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KAREN A. YARBROUGH

COOK COUNTY CLERK

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AMENDED AND RESTATED
DECLARATION OF CONDOMINIUM
OWNERSHIP, EASEMENTS,
RESTRICTIONS, COVENANTS AND BY-
LAWS FOR THE
SOUTH MALL COURT CLUB
CONDOMINIUMS ASSOCIATION
OAK PARK, ILLINOIS

This AMENDED and RESTATED DECLARATION has been approved this 1 day of 11, 2021, by no less than two-thirds (2/3) of the Board of Directors for the SOUTH MALL COURT CLUB CONDOMINIUMS, pursuant to Section 27(b) of the Illinois Condominium Property Act, 765 ILCS 605/1 et. seq. (the "Act") whereby the Board of Directors can, by a two-thirds (2/3) majority vote, amend the Declaration in order to conform to the Act.

WITNESSETH:

- A. The original Declaration of Condominium Ownership, Easements, Restrictive Covenants and By-Laws for SOUTH MALL COURT CLUB CONDOMINIUMS was recorded in Cook County, Illinois on May 20, 1988, as Document No. 28273500 (the "DECLARATION") and submitted a certain parcel of real estate located in Oak Park, Cook County, Illinois, commonly known as 1138-1150 Washington Blvd./343 Maple Street, Oak Park, Illinois (the "Parcel"), as more particularly described in **Exhibit A** attached hereto, to the Act and, further, created the SOUTH MALL COURT CLUB CONDOMINIUMS HOMEOWNER'S ASSOCIATION (the "Association").
- B. Since the filing of the original DECLARATION, the Act has been amended on numerous occasions. Many of these amendments to the Act contradict or modify provisions of the DECLARATION. This Amended and Restated Declaration (the "AMENDED DECLARATION") is solely intended to bring the governing documents for the Association into conformance with the Act.
- C. This AMENDED DECLARATION was approved by at least two-thirds (2/3) of the members of the Board of Directors by execution of this document. Accordingly, the DECLARATION is amended and restated to be and read in its entirety as follows:

ARTICLE I
DEFINITIONS

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

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

1.02 **Association.** SOUTH MALL COURT CLUB CONDOMINIUMS HOMEOWNER'S ASSOCIATION, an Illinois not-for-profit corporation.

1.03 **Board.** The parties determined pursuant to Article V hereof, and who are vested with the authority and responsibility of administering the Property.

1.04 **Building.** The building is located on the Parcel, forming a part of the Property and containing the Units, as shown by the surveys depicting the respective floors of said Building, and all structures attached or unattached, containing one or more units.

1.05 **By-Laws.** The provisions for the administration of the Property including, but not limited to, assessment, maintenance, use, occupancy, sale, leasing and alienation, all as hereinafter set forth, or as the same may be from time to time duly amended. Articles V, VI and VII hereof shall constitute the By-Laws of the Association.

1.06 **Common Elements.** All portions of the Property except the Units, more specifically described in Section 3.01 hereof.

1.07 **Common Expenses.** The proposed or actual expenses affecting the Property, including reserves, if any, lawfully assessed by the Board, including, without limitation, the expenses of maintenance, repair, administration and operation of the Common Elements.

1.08 **Declaration.** This instrument by which the Property is submitted to the provisions of the Act, including such amendments, if any, to this instrument as may from time to time be adopted pursuant to the terms hereof.

1.09 **Limited Common Elements.** A portion of the Common Elements so designated in this Declaration or on the Plat, as hereinafter defined, as being reserved for the use of a certain Unit or Units to the exclusion of other Units, including but not limited to balconies, terraces, patios and parking spaces or facilities [if applicable]. Any portion of the Common Elements which by the terms of this Declaration or by its nature or location is clearly intended to serve exclusively a certain Unit or Units (but less than all of the Units) or the owner or owners thereof shall be deemed a Limited Common Element.

1.10 **Maintenance Fund.** All monies collected or received by the Board pursuant to the provisions of this Declaration.

1.11 **Majority of the Unit Owners.** Those Unit Owners, without regard to their number, who own more than fifty percent (50%) in the aggregate of the entire undivided ownership interest in the Common Elements. Any specified percentage of the Unit Owners shall mean those Unit Owners who, in the aggregate, own such specified percentage of the entire undivided ownership interest in the Common Elements.

1.12 **Occupant.** Person or persons, other than a Unit Owner, in possession of a Unit.

1.13 **Parcel.** The lot or lots, tract or entire tracts of real estate, as so described in **Exhibit A**, submitted to the provisions of the Act.

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

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1.15 **Plat.** The plat of survey of the Parcel and the Building and all of the Units in the Property submitted to the provisions of the Act, said Plat being attached hereto as Exhibit B and made a part hereof and recorded with the recording of this Declaration.

1.16 **Property.** All the land, property and space comprising the Parcel, all improvements and structures erected, constructed or contained therein or thereon, including the Building and all easements, rights and appurtenances belonging thereto, and all fixture and equipment intended for the mutual use, benefit or enjoyment of the Unit Owners, as hereinafter defined, submitted to the provisions of the Act.

1.17 **Reserves.** Those sums paid by Unit Owners which are separately maintained by the Board for purposes specified by the Board, the Declaration or the Act.

1.18 **Storage Space.** A portion of the Storage Room, part of the Limited Common Elements intended for storage purposes and to serve exclusively a certain Unit or Units.

1.19 **Unit.** A part of the Property within the Building designed and intended for any type of independent use, consisting of one or more rooms, occupying one or more floors or a part or parts thereof, and that are more specifically described hereafter in Article II.

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

1.21 **Unit Ownership.** A part of the Property consisting of one Unit and its undivided interest in the Common Elements appurtenant thereto.

1.22 **Voting Member.** One person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners, excluding those members of the Board of Directors designated by the Developer or Declarant.

ARTICLE II UNITS

2.01 Description and Ownership.

(a) All Units are delineated on the Plat attached as Exhibit B and listed in Exhibit C and shall have lawful access to a public way or ways.

(b) Each Unit consists of the space enclosed and bounded up by the horizontal and vertical planes set forth in the delineation thereof on Exhibit B including, without limitation, pipes, ducts, flues, chutes, conduits, wires, and other utility, heating, cooling or ventilation systems or equipment to the extent and only to the extent serving only such Unit; and (anything herein to the contrary notwithstanding) excluding all structural components of the Building, the term "structural components" including structural columns or pipes, wires, conduits, ducts, flues, shafts, or public utility lines running through the Unit and forming a part of any system serving more than the Unit, or any components of communication or master antenna systems, if any, located in the Unit, whether or not any such items shall be located in the floors, ceilings or perimeter or interior walls of the Unit. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on Exhibit B. Every deed, lease, mortgage or other instrument may legally describe a Unit by its identifying number or symbol as shown on Exhibit B, and every such description shall be deemed good and sufficient for all purposes.

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(c) Except as provided by the Act or as provided elsewhere herein, no Unit Owner shall, by deed, plat, court decree or otherwise, subdivide or in any other manner cause his Unit to be separated into any tracts or parcels different from the whole Unit as shown on **Exhibit B**.

(d) To the extent such data is available to the Declarant at the time this Declaration is filed, the Plat sets forth the measurements, elevations, locations and other data as required by the Act, with respect to (1) the Parcel and its exterior boundaries; (2) the Building and each floor thereof; and (3) each Unit in the Building and said Unit's horizontal and vertical dimensions. However, the Declarant hereby reserves unto itself and the Developer, the right, from time to time, as further data becomes available, to amend the Plat so as to set forth the more accurate or revised measurements, elevations, locations and other data required by the Act, with respect to the Building and the Units now or hereafter constructed on the Parcel.

2.02 Certain Structures Not Constituting Part of a Unit. Except as a tenant in common with all other Unit Owners, no Unit Owner shall own any structural components of the Building, including structural columns or pipes, wires, conduits, ducts, flues, shafts, or public utility lines running through his Unit and forming a part of any system serving more than his Unit, or any components of communication systems, if any, located in his Unit, whether or not any such items shall be located in the floors, ceilings or perimeter or interior walls of the Unit.

2.03 Real Estate Taxes. It is understood that real estate taxes are to be separately taxed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements as provided in the Act; provided, however, until such time as separate real estate tax bills are issued with respect to each Unit, the real estate taxes imposed on the Property shall be included in the Common Expenses assessed pursuant to this Declaration. Upon authorization by a two-thirds vote of the members of the Board, or by the affirmative vote of not less than a majority of Unit Owners at a meeting duly called for such purpose, the Board, acting on behalf of all Unit Owners, shall have the power to seek relief from or in connection with the assessment or levy of any such taxes, special assessments or charges, and to charge and collect all expenses incurred in connection therewith as Common Expenses.

ARTICLE III COMMON ELEMENTS

3.01 Description. The Common Elements shall consist of all portions of the Property, except the Units, and including the Limited Common Elements, unless otherwise expressly specified herein. The Common Elements include, without limitation and if applicable, any of the following items, if any, located at the Property: the walls, roof, hallways, stairways, entrances and exits, security systems, mechanical equipment areas, loading docks, roof deck or outdoor terraces, (unless specifically identified on **Exhibit B** as a Limited Common Element), bicycle storage rooms, storage areas, mail rooms, trash rooms, master television antenna system (whether leased or owned), fire escapes, pipes, ducts, flues, shafts, electrical wiring and conduits (except pipes, ducts, flues, shafts, electrical wiring and conduits situated entirely within a Unit and serving only such Unit), central water heating, central heating and ventilating systems servicing the Common Elements (but excluding those individual heating, cooling and ventilating systems or equipment situated entirely within a Unit and serving only such Unit), public utility lines, structural parts of the Building and all other portions of the Property except the individual Units. Structural columns located within the boundaries of a Unit shall be part of the Common Elements. Any references to "Common Elements" appearing on the Plat (except references to Limited Common Elements) shall be deemed solely for purposes of general

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information and shall not be limiting in any way, nor shall any such reference define the Common Elements in any way.

3.02 Ownership of Common Elements. Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, as set forth in Exhibit C attached hereto. The percentages of ownership interests set forth in Exhibit C have been computed and determined in accordance with the Act and shall remain constant and shall not be changed, except as specifically permitted under the Act or the Declaration without unanimous written consent of all Unit Owners and all mortgagees having bona fide liens of record against any of the Unit Ownerships. Said ownership interest in the Common Elements shall be an undivided interest, and the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with their respective percentages of ownership. The ownership of each Unit shall not be conveyed separate from the percentage of ownership in the Common Unit Elements corresponding to said Unit. The undivided percentage of ownership in the Common Elements corresponding to any Unit shall always be deemed conveyed or encumbered with any conveyance or encumbrance of that Unit, even though the legal description in the instrument conveying or encumbering said Unit may refer only to the fee title to that Unit.

3.03 Limited Common Elements. The Limited Common Elements are such parts of the Common Elements serving exclusively a single Unit or adjoining Units as an inseparable appurtenance thereto, as designated as such in this Declaration, including in the Plat, or which by the nature or location thereof, or by the terms of this Declaration, are clearly intended to be reserved for or for the use of one or more Units (but not all Units) to the exclusion of other Units. The Limited Common Elements appertaining to, or designated or reserved for or for the use of, or serving any Unit (alone or in conjunction with other Units) are hereinafter from time to time referred to as the Limited Common Elements of such Unit. The Limited Common Elements shall include, but shall not be limited to, the following: (a) the interior surface of the perimeter walls, ceilings and floors which define the boundary planes of a Unit; (b) perimeter doors and windows which serve exclusively a single Unit; (c) any system or component part thereof which serves a Unit exclusively, to the extent that such system or component part is located outside the boundaries of a Unit; and (d) Storage Spaces.

3.04 Use of Limited Common Elements. Each Unit Owner and Occupant shall have the right to (a) the exclusive use and possession of the Limited Common Elements serving exclusively the Unit of such Unit Owner, which right shall be appurtenant to and shall run with the title of such Unit, and shall not be separated from such Unit, and (b) the use and possession of the Limited Common Elements serving the Unit of such Unit Owner in common with one or more (but not all) other Units, which use and possession shall be to the exclusion of all other persons except the Unit Owner of any such other Unit to which such Limited Common Elements shall respectively appertain. The use of Limited Common Elements may be transferred between Unit Owners at their expense in accordance with the Act. Each such transfer shall be made by an Amendment to the Declaration executed by the Unit Owners, who are parties to the transfer, and by the Board.

3.05 Storage Space Limited Common Elements. The legal description of each Storage Space Limited Common Element shall consist of the identifying symbol of such Storage Space as shown on Exhibit B and as allocated to certain Units as set forth in Exhibit C. The owner of each such Unit shall have, as a right and benefit appurtenant to his ownership of each Unit, that certain Storage Space allocated to his Unit as set forth in Exhibit C for his perpetual and exclusive use for storage purposes. Each deed, lease, mortgage, or other instrument affecting such Unit shall include the perpetual and exclusive use of the specific Storage Space so allocated and appurtenant thereto. Any such deed, lease, mortgage or other instrument purporting to affect a Unit without also including reference to the Storage Space appurtenant thereto shall be deemed and taken to include the said Storage Space and the perpetual and exclusive use thereof even though not expressly mentioned or described therein.

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ARTICLE IV GENERAL PROVISIONS AS TO UNITS AND COMMON ELEMENTS

4.01 Submission of Property to the Act. The Property is hereby submitted to the provisions of the Condominium Property Act of the State of Illinois.

4.02 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage, lease or other instrument affecting title to his Unit Ownership without including therein both his interest in the Unit and his corresponding percentage of ownership in the Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, lease or other instrument purporting to affect the one without including also the other shall be deemed and taken to include the interest so omitted even though the latter is not expressly mentioned or described therein.

4.03 Easements

(a) **Encroachments.** In the event that (i) by reason of the construction, repair, settlement or shifting of the Building, any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements, or any other Unit; or (ii) by reason of the design or construction of any Unit, it shall be necessary or advantageous to a Unit Owner to use or occupy any portion of the Common Elements for any reasonable use appurtenant to said Unit, which will not unreasonably interfere with the use or enjoyment of the Common Elements by any other Unit Owner; or (iii) by reason of the design or construction of utility and ventilation system, any mains, pipes, or conduits serving more than one Unit encroach or shall hereafter encroach upon any part of any Unit; then in any such case, valid easements for maintenance of such encroachment and for such use of the Common Elements are hereby established and shall exist for the benefit of such Unit, or the Common Elements, as the case may be, so long as all or any part of the Building shall remain standing; provided, however, that in no event shall a valid easement for any encroachment or use of the Common Elements be created in favor of any Unit Owner if such encroachment or use is detrimental to or interferes with the reasonable use and enjoyment of the Property by any other Unit Owner or has been created by the Unit Owner or his agent through intentional, willful or negligent conduct.

(b) **Easements for Utilities and Commercial Entertainment.** The Illinois Bell Telephone Company (or its successor), Commonwealth Edison Company (or its successor), Northern Illinois Gas Company (or its successor), the Village of Oak Park, Illinois, the State of Illinois, and any and all other suppliers of utilities serving the Property or use to any Unit Owners or to the Property, are hereby granted the right to install, lay, construct, operate, maintain, renew, repair or replace, conduits, cables, pipes and wires and other equipment into, over, under, along and on any portion of the Common Elements for the purpose of providing the Property with utility and entertainment services, together with the reasonable right of ingress to and egress from the Property for said purpose. Easements are also hereby declared and granted to install, lay, operate, maintain, repair and replace any pipes, wires, ducts, conduits, public utility lines, entertainment lines, components of the communications systems, if any, or structural components, which may run through the walls of a Unit and which constitute or will constitute Common Elements, whether or not such walls lie in whole or in part within the Unit boundaries. Furthermore, easements are hereby granted to the suppliers of water to the Units to maintain and repair any meter located in a Unit, together with the reasonable right of ingress to and egress from the Unit for said purpose.

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(c) **Easement for Laying of Cable TV or Internet.** A majority of more than 50% of the Unit Owners at a meeting of Unit Owners duly called for such purpose may authorize the granting of an easement for the laying of cable television or high speed Internet cable. The grant of such easement shall be according to the applicable terms and conditions of the local ordinance providing for cable television or high speed Internet in the Village of Oak Park, Illinois.

(d) **Easements to Run with Land.** All easements and rights described herein are easements appurtenant, running with the land and, so long as the Property is subject to the provisions of this Declaration, shall remain in full force and effect, and shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any Unit Owner, purchaser, mortgagee and other person having an interest in the Property, or any part or portion thereof. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Article, or described in any other part of this Declaration, shall be sufficient to create and reserve such easements and rights to respective grantees, mortgagees and trustees of such Unit Ownerships as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

(e) **Easement to Protect Against Water Damage or Erosion.** A majority of more than 50% of the Unit Owners at a meeting of Unit Owners duly called for such purpose may authorize the granting of an easement to a governmental body for construction, maintenance or repair of a project for protection against water damage or erosion.

(f) **Recreational Areas.** The Recreational Area in the Building outside the respective Units shall be part of the Common Elements, and the Board shall have the right and authority to establish reasonable rules relating to the use thereof, provided that in no event shall such rules proscribe reasonable use of or access to such area and the facilities thereof by any Unit Owner. Further, the Board may, in its discretion, buy, lease, or otherwise possess equipment for installation in said Recreational Area from time to time.

4.04 Use of the Common Elements

(a) **General.** Subject to the provisions of this Declaration, each Unit Owner shall have the nonexclusive right to use the Common Elements (except the Limited Common Elements) in common with the other Unit Owners. As may be required for the purpose of ingress and egress to, and use, occupancy and enjoyment of, the respective Unit owned by such Unit Owner, and such other incidental uses as are permitted by this Declaration. Each Unit Owner shall have the right to the use and possession of the Limited Common Elements serving his Unit, in common with other Unit Owners, if any, having right thereto pursuant to this sentence and with all other parties to whom such rights extend pursuant to Section 3.04 of this Declaration, and to the exclusion of all other parties. Such rights to use and possess the Common Elements, including the Limited Common Elements, shall be subject to and be governed by the provision of the Act, this Declaration, and rules and regulations of the Association.

(b) **Disclaimer of Bailee Liability.** Notwithstanding anything to the contrary contained in this Declaration, neither the Board, the Association, any Unit Owner, the Declarant, nor the Developer shall be considered a bailee of any personal property stored in the Common Elements or in the Limited Common Elements and shall not be responsible for the security of such personal property or for any loss or damage therein, whether or not due to negligence.

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4.05 Maintenance, Repairs and Replacements.

(a) **The Association.** At its own expense, the Association shall be responsible for:

(i) All of the maintenance, repair, and replacement of those portions, if any, of each Unit which contribute to the support of the Building excluding, however, all exterior doors and the interior surfaces of walls, ceiling and floors. In addition, the Association shall maintain, repair, and replace all pipes, wires, conduits, ducts, flues, shafts, and other facilities for the furnishing of utility services which may be located within the Unit boundaries and forming part of any system servicing more than one Unit, as specified in Section 2.02 hereof, exclusive of any portions of the foregoing which may be located at or beyond the wall outlets, or which may be the responsibility of an individual Unit Owner under paragraph (b) below, or any other provision of this Declaration. Maintenance, repairs, and replacements of the Common Elements shall be furnished by the Association acting by and through the Board as part of the Common Expenses, subject to the By-Laws or rules and regulations of the Association.

(ii) All of the maintenance, repair, and replacements of the Limited Common Elements benefiting a Unit, in whole or in part, except to the extent as otherwise directed by the Board or as is otherwise provided herein, shall be performed by the Association. Each Unit Owner shall be individually responsible for the repair, maintenance and replacement of all door and window locks and hardware with respect to which each Unit Owner is entitled to the exclusive use. The cost of such maintenance repairs, and replacements of the Limited Common Elements shall be furnished by the Association acting by and through the Board as part of the Common Expenses, subject to the By-Laws or rules and regulations of the Association.

(b) In the event that any repair or replacement to the Common Elements (including Limited Common Elements) is made necessary by reason of any act or occurrence for which insurance is maintained by the Board pursuant to Section 5.08 hereof and for which insurance proceeds are available as provided in Section 8.01 hereof, the Association, at its expense to the extent of such proceeds, and subject to Section 4.08 hereof, shall be responsible for the repair or replacement of such Common Elements.

4.06 Additions, Alterations or Improvements

(a) The Board may authorize and charge as a Common Expense (or in the case of Limited Common Elements may charge the Unit Owners benefited thereby) the cost of the additions, alterations, or improvements to the Common Elements. The cost of any such work to the Common Elements may be paid out of a special assessment.

(b) Except as otherwise provided in Section 7.01(a) hereof, no additions, alterations or improvements shall be made by a Unit Owner to any part of the Common Elements and no additions, alterations or improvements shall be made by a Unit Owner to his Unit (where such work alters the structure of the Unit or increases the cost of insurance required to be carried by the Board hereunder) without the prior consent of the Board. If an addition, alteration or improvement is made by a Unit Owner without the prior consent of the Board, then the Board may, in its discretion, take any of the following actions:

(i) Require Unit Owner to remove the addition, alteration or improvement and restore the Property to its own original condition, all at the Unit Owner's expense; or

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(ii) If the Unit Owner refuses or fails to properly perform the work required under (i) above, the Board may cause such work to be done and may charge the Unit Owner for the cost thereof as determined by the Board; or

(iii) Ratify the action taken by the Unit Owner, and the Board may (but shall not be required to) condition such ratification upon the same conditions which it may impose upon the giving of its prior consent under this Section.

4.07 Street and Utilities Dedication. At a meeting called for such purpose, two-thirds (2/3) or more of the Unit Owners may elect to dedicate a portion of the Common Elements to a public body for use as, or in connection with, a street or utility.

4.08 Joint Facilities. To the extent that equipment, facilities and fixtures within any Unit shall be connected to similar equipment, facilities or fixtures affecting or serving other Units or the Common Elements, then the use thereof by the individual Unit Owner shall be in all respects reasonable as it affects the other Unit Owners. The authorized representatives of the Association of the Board, or of the manager or managing agent for the Building, shall be entitled to reasonable access to the individual Units as may be required in connection with maintenance, repairs, or replacements of or to the Common Elements or any equipment, facilities, or fixtures affecting or serving other Units or the Common Elements, or any Facilities.

ARTICLE V ADMINISTRATION

5.01 Administration of Property. The direction and administration of the Property shall be vested in the Board of Directors (herein sometimes referred to as the "Board") which shall consist of five (5) persons who shall be elected in the manner hereinafter set forth. Each member of the Board shall be one of the Unit Owners and shall reside on the Property; provided, however, that in the event a Unit Owner is a limited liability company, corporation, partnership, trust or other legal entity other than a natural person or persons, then any designated natural person agent of such company, corporation, partnership, or other legal entity, shall be eligible to serve as a member of the Board, so long as any such natural person resides on the Property.

5.02 Association. The Association has been formed prior to the recording hereof as a not-for-profit corporation under the General-Not-for-Profit Corporation Act of the State of Illinois and for the purposes and having the powers described in the Act, and having the name (or a name similar thereto) SOUTH MALL COURT CLUB CONDOMINIUMS HOMEOWNER'S ASSOCIATION and the Board of Directors of the Association shall be deemed to be the "Board of Managers" for the Unit Owners as referred to in the Act. The Association shall not be deemed to be conducting a business of any kind, and all funds received by the Association shall be held and applied by it for the use and benefit of Unit Owners in accordance with the provisions contained herein. Each Unit Owner shall be a member of the Association so long as s/he/it shall be a Unit Owner, and such membership shall automatically terminate when s/he/it ceases to be a Unit Owner, and upon the transfer of his/her/its ownership interest the transferee thereof shall likewise succeed to such membership in the Association.

5.03 Voting Rights.

(a) Except as otherwise provided in Section 5.03(b) herein, there shall be one (1) person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known (and hereinafter referred to) as a "Voting Member". Such Voting Member may be the Unit Owner or one of the group composed of all the owners of a Unit Ownership, or be some person designated by such Unit Owner or Unit Owners or his

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duly authorized attorney-in-fact to act as proxy on his or their behalf and who need not be a Unit Owner. Such designation shall be made in writing to the Board, shall be revocable at any time by actual notice to the Board. Any or all of such Unit Owners may be present at any meeting of the Voting Members and (those constituting a group acting as a single Voting Member) may vote or take any other action as a Voting Member either in person or by proxy. The total number of votes of all Voting Members shall be one hundred (100), and each Unit Owner or group of Unit Owners shall be entitled to the number of votes equal to the total of the percentage of ownership in the Common Elements applicable to his or their Unit Ownership as set forth in **Exhibit C**; provided that when thirty (30%) percent or fewer of the Units, by number, possess over fifty (50%) percent in the aggregate of the votes in the Association, any percentage vote of Unit Owners specified herein shall require the specified percentage by number of Units rather than by percentage of interest in the Common Elements allocated to limits that would otherwise be applicable.

(b) In the event the ownership of a Unit is composed of more than one Person, then if only one of the multiple owners of a Unit is present at a meeting of the Association, such owner shall be entitled to cast all of the votes allocated to that Unit. In the event more than one owner of a Unit is present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority of interest of the group of owners comprising the Unit Owner. Majority agreement shall be deemed to have occurred if any one of the multiple owners casts the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

(c) The Association may, upon adoption of the appropriate rules by the Board, conduct elections by secret ballot whereby the voting ballot is marked only with the percentage interest for the Unit and the vote itself, provided that the Board further adopts rules to verify the status of the Unit Owner issuing a proxy or casting a ballot. A candidate for election to the Board or such candidate's representative shall have the right to be present at the counting of ballots at such election.

(d) In the event of a resale of a Unit, the purchaser of a Unit from a seller other than the Developer pursuant to an installment contract for purchase shall during such times as he or she resides in the Unit be counted toward a quorum for purpose of election of members of the Board at any meeting of the Unit Owners called for purposes of electing members of the Board, shall have the right to vote for the election of members of the Board and to be elected to and serve on the Board unless the seller expressly retains in writing any or all of such rights. In no event may the seller and purchaser both be counted toward a quorum, be permitted to vote for a particular office or be elected and serve on the Board. Satisfactory evidence of the installment contract shall be made available to the Association or its agent.

5.04 Meetings.

(a) **Quorum.** Meetings of the Unit Owners shall be held at the Property or at such other place in Cook County, Illinois, as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the voting members having a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Unit Owners at which a quorum is present upon the affirmative vote of the Unit Owners having a majority of the total votes present at such meeting.

(b) **First Unit Owners Board and Annual Meeting.** The initial meeting of the Voting Members commenced on or about 1988. As such, reference to said event is omitted.

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Henceforth, there shall be an annual meeting of the Voting Members on the second Tuesday of December, and on the first Tuesday of June of each succeeding year thereafter.

(c) **Special Meetings.** Special meetings of the Voting Members may be called at any time for the purpose of considering matters which, by the terms of this Declaration, require the approval of all or some of the Voting Members, or for any other reasonable purpose provided, however, that the following matters shall require the approval of Voting Members having not less than two-thirds (2/3) of the total votes: (i) the merger or consolidation of the Association; (ii) the sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all of the property and assets of the Association; and (iii) the purchase or sale or lease of Units or other real estate on behalf of all Unit Owners. Special meetings may be called by written notice authorized by a majority of the Board, the President of the Board, or by twenty percent (20%) of the Unit Owners, and delivered not less than ten (10) days and no more than thirty (30) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered. Matters to be submitted to the Unit Owners at special membership meetings shall be submitted by the Board.

5.05 Notices of Meetings. Except as otherwise provided herein, notices of meetings of the Voting Members required to be given herein may be delivered either personally or by mail to the persons entitled to vote thereat, addressed to each such person at the address given by him to the Board for the purpose of service of such notices, or to the Unit of the Unit Owner with respect to which such voting right appertains, if no address has been given to the Board, provided that any such notice shall be delivered no less than ten (10) and no more than thirty (30) days prior to the date fixed for such meeting and shall state the time, place and purpose of such meeting.

5.06 Board of Directors.

(a) **Election and Terms.** The Board of Directors shall consist of five (5) directors who shall serve without compensation. In all elections for members of the Board, each Voting Member shall be entitled to vote on a non-cumulative voting basis and the five (5) persons receiving the highest number of votes shall be elected to a term of one (1) year. All members of the Board shall be elected at large. Upon the expiration of the terms of office, successors shall be elected for a term of one (1) year each. The Voting Members owning at least two-thirds (2/3) of the Units may from time to time at any annual or special meeting increase or decrease such number of Board members or change the term of office of Board members, provided such change does not increase a length of term beyond two (2) years. Vacancies on the Board, including vacancies due to any increase in the number of Board members on the Board, shall be filled by the Board by two-thirds (2/3) vote of the remaining members thereof until the next annual meeting of the Voting Members or for a period terminating no later than thirty (30) days following the filing of a petition signed by Voting Members holding twenty percent (20%) of the votes of the Association requesting a meeting of the Voting Members to fill the vacancy for the balance of the term. A meeting of the Voting Members shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the Voting Members filing of a petition signed holding twenty percent (20%) of the votes of the Association requesting such a meeting. Except as otherwise provided in this Declaration, the Property shall be managed by the Board and the Board shall act by majority vote of those present at its meetings when a quorum exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt; provided, however, that (i) each Unit Owner shall be entitled to notice in the same manner as provided in Section 5.05 hereof, of any meeting of the Board called for the purpose of considering the adoption of the proposed annual budget or any increase or establishment of an assessment; and (ii) the Board shall meet

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no less than four (4) times each year. A majority of the total number of members on the Board shall constitute a quorum. Any member of the Board may succeed him or herself.

(b) **Officers.** The Board shall elect from amongst its members (i) a President who shall preside over both its meeting and those of the Voting Members, and who shall be the chief executive officer of the Board and the Association and who shall be designated to mail and receive all notices and execute all amendments hereto as provided herein and in the Act; (ii) a Vice President who shall assist the President in the performance of his/her duties and shall perform the President's functions and duties in the event that the President is incapacitated or otherwise unable to serve in such capacity from time to time; (iii) a Secretary who shall keep the minutes of all meetings of the Board and of the Voting Members and who shall, in general, perform all other duties incident to the Office of the Secretary; (iv) a Treasurer to keep the financial records and books of account; and (v) such additional officers as the Board shall see fit to elect from amongst the members of the Board. The term of office for each officer shall be until the next succeeding annual meeting of the Board, and until his/her successor shall be duly elected or appointed and qualified pursuant hereto. Vacancies in any office shall be filled by the Board by a two-thirds (2/3) vote of the remaining members thereof at a special meeting of the Board. Any director elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds. Any officer may be removed for cause at any time by a vote of two-thirds (2/3) of the total membership of the Board at a special meeting hereof. Any officer may succeed himself.

(c) **Removal.** Any Board member may be removed from office by affirmative vote of the Voting Members having at least two-thirds (2/3) of the total votes, at any special meeting of the Unit Owners called for such purpose. A successor to fill the remainder of the removed-member's term may be elected by the Voting Members at the same meeting or any subsequent meeting called for such purpose.

(d) **Notice of Board Meetings.** (i) Written notice stating the place, date and hour of any meeting of the Board shall be delivered to each member of the Board not less than forty-eight (48) hours prior to the date of such meeting. The purpose for which the meeting is called shall be stated in the notice. (ii) Notice of every meeting of the Board shall also be posted in entranceways, elevators, or other conspicuous places in the condominium at least forty-eight (48) hours prior to the meeting of the Board except where there is no common entranceway for seven (7) or more units, the Board may designate one (1) or more locations in the proximity of these units where the notices of meetings shall be posted. Further, that notice of every meeting of the Board shall also be given at least forty-eight (48) hours prior to the meeting, or such longer notice as the Act may separately require, to each Unit Owner who has provided the Association with written authorization to conduct business by acceptable technological means (e.g. telephone), and to each other Unit Owner by mail or delivery to his/her/its Unit.

(e) All meetings of the Board, except as otherwise provided by the Act, shall be open to attendance by any Unit Owner, and notice thereof, except as otherwise provided herein, shall be mailed or delivered to each Unit Owner not less than forty-eight (48) hours prior thereto unless a written waiver of such notice is signed by such Unit Owner before the meeting is convened. Any vote on matters which may, under the Act, be discussed in a meeting not open to attendance by any Unit Owners, shall be taken at a meeting or portion thereof open to any Unit Owners. Any Unit Owner may record the proceedings at meetings or portions thereof required to be open under the Act by tape, film, or other means provided, however, that the Board may prescribe reasonable rules and regulations to be given the right to make such recordings. A copy of such notice of meeting required to be given hereunder shall be posted in a conspicuous place in the Building at least forty-eight (48) hours prior to the time fixed for such meeting.

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5.07 General Powers of the Board. The Board shall have the following general powers:

(a) The Board may engage the services of an agent, to manage the Property for which the Board is responsible pursuant to this Declaration, to the extent deemed advisable by the Board; provided, however, that any agreement for professional management, except as hereinafter provided, shall provide for termination for due cause by the Board of thirty (30) days written notice without payment for termination fee and shall have a term not to exceed three (3) years, renewable by agreement of the Board and such manager.

(b) The Board or its agents, upon reasonable notice, may enter any Unit when necessary in connection with any maintenance, repair, replacement or construction of the Common Elements or to make emergency repairs as may be necessary to prevent damage to the Common Elements or to any other Unit or Units.

(c) Except as otherwise provided in the Budget, the Board's powers hereinafter enumerated shall be limited in that the Board shall have no authority to acquire and pay for from the maintenance fund any capital additions to, or capital improvements to the Common Elements (other than for purposes of replacing or restoring portions of the Common Elements, subject to all the provisions of this Declaration), requiring an expenditure in excess of Ten Thousand and 00/100 Dollars (\$10,000.00) or enter into agreements not to be performed within two (2) years except those agreements specifically authorized in this Declaration, without in each case the prior written approval of Unit Owners owning at least two-thirds (2/3) of the Units. For the purpose of this subsection, capital additions and capital improvements shall include structural and non-structural additions and improvements. The Board may not enter into a contract with a current Board member or with a corporation or partnership in which a Board member or a Board member's immediate family has twenty-five percent (25%) or more interest, unless notice of intent to enter the contract is given to Unit Owners within twenty (20) days after a decision is made to enter into the contract and the Unit Owners are afforded an opportunity by filing a petition, signed by twenty percent (20%) of the Unit Owners, for an election to approve or disapprove the contract; such petition shall be filed within thirty (30) days after such notice and such election shall be held within thirty (30) days after filing the petition. For purposes of this subsection, a Board member's immediate family means the Board member's spouse, parents, and children.

(d) All arrangements, contracts, deeds, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President and counter-signed by the Treasurer of the Board.

(e) The Board shall have the power to exercise all other powers and duties of the Board of Directors of Unit Owners as a group referred to in the Declaration or the Act. More specifically, the Board shall exercise for the Association all powers, duties and authority vested therein by law or the condominium instruments except for such powers, duties and authority reserved thereby to the members of the Association. The powers and duties of the Board shall include, but shall not be limited to, the following matters:

(i) Operation, care, upkeep, maintenance, replacement and improvement of the Common Elements in a neat and orderly manner;

(ii) Preparation, adoption and distribution of the annual budget for the Property;

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- (iii) Levying of assessments;
- (iv) Collection of assessments from Unit Owners;
- (v) Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements;
- (vi) Obtaining adequate and appropriate kinds of insurance;
- (vii) Owning, conveying, encumbering, leasing and otherwise dealing with Units conveyed to or purchased by it;
- (viii) Adoption and amendment of rules and regulations covering the details of the operation and use of the Property, after a meeting of the Unit Owners called for the specific purpose of discussing the proposed rules and regulations, notice of which contains the full text of the proposed rules and regulations, however, no rules or regulations may impair any rights guaranteed by the First Amendment to the Constitution of the United States or Section 4 of Article I of the Illinois Constitution, nor may any rules or regulations conflict with the provisions of the Act or the condominium instruments;
- (ix) Keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property;
- (x) To have access to each Unit from time to time as may be necessary for the maintenance, repair or replacement of any Common Elements (to the extent the Association is responsible for such maintenance, repair or replacement) therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Elements or to other Unit or Units;
- (xi) Pay real property taxes, special assessments, and any other special taxes or charges of the State of Illinois or of any political subdivision thereof, or other lawful taxing or assessing body, which are authorized by law to be assessed and levied upon the real property of the Condominium;
- (xii) Impose charges for late payments of a Unit Owner's proportionate share of the Common Expenses, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levy reasonable fines for violation of this Declaration and rules and regulations of the Association. If any Unit Owner shall fail or refuse to make any payments of the Common Expenses when due, the amount thereof, together with any interest, late charges, reasonable attorneys' fees incurred prior to the initiation of any court action, and costs of collections or the amount of any unpaid fine shall constitute a lien on the interest of such Unit Owner prior to all other liens and encumbrances recorded or unrecorded, except only (a) taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of Illinois and other state and federal taxes which by law are a lien on the interest of such Unit Owner prior to preexisting recorded encumbrance thereon and (b) encumbrances on the interest of such Unit Owners recorded prior to the date of such failure or refusal which by law would be a lien thereon prior to subsequently recorded encumbrances;

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(xiii) Assign the Association's right to future income, including the right to receive Common Expenses;

(xiv) Record the dedication of a portion of the Common Elements to a public body for use as or in connection with a street or utility where authorized by the Unit Owners; and

(xv) Record the granting of an easement for the laying of cable television where applicable.

(f) The Board for the benefit of all the Unit Owners shall acquire and shall pay from the maintenance fund hereinafter provided for, the following:

(i) Operating expenses of the Common Elements, including water, electricity, gas and other necessary utility service for the Common Elements and (if not separately metered or charged) for the Units.

(ii) Services of any person or firm to act on behalf of the Unit Owners in connection with real estate taxes and special assessments on the Unit Ownerships, and in connection with any other matters where the respective interests of the Unit Owners are deemed by the Board to be similar and non-adverse to each other. The cost of such services shall be Common Expenses.

(iii) Painting, cleaning, outside window washing, tuck-pointing, maintenance, decorating, repair, and replacement of the Common Elements (but not including the interior surfaces of the Units and of the perimeter doors appurtenant thereto, and repair of windows which the Unit Owners shall paint, clean, decorate, maintain, and repair) and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper.

(iv) Any other materials, supplies, utilities, furniture, equipment, labor, services, maintenance, repairs or structural alterations which the Board is required to secure or pay for, pursuant to the terms of this Declaration and By-Laws or which in its opinion shall be necessary or proper for the maintenance and operation of the Property as a first-class condominium development or for the enforcement of the restrictions contained herein.

(v) Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the entire Property or any part thereof which may in the opinion of the Board constitute a lien against the Property or against the Common Elements, rather than merely against the interests therein of particular Unit Owners. Where one or more Unit Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be specifically assessed to said Unit Owners.

(vi) Maintenance and repair of any Unit if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Elements or any other portion of the Building, or if a Unit Owner of any Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Unit Owner, provided that the Board shall level a special assessment against such Unit Owner for the cost of said maintenance repair.

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(g) The Board shall have the powers to bid for any purchase of any Unit Ownership at a sale pursuant to a mortgage foreclosure, or a foreclosure of the lien for Common Expenses under the Act, or at a sale pursuant to an order of direction of a court, or other involuntary sale, upon the consent or approval of Unit Owners having not less than sixty-six and two-thirds percent (66.66%) of the total votes.

(h) The Association shall have no authority to forebear the payment of assessments by any Unit Owner.

(i) The Board shall have the power and duty to provide for the designation, hiring, and removal of employees and other personnel, including lawyers and accountants, to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and to delegate any such powers to the manager or managing agent (and any such employees or other personnel as may be employees of the managing agent).

(j) In the event the Board adopts a budget requiring assessment or any separate assessment which would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding one hundred fifteen percent (115%) of the sum of all regular and separate assessments payable during the preceding fiscal year, the Board, upon written petition by the Voting Members with twenty percent (20%) of the votes of the Association delivered to the Board within twenty-one (21) days of the Board action, shall call a meeting of the Voting Members within thirty (30) days of the date of filing of the petition to consider the budget or separate assessment. Unless a majority of the total votes of Voting Members present are cast at the meeting to reject the budget or separate assessment, the budget shall be deemed to be ratified. Any Common Expense not set forth in the budget or any increase in assessments over the amount adopted in the budget shall be separately assessed against all Unit Owners. Separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to Unit Owner approval. As used herein, "emergency" means an immediate danger to the structural integrity of the Common Elements or to the life, health, safety or property of the Unit Owners. Assessments for additions and alterations to the Common Elements or to Association-owned property not included in the adopted annual budget, shall be separately assessed and are subject to approval of two-thirds of the total votes of all Unit Owners. If the Board adopts separate assessments payable over more than one fiscal year, and the multi-year assessment is not for an emergency or mandated by law, the entire amount of the multi-year assessment shall be deemed considered and authorized in the first fiscal year in which the assessment is approved.

5.08 Insurance.

(a) The Board shall have the authority to and shall obtain insurance for the Property as follows:

(i) Physical damage insurance on the Property which includes the Common Elements, the Units and the Limited Common Elements, except as otherwise determined by the Board, subject to the following conditions:

(A) Such insurance shall be "bare wall" insurance with respect to the Units and may include, at the discretion of the Board, floors, ceilings and interior walls of the Units;

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(B) The Property shall be insured for an amount not less than one hundred percent (100%) of its full insurable replacement cost on a blanket basis;

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

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

(E) The insurance need not cover additions, alterations, improvements and betterments to the Units installed by Unit Owners, but if they are covered, any increased cost may be assessed by the Board against the Units affected.

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

(iii) Umbrella Liability insurance in excess of the required Comprehensive General Liability and Employer Liability policies in an amount deemed desirable by the Board, but in no event less than One Million Dollars (\$1,000,000.00) with respect to each occurrence. Such policy shall be no less than "following form" coverage of the primary liability policies.

(iv) Worker's Compensation and Employer Liability (minimum amount \$100,000.00) as necessary to comply with applicable laws, including Voluntary Compensation to cover employees not covered under the Illinois statute for benefits.

(v) Fidelity bond insuring the Association, the Board and the Unit Owners against loss of funds as a result of the fraudulent or dishonest acts of any person who controls or disburses funds of the Association, the Board and the Unit Owners for the maximum amount of coverage available to protect funds in the custody or control of the Association, plus the Reserves. The premium for such fidelity bond shall be a Common Expense. Such bond shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression. Such bond shall provide that it may not be canceled for nonpayment of any premiums or otherwise substantially modified without sixty (60) days prior written notice to all holders of first mortgages of record. All management companies that are responsible for the funds held or administered by the Association must be covered by a fidelity bond for the maximum amount of coverage available to protect those funds. The Association has standing to make a loss claim against the bond of the managing agent as a party covered under the bond.

(vi) Directors and Officers Liability insurance in such amounts as the Board shall determine to be reasonable. Such coverage shall extend to all contracts or other actions taken by the Board in their official capacity as directors and officers, but this coverage shall exclude

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actions for which the directors are not entitled to indemnification under the Not For Profit Act or otherwise contained in this Declaration.

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

The premiums for the above described insurance and bond, except as otherwise provided, shall be Common Expenses.

(b) All insurance provided shall be effected under valid and enforceable policies issued by insurance companies authorized and licensed to transact business in the State of Illinois and holding a current Policyholder's Alphabetic and Financial Size Category Rating of not less than A/IX according to Best's Insurance Reports or a substantially equivalent rating from a nationally-recognized insurance rating service. All such policies shall provide a minimum of thirty (30) days advance notice of modification or cancellation in writing to the insured thereunder unless such cancellation is for non-payment or premium in which case ten (10) days advance written notice shall be sufficient.

(c) All policies of insurance of the character described in clauses (i) and (ii) of Paragraph (a) of this Section (i) shall name as insured: the Board, as trustees for the Unit Owners, in the percentages established in Exhibit C to this Declaration; and shall also name as an assured the Insurance Trustee described in subparagraph 5.08(f)(ii), as the respective interests of all of such assureds may appear, (ii) shall be without contribution as respects other such policies of insurance carried individually by the Unit Owners whether such other insurance covers their respective Units and/or the additions and improvements made by such Unit Owners to their respective Unit; (iii) shall provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash settlement therefore, such option shall not be exercisable in the event the Unit Owners elect to sell the Property or remove the Property from the provisions of the Act; and (iv) shall contain an endorsement to the effect that such policy shall not be terminated for nonpayment of premiums without at least ten (10) days prior written notice to the mortgagee of each Unit (only in the event the insurer has been notified of the mortgagees). Policies of insurance of the character described in clause (i) of Paragraph (a) of this Section 5.08 may contain an endorsement extending coverage so as to include the payment of Common Expenses with respect to damaged Units during the period of reconstruction thereof. Notwithstanding the issuance of standard mortgage clause endorsements under the policies of insurance of the character described in clauses (i) and (ii) of Paragraph (a) of this Section 5.08, any losses under such policies shall be payable, and all insurance proceeds recovered thereunder shall be applied and disbursed, in accordance with the provisions of this Declaration and the Act.

(d) All policies of insurance of the character described in clauses (ii), (iii), (iv) and (v) of Paragraph (a) of this Section 5.08 shall name as assureds the Association, the Board, its managing agent, and other agents and employees of such Association, Board and managing agent and shall also provide coverage for each Unit Owner (but as to the insurance described in Section 5.08(a)(iii) hereof, only with respect to those portions of the Property not reserved for their exclusive use). In addition, all policies of insurance of the character described in clauses (i), (ii) and (iii) of Paragraph (a) of this Section 5.08 shall contain an endorsement or clause whereby the insurer waives any right of subrogation against the Association, its officers, members of the Board, the managing agent, their respective employees and agents, and the Unit Owners and Occupants.

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(e) The Association, for the benefit of the Unit Owners, shall pay the premiums and obtain a binder on the policies of insurance described in Paragraph (a) of this Section 5.08 at least thirty (30) days prior to the expiration date of the respective policies, and upon written request thereof, shall notify the mortgagee of each Unit of such payment within ten (10) days after the date on which payment is made.

(f) Loss, if any, under any policies of insurance of the character described in clauses (i) and (ii) in Paragraph (a) of this Section 5.08 shall be adjusted with the Board, and the insurance proceeds on account of any such loss shall be paid and applied as follows:

(i) The Board, as trustee of each of the Unit Owners in their respective percentages of ownership in the Common Elements as established in this Declaration, in the case of any one loss, of Fifty Thousand Dollars (\$50,000.00) or less in the aggregate, which insurance proceeds, less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, shall be applied to the payment of the cost of restoring the Property to substantially the same condition as it existed immediately prior to such damage or destruction, with each Unit and the Common Elements having the same vertical and horizontal boundaries as before, free from vendor's mechanic's, materialman's, and other similar liens; or

(ii) In the case of any one loss exceeding Fifty Thousand Dollars (\$50,000.00) in the aggregate, then the insurance proceeds shall be paid by AVENUE BANK & TRUST COMPANY OF CAK PARK (or its successor or a bank or trust company selected by the Board authorized to do business in Illinois and having a capital of not less than \$5,000,000.00), which is hereby designated to act as trustee for the Board (the "Insurance Trustee") pursuant to the Act for the purpose of collecting and disbursing the insurance proceeds described in this subparagraph (ii). If such entity (or its successor appointed pursuant hereto) shall fail or cease for any reason to act as the Insurance Trustee, then the Board shall pursuant to the Act, appoint as successor Insurance Trustee a corporation qualified to accept and execute trusts in the State of Illinois and having a capital of not less than Five Million Dollars (\$5,000,000.00). Such proceeds, less the actual cost, fees, and expenses, if any, incurred in connection with the adjustment of the loss, and the fees of the Insurance Trustee, shall be applied by the Insurance Trustee to the payment of the cost of restoring the Property to substantially the same condition as it existed immediately prior to such damage or destruction, with each Unit and the Common Elements having the same vertical and horizontal boundaries as before. Such proceeds shall be paid by the Insurance Trustee to or for the account of the Association, from time to time as work progresses, in such manner as shall be required to facilitate the restoration of the Property in accordance with provisions of the Act. The Association and the Insurance Trustee may, prior or subsequent to any such loss, enter into an insurance trust agreement further implementing the provisions of the Act and this Declaration with respect to the collection and disbursement of proceeds of insurance by the Insurance Trustee.

(g) Each Unit Owner shall be responsible for and shall obtain (i) physical damage insurance on the personal property in his Unit and elsewhere on the Property, and any additions, alterations and improvements to his Unit (whether installed by such Unit Owner or any prior Unit Owner or whether originally in his Unit); (ii) his personal liability to the extent not covered by the policies of liability insurance obtained by the Board for the benefit of all of the Unit Owners as above provided; and (iii) his additional living expense. All policies of casualty insurance carried by each Unit Owner shall be without contribution with respect to the policies of casualty insurance obtained by the Board for the benefit of all of the Unit Owners

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as above provided. For the purposes of Section 5.08(g) and 5.08(h) hereof, "additions, alterations and improvements" shall mean any property (excluding personal property readily removable without damage to the Unit) attached to the Unit, including without limitation carpeting, flooring, wall covering, paint and paneling.

(h) The Board shall not be responsible for obtaining physical damage insurance on any additions, alterations and improvements to a Unit or any personal property of a Unit Owner or any other insurance for which a Unit Owner is responsible pursuant to Section 5.08(g) hereof.

(i) Each Unit Owner hereby waives and releases any and all claims which he may have against any other Unit Owner, the Association, its officers, members of the Board, Declarant, Developer, the manager and managing agent of the Property, if any, and their respective employees and agents, for any damage to the Common Elements, the Units, or to any personal property located in the Unit or Common Elements caused by fire or other casualty to the extent that such damage is covered by fire or other form of casualty insurance or would be covered by insurance for which such Unit Owner is responsible pursuant to Section 5.08(g) hereof.

(j) The Board shall have the right to select substantial deductibles to the insurance coverages required or permitted under this Section 5.08 if the economic savings justifies the additional risk and if permitted by law. The deductibles shall be on a per occurrence basis irrespective of the number of insureds suffering injury or damage. Expenses included within the deductible amount arising from insurable loss or damage shall be treated as Common Expenses. However, the Board may, in the case of a claim for damage to a Unit or the Common Elements (i) pay the deductible amount as a Common Expense, (ii) after notice and an opportunity for a hearing, assess the deductible amount against the Unit Owner(s) who caused the damage or from whose Unit(s) the damage or cause of loss originated, or (iii) require the Unit Owner(s) of the Unit(s) affected to pay the deductible amount.

5.09 Liability of the Board of Directors. Neither the members of the Board nor the officers of the Association shall be liable to the Unit Owners for any mistake of judgment or for any other acts or omissions made in good faith as such Board members, or acting as the Board. The Unit Owners shall indemnify and hold harmless each of the members of the Board and each of the officers of the Association against all contractual and other liabilities to others arising out of contracts made by or other acts of the Board and officers of the Association on behalf of the Unit Owners or arising out of their status as Board members or officers unless any such contract or act shall have been made fraudulently or with gross negligence or contrary to the provisions of this Declaration. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid or received in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative, or other, in which any member of the Board or officers of the Association may be involved by virtue of such persons being or having been such member or officer; provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or actual fraud in the performance of his duties as such member or officer, or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such persons being adjudged liable for gross negligence or actual fraud in the performance of his duties as such member or officer. It is also intended that the liability of any Unit Owner arising out of any contract made by or other acts of the Board or officers of the Association, or out of the aforesaid indemnity in favor of the members of the Board and officers of the Association, shall be limited to such proportion of the total liability hereunder as his percentage of interest in the Common Elements bears to the total percentage interest

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of all the Unit Owners in the Common Elements. Every agreement made by the Board on behalf of the Unit Owners shall be deemed to provide that the members of the Board are acting only as agents for the Unit Owners, and shall have no personal liability thereunder (except as Unit Owners) and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Elements bears to the total percentage interest of all Unit Owners in the Common Elements.

5.10 Resale of Units. In the event of a resale (*i.e.* any sale made after the initial sale) of any Unit by a Unit Owner, and within thirty (30) days after the written request by such Unit Owner, the Board shall deliver a copy of each of the documents and make the disclosures described in and required by Section 22.1 of the Act. The Board shall be allowed to charge a reasonable fee, not to exceed the maximum amount prescribed by the Act, for providing such information.

ARTICLE VI COMMON EXPENSES-MAINTENANCE FUND

6.01 Preparation of Estimated Budget. On or before December 7 of each year following the initial meeting of the Voting Members to elect the First Unit Owners Board, the Board shall estimate the total amount necessary to pay the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for adequate reserves, including, without limitations, amounts to maintain a Capital Reserve, as hereinafter defined in Section 6.02 hereof, and within eight (8) days thereafter, notify each Unit Owner in writing as to the amount of such estimate, with reasonable itemization thereof, including those portions intended for capital expenditures or repairs or payment of real estate taxes and containing each Unit Owner's respective assessment provided, however, that such annual budget shall be furnished to each Unit Owner by December 15. Said "estimated cash requirement" shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit C attached hereto. On or before January 1 of the ensuing year, and the first day of each and every month of said year, each Unit Owner jointly and severally, shall be personally liable for and obligated to pay to the Board or as it may direct, one-twelfth (1/12) of the assessments made pursuant to this paragraph. On or before April 1 of each calendar year following the initial meeting of the Voting Members to elect the First Unit Owners Board, the Board shall supply to all Unit Owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with an indication of which portions were for reserves, capital expenditures or repairs or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the budget or assessment, and showing the net amount over or short of the actual expenditures plus reserves. Such accounting shall upon the written request of any Unit Owner be prepared by a certified public accountant, in which event such accounting shall be due as soon as reasonably possible after such request. Any net shortage or excess shall be applied as an adjustment to the installments due under the current year's estimate in provisions of Section 6.02 hereof. For purposes of the Declaration and the management and operation of the Property, the calendar year shall be deemed to be the fiscal year of the Association.

6.02 Capital Reserve; Supplemental Budget. The Association shall segregate and maintain a special reserve account to be used solely for making capital expenditures in connection with the Common Elements (the "Capital Reserve"). The Board shall determine the appropriate level of the Capital Reserve by taking the following into consideration: (i) the repair and replacement cost, and the estimated useful life of the property which the association is obligated to maintain, including but not limited to structural and mechanical components, surfaces of the Building and common elements, and energy systems and equipment; (ii) the current and anticipated return on investment of Association funds; (iii) any independent professional reserve study which the Association may obtain; (iv) the financial impact on Unit Owners, and the market value of the Units, of any assessment

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increase needed to fund reserves; and (v) the ability of the Association to obtain financing or refinancing. Each budget shall disclose that percentage of the annual assessment which shall be added to the Capital Reserve and each Unit Owner shall be deemed to make a capital contribution to the Association equal to such percentage multiplied by each installment of the annual assessment paid by such Unit Owner. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year shall be charged first against such portions of any contingency reserve or Capital Reserve, as applicable, which remains unallocated. If the estimated Common Expenses contained in the budget prove inadequate for any reason or in the event a nonrecurring Common Expense is anticipated for any year, then the Board may prepare and approve a supplemental budget covering the estimated deficiency or nonrecurring expense for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a special or separate assessment shall be made to each Unit Owner for his proportionate share of such supplemental budget, subject to the provisions of Section 5.07 hereof. All Unit Owners shall be personally liable for and obligated to pay their respective adjusted monthly amount.

6.03 Initial Budget or Interim Budget. The initial Board appointed by the Developer shall determine and adopt, prior to the conveyance of the first Unit hereunder, the "estimated cash requirement" for the initial period commencing thirty (30) days after the first election of the Board and ending on December 31 of the calendar year in which the election occurs, and shall continue to determine the "estimated cash requirement" for each succeeding calendar year until such time as the First Unit Owners Board is elected hereunder and takes office and which may include such sums as collected from time to time at the closing of the sale of each Unit. The Developer appointed Board may determine, within such twelve month period that the estimated cash requirement should be adjusted based on any change in circumstances regarding the Property or the Association. In such event, Assessments will be recalculated based on the revised budget and Unit Owners will be charged the revised Assessments thereafter. Assessments shall be levied against the Unit Owners during said periods as provided in Section 6.01 of this Article.

6.04 Failure to Prepare Annual Budget. The failure or delay of the Board to prepare or serve the annual or adjusted estimate on the Unit Owners shall not constitute a waiver or release in any manner of any such Unit 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 Unit Owner shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the monthly maintenance program which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

6.05 Records of the Association. The managing agent or Board shall maintain the following records of the Association available for examination and copying at convenient hours of weekdays by the Unit Owners, prospective Owner and any lender, insurer or guarantor of any lender and any governmental or quasi-governmental agency or corporation which is involved, directly or indirectly, in the borrowing of funds secured by mortgages or other liens on a Unit or their mortgagees and their duly authorized agent or attorneys:

(a) Copies of this Declaration and any amendments, Articles of Incorporation of the Association, annual reports and any rules and regulations adopted by the Association or its Board shall be available. Prior to the organization of the Association, the Developer shall maintain and make available the records set forth in this subsection (a) for examination and copying.

(b) Detailed accurate records in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and

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repair expenses of the Common Elements and any other expense incurred, and copies of all contracts, leases, or other agreements entered into by the Association shall be maintained.

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

(d) Ballots and proxies relating thereto for all elections to the Board and for any other matters voted on by the Unit Owners shall be maintained for a period not less than one (1) year.

(e) Such other Records of the Association 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, as amended, shall be maintained.

(f) With respect to Units owned by a land trust if a trustee designates, in writing, a person to cast votes on behalf of the Unit Owner, that designation shall remain in effect until a subsequent document is filed with the Association.

(g) A reasonable fee may be charged by the Association or its Board for the actual cost of copying.

(h) Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.

When a request for records is made in writing to the Board or its agent, failure to provide the requested record or to respond within thirty (30) days shall be deemed a denial by the Board.

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 Unit Owners and for such adjustments as may be required to reflect delinquent or prepared assessments or user charges) shall be deemed to be held for the benefit, use and account of all the Unit Owners in the percentages forth in **Exhibit C**.

6.07 Non-use and Abandonment. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his or their Units.

6.08 Use of Accountants. The Board shall cause to be prepared, annually, a fiscal year-end audited financial statement of the Association prepared by an independent, licensed certified public accountant.

ARTICLE VII COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

7.01 The occupancy and use of the Units and the Common Elements shall be subject to the following restrictions:

(a) Each Unit (or any two or more adjoining Units together) shall be used for residential purposes only. That part of the Common Elements separating any two or more adjoining Units which are owned by the same Unit Owner may be altered or removed to afford

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ingress and egress to and from adjoining Units; provided, however, that (i) such alteration or removal shall not impair or weaken the structural integrity of any Unit or any portion of the Common Elements; (ii) the Unit Owner shall furnish to the Board, prior to the date the Unit Owner desires to commence such work, all plans detailing the work to be done; (iii) the Board consents to the performance of such work and a Certificate of Insurance naming the Board as an additional insured for any liability; (iv) the expense of such alterations shall be paid in full by the Unit Owner making such alterations; (v) such Unit Owner shall pay in full the expense of restoring such Common Elements to their former condition prior to such alterations in the event such Units cease to be used together; and (vi) upon written request of the Unit Owner, the new Unit may be granted the exclusive right to use, as a Limited Common Element, a portion of the Common Elements provided, however, that the foregoing subsections (ii), (iii) and (vi) shall not apply to the Developer or to the Declarant.

(b) There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements (except in areas designated for such purpose, and except in areas which are Limited Common Elements serving exclusively the Unit of the Unit Owner obstructing same) without the prior consent of the Board or except as hereinafter expressly provided. Each Unit Owner shall be obligated to maintain and keep in good order and repair his Own Unit.

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

(d) Nothing shall be altered or constructed in or removed from the Common Elements, which will impair the sprinkler system of the Building, if any.

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

(f) No Unit Owner shall cause or permit anything to be placed on the outside walls of the Building and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior consent of the Board. Each Unit Owner shall install and maintain in his Unit floor coverings approved by the Board.

(g) No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the Property except at such location and in such form as shall be determined by the Board. The right is reserved by the Developer, or its agents, to maintain on the Property until the close of the sale of the last Unit all models, sales offices and advertising signs or banners, if any, and lighting in connection therewith together with the right of ingress and egress therefor through the Common Elements.

ARTICLE VIII DAMAGE, DESTRUCTION, CONDEMNATION AND RESTORATION OF BUILDING

8.01 **Sufficient Insurance.** In the event the improvements forming a part of the Property, or any portion thereof, including any Units, shall suffer damage or destruction from any cause and the

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proceeds of any policy or policies insuring against such loss or damage and payable by reason thereof, plus Capital Reserves, shall be sufficient to pay the cost of repair or restoration or reconstruction, then such repair, restoration or reconstruction shall be undertaken and the insurance proceeds and, if necessary, the Capital Reserve shall be applied by the Board or the payee of such insurance proceeds in payment therefore; provided, however, that in the event within one hundred eighty (180) days after said damage or destruction, the Unit Owners shall elect either to sell the Property as hereinafter provided in Article IX hereof or to withdraw the property from the provisions of this Declaration, and from the provisions of the Act as therein provided, then such repair, restoration, or reconstruction shall not be undertaken. In the event such repair, restoration, or reconstruction is not undertaken the net proceeds of insurance policies shall be divided by the Board or the payee of such insurance proceeds among all Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in **Exhibit C**. After first paying from the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

8.02 Insufficient Insurance.

(a) If the insurance proceeds and the Capital Reserve are insufficient to reconstruct the Building and the Unit Owners and all other parties in interest do not voluntarily make provision for reconstruction of the Building within one-hundred eighty (180) days from the date of damage or destruction, then the provisions of the Act shall apply.

(b) In the case of damage or other destruction in which fewer than one-half (1/2) of the Units are rendered uninhabitable, upon the affirmative vote of sixty-six percent (66%) of the Unit Owners voting at a meeting called for the purpose, the Building or other portion of the Property shall be reconstructed. The meeting shall be held within thirty (30) days following the final adjustment of insurance claims, if any, otherwise, such meeting shall be held within ninety (90) days of the occurrence of the damage or other destruction. At such meeting the Board or its representatives, shall present to the members present, an estimate of the cost of repair or reconstruction, and the estimated amount of necessary assessments against each Unit Owner.

(c) In the case of damage or other destruction, upon the unanimous affirmative vote of the Unit Owners voting at a meeting called for that purpose, any portion of the Property affected by such damage or destruction may be withdrawn from the Act. Upon the withdrawal of any Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board. The payment of just compensation, or the allocation of any insurance or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest. Any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage interest therein. Any proceeds available from the withdrawal of any Limited Common Elements will be distributed in accordance with the interest of those entitled to their use. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof by the Unit Owner shall cease.

8.03 Eminent Domain. In the event any portion of the Property is taken by condemnation or eminent domain proceedings, provision for withdrawal of the portions so taken from the provisions of the Act may be made by the Board. Upon the withdrawal of any Unit or portion thereof due to eminent domain, the percentage of the interest in the Common Elements appurtenant to such Unit or

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portion so withdrawn shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board. The allocation of any condemnation award or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements shall be allocated on the basis of each Unit Owner's percentage interest therein. Proceeds available from the withdrawal of any Limited Common Element will be distributed in accordance with the interests of those entitled to their use. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof by the Unit Owner shall cease. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for the acquisition of the Common Elements or any part thereof. In the event of the total taking of the Property by eminent domain, the condemnation award available in that connection shall be divided by the Association among all Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit C, after first paying from the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

8.04 Repair, Restoration or Reconstruction of the Improvements. As used in this Article, "repair, restoration or reconstruction" of improvements means restoring the improvements to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and Common Element having the same vertical and horizontal boundaries as before, unless, if allowed by the Act, other action is approved by holders of first mortgages on Units which have more than fifty percent (50%) of the votes in the Association. Any repair, restoration or reconstruction shall be in accordance with law, this Declaration, and the Act.

ARTICLE IX SALE OF THE PROPERTY

9.01 Sale of the Property. At a meeting duly called for such purpose and attended by all Unit Owners, the Unit Owners by affirmative vote of seventy-five (75%) of the Unit Owners, may elect to sell the Property as a whole. Such action shall be binding upon all Unit Owners and it shall thereupon become the duty of every Unit Owner to execute and deliver such instruments and to perform all acts as in manner and form may be necessary to effect such sale, provided, however, that any Unit Owner who did not vote in favor of such action and who has filed written objection thereto with the manager or Board within 20 days after the date of the meeting at which such sale was approved shall be entitled to receive from the proceeds of such sale an amount equivalent to the greater of: (i) the value of his or her interest, as determined by a fair appraisal, less the amount of any unpaid assessments or charges due and owing from such unit owner or (ii) the outstanding balance of any bona fide debt secured by the objecting unit owner's interest which was incurred by such unit owner in connection with the acquisition or refinance of the unit owner's interest, less the amount of any unpaid assessments or charges due and owing from such unit owner. The objecting unit owner is also entitled to receive from the proceeds of a sale under this Section reimbursement for reasonable relocation costs, determined in the same manner as under the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended from time to time, and as implemented by regulations promulgated under that Act.

ARTICLE X REMEDIES

10.01 Violations. Upon the occurrence of any one or more of the following events, the Board shall have the rights and remedies set forth in Section 10.02 of this Declaration:

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(a) Failure by a Unit Owner to pay when due any sums required to be paid by such Unit Owner pursuant to any provisions of this Declaration, for thirty (30) days after written notice of such non-payment shall have been given such Unit Owner.

(b) Violation or breach by a Unit Owner, his tenant, invitee or guest of any provision, covenant or restriction or regulation of the Act, Declaration, the By-laws, contractual obligation to the Board or Association undertaken by such Unit Owner, or rules and regulations promulgated by the Board, and continuation of such violation or breach for thirty (30) days after written notice thereof shall have been given such Unit Owner.

10.02 Remedies. Upon the occurrence of any one or more of the events described in Section 10.01, the Board shall have the following rights and remedies:

(a) **Immediate Possession.** The Board shall have the right to immediate possession of the defaulting Unit Owner's Unit after service by the Board on such Unit Owner, in the manner set forth in Section 14.03 hereof, of a notice to quit and deliver up possession which right may be enforced by an action for possession under "An Act in Regard to Forcible Entry and Detainer," approved February 16, 1874, as amended; and

(b) **Foreclose a Lien.** The Board shall have the right to maintain a suit to foreclose the lien therefor as hereinafter provided; and there shall be added to the amount due, the costs of said suit, including reasonable attorneys' fees, and other fees and expenses together with legal interest to be fixed by the Court or statute. To the extent permitted, the amount of any delinquent and unpaid charges or assessments, and interests, costs and fees as aforementioned shall be and become a lien or charge against the Unit Owner or the Owner involved when payable and may be foreclosed by action brought in the name of the Board as in the case of foreclosure of liens against real estate. Said lien shall take effect and be in force when and as provided in the Act; provided, however, that encumbrances owned or held by any bank, insurance company, savings and loan association, real estate investment trust or other institutional lender shall be subject as to priority (after written notice to said encumbrancer of unpaid common expenses) only to the lien of all common expenses on said encumbered Unit Owner which became due and payable subsequent to the date said encumbrancer either (i) takes possession of the Unit, (ii) accepts conveyance of any interest in the Unit Ownership to the extent of the interest so conveyed, or (iii) has a receiver appointed in a suit to foreclose his lien. Any encumbrancer may from time to time request in writing written statement from the Board setting forth the un-paid common expenses with respect to the Unit Ownership covered by such encumbrance and unless the request shall be complied with within twenty (20) days, all unpaid common expenses which become due prior to the date of the making of such request shall be subordinate to the lien of such encumbrance.

(c) Upon the occurrence of one of the events described in Section 10.01(a) hereof, including without limitation, failure by a Unit Owner to pay his percentage share of Common Expenses, the Board shall have a lien on the interest of the defaulting Unit Owner in his Unit Ownership in the amount of any sums due from such Unit Owner; provided, however, that such lien shall be subordinate to the lien of a prior recorded mortgage on the interest of such Unit Owner. Except as hereinafter provided, the lien provided for in this Section 10.02(c) shall not be affected by any transfer of title to the Unit Ownership. Where title to the Unit Ownership is transferred pursuant to a decree of foreclosure or by deed or assignment in lieu of foreclosure such transfer of title shall, to the extent permitted by law, extinguish the lien described in this Section 10.02(c) for any sums which became due prior to (i) the date of the transfer of title or (ii) the date on which the transferee comes into possession of the Unit, whichever occurs first. However, the transferee of a Unit Ownership shall be liable for his

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share of any sums with respect to which a lien against this Unit Ownership has been extinguished pursuant to the preceding sentence which are reallocated among the Unit Owners pursuant to a subsequently adopted annual revised or special assessment, and non-payment thereof by such transferee shall result in a lien against the transferee's Unit Ownership as provided in this Section 10.02(c).

(d) **Abate and Remove.** For a violation or breach described in Section 10.01(b) hereof, the Board shall have the right: (i) to enter upon that part of the Property where such violation or breach exists and summarily abate and remove or do whatever else may be necessary to correct at the expense of the defaulting Unit Owner, any such violation or breach or the cause of such violation or breach, and the Declarant, or Developer, or their successors or assigns, or the Board, or its agents, shall not thereby be deemed guilty in any manner of trespass; or (ii) to enjoin, abate, or remedy by a proceeding at law or in equity the continuance of any such violation or breach.

(e) **Involuntary Sale.** Following thirty (30) day notice, the Board shall have the power to terminate the right of said defaulting Unit Owner to continue as a Unit Owner and to continue to occupy, use, or control his Unit and thereupon an action may be filed by the Board against the defaulting Unit Owner for a decree declaring the termination of the defaulting Unit Owner's right to occupy, use or control the Unit owned by him and ordering that all the right, title and interest of said defaulting Unit Owner in the Property shall be sold at a judicial sale, upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the defaulting Unit Owner from reacquiring his interest in the Unit Ownership at such judicial sale. It shall be a condition of any such sale, and the decree shall so provide that purchaser shall take the interest in the Unit Ownership sold subject to this Declaration. The proceed of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees, and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting Unit Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments or other sums due hereunder or any liens shall be paid to the defaulting Unit Owner. Upon the confirmation of such sale, the purchaser at such sale shall be entitled to a deed to the Unit Ownership and to immediate possession of the Unit sold and may apply to the court for an order for possession for the purpose of acquiring such possession.

(f) In addition to or in conjunction with the remedies set forth above, the Board or its agents shall have the right to bring an action at law or in equity against the Unit Owner or occupant of the Unit as permitted by law including, without limitation, an action (i) to foreclose a lien against the Unit Ownership, (ii) for damages, injunctive relief, or specific performance, (iii) for judgment or for the payment of money and the collection thereof and for a possession order, (iv) for any combination of the remedies set forth in this Article and (v) for any other relief which the Board or court may deem necessary or appropriate. Any and all rights and remedies provided for in the act, this Declaration, the By-laws, contractual obligation to the Board or Association undertaken by such Unit Owner, or rules and regulations promulgated by the Board may be exercised at any time and from time to time cumulatively or otherwise by the Board in its discretion. The failure of the Board to exercise any such rights or remedies to enforce any provisions of this Declaration, the By-laws or rules and regulations of the Board shall in no event be deemed a waiver of the right to do so thereafter.

(g) All expenses incurred by the Board in connection with any actions, proceedings or self-help in connection with the exercise of its rights and remedies under this Article, including without limitation court costs, reasonable attorneys' fees and all other fees and expenses, and all damages, together with interest thereon at the rate of eight percent (8%), or such lesser rate charged by law if such 8% be held to be in excess of the maximum legal rate

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allowable by law, per annum shall be charged to and assessed against the defaulting Unit Owner, and shall be added to and deemed part of his respective share of the Common Expenses, and the Board shall have a lien for all of the same upon the Unit Ownership of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all his personal property in his Unit or located elsewhere on the Property.

ARTICLE XI RESERVED

ARTICLE XII RESTRICTIONS ON ALIENATION

12.01 Right of First Refusal. Any Unit Owner may sell, transfer, assign or otherwise convey or alienate the legal and/or equitable title to such Owner's Unit without being subject to any first refusal rights or options of or other intervention by the Association, provided that the Association is given not less than fifteen (15) days prior written notice of such conveyance or alienation. Any Unit Owner may lease or otherwise permit occupancy of such Unit Owner's Unit without being subject to any first refusal rights or options of or other intervention by the association, provided that any such lease or permission (i) is in writing, and (ii) conforms with all of the other terms and conditions of the Declaration.

12.02 Default on Payment of Unit Mortgage Payments. In the event any Unit Owner shall default in the payment of any monies required to be paid under the provisions of any mortgage or trust deed against his Unit, the Association shall have the right to cure such default by paying the amount so owing to the party entitled thereat and shall thereupon have a lien therefore against such Unit, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Act with respect to liens for failure to pay a share of the common expenses.

12.03 Purchase By Association.

(a) The Association may purchase the legal and/or equitable interest in any Unit pursuant to any contract with such Unit Owner, provided that such contract is approved by the written approval of the Voting Members having 66 and 2/3 percent (66.66%) of the total vote.

(b) Acquisition of Unit Ownerships or any interest therein under the provisions of this Article shall be made from the maintenance fund. If said fund is insufficient, the Board shall levy an assessment against each Owner in the ratio that his percentage of ownership in the Common Elements as set forth in Exhibit C bears to the total of all such percentages applicable to Unit Ownership subject to said assessment, which assessment shall become a lien and be enforceable in the same manner and provided in Section 9 of the Act.

(c) The members of the Board, in their discretion, may borrow money to finance the acquisition of any Unit Ownership or interest therein authorized by this Article; provided, however, that no financing may be secured by encumbrance or hypothecation of any portion of the Property other than the Unit Ownership or interest therein to be acquired.

(d) Unit Ownerships or interest therein acquired pursuant to the terms of this Article shall be held of record in the name of the members of the Board and their successors in office, or such nominee as they shall designate, for the benefit of all the Owners. Said Unit Ownership or interests therein shall be sold or leased by the members of the Board in such manner as the Board shall determine. All proceeds of such sale and/or leasing shall be

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deposited in the maintenance fund and credited to each Owner in the same proportion in which the Board could levy a special assessment under the terms of Paragraph 13.05(b).

ARTICLE XIII RIGHT OF FIRST REFUSAL

13.01 No Right of First Refusal. The Association shall have no right of first refusal under this Declaration if a Unit Owner wishes to sell or transfer its Unit to another purchaser at a price and on terms acceptable to the Unit Owner.

ARTICLE XIV GENERAL PROVISIONS

14.01 Certain Rights of the Declarant and Developer. Until the time established by the Declaration for the election of the First Unit Owners Board by the Unit Owners, the rights, titles, powers, privileges, trust, duties and obligations vested in or imposed upon the Board in the Act and in this Declaration shall be held and performed by the Declarant and/or Developer. If the First Unit Owners Board shall not be elected by the Unit Owners at the time established by the Declaration, the Declarant and/or Developer shall continue in the aforesaid office for a period of thirty (30) days after written notice of its resignation is sent to all of the Unit Owners entitled to vote at such election. In exercising such rights and the other rights reserved by the Declarant and/or Developer pursuant to this Declaration, the Declarant and/or Developer shall not be under any disability which would otherwise be imposed by law by reason of the Declarant's and/or Developer's interest in the subject matter of any transaction provided, however, that any transaction shall have been entered into in good faith.

14.02 Notice to Mortgagees. Upon written request to the Board, the holder of any duly recorded mortgage or trust deed against any Unit Ownership shall be given a copy of any and all notices permitted or required by this Declaration to be given to the Unit Owner whose Unit Ownership is subject to such mortgage or trust deed.

14.03 Manner of Giving Notices. Notices provided for in this Declaration and in the Act shall be in writing and shall be addressed to the Board or Association, or any Unit Owner, as the case may be, at the Unit address of any member of the Board or any Unit Owner, as the case may be, or at such other address as herein provided. Any Unit Owner may designate a different address or addresses for notices to him by giving written notice of his change of address to the Board or Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail or when delivered in person with written acknowledgment of the receipt thereof, or, if addressed to a Unit Owner, when deposited in his mailbox at such address as he may have designated pursuant hereto or, if he has not so designated, in the Building or at the door of his Unit in the Building.

14.04 Notices of Estate or Representatives. Notices required to be given any devisee, heir or personal representative of a deceased Unit Owner may be delivered either personally or by mail to such party at his or its address appearing in the records of the court wherein the estate of such deceased Unit Owner is being administered.

14.05 Conveyance and Leases. Each grantee of the Declarant and each subsequent grantee by the acceptance of a deed of conveyance, and each purchaser under Articles of Agreement for Deed and each tenant under a lease for a Unit, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be

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deemed and taken to be covenants running with the land and shall bind any person having at any time an interest or estate in the property, and shall inure to the benefit of such Unit Owner in like manner as though the provisions of the Declaration were recited and stipulated at length in each and every deed of conveyance.

14.06 No Waivers. No covenants, restrictions, conditions, obligations or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same irrespective of the number of violations or breaches which may occur.

14.07 Change, Modification or Rescission.

(a) The provisions of this Declaration may be changed, modified, or rescinded by an instrument in writing setting forth such change, modification or rescission, signed and acknowledged by the President or a Secretary of the Board, and by all the Unit Owners and all mortgages having bona fide liens of record against all of the Unit Ownerships. No modification or amendment of the Declaration or Bylaws shall be valid unless the same is set forth in an amendment thereof and such amendment is duly recorded. An amendment of the Declaration or Bylaws shall be deemed effective upon recordation unless the amendment sets forth a different effective date.

(b) Unless otherwise provided by the Act, amendments to condominium instruments authorized to be recorded shall be executed and recorded by the President of the Association or such other officer authorized by the Board.

(c) If there is an omission, error, or inconsistency in this Declaration or other condominium instrument, such that said instrument does not conform to the Act or to another applicable statute, the Board may correct the omission, error, or inconsistency to conform the condominium instrument to the Act or to another applicable statute by an amendment adopted by vote of two-thirds (2/3) of the Board of Managers without a Unit Owner vote.

14.08 Partial Invalidity. The invalidity of any covenant, restriction, condition, limitation or any other provision of this Declaration, or any part of the same, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration.

14.09 Perpetuities and Other Invalidity. If any of the options, privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of Donald J. Trump, President of the United States.

14.10 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 condominium development.

14.11 Ownership by Land Trustee. In the event title to any Unit Ownership is conveyed to a land title holding trust, under the terms of which all powers management, operation and control of the Unit Ownership remain vested in the trust beneficiary or beneficiaries, then the Unit Ownership under such trust and the beneficiaries thereunder from time to time shall be responsible for payment of all obligation, liens or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Unit Ownership. No claim shall be made against any such title holding trustee personally for payment of any lien or obligation

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hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Unit Ownership and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title of such Unit Ownership.

14.12 Assignments by Developer. All rights which are specified in this Declaration to be rights of the Developer are mortgageable, pledgeable, assignable or transferable. Any successor to, or assignee of, the rights of the Developer hereunder (whether as the result of voluntary assignment, foreclosure, assignment in lieu of foreclosure or otherwise) shall hold or be entitled to exercise the rights of Developer hereunder as fully as if named as such party herein. No party exercising rights as Developer hereunder shall have or incur any liability for the acts of any other party which previously exercised or subsequently shall exercise such rights.

14.13 Execution. This Declaration is executed by AVENUE BANK & TRUST COMPANY OF OAK PARK, as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee (and AVENUE BANK & TRUST COMPANY OF OAK PARK hereby 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 AVENUE BANK & TRUST COMPANY OF OAK PARK, Trustee as aforesaid, and not personally, has executed this Declaration for the sole purpose of subjecting the title-holding interest and the trust estate under said Trust No. 2901 to the terms of this Declaration; that any and all obligations, duties, covenants and agreements of every nature herein set forth by AVENUE BANK & TRUST COMPANY OF OAK PARK, as Trustee as aforesaid, to be kept or performed, are intended to be kept, performed and discharged by the beneficiaries under said Trust No. 2901 or their successors, and not by AVENUE BANK & TRUST COMPANY OF OAK PARK, either personally or as such Trustee, to sequestered trust assets, rentals, profits or proceeds of any kind, or otherwise to see to the fulfillment or discharge or any obligation, express or implied, arising under the terms of this Declaration, except where said Trustee is acting pursuant to direction as provided by the terms of said Trust No. 2901, and after the Trustee has 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 question of apparent liability or obligation resting upon said Trustee the exculpatory provision hereof shall be controlling.

14.14 Trustee. Each and all of the representation, covenants, undertakings and agreements herein made on the part of the Trustee are made and intended, NOT as personal representations, covenants, undertakings and agreements of AVENUE BANK & TRUST COMPANY OF OAK PARK but are made and intended for the sole purpose of binding the trust property, and this document is executed and delivered by said Bank, not in its own right, but as Trustee solely in the exercise of the powers conferred upon it as such trustee and no personal liability or personal responsibility is assumed by, nor shall at any time be asserted or be enforceable against, covenants, undertakings or agreements therein contained, either expressly waived and released by the parties hereto and all persons claiming by, through or under them.

[Remainder of page intentionally left blank – Signature page follows]

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IN WITNESS WHEREOF, SOUTH MALL COURT CLUB CONDOMINIUMS ASSOCIATION, has caused its name to be signed to these presents by its Board, this 11 day of January, 2021.

SOUTH MALL COURT CLUB CONDOMINIUMS,
a Not-For-Profit Corporation

By: Emad S. Mahou

Its: Board president

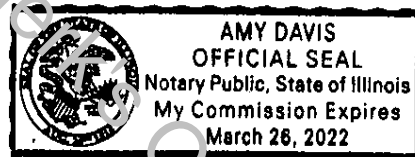
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, AMY DAVIS, a Notary Public in and for the County and State aforesaid, do hereby certify that EMAD MAHOU of the SOUTH MALL COURT CLUB CONDOMINIUMS ASSOCIATION, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that s/he signed and delivered the said instrument as his/her free and voluntary act, and as the free and voluntary act of said association, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 11 day of JANUARY, 2021

[Signature]
Notary Public

My Commission Expires: 3/26/2022



**THIS INSTRUMENT PREPARED BY
AND AFTER RECORDING MAIL TO:**

Michelle L. Feola, Esq.
Fuchs & Roselli, Ltd.
200 South Wacker Drive, Suite 600
Chicago, Illinois 60606
(312) 651-2400

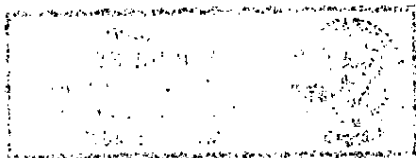
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EXHIBIT A

LEGAL DESCRIPTION

LOTS 33 AND 34 IN SCOVILLE AND NILES SUBDIVISION OF BLOCK 5 IN SCOVILLE AND NILES ADDITION TO OAK PARK, A SUBDIVISION OF THE WEST 40 ACRES OF THE SOUTHWEST ¼ OF SECTION 7, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

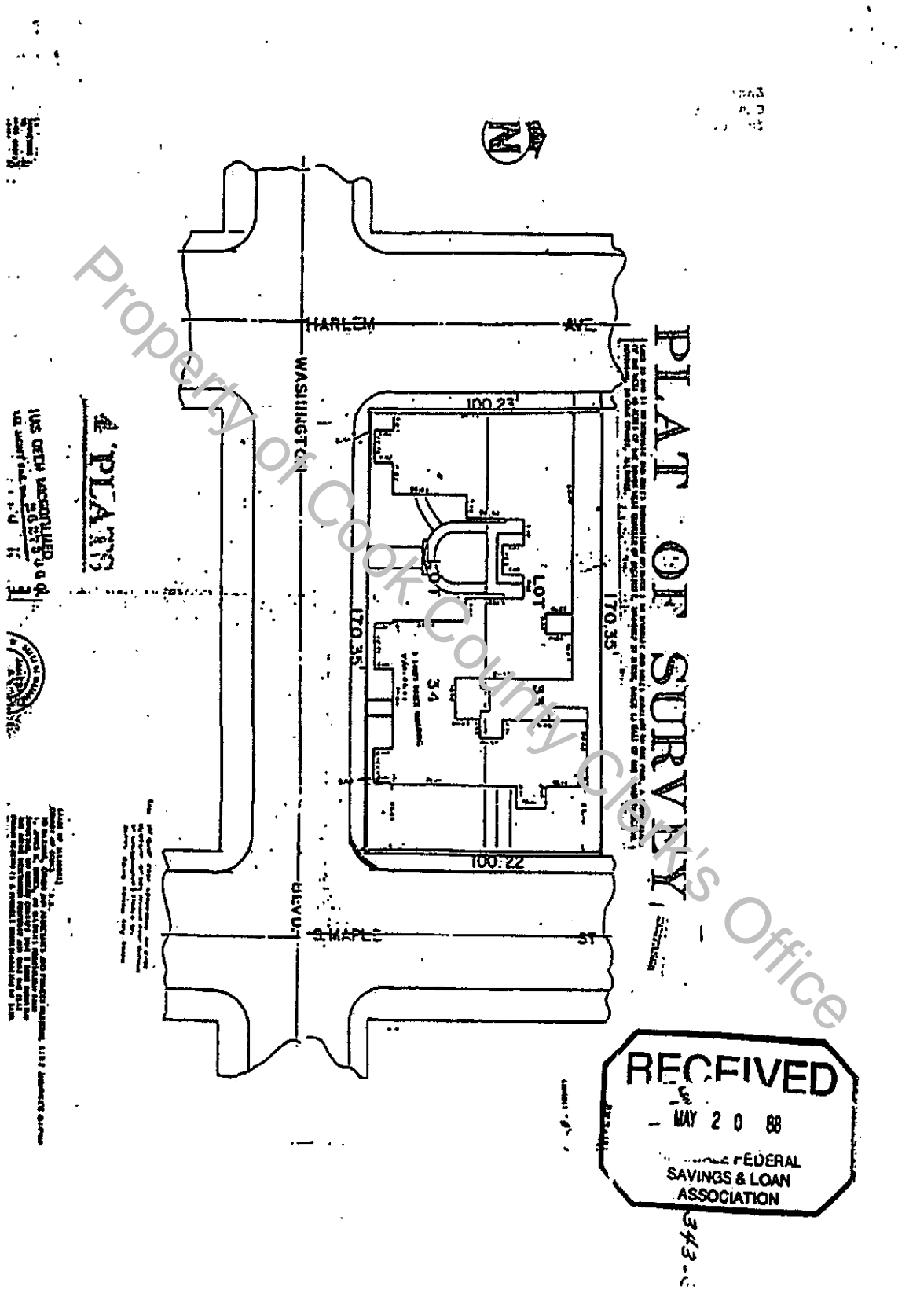
ADDRESS 1128-50 WASHINGTON BOULEVARD/343 MAPLE STREET, OAK PARK, ILLINOIS



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EXHIBIT B



THIS ORDER RECORDED
 20 27 88
 15

4 PLATS

PLAT OF SURVEY

RECEIVED
 MAY 20 88
 FEDERAL SAVINGS & LOAN ASSOCIATION

343-0

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EXHIBIT C

PERCENTAGE INTEREST IN COMMON ELEMENTS
SOUTH MALL COURT CLUB CONDOMINIUMS

UNIT#	Percentage of Ownership interest in Common Elements	PIN
Unit 343-1	4.35	16-07-314-024-1001
Unit 343-2	4.35	16-07-314-024-1002
Unit 343-3	4.25	16-07-314-024-1003
Unit 1138-1	5.1	16-07-314-024-1004
Unit 1138-2	5.00	16-07-314-024-1005
Unit 1138-3	4.90	16-07-314-024-1006
Unit 1140-1	4.35	16-07-314-024-1007
Unit 1140-2	4.35	16-07-314-024-1008
Unit 1140-3	4.25	16-07-314-024-1009
Unit 1142-1	4.10	16-07-314-024-1010
Unit 1142-2	4.10	16-07-314-024-1011
Unit 1142-3	4.00	16-07-314-024-1012
Unit 1144-1	4.25	16-07-314-024-1013
Unit 1144-2	4.25	16-07-314-024-1014
Unit 1144-3	4.15	16-07-314-024-1015
Unit 1146-1	3.20	16-07-314-024-1016
Unit 1146-2	3.20	16-07-314-024-1017
Unit 1146-3	3.05	16-07-314-024-1018
Unit 1148-1	4.15	16-07-314-024-1019
Unit 1148-2	4.15	16-07-314-024-1020
Unit 1148-3	4.10	16-07-314-024-1021
Unit 1150-1	4.15	16-07-314-024-1022
Unit 1150-2	4.15	16-07-314-024-1023
Unit 1150-3	4.10	16-07-314-024-1024
Total	100%	