, including, but not limited to, the detention area, all open space, all driveways and parking areas, 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.

ARTICLE V MAINTENANCE OF TOWNHOUSE UNITS

Section 5.01 Maintenance by the Association. The Association shall determine the need and be responsible for the maintenance, repair and replacement of the Common Areas (Lots 15, 16, 17, 18, 19, 20, 21 and 22) and the following items on the other Lots and the Townhouse Units:

- a. Roofs, gutters and downspouts;
- b. Siding;
- c. Soffits;
- d. Tuckpointing;
- e. Gas, telephone and electrical lines on the exterior of the Townhouse Units that serve more than one Townhouse Unit;
- f. Snow removal from the driveways and sidewalks;
- g. Sidewalks that are parallel to the street (excluding servicewalks to the units);
- h. Maintenance of all non-fenced yards, grass and bushes but the shaping and trimming of bushes will be pursuant to contractual agreement;
- i. The underground sprinkling system located upon the Property.

The Association will also provide services to trees on the Property, which will be maintained pursuant to contractual agreements entered into by the Association. The removal of trees is at the discretion of the Board.

In the event that the need for maintenance, repairs or replacement is caused by the willful, intentional or negligent act of an Owner, his family, guests or invitees, the cost of such maintenance, repair or replacement shall be added to and become a part of the assessment to which such Lot, or portion thereof, is subject. The obligations of the Association as contained in this Section 5.01 shall be limited, however, to the extent the Board determines there is a need for said maintenance, repair and replacement and to the extent that there are funds available in the Association's account from the assessments collected pursuant to Article VI hereof.

Section 5.02 Taxes on Common Areas. 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 Common Area or any part thereof.

Section 5.03 Maintenance by Owner. Except as specifically provided in Section 5.01, each Owner shall have the obligation to maintain in good condition and repair and replace his Townhouse Unit and his portion of the Lot. To the extent that a walkway, stoop or porch is shared by the Owners of more than one Townhouse Unit, the Owners of said Townhouse Units shall be responsible for sharing the costs of any maintenance, repair or replacement of said walkway, stoop or porch. In the event that there is a

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disagreement as to the need for maintenance, repairs or replacement between Owners who share a walkway, stoop or porch, either Owner or both Owners may petition the Board for a decision as to whether the proposed maintenance, repairs or replacements is necessary or warranted under the circumstances. Said petition shall provide information on the proposed maintenance, repairs or replacement to be performed and the reasons for said work. The decision of the Board as to any such dispute shall be final and binding on the Owners.

Section 5.04 Failure of Owner to Maintain. In the event that an Owner fails to maintain, repair or replace those areas that are not the maintenance responsibility of the Association as provided in Section 5.01, the Association, through its agents and employees, is hereby granted the right to enter upon the Lot and into the Townhouse Unit thereon and make such reasonable repairs, maintenance, rehabilitation, restoration and replacement as may be necessary and the costs thereof shall become a lien upon the Lot in the same manner as provided in Article VI hereof for nonpayment of assessments.

Section 5.05 Drawing of Water. The Association shall have the right to draw water from individual Townhouse Units as required for the efficient performance of its duties hereunder. The Association shall pay for all such water bills incurred on the Property and each Owner shall be assessed for an equal share of said bills.

ARTICLE VI **COVENANTS FOR MAINTENANCE ASSESSMENTS**

Section 6.01 Creation of Lien and Personal Obligation. Each Owner of any Lots 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 filed, 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 Lot against which each such assessment is made. Each such assessment, together with such interests, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

Section 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 Townhouse 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 of the exteriors of the Townhouse 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, storm water management system, street lighting, if any, all sanitary and storm sewer and water lines which service individual Townhouse Units, structures and 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 assessments levied hereunder. In the event of any utilities which benefit the Common Area are directly charged to any Owner, the Association will reimburse such Owner for any such expense. The Board reserves the right to levy additional assessments against any Owner to reimburse

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it for excessive use by such Owner of any utility service, the expense of which is charged to the maintenance fund.

Section 6.03 Annual Assessment. The Board shall be authorized to fix the annual assessment in an amount sufficient to meet the costs and expenses as contained in Section 6.02 hereof.

Section 6.04 Special Assessments. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repaired, maintenance or replacement (including those items of maintenance and repair set forth 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. Special assessments related to emergencies shall not be subject to the approval of the membership.

Section 6.05 Uniform Rate of Assessments. Both annual and special assessments must be fixed at a uniform rate of all Lots, except for certain Lots as provided in Section 5.01 and 5.03 hereof, and shall be collected on a monthly basis or as otherwise directed by the Association. If an adopted budget or special assessment adopted by the Board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding 115% of the sum of all regular and special assessments payable during the preceding fiscal year, the Association, upon written petition of the members with 20% of the votes of the Association delivered to the Board within 14 days of said action, shall call a meeting of the members within 30 days of the date of delivery of the petition to consider the budget or special assessment. Unless a majority of the total votes of the Members are cast at the meeting to reject the budget or special assessment, it shall be deemed ratified.

Section 6.06 Budget. The Board shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period by the adoption of the annual budget and in lieu thereof, the amount of the prior year's annual assessment shall be the fixed amount. The Board shall provide the proposed budget to the Member no less than thirty (30) and no more than sixty (60) days prior to a meeting to consider its adoption. Written notice of any changed amount of annual assessment shall be due on the first day of the month immediately preceding the effective date of the changed assessment. 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 Lot 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 Lot 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.

Section 6.07 Non-Payment. Any assessments which are not paid when due shall be delinquent. Such assessments, interests and all costs of collection shall be a continuing lien upon the Lot against which each such assessment was made. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate allowed by law, and 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 Lot and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. Each Owner, by his acceptance of a deed to a Lot, 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.

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Section 6.08 Subordination of Lien. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed on the Lots and recorded prior to the due date of the delinquent assessment provided, however, that such prior recorded mortgage shall be subject to the lien of all unpaid assessments with respect to such Lot which became due and payable subsequent to the date the holder of said mortgage takes possession of the Lot, accepts a conveyance of any interest in the Lot or has a receiver appointed in a suit to foreclose his lien. The lien of the assessments shall not be affected by the sale or transfer of the corresponding Lot 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.

ARTICLE VII **INSURANCE**

Section 7.01 Association's Insurance Obligations.

(a) The Association shall be responsible for procuring and maintaining 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, in such limits as it shall deem desirable, and other liability insurance as it may deem desirable, insuring the Association from liability in connection with the ownership and/or use of the Common Area and the other Lots. The liability policy shall also name as insured the Association's agents, officers, employees, each Owner and the Village, its agents, officers and employees.

(b) The Association shall be further responsible for maintaining such policies of insurance for the Common Area, the Lots and the Townhouse Units against loss or damage by fire and such other hazards contained in a customary "all risks" policy provided that such policies shall (i) provide that such policies may not be cancelled or substantially modified without at least thirty (30) days written notice to the Association, the Village and all mortgagees of record; (ii) provide that all mortgagees of record shall have the right to pay overdue insurance premiums and to obtain new coverage in the event the existing insurance policy lapses; (iii) provide for coverage in the amount of one hundred (100%) of current full replacement value; and (iv) contain standard mortgage clause endorsements in favor of the mortgagees, as their respective interest may appear. Replacement cost shall be determined annually by an independent appraiser or by a method acceptable to the insurance company providing such coverage. Said policy need not cover improvements and betterments made to a Lot or a Townhouse Unit by an Owner which shall be the responsibility of the Owner of the Townhouse Unit.

(c) 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 of 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.

(d) The Association shall be responsible for obtaining Directors and Officers liability insurance in such amounts as the Association shall deem desirable.

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(e) 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; Workman's Compensation and Employer Liability; and non-Owned or Hired Automobile Insurance.

Section 7.02 Owners' Insurance Obligations. Each Owner shall be responsible for insurance coverage on the furnishing and other items of personal property belonging to the Owner which are contained in a Townhouse Unit or on the Lots owned by said Owner and which are not part of the Townhouse Units, and not insured pursuant to the terms of Article VII, Section 7.01(b), and insurance for his personal liability. 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 insurance shall be furnished to the Association in each case at least ten (10) days prior to the expiration date of the expiring insurance.

Section 7.03 Failure to Procure Insurance. 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 the Townhouse 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 Lots in the same manner as provided in Article VI hereof for nonpayment of maintenance assessments.

Section 7.04 Repair and Reconstruction. All repair, restoration or rebuilding pursuant to the provision of this Article VII 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 Townhouse Unit which shall have been damaged or destroyed shall fully cooperate with, and abide by all instruction and directions of, the Association in connection therewith.

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

Section 7.06 Failure to Repair or Reconstruct. In any case in which the Owner or Owners concerned shall fail to carry out and see to 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 Townhouse 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 Lot 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 attorney's fees and any court or other costs incurred by the Association in connection therewith, which lien shall bind such Lot in the hands of such Owner, his heirs, devisees, personal representatives, grantees and assigns. In the event such Owner does not forthwith fully repay the Association therefor, as aforesaid, such Lien shall be foreclosed against the Lot by the Association in the same manner as hereinafter provided in connection with unpaid assessments. The Association's lien in this Section 7.06 provided for shall be subordinate to the lien of any first mortgage now or hereafter placed upon the Lot.

Section 7.07 Board's Authority to Settle Insurance Losses. In the event of any damage or destruction to the exterior portion of a Townhouse 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.

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ARTICLE VIII INTENTIONALLY OMITTED

ARTICLE IX RESTRICTIONS RELATING TO PROPERTY

Section 9.01 Compliance with Ordinances; Construction Standards.

(a) The Owners shall comply with all ordinances of the Village in connection with the use of any Lot.

(b) All buildings or structures on the property shall be of new construction.

Section 9.02 Lot Conveyance. Each Lot conveyed shall be designated by a separate legal description and shall constitute a freehold estate subject to the terms, conditions and provisions hereof.

Section 9.03 Residential Use. The Lots shall be used only for residential purposes, as a private residence, and no professional business or commercial use shall be made of the same, or any portion thereof or resident's use of a Lot endanger the health or disturb the reasonable enjoyment of any other Owner or resident, except as provided in Sections 4.01(b) and 9.07 herein and provided further, that the Lot restrictions contained in this Section shall not be construed in such a manner as to prohibit an Owner from (a) maintaining his personal professional library therein; (b) keeping his personal, business, or professional records or accounts therein; or (c) handling his personal, business or professional telephone calls or correspondence therefrom.

Section 9.04 Prohibition on Buildings. No buildings other than Townhouse Units originally constructed by the Developer shall be constructed on each Lot.

Section 9.05 Temporary and Permanent Structures. 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.

Section 9.06 Advertising. No advertising sign (except one "For Rent" or "For Sale" sign of not more than five square feet per Townhouse Unit), billboards, unsightly objects, or notices shall be erected, placed, placed or permitted to remain on the Townhouse Unit except as provided in Section 9.07 thereof. Any such sign shall be in compliance with all applicable Village ordinances.

Section 9.07 Exemption for Association. The foregoing covenants of this Article IX shall not apply to the activities of the Association.

Section 9.08 Animals. No animals, livestock or poultry of any kind shall be raised, bred, or kept on the Property, except dogs, cats or other common household pets (not to exceed a total of two (2) pets may be kept on any Lot, provided, that they are not kept, bred, or maintained for any commercial purposes and are in compliance with all applicable rules and regulations promulgated by the Association).

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

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

Section 9.11 Satellite Dishes and Antennas. The placement of satellite dishes, television, radio or ham radio antennas shall be done in accordance with and as prescribed in the rules and regulations of the Association.

Section 9.12 Work. An Owner shall do no act nor any work that will impair any easement or hereditament, nor do any act nor allow, any condition to exist which will adversely affect the other properties or their owners.

Section 9.13 Exterior Colors. There shall be no change in any exterior color of any Townhouse Unit from the color scheme selected by the Owner upon the initial conveyance of the Townhouse Unit from Declarant without the prior written approval of the Association.

Section 9.14 Fences, Porches, Patios and Decks. There shall be no fences, screened porches, patios, decks or similar improvements commenced, erected, or maintained upon any Lot or the Common Area, other than those constructed by the Developer, if any, without the prior written approval of the Association and the issuance of any appropriate permit from the Village.

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

Section 9.16 Association Access. Each Lot is hereby declared to be subject to an easement and right to and in favor of the Association and each and all of its employees, agents and instrumentalities to go upon such Lot 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 Lot and the Townhouse Unit located thereon as are herein imposed upon or permitted to the Association. Each Lot is further declared to be subject to an easement in favor of any adjoining Lot to the extent necessary to permit the maintenance, supply, repair, and servicing of utility services to the various Lots and Townhouse Units located thereon.

Section 9.17 Owner's Right to Grant Easements. The Owner of each Lot shall from time to time grant such additional easements and rights over, across, on, under and upon his Lot as may be reasonably necessary in the connection with the supply of any of the utilities described in Section 4.11 hereof to any part of the Property.

Section 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 Lots as the Board, in its sole discretion, deems appropriate or necessary.

Section 9.19 Parking. Subject to applicable Village ordinances, parking areas and driveways shall be used for parking operable automobiles and private vans only and shall not be used for campers, recreational vehicles, truck, 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 Lot of the owner of the vehicle in the same manner as provided in Article VI hereof for nonpayment of maintenance assessments.

Section 9.20 Easements for Construction. Each Lot and the Common Area is hereby subjected to a permanent easement appurtenant to any adjoining Lot and any adjoining portion of the Common Area to permit the construction, existence, maintenance, repair and restoration of structures located on such

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adjoining Lot or portion of the Common Area, including roof structures, which overhang and encroach upon the servient Lot or Common Area, provided that the construction of such structure is permitted and approved as elsewhere herein provided. The owner of the dominant tenement shall have the right, at all reasonable times, to enter the easement area in order to maintain, repair and restore any improvements located on the dominant tenement provided, however, that such entry shall be allowed only during daylight hours and with the prior knowledge of the owner of the servient tenement. In case of emergency, such right of entry shall be immediate, not restricted as to time and not be conditioned upon prior knowledge of the owner of the servient tenement. The owner of the servient tenement shall not place any improvement, material or obstacle in or over the easement area on the servient tenement which would unreasonably interfere with the rights of the owner of the dominant tenement granted by this Section 9.20. Any such improvement, material or obstacle shall be promptly removed by the owner of the servient tenement at that owner's expense when requested by the owner of the dominant tenement notwithstanding any lapse of time since such improvements, material or other obstacle was placed in or over the easement area.

Section 9.21 Architectural Control. No building, wall or other structure or landscaping shall be commenced, erected or maintained upon the Property except such as are installed or approved by the Declarant in connection with the initial construction of the Townhouse Units upon the Property, nor shall any exterior addition to or change or alteration or, in the event of a casualty loss, any restoration made to the exterior portion of any Townhouse Unit, therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same, and the grading plan and landscape plan shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board or by an architectural committee of three (3) or more persons appointed by the Board. In the event the Board, or its architectural committee, fails to approve or disapprove such design and location within forty (40) days after said plans and specifications have been submitted to it, or in the event no suit to enjoin the addition, alteration or change has been commenced prior to the completion thereof, approval will not be required and this Section 9.21 will be deemed to have been fully complied with. The Board or its architectural committee shall, in addition, have the right to approve the general contractor responsible for performing the work in connection with the restoration of the exterior portion of any Townhouse Unit in the same manner as approval of plans and specification is obtained. Any work performed in accordance with this Section 9.21 shall not be undertaken without the issuance of any appropriate permit by the Village.

Section 9.22 Retention Ponds. No Owner shall be allowed to utilize that portion of the Common Area upon which the retention basins are located. No fishing, boating, swimming or any other recreational use of the retention basins shall be allowed.

Section 9.23 Flags. Flag holders, if any, installed by the Developer shall not be removed or altered without the written approval of the Association.

ARTICLE X PARTY WALLS

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

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Section 10.02 No Extension of Party Walls. No Owner nor any successor in interest to any such Owner shall have the right to extend said party wall in any manner, either in length, height or thickness.

Section 10.03 Insurable Loss. In the event of damage to or destruction of by fire or other casualty of any party wall, including the foundation thereof, the owner of any Lot upon which said party wall may rest shall have the obligation to repair or rebuild such wall and the owner of each Lot upon which such wall shall rest, be served or benefited by shall pay his aliquot portion of the cost of such repair or rebuilding. All such repair or rebuilding shall be done within a reasonable time, in a workmanlike manner with materials comparable to those used in the original wall and shall conform in all respects to the laws 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.

Section 10.04 Right to Contribution. The foregoing provision of this Article X notwithstanding, the owner of any Lot or other interested party, shall retain the right to receive a larger contribution from another or others under any rule or law regarding liability for negligent or willful acts or omissions. The right of any Owner, or other interested party, to contribution from any other Owner under this Article X shall be appurtenant to the land and shall pass to such Owner's or other person's successors in title.

Section 10.05 Cross Easements Over Party Wall. The title of each Owner to the portion of each party wall within such Townhouse Unit is subject to a cross easement in favor of the adjoining Owner for joint use of said wall.

ARTICLE XI INTENTIONALLY OMITTED

ARTICLE XII MISCELLANEOUS

Section 12.01 Enforcement. The Association, the Village 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 provision 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 in prosecuting such action. The amount of such attorneys' fees together with court costs, if unpaid, shall constitute an additional lien against the defaulting Owners Lot, enforceable as other liens herein established. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Association shall use its best efforts to assist the Village in connection with the enforcement of any provisions hereunder, the violation of which shall also be considered a violation of any applicable Village ordinance.

Section 12.02 Severability. Invalidation of any of these covenants or restrictions by judgement or order shall in no way effect any other provisions which shall remain in full force and effect.

Section 12.03 Duration; Amendments. The covenants and restriction of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association, the Village, the Owner of any Lot 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. 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

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by those Members 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 no Material Amendment to this Declaration, the By-Laws or the Association's articles or incorporation shall be effective unless approval thereof is obtained from Eligible Mortgage Holders representing at least fifty-one percent (51%) of the Lots and Townhouse Units that are subject to mortgages held by Eligible Mortgage Holders. These covenants and restrictions may also be canceled 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 ten (10) year period in question, provided, however, that no termination or alteration of the legal status of the Association or the property for reasons other than substantial destruction or condemnation of the Property shall be effective unless approval thereof is obtained from Eligible Mortgage Holders representing at least sixty-seven percent (67%) of the Lots that are subject to mortgages held by Eligible Mortgage Holders. Any instrument executed pursuant to the provision contained in this Section shall be filed for record in the Office of Recorder of Deeds of Cook County, Illinois, and a true, complete copy of such instrument shall be transmitted to each Owner promptly.

Section 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 Roger Angell, American author, and Bill Clinton, President of the United States, living at the date of this Declaration.

Section 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 of holder, insurer or grantor as it appears on the records of the Association at the time of such mailing or as otherwise provided for notices of meetings under the By-Laws or the law.

Section 12.06 Rerecording of Declaration. If at any time or times the Board shall deem it necessary or advisable to rerecord this Declaration or any part hereof in the Office of the Recorder of Deeds in Cook County, Illinois, in order to avoid the expiration hereof or of any of the covenants, easements, agreements or other provisions herein contained under any of the provisions of Chapter 83 of the Illinois Revised Statutes presently in force commonly known as the Marketable Title Act, or any other law or statute of similar purport, 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.

Section 12.07 Obligations Run With the Land. 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 each 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

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covenants to the respective grantees, mortgagees or trustees of such parcels as fully and completely as though said easements and covenants were fully recited and set forth in their entirety in such documents.

Section 12.08 Remedies. In amplification of and in addition to the provisions contained in Article VI, Section 6.07, in the event of any default of any Owner, the Association, all other Owners and the Village may and shall have all rights and remedies as shall otherwise be provided or permitted by law or in equity, including the right to take possession of such Owner's interest and Lot for the benefit of all other Owners by an action for possession in the manner prescribed in the Forcible Entry and Detainer Act (Illinois Revised Statutes, Chapter 57).

Section 12.09 Encroachments. In the event that any part of any Townhouse Unit encroaches or shall hereafter encroach upon any part of any other Lot 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 Townhouse Unit or another Owner or if it occurred due to the willful conduct of any Owner.

Section 12.10 Rerecording of Plats. The Association reserves to itself the right to rerecord the Plat of Subdivision referred to in Section 4.13(b) hereof to correct any inaccuracies, errors or mistakes contained therein, subject to the prior review and approval of the Village.

Section 12.11 Enforcement by Owners. Any aggrieved Owner may enforce the provision 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 Townhouse Unit.

Section 12.12 Leasing. No owner shall lease or rent his or her Lot or Townhouse Unit for a term less than thirty (30) days. Every lease of a Lot or Townhouse 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. A copy of any lease for a Townhouse Unit shall be provided to the Association not less than ten (10) days after the lease is signed or the date of occupancy, whichever occurs first.

Section 12.13 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 cooperative housing development.

Section 12.14 Condemnation/Eminent Domain. If all or any part of the Common Area only shall be taken through condemnation by any governmental authority having power so to do, 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 holder of first mortgage liens on the Townhouse Units. If any part of the Property including one or more Townhouse 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 Townhouse Units wholly or partially taken in such condemnation proceedings, subject to the rights of the holders of first mortgage liens on the Townhouse 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 Townhouse 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 provision of this Declaration and this Declaration shall be of no further force or effect with respect thereto. For purposes of this Section

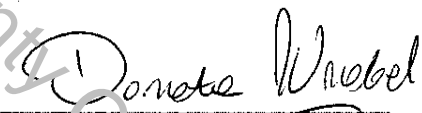
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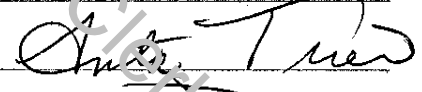
12.15, the term "condemnation" shall include also any sale under threat of condemnation to any governmental authority having condemnation power.

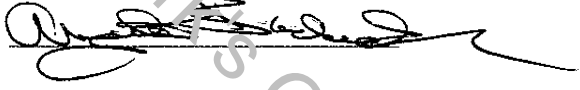
Section 12.15 Owner Contact Information. Each Owner shall notify the Association of the name and address of the first mortgagee relating to his respective Lot.

The Original Declaration was executed by Palos Bank and Trust Company, as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee (and warrants that it possesses full power and authority to execute this instrument). It is expressly understood and agreed by every person, firm or corporation hereafter claiming any interest under this Declaration that the Palos Bank and Trust Company, as Trustee as aforesaid, and not personally, has joined in the execution of this Declaration for the sole purpose of subjecting the title holding interest and the trust estate under said Trust No. 1-3679 to the terms of this Declaration; that any and all obligations, duties, covenants and agreements of every nature herein set forth by Palos Bank and Trust Company as Trustee aforesaid, to be kept and performed, are intended to be kept, performed and discharged by the beneficiaries under said Trust No. 1-3679 or their successors, and not by Palos Bank and Trust Company, personally; and further, that no duty shall rest upon Palos Bank and Trust Company, either personally or as such Trustee, to sequester trust assets, rental, avails or proceeds of any kind or otherwise to see to the fulfillment or discharge of any obligation, express or implied, arising under the terms of this Declaration, except where said Trust No. 1-3679 and after the Trustee has first been supplied with funds required for the purpose. In the event of conflict between the terms of this paragraph and of the remainder of the Declaration on any questions in apparent liability or obligation resting upon said Trustees, the exculpatory provision hereof shall be controlling.

IN WITNESS WHEREOF, the undersigned members of the Board of Directors, representing two-thirds of the members thereof, approve this Amended and Restated Declaration.







Dated this _____ day of _____, 2016.

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EXHIBIT A

THE PROPERTY

Lots 1 through 22, inclusive, in Courtyards of Orland Park Subdivision, being a subdivision of the East ½ of the Southeast ¼ of Section 6 in Township 36 North, Range 12 East of the Third Principal Meridian in Cook County, Illinois, according to the plat thereof recorded in the office of the recorder of deeds of cook county, Illinois as document number 95753441.

Street name (all in Orland Park, Illinois 60467) (for informational purposes only)	PIN Number
14221 Compton Court	27-06-410-036-0000
14223 Compton Court	27-06-410-037-0000
14225 Compton Court	27-06-410-038-0000
14227 Compton Court	27-06-410-039-0000
14229 Compton Court	27-06-410-040-0000
14233 Compton Court	27-06-410-035-0000
11231 Endicott Court	27-06-410-027-0000
11233 Endicott Court	27-06-410-028-0000
11235 Endicott Court	27-06-410-029-0000
11237 Endicott Court	27-06-410-030-0000
11239 Endicott Court	27-06-410-031-0000
11243 Endicott Court	27-06-410-072-0000
11245 Endicott Court	27-06-410-073-0000
11247 Endicott Court	27-06-410-074-0000
11250 Endicott Court	27-06-410-056-0000
11252 Endicott Court	27-06-410-055-0000
11253 Endicott Court	27-06-410-023-0000
11254 Endicott Court	27-06-410-054-0000
11255 Endicott Court	27-06-410-024-0000
11256 Endicott Court	27-06-410-053-0000
11257 Endicott Court	27-06-410-025-0000
11258 Endicott Court	27-06-410-052-0000
11259 Endicott Court	27-06-410-018-0000
11260 Endicott Court	27-06-410-051-0000
11263 Endicott Court	27-06-410-083-0000
11264 Endicott Court	27-06-410-032-0000
11265 Endicott Court	27-06-410-084-0000
11266 Endicott Court	27-06-410-033-0000
11267 Endicott Court	27-06-410-085-0000
11268 Endicott Court	27-06-410-034-0000
11219 Melrose Court	27-06-410-079-0000
11221 Melrose Court	27-06-410-080-0000
11223 Melrose Court	27-06-410-081-0000

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Street name (all in Orland Park, Illinois 60467) (for informational purposes only)	PIN Number
11225 Melrose Court	27-06-410-082-0000
11229 Melrose Court	27-06-410-057-0000
11230 Melrose Court	27-06-410-078-0000
11231 Melrose Court	27-06-410-058-0000
11232 Melrose Court	27-06-410-077-0000
11233 Melrose Court	27-06-410-059-0000
11234 Melrose Court	27-06-410-076-0000
11235 Melrose Court	27-06-410-060-0000
11236 Melrose Court	27-06-410-075-0000
11237 Melrose Court	27-06-410-061-0000
11241 Melrose Court	27-06-410-047-0000
11243 Melrose Court	27-06-410-048-0000
11244 Melrose Court	27-06-410-071-0000
11245 Melrose Court	27-06-410-049-0000
11246 Melrose Court	27-06-410-070-0000
11247 Melrose Court	27-06-410-050-0000
11248 Melrose Court	27-06-410-069-0000
11250 Melrose Court	27-06-410-068-0000
11251 Melrose Court	27-06-410-065-0000
11252 Melrose Court	27-06-410-067-0000
11253 Melrose Court	27-06-410-064-0000
11254 Melrose Court	27-06-410-066-0000
11255 Melrose Court	27-06-410-063-0000
11257 Melrose Court	27-06-410-062-0000
11258 Melrose Court	27-06-410-041-0000
11260 Melrose Court	27-06-410-042-0000
11262 Melrose Court	27-06-410-043-0000
11264 Melrose Court	27-06-410-044-0000
11266 Melrose Court	27-06-410-045-0000
11268 Melrose Court	27-06-410-046-0000

Prepared By and
After Recording Mail To:

Robert Prince
Chatt & Prince P.C.
16w34~~3~~ 83rd Street, Suite ~~Ø~~^A,
Burr Ridge, IL 60527
630-326-4930

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EXHIBIT B

THE COMMON AREA

Lots 15, 16, 17, 18, 19, 20, 21 and 22, all in Courtyards of Orland Park Subdivision, being a subdivision of the East $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 6 in Township 36 North, Range 12 East of the Third Principal Meridian in Cook County, Illinois, according to the Plat thereof recorded in the Office of the Recorder of Cook County, Illinois as Document 95-753441.

Property of Cook County Clerk's Office

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EXHIBIT C

BY-LAWS OF COURTYARDS OF ORLAND PARK HOMEOWNERS' ASSOCIATION

ARTICLE I 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 II OFFICES

2.01 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.

2.02 Principal Office. The principal office of the Association shall be maintained in Orland Park Illinois.

ARTICLE III MEMBERSHIP

3.01 Voting Members. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot 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 Lot which is subject to an assessment by the Association. Ownership of such Lot shall be the sole qualification of membership. Voting rights with regard to each Member are set forth in Section 3.02 hereof.

3.02 Classes of Membership. The Association shall have one class of voting members. Each Owner, as defined in Article II, shall be a Member. Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article II. When more than one person holds such interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. All Members holding any interest in a single Lot shall together be entitled to cast only one vote for the Lot.

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3.03 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 meeting. The presence at any meeting, in person or by proxy of twenty percent (20%) of the total votes determined pursuant to Section 3.02 above shall constitute a quorum. Unless otherwise expressly provided herein or in the Declaration, any action may be taken at a 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) Annual Meeting. There shall be an annual meeting of the Members on the first Tuesday of May of each year, at 7:30 p.m. If the date for the annual meeting 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 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 purpose. Said meetings may be called by written notice authorized by the President, a majority of the Board or by the Members holding twenty percent (20%) of the total votes of the Association as provide in Section 3.02 above, and delivered not less than 10 days nor more than thirty (30) days before the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered.

3.04 Notices of Meetings. Notices of meetings required to be given herein may be delivered either 1) personally, 2) by mail, 3) posting in an Association-issued publication that is routinely mailed to all members, 4) any other method that is approved by the Declaration, By-Laws or Rules and Regulations that is approved in writing by a Member or 5) by electronic means if authorized by the Member to the persons entitled to vote thereat, addressed to each such person at the address or email address given by him to the Board for the purpose of service of such notice, or to the Townhouse Unit of the Owner with respect to which such voting right appertains, if no address has been given to the Board. Notices required herein shall state the specific purpose and the nature of the business for which the meeting is called. At any meeting, no business may be transacted other than that specified in the notice.

ARTICLE IV **BOARD OF DIRECTORS**

4.01 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 five (5) persons who shall be elected in the manner hereinafter provided. 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 five (5), 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 shall be one of the Owners; provided, however, that

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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 Townhouse Unit and vacates the Townhouse Unit prior to the consummation of that transaction, such member shall no longer be eligible to serve on the Board and his term in office shall be deemed terminated.

4.02 Determination of 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 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.

4.03 Election of Board Members. The Members shall elect members to the Board at the annual meeting of the Members. Board Members shall serve two (2) year terms. The terms of the Board shall be staggered such that three (3) seats are elected in one year and two (2) seats are elected in the following year. In the event the remaining balance of a term is filled by the Members due to the death, incapacity or resignation of a Board Member and if there is a tie vote to determine who should receive a two (2) year term and who should fill the balance of a term (one (1) year), the Board shall determine which members shall have the two (2) year term and which shall have the one (1) year term.

4.04 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.

4.05 Vacancies on the Board. Vacancies in the Board, other than as a result of the removal pursuant to Paragraph 4.07 hereof, including vacancies due to any increase in the number of persons on the Board, shall be filled by two-thirds (2/3) of the remaining members of the Board until the next annual meeting of the Members or until Members holding twenty percent (20%) of the votes of the Association request a meeting of the Members to fill the vacancy for the balance of the term. A meeting of the Members shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the filing of a petition signed by the membership holding twenty (20%) of the votes of the Association requesting such a meeting.

4.06 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.

4.07 Removal of Board Members. Any Board member may be removed from office by affirmative vote of the Members having at least two-thirds (2/3) of the total votes, at any special

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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.

4.08 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 without other notice than the By-Law immediately after, and at the same place, or other 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 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 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.

4.09 Meetings of Board. The Board shall meet at least four times annually. Each year, there shall be an annual meeting of the Board immediately following the annual meeting of the Members without other notice, other than this By-Law, at the same place, or other place, as the annual meeting of the Members. Special meetings of the Board shall be called by the President or twenty-five percent (25%) of the Board or any other method authorized by the Declaration, By-Laws or Rules and Regulations. Notice of any Board meeting shall be given to each Member by one of the following ways: 1) by personal delivery, 2) by mail, 3) by posting in an Association-issued publication that is routinely mailed to the Members, 4) by any other method authorized by the Declaration, By-Laws or Rules and Regulations and authorized by the member, 5) by email or other electronic means provided the Member has authorized communications by email or 6) by posting at common entranceways or other conspicuous locations as designated by the Board. Said notice shall be given not less than forty-eight (48) hours and advance of the meeting. 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 then in office 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.

4.10 Execution of Investments. All agreements, contracts, deeds, leases, vouchers for payment of expenditures, and other instruments shall be signed by such officer of 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.

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ARTICLE V POWERS OF THE BOARD

5.01 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;
- (c) subject to Section 5.04(b) below, to engage the services of a manager or managing agent who shall manage and operate the Property and the Common Area thereof;
- (d) to formulate policies for the administration, management and operation of the Property, and the Common Area thereof;
- (e) to adopt administrative rules and regulations governing the administration, management, operation and use of the Property and the Common Area, and to amend such rules and regulations from time to time;
- (f) to provide for the maintenance, repair and replacement of the Common Area and to the portions of the Townhouse Units as required under Section 5.01 of the Declaration, and to approve payment vouchers or to delegate such approval to the officers or the manager or managing agent;
- (g) to provide for the designation, hiring, and removal of employees and other personnel, including accountants and legal counsel, and to engage or contract for the services of others, and to make purchases for the maintenance repair, replacement, administration, management and operation of the Common Area and the portions of the Townhouse Units as required under Section 5.01 of the Declaration and to delegate any such powers to the manager or managing agent (and any such employees or other personnel as may be the employees of the managing agent);
- (h) to estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Owners of such lots which have been occupied for residential purposes, their respective shares of such estimated expenses, as hereinafter provided;
- (i) to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility or to mortgage the Common Area or any portion for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication, transfer or mortgage shall be effective unless an instrument signed by Owners entitled to cast two-thirds (2/3) of the votes of the Class B membership, if any, has been recorded, agreeing to such mortgage, dedication or transfer. In the event Class B membership has ceased, then two-thirds (2/3) of the votes of the Class A membership shall be the required to make such action effective;

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(j) to exercise all other powers and duties vested in or delegated to the Association, and not specifically reserved to the Owners by the Articles of Incorporation, the Declaration or these By-Laws.

5.02 Capital Additions and Improvements. The Board's powers hereinabove enumerated shall be limited in that the Board shall have no authority to acquire and pay for out the maintenance fund any structural alterations, capital additions or capital improvements to the Common Area (other than for purposes of replacing or restoring portions of the Common Area, subject to all the provisions of the Declaration) or to those portions of the Townhouse Units as set forth in Section 5.01 of the Declaration having a total cost in excess of Five Thousand Dollars (\$5,000.00) without in each case the prior approval of the Owners holding two-thirds (2/3) of the total votes.

5.03 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 property taxes, special assessments and any, other special taxes or charges of the State of Illinois or any political subdivision thereof, or any other lawful taxing or assessing body, which are authorized by law to be assessed and levied on real property and to charge all expenses incurred in connection therewith to the maintenance fund.

5.04 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, and the entire Property shall at all times be maintained subject to such rules and regulations.

(b) **Management.** The Board may engage the services of an agent to manage the Property to the extent deemed advisable by the Board. Any management fees incurred pursuant to this Section 5.04(b) shall be paid from the assessments collected pursuant to Article VI 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.

5.05 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.

ARTICLE VI

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ASSESSMENTS – MAINTENANCE FUND

6.01 Preparation of Estimated Budget. Each year on or before December 1, the Board will 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 15, 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 equally among all of the owners. On or before January 1 of the ensuing calendar year, and the first of each and every month of said year, each Owner 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 6.01. On or before the date of the annual meeting of each calendar year, the Board shall supply to all Owners an itemized account, for 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 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 Lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment therein.

6.02 Extraordinary Expenditures. The Board shall build 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.

6.03 (a) Adoption of Budgets and Special Assessments. The Board shall supply a proposed annual budget to the Members not less than thirty (30) days nor more than sixty (60) days prior to its adoption together with an indication of which portions are intended for reserves, capital expenditures or repairs or payment of real estate taxes. The Board shall give notice of any Board meeting concerning the adoption of a budget or a special assessment not less than ten (10) days nor more than sixty (60) days in advance of said meeting in the same manner as it provides notice of meetings of the Members.

(b) Assessment Increases. If an adopted budget or special assessment adopted by the Board would result in the sum of all regular and separate assessments payable in the current fiscal

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year exceeding 115% of the sum of all regular and special assessments payable during the preceding fiscal year, the Association, upon written petition of the members with 20% of the votes of the Association delivered to the Board within 14 days of said action, shall call a meeting of the members within 30 days of the date of delivery of the petition to consider the budget or special assessment. Unless a majority of the total votes of the Members are cast at the meeting to reject the budget or special assessment, it shall be deemed ratified.

6.04 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 Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and, in the absence of any annual estimate or adjusted estimate, the Owner shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the monthly maintenance payment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

6.05 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, 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, 50% or more of the First Mortgagees (by number) shall upon request, be entitled to have such an audited statement prepared at their expense.

6.06 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 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. 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 select.

6.07 Remedies for Failure to Pay Assessments. Any assessments which are not paid when due shall be delinquent, if the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at the rate then allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs and reasonable attorneys fees or any such action shall be added to the amount of such assessment. To the extent permitted by any decision or any

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statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, cost and fees as above provided, shall be and become a lien or charge against the Lot of the Owner involved when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of liens against the real estate. 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 Lots provided, however, that such prior recorded mortgage shall be subject to the lien of all unpaid assessments with respect to such Lot which became due and payable subsequent to the date the holder of said mortgage takes possession of the Lot, accepts a conveyance of any interest in the Lot or has a receiver appointed in a Suit to foreclose his lien.

ARTICLE VII

COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

All Owners shall maintain, occupy and use the Townhouse 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 actions as may be necessary.

ARTICLE VIII

COMMITTEES

8.01 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.

8.02 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.

8.03 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.

8.04 Chairman. One (1) member of each committee shall be appointed chairman.

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8.05 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.

8.06 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.

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

ARTICLE IX **AMENDMENTS**

These By-Laws may be amended or modified from time to time in accordance with the provisions of Section 12.03 of the Declaration. Such amendments shall be recorded in the Office of the Recorder of Deeds of Cook County, Illinois.

ARTICLE X **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.