

## BYLAWS OF

### THE GARDEN AT HOMEWOOD PLACE CONDOMINIUM ASSOCIATION, INC.

#### ARTICLE I General Provisions

The Association is responsible for the overall administration of the Property through its duly elected Board. Whether or not incorporated, the Association shall have such powers, not inconsistent with the Act, as are now or may hereafter be granted by the General Not for Profit Corporation Act of the State of Illinois. The Association shall have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Association is organized and to do every other act not inconsistent with law that may be appropriate to promote and attain the purposes set forth in the Act or the Declaration of Condominium Ownership. All capitalized terms used but not defined herein that are defined in the Declaration of Condominium Ownership pursuant to the Condominium Property Act have the same meaning as ascribed to such terms in the Declaration, or if not defined in the Declaration, as defined in the Act. The Declaration may contain additional provisions with respect to matters which are the subject of these Bylaws and the provisions of these Bylaws are subject to the provisions of the Declaration. In the event that there is a conflict between the terms and provisions of the Declaration and the terms and provisions of these Bylaws, the Declaration shall control to the extent of such conflict.

#### ARTICLE II Members

Section 1. Classes of Members, Membership, and Termination Thereof. The Association shall have one class of Members. The designation of such class and the qualifications of the Members of such class shall be as follows:

Each Owner shall be a Member of the Association, which membership ("Membership") shall terminate on the sale or other disposition of a Member's Unit, at which time the new Owner shall automatically become a Member of the Association. Such termination shall not relieve or release any former Owner from any liability or obligation incurred under or in any way connected with the condominium or the Association during the period of such ownership and Membership in the Association. Furthermore, such termination shall not impair any rights or remedies that the Board or others may have against a former Owner arising from, or in any way connected with, such ownership and Membership and the covenants and obligations incident thereto. No certificates of stock or other certificates evidencing Membership shall be issued by the Association. The provisions of Section 8.02 of the Declaration are incorporated herein.

#### Section 2. Votes and Voting Rights.

- a. Until the date of the first annual meeting of the Members, as provided in Article III, Section 1, hereof, no Member of the Association shall have the right to elect the directors. All such members of the Board of Directors shall be appointed and shall hold office as provided in Article IV, Section 2, of these Bylaws.

meeting not less than ten (10), nor more than thirty (30), days before the date of such meeting, by or at the direction of the President or the Secretary, or the officer or persons calling the meeting, except that notice of the first annual meeting of the Members shall be given to the Members at least twenty-one (21) days prior thereto. The notice of a meeting shall be deemed mailed when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with proper postage thereon prepaid. Notice shall also be posted in the Community Center if a place is provided for such notices.

Section 5. Quorum. The Voting Members present at a meeting in person or by proxy holding 20% of the votes that may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at the commencement of any meeting of Members, the meeting shall be adjourned and may be called again only in accordance with the provisions of these Bylaws.

Section 6. Proxies. At any meeting of Members, a Voting Member may vote either in person or by proxy, executed in writing by the Voting Member or by his duly authorized attorney in fact. No proxy shall be valid after 11 months from the date of its execution. Any proxy distributed by the Board for election of directors shall give Owners the opportunity to designate any person as the proxy holder and shall give the Owner the opportunity to express a preference for any of the known candidates for the Board or to write in a name.

Section 7. Manner of Acting. Except as set forth below, and except as otherwise required by the Declaration or the Act, any action to be taken at any meeting of the Members at which a quorum is present shall be on the affirmative vote of more than 50% of the Voting Members represented at such meeting. The following matters shall require the affirmative vote of 75% or more of all the Owners at a meeting duly called for that purpose:

- a. Merger or consolidation of the Association;
- b. Sale, lease, exchange, or other disposition of all, or substantially all, of the property and assets of the Association; or
- c. The purchase and sale of land or Units on behalf of the Owners;
- d. Amendment of the Declaration in accordance with Section 18.02 of the Declaration.

#### ARTICLE IV Board

Section 1. In General. The affairs of the Association shall be managed by the Board, which shall act as the Board of Directors of The Garden at Homewood Place Condominium Association, Inc. as provided in the Act and the Declaration.

Section 2. Number, Tenure, and Qualifications. The number of directors shall initially be three. Until the date of the first annual meeting of the Members as hereinabove provided, directors shall be the directors named in the Articles of Incorporation of the Association if the Association is incorporated; otherwise, directors shall be as appointed by the Declarant. Such directors shall hold office until the first annual meeting of the Members. Commencing with the date of the first annual meeting of the Members, the number of directors shall be increased to five, and directors shall be elected solely by, from, and among, the Members of the Association for a term of one year and until their respective successors shall have been elected and qualified. All directors shall be elected at large. Each director shall hold office without compensation. In the event that a Member of the Association is a corporation, partnership, trust, or other legal entity other than a natural person or persons, then any shareholder,

- b. During the Declarant Control Period, all voting rights of the Owners at any meeting of the Members of the Association or otherwise shall be vested exclusively in the Declarant as set forth in Section 8.03 of the Declaration, which provisions are incorporated herein.
- c. Commencing with the date of the first annual meeting of the Members, each Voting Member shall have one (1) vote for each Condominium Unit which the Voting Member represents in accordance with Section 8.03 of the Declaration, subject to the rights of Declarant during the Declarant Control Period as provided in Section 2(b) hereinabove.

Section 3. Transfer of Membership. Membership in this Association is not transferable or assignable, except as provided in Article II, Section 1, hereof.

### ARTICLE III Meetings of Members

Section 1. Annual Meeting. The first annual meeting of the Members shall be held on such date as is fixed by the Declarant, which date shall in no event be later than the earlier of (a) three years from the date the Declaration is recorded, (b) sixty (60) days from the date when 75% of the Units have been conveyed by the Declarant, or (c) such earlier time as selected by the Declarant. Thereafter, an annual meeting of the Members for the purpose of electing directors and for the transaction of such other business as may come before the meeting shall be held in the month of September each year, provided, however, that no such meeting need be held less than one year after the first annual meeting of the Members. If the election of directors shall not be held when designated herein for any annual meeting, or at any adjournment thereof, the Board shall cause the election to be held at a special meeting of the Members called as soon thereafter as it conveniently may be held. In the event the Declarant fails to call the first annual meeting of Members by the latest date set forth above, 20% of the Members may call the first annual meeting by filing a petition to such effect with the Declarant, setting forth a date for such meeting. After the filing of such petition, the Members filing the petition may send notice of the first annual meeting of Members as provided herein and may hold such meeting pursuant to the notice. The Board may disseminate to the Members biographical and background information about candidates for election to the Board if reasonable efforts are made to identify all candidates and all candidates are given an opportunity to include biographical information and background material in the information to be disseminated and the Board does not express a preference in favor of any candidate. An Owner shall be entitled to receive from the Board or the Declarant acting as the Board as provided herein and in the Act, within 5 working days after the request therefore, the names and addresses of each Owner entitled to vote at the next annual meeting of Members.

Section 2. Special Meetings. Special meetings of the Members may be called by the Board, the President, or not less than 20% of the Members. All matters to be considered at special meetings of the Members called by not less than 20% of the Members shall first be submitted in writing to the Board not less than ten (10) days before the date of the special meeting of the Members called to consider such matters.

Section 3. Place and Time of Meeting. All meetings of the Members shall take place at 7:00 p.m., in some section of the Property designated by the person or persons calling the meeting, or at such other reasonable place or time designated by the Board or the person or persons calling the meeting. Meetings shall be held in the Community Center unless circumstances do not permit.

Section 4. Notice of Meetings. Written or printed notice stating the purpose, place, day, and hour of any meeting of Members shall be mailed or delivered to each Member entitled to vote at such

officer, or director of such corporation, partner of such partnership, beneficiary or individual trustee of such trust, or manager of such other legal entity may be eligible to serve as a director. If there are multiple owners of a single Unit, only one of the multiple owners shall be eligible to serve as a director at any one time. A director may succeed himself in office.

Section 3. Election. At each annual meeting of the Members, the Voting Members shall be entitled to vote on a cumulative basis, and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. A candidate for election to the Board or such candidate's representative shall have the right to be present at the counting of the ballots at such election. The Board may disseminate to Owners biographical and background information about candidates for election to the Board if (a) no preference is expressed in favor of any candidate and (b) reasonable efforts to identify all candidates are made and all candidates are given an opportunity to include biographical and background information in the information to be disseminated.

Section 4. Regular Meetings. A regular annual meeting of the Board shall be held immediately after and at the same place as the annual meeting of Members. The Board shall, by regulations that the Board may from time to time adopt, provide the time and place for the holding of additional regular meetings of the Board, provided that the Board shall meet at least four times per year.

Section 5. Special Meetings. Special meetings of the Board may be called by or at the request of the President or 25% of the directors. The person or persons permitted to call special meetings of the Board may fix the time and place for holding any special meeting of the Board called by them.

Section 6. Notice. Written notice of any special meeting of the Board shall be mailed or delivered to all Members of the Association and all directors not calling the meeting at least 48 hours before the date of such special meeting. Written notice of regular meetings of the Board shall be mailed or delivered to all Members of the Association at least 48 hours before the date of such meeting. All such notices shall be deemed to be mailed when deposited in the United States mail addressed to each Member at his address as it appears on the records of the Association, with proper postage thereon prepaid. The business to be transacted at or the purpose of any regular or special meeting of the Board shall be specified in the notice. Notices of a regular meeting of the Board need not be served on directors. However, copies of notices of meetings of the Board shall be posted in the Community Center at least 48 hours before the meeting.

Section 7. Quorum. A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board. If less than a majority of the directors are present at the commencement of the meeting, the meeting shall be adjourned and may be called again only in accordance with the provisions of these Bylaws.

Section 8. Manner of Acting. The act of a majority of the directors present at the meeting at which a quorum is present at the commencement of the meeting shall be the act of the Board, except when otherwise provided by law or in the Declaration.

Section 9. Vacancies. Any vacancy occurring in the Board by reason of death, removal, or resignation of a director shall be filled by the two-thirds vote of the remaining directors. A Member elected by the Board to fill a vacancy shall serve until the next meeting of the Members; provided that if a petition is filed with the Board signed by Voting Members holding 20% of the votes of the Association requesting a meeting of the Members to fill the vacancy for the balance of the unexpired term of office of his predecessor, the term of the Member so elected by the Board shall terminate 30

days after the filing of the petition, and a meeting of the Members for the purpose of filling such vacancy for such unexpired term shall be called no later than 30 days following the filing of such petition. Directors, including those appointed by the Declarant, may resign at any time by written resignation delivered or mailed to any officer of the Association, which resignation shall be effective on receipt of said resignation. If, as a result of the death, removal, or resignation of a director, no director remains in office, a special meeting of Members may be called to fill all vacancies for the unexpired terms of the directors.

Section 10. Removal. From and after the date of the first annual meeting of the Members, any director may be removed from office by the affirmative vote of two-thirds of all the Voting Members of the Association at a special meeting called for such purpose.

Section 11. Adoption of Rules and Regulations. All rules and regulations, or amendments thereto, shall be adopted by the Board after a meeting of the Members 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, which rules and regulations conform to the requirements of the Act and the Declaration and these Bylaws. No quorum is required at such meeting of the Members. 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. Such rules and regulations shall be effective sixty (60) days after their adoption, provided that the Members may veto the rule or regulation at a special meeting of the Members called for such purpose and held before the effective date of the rule or regulation, by a vote two-thirds of all the Voting Members of the Association.

Section 12. Open Meetings. All meetings of the Board, whether regular or special, shall be open to the Members of the Association, except for meetings:

- a. To discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Board finds that such an action is probable or imminent;
- b. to consider information regarding appointment, employment, or dismissal of an employee; or
- c. to discuss violations of rules and regulations of the Association, or a Member's unpaid share of Common Expenses.

Any vote on the above matters shall be taken at a meeting, or portion thereof, open to any Member. Any Member may record the proceedings at meetings required to be open by the Act or these Bylaws by tape, film, or other means, subject to reasonable rules and regulations prescribed by the Board to govern the right to make such recordings.

Section 13. Contracts. The Board may not enter into a contract with a current Board Member or with a corporation or partnership in which a Board Member or a Board Member's immediate family has a ten percent (10%) or more interest unless notice of intent to enter the contract is given to Owners within twenty (20) days after a decision is made to enter into the contract and the Owners are afforded an opportunity by filing a petition, signed by twenty percent (20%) of the Owners, for an election to approve or disapprove the contract. Such petition shall be filed within twenty (20) days after such notice, and such election shall be held within thirty (30) days after filing the petition. For purposes of this Section 13, a Board Member's immediate family means the Board Member's spouse, parents, and children.

Section 14. Powers and Duties. The powers and duties of the Board shall include, but not be limited to, the operation, care, upkeep, maintenance, replacement, and improvement of the Common Area and Facilities. However, nothing in the foregoing sentence shall be deemed to invalidate any provision in the Declaration placing limits on expenditures for capital additions or capital improvements to the Common Area and Facilities (other than for purposes of repairing, replacing, or restoring portions of the Common Area and Facilities) by the Board without the prior approval of the Owners.

Section 15. Board's Determination Binding. In the event of any dispute or disagreement between any Owners relating to the Property, or any question of interpretation or application of the provisions of the Declaration, the Rules and Regulations, or the Bylaws, the determination thereof by the Board shall, absent manifest error, be final and binding on each and all of such Owners.

## ARTICLE V Officers

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

Section 2. Election and Term of Office. The officers of the Association shall be elected annually by the Board at the first regular meeting of the Board held after the annual meeting of the Members from among the directors. If the election of officers shall not be held at this meeting, the election shall be held as soon thereafter as conveniently may be possible. Vacancies may be filled or new offices created and filled at any meeting of the Board. Each officer shall hold office until the officer's successor shall have been duly elected and shall have qualified. An officer may succeed himself in office. Officers shall serve without compensation.

Section 3. Removal. Any officer elected by the Board may be removed by a majority vote of the directors.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise may be filled by the Board for the unexpired portion of the term of the director no longer serving.

Section 5. President. The President shall be the principal executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. The President shall preside at all meetings of the Members and of the Board. The President may sign, with the Secretary or any other proper officer of the Association authorized by the Board, any deeds, mortgages, contracts, or other instruments the Board has authorized to be executed, and any amendment to the Declaration, Supplement or Plat as provided in the Act, and, in general, shall perform all duties incident to the office of President, and such other duties as may be prescribed by the Board from time to time.

Section 6. Vice President. In the absence of the President, or in the event of the President's inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents, in order of their election) shall perform the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions on the President. Any Vice President shall perform such other duties as from time to time may be assigned by the President or by the Board.

Section 7. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for money due and payable to the Association from any source whatsoever; and deposit all such money in the name of the Association in those banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article VII of these Bylaws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the President or by the Board.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the Members and of the Board in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; receive all notices on behalf of the Association; together with the President, execute on behalf of the Association amendments to the Declaration and other documents as required or permitted by the Declaration, these Bylaws, or the Act; be custodian of the records and, if the Association is incorporated, of the seal of the Association and, if the Association is incorporated, see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these Bylaws; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the President or by the Board.

## ARTICLE VI

### Powers and Duties of the Association and Board

Section 1. General Duties, Powers, etc., of the Board. The Board shall exercise for the Association all powers, duties, and authority vested in the Association by the Act and the Declaration, including but not limited to the following:

- a. Operation, care, upkeep, maintenance, replacement, and improvement of the Common Area and Facilities to the extent the operation, care, upkeep, maintenance, replacement, and improvement of Limited Common Area is not imposed on Owners hereunder or in the Declaration.
- b. Preparation, adoption, and distribution of the annual budget ("Annual Budget") of Common Expenses for the Property.
  - a. Levying and expending of assessments.
  - b. Collection of assessments from Owners.
- c. Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Area and Facilities.
- d. Obtaining adequate and appropriate kinds of insurance.
- e. Owning, conveying, encumbering, leasing, and otherwise dealing with Units and land conveyed to or purchased by it.
- f. Adoption and amendment of rules and regulations covering the details of the operation and use of the Property, but no such rule or regulation shall make improper or illegal any program or activity of the Declarant that immediately prior to the adoption or amendment of the rule or regulation was otherwise proper or legal hereunder or under the Declaration.
- g. Keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property.
- h. Having access to each Unit, from time to time, as may be necessary for the maintenance, repair, or replacement of any Common Area and Facilities therein or

- accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Area and Facilities or to another Unit or Units.
- i. Borrowing money at such rates of interest as it may determine, issuing its notes, bonds, and other obligations to evidence such borrowing, and securing any of its obligations by making a mortgage or giving a security interest in all or any of its property or income.
  - j. Paying real estate 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, that are authorized by law to be assessed and levied on the real property of the condominium (other than assessments on Units not owned by the Association).
  - k. Imposing charges for late payments of an Owner's proportionate share of the Common Expenses, or any other expenses lawfully agreed on, and after notice and an opportunity to be heard, levying reasonable fines for violation of the Declaration, Bylaws, and Rules and Regulations of the Association.
  - l. Assigning its rights to future income, including the right to receive Charges.
  - m. Recording the dedication of a portion of the Common Area and Facilities to a public body for use, as, or in connection with, a street or utility, when authorized by the Members under the provisions of the Declaration.
  - n. Recording the granting of an easement for the laying of cable television cable when authorized by the Members under the provisions of the Declaration.
  - o. Recording the grant of an easement for construction, maintenance, or repair of a project for protection against water damage or erosion.
  - p. Making reasonable accommodation of the needs of handicapped Owners, as required by the Human Rights Act, in the exercise of its powers with respect to the use of the Common Area and Facilities or approval of modification in an individual Unit.
  - q. Performing such acts and maintaining the Property in such a condition so as to continue to qualify for membership in Beautiful Communities With Gardens, if such membership is available.
  - r. To perform such acts and do such other necessary or convenient things so as to qualify as an age-restricted community in accordance with the Housing for Older Person's Act of 1995.

In the performance of their duties, the officers and directors shall exercise, whether appointed by the Declarant or elected by the Members, the care required of a fiduciary of the Members.

Section 2. Specific Powers and Duties. Anything herein contained to the contrary notwithstanding, the Association shall have the following powers:

- a. To engage the services of a manager or managing agent, who may be any person, firm, or corporation, on such terms and compensation as the Association deems fit, and to remove such manager or managing agent at any time, provided any agreement with such manager or managing agent shall extend for not more than three years and must be terminable by either party to such agreement without cause and without payment of a termination fee, on ninety (90) days' or less prior written notice.
- b. To engage the services of any person (including, but not limited to, accountants and attorneys) deemed necessary by the Association at such compensation as is deemed reasonable by the Association, in the operation, repair, maintenance, and management of the Property, or in connection with any duty, responsibility, or right of the Association and to remove, at any time, any such personnel.



- c. To establish or maintain one or more bank accounts for the deposit of any funds paid to or received by the Association.
- d. To invest any funds of the Association in certificates of deposit, money market funds, or comparable investments.
- e. Upon authorization of a two-thirds vote of the directors, or by affirmative vote of not less than a majority of the Owners at a meeting duly called for such purpose, acting on behalf of all Owners, to seek relief from or in connection with the assessment or levy of any real property taxes, special assessments, or charges of the State of Illinois or any political subdivision thereof or of any lawful taxing or assessing body, and to charge and collect all expenses incurred in connection therewith as Common Expenses.
- f. To perform all acts as are authorized, required or permitted of it in the Declaration or under the Act.

Section 3. Authorized Expenditures. The Association shall acquire and make arrangements for, and pay for out of the operating fund, in addition to the manager, managing agent, or other personnel above provided for, if any, the following:

- a. Water, waste removal, heating, electricity, telephone, or other necessary utility services for the Common Area and Facilities and such services to the Units as are not separately metered or charged to the owners thereof.
- b. Such insurance as the Association is required or permitted to obtain as provided in the Declaration.
- c. Such costs and expenses for repair, maintenance or replacement of the Common Area and Facilities and all such other costs and expenses as set forth or permitted in the Declaration.
- d. Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, or assessments that the Association deems necessary or proper for the maintenance and operation of the Property or for the enforcement of any restrictions or provisions contained herein.
- e. Membership fees and other costs associated with the Association's membership in Beautiful Communities With Gardens in accordance with Section 7.03 and otherwise in the Declaration.
- f. Any amount necessary to discharge any mechanics lien or other encumbrance levied against the Property or any part thereof that may in the opinion of the Association constitute a lien against the Property or against the Common Area and Facilities rather than merely against the interest therein of particular Owners. When one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it, and any costs incurred by the Association by reason of said lien or liens shall be specially assessed to said Owners and shall, until paid by such Owners, constitute a lien on the interest of such Owners in the Property, which lien may be perfected and foreclosed in the manner provided in §9 of the Act with respect to liens for failure to pay a share of the Common Expenses.
- g. Maintenance and repair of any Unit or Private Garden or any other portion of the Property that an Owner is obligated to maintain or repair under the terms hereof, if such maintenance or repair is necessary, in the discretion of the Association, to protect the Common Area and Facilities or any other portion of the Property, and the owner of said Unit has failed or refused to perform the maintenance or repair.

within a reasonable time after written notice of the necessity of the maintenance or repair is delivered by the Association to the Owner; provided that the Association shall levy a Specific Assessment against such Owner for the cost of the maintenance or repair, and the amount of such Specific Assessment shall constitute a lien on the interest of such Owner in the Property, which lien may be perfected and foreclosed in the manner provided in §9 of the Act with respect to liens for failure to pay a share of the Common Expenses.

- h. Maintenance and repair (including payment of real estate taxes and common expenses) with respect to any Unit owned by the Association.
- i. If, due to the act or neglect of a Owner or of a member of its family or household pet or of a guest or other authorized Occupant or visitor of such Owner, damage shall be caused to the Common Area and Facilities or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required that would otherwise be a Common Expense, the assessment against such Owner of a charge for such damage and such maintenance, repairs, and replacements as may be determined by the Board, to the extent not covered by insurance, and the amount of such special assessment shall constitute a lien on the interest of such Owner in the Property, which lien may be perfected and foreclosed in the manner provided in §9 of the Act with respect to liens for failure to pay a share of the Common Expenses.
- j. Such other purposes authorized, permitted or required under the Act.

All expenses, charges, and costs of the maintenance, repair, or replacement of the Common Area and Facilities, and any other expenses, charges, or costs that the Association may incur or expend pursuant hereto, shall be approved by the Association, and a written memorandum thereof prepared and signed by the Treasurer. There shall be no structural alterations to, capital additions to, or capital improvements on the Common Area and Facilities or property owned by the Association (other than for purposes of repairing, replacing, and restoring existing portions of the Common Area and Facilities) requiring an expenditure in excess of Ten Thousand Dollars (\$10,000) without the prior approval of two-thirds of the Owners. Separate or special assessments for additions or alterations to the Common Area and Facilities or to Association-owned property not included in an Annual Budget (defined in Article VI, Section 4. of the Bylaws) are subject to the approval of two-thirds of the Owners.

As used herein, the term "repairing, replacing, and restoring" means to repair, replace, or restore deteriorated or damaged portions of the then-existing decorating, facilities, structural or mechanical components, interior or exterior surfaces, or energy systems and equipment to their functional equivalent prior to the deterioration or damage. In the event the replacement of a Common Area and Facilities may result in an improvement over the quality of such Common Area and Facilities as originally designed, the Board may provide for such improvement, provided that if the improvement over and above the functional equivalency of what existed before results in a proposed expenditure in excess of 5 percent of the Annual Budget, the Board, on receipt of a written petition by Owners with 20 percent of the votes of the Association, within 14 days after the Board's action to approve such expenditure, shall call a special meeting of Owners within 30 days after its receipt of such petition. Unless a majority of the total votes of the Owners are cast at this special meeting to reject the expenditure, the Board's decision to make the expenditure is ratified.

#### Section 4. Annual Budget:

- a. Each year, on or before November 1st, the Board shall estimate the Annual Budget, including the total amount required for the cost of wages, materials, insurance,

- services, and supplies that will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Association to be necessary for a reserve for contingencies and replacements (as hereinafter specified) and each Owner's proposed Base Assessment, together with an indication of which portions of the Annual Budget are intended for capital expenditures or repairs or payment of real estate taxes. The Board shall deliver a copy of the proposed Annual Budget to each Owner at least thirty (30) days before the adoption thereof. The Association shall give Owners notice as provided in Article III, Section 4, of the Bylaws of the meeting of the Board, at which the Board proposes to adopt the Annual Budget, or at which any increase or establishment of any assessment, regular or special, is proposed to be adopted.
- b. If said Annual Budget proves inadequate for any reason, including nonpayment of any Owner's Charge, or any nonrecurring Common Expense or any Common Expense not set forth in the Annual Budget as adopted, the Board may at any time levy a Special Assessment, which shall be separately assessed to the Owners according to each Owner's Percentage Interest, and which may be payable in one lump sum or such installments as the Board may determine. The Board shall serve notice of such further assessment on all Owners (as provided in Article III, Section 4, of the Bylaws) by a statement in writing, giving the amount and reasons therefore, and such Special Assessment shall become effective and shall be payable at such time or times as determined by the Board. All Owners shall be obligated to pay the Special Assessment.
- c. If an adopted Annual Budget or any Special Assessment requires assessment against Owners in any year exceeding 115 % of the Assessments (both Base Assessment and Special Assessment, if any) for the preceding year, the Board, on written petition by Owners representing 20% of the votes of the Association delivered to the Board within 14 days of the Board action, shall call a meeting of the Owners within 30 days of the date of delivery of the petition to consider the budget or Special Assessment. Unless a majority of the votes of the Owners are cast at a meeting to reject the budget or Special Assessment, it is ratified. In determining whether Special Assessments, together with Base Assessments, exceed 115% of similar assessments in the preceding year, any separate assessment for expenditures relating to emergencies or mandated by law shall not be included in the computation, and the Board may approve such assessment without the right of Owner veto set forth in this paragraph. As used herein, "emergencies" mean an immediate danger to the structural integrity of the Common Area and Facilities or to the life, health, safety, or property of the Owners.
- d. The Annual Budget shall be assessed to the Owners according to each Owner's Percentage Interest. Each Owner shall be obligated to pay to the Association, or as it may direct, the portion of the Annual Budget assessed to such Owner in equal monthly installments (subject to acceleration as hereinafter provided) on or before January 1st of the ensuing year, and the 1st day of each and every month of said year.
- e. The failure or delay of the Association to prepare or serve the Annual Budget on the Owners shall not constitute a waiver or release in any manner of the Owners' obligation to pay the Common Expenses and other costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual or adjusted budget, the Owners shall continue to pay the Base Assessment at the then-existing monthly rate established for the previous period until the Base

Assessment that is due more than ten (10) days after such new annual Budget shall have been mailed.

- f. Anything herein or in the Declaration to the contrary notwithstanding, the Board may charge to fewer than all Owners such portion of the insurance premium for insurance the Association is required or permitted to obtain that reflects increased charges for coverage on the Units owned by such Owners, on such reasonable basis as the Board shall determine. Such charge shall be considered a Specific Assessment with respect to the Units owned by such Owners for all purposes herein and under the Declaration.
- g. All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such Specific Assessments as may be levied hereunder against less than all the Owners and for such special adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use, and account of all the Owners in proportion to their Percentage Interests.

#### Section 5. Annual Accounting.

- a. On or before the 1st day of April of each calendar year after the Declarant Control Period, the Association shall supply to all Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid, together with an indication of which portions of the Annual Budget were for capital expenditures or repairs or payment of real estate taxes, and with a tabulation of the amounts collected pursuant to the budget or assessment, and showing the net excess or deficit of income over expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Owner's Percentage Interest to the next monthly installments due from Owners under the current year's Annual Budget, until exhausted, and any net shortage shall be added, according to each Owner's Percentage Interest, to the installments due in the succeeding six months after rendering of the accounting.
- b. The Association shall allow any first Mortgagee to examine the books and records of the Association during reasonable business hours and to receive, on request, annual reports and other financial data prepared by the Association, or at its direction.
- c. The Association shall provide a copy of a financial statement for the preceding fiscal year within one-hundred-twenty (120) days after the end of such fiscal year on submission of a written request by any holder, insurer, or guarantor of a first Mortgage secured by a Unit.

#### Section 6. Reserves.

- a. The Association shall build up and maintain a reasonable reserve ("Reserve") for operations, contingencies, and replacement. To establish such Reserve, the Declarant shall collect from each Owner, on conveyance by the Declarant of a Unit to such Owner, an amount equal to two monthly installments of the estimated Base Assessment as initially established by the Declarant and shall remit such amount to the Association. Extraordinary expenditures not originally included in the Annual

Budget that may become necessary during the year shall be charged first against such Reserve to the extent that such funds in the Reserves are not specifically allocated to other expenditures. In addition, the Association or the Board shall have the right to segregate all or any portion of the Reserve for any specific replacement or contingency on such conditions as the Association or the Board deems appropriate. The Declarant may not use any of the Reserves to defray any of its expenses or make up any budget deficits while the Declarant is in control of the Association.

- b. The Annual Budget shall provide for reasonable Reserves for capital expenditures and deferred maintenance for repair or replacement of the Common Area and Facilities as provided in the Declaration. To determine the amount of Reserves appropriate for the Association, the Board shall take into consideration the following: (1) the repair and replacement cost and the estimated useful life of the property the Association is obligated to maintain, including but not limited to structural and mechanical components, surfaces of the Building and Common Area and Facilities, and energy systems and equipment; (2) the current and anticipated return on investment of Association funds; (3) any independent professional reserve study the Association may obtain; (4) the financial impact on Owners, and the market value of the Units, of any assessment increase needed to fund Reserves; and (5) the ability of the Association to obtain financing or refinancing. Anything to the contrary in the foregoing notwithstanding, the Association may elect to waive in whole or in part the Reserve requirements of this section by a vote of not less than two-thirds of the total votes of the Association. In the event the Association elects to waive all or part of the Reserve requirements of this section, such fact must be disclosed after the meeting at which such waiver occurs by the Association in the financial statements of the Association and, highlighted in bold print, in the response to any request of a prospective purchaser for the information prescribed under §22.1 of the Act, and no director or the managing agent of the Association shall be liable, and no cause of action may be brought for damages against these parties, for the lack or inadequacy of Reserve funds in the Annual Budget. If the Association elects to waive all or part of such Reserve requirements, the Association may by a vote of not less than two-thirds of the total votes of the Association elect to again be governed by the Reserve requirements of this section.

#### Section 7. Default in Payment.

- a. If an Owner is in default in the monthly payment of the aforesaid charges or assessments for ten (10) days, the Association may assess a service charge of up to 4% of the balance of the aforesaid charges and assessments for each month, or part thereof, that the balance, or any part thereof, remains unpaid. The Association may bring suit for and on behalf of itself, and as representative of all Owners, to enforce collection thereof, or to foreclose the lien therefore as provided by law; and there shall be added to the amount due the costs of said suit, together with legal interest and reasonable attorneys' fees to be fixed by the court. In addition, the Association may also take possession of such defaulting Owner's interest in the Property and maintain an action for possession of the Unit in the manner provided by law. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area and Facilities or abandonment of his Unit.

- b. Each such assessment, together with interest, court costs, late charges, and reasonable attorneys' fees and costs of collections, or the amount of any unpaid fine, shall also be the personal obligation of the Person who was the Owner at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title or interest unless assumed by them or required by applicable law.

#### Section 8. Books of Account and Statement of Account.

- a. The Association shall keep full and correct books of account, which shall be open for inspection by any Owner, or any representative of an Owner duly authorized in writing, at such reasonable time or times as may be requested by the Owner. All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Owners and for such special adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use, and account of all the Owners in their relative Percentage Interests.
- b. Upon ten (10) days' notice to the Association and the payment of a reasonable fee fixed by the Association in the amount of Fifteen Dollars (\$15) or such other sum as the Board shall reasonably establish, any 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 Owner.

Section 9. Other Powers and Duties. The Association has all the powers and duties set forth in the Declaration.

### ARTICLE VII

#### Contracts, Checks, Deposits, and Funds

Section 1. Contracts. The Board may authorize any officer or officers or agent or agents of the Association, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers or agent or agents of the Association, and in such manner as shall from time to time be determined by resolution of the Association. In the absence of such determination by the Association, such instruments shall be signed by the Treasurer and countersigned by the President of the Association.

Section 3. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board may select.

Section 4. Gifts. The Board may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association.

## ARTICLE VIII Books and Records

Section 1. Maintaining Books and Records. The Association shall keep correct and complete books and records of account, and shall also keep minutes of the proceedings of its Members, the Board, and committees having any of the authority of the Board.

Section 2. Availability for Examination. The manager or Board shall maintain the following records of the Association available for examination and copying at convenient hours of weekdays by the Owners or their Mortgagees and their duly authorized agents or attorneys:

- a. Copies of the recorded Declaration and Bylaws and any amendments thereto, Articles of Incorporation of the Association and any Rules and Regulations adopted by the Association or the Board; before the first annual meeting of Members of the Association, the Declarant shall maintain and make available for examination and copying the records set forth in this subsection a.
- b. Detailed accurate records in chronological order of the receipts and expenditures affecting the Common Area and Facilities, specifying and itemizing the maintenance and repair expenses of the Common Area and Facilities and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the Association.
- c. The minutes of all meetings of the Association and the Board, which shall be maintained for seven years.
- d. A record giving the names and addresses of the Members.
- e. Ballots and proxies related thereto for all elections to the Board and for any other matters voted on by the Owners, which shall be maintained for not less than one year; provided, however, that in the event the Association adopts rules for secret ballot election as provided in the Act, then, unless directed by court order, only the voting ballot excluding the Unit number shall be subject to inspection and copying.
- f. Such other records of the Association as are available for inspection by Members of a not-for-profit corporation pursuant to the General Not For Profit Corporation Act of 1986 of the State of Illinois, as amended.

A reasonable fee covering the direct out-of-pocket cost of providing such information and copying may be charged by the Association or the Board for the cost of providing such information and copying.

## ARTICLE IX Fiscal Year

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

## ARTICLE X Seal

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

## ARTICLE XI Waiver of Notice

Whenever any notice whatsoever is required to be given under the provisions of the General Not For Profit Corporation Act of 1986 of the State of Illinois or under the provisions of the Articles of Incorporation or Bylaws of the Association or the Declaration, a waiver thereof (subject to all the provisions of such instruments) in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

## ARTICLE XII Amendments to Bylaws

These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted on the affirmative vote of two-thirds of all of the Members at a regular meeting, or at any special meeting called for such purpose, by recording an instrument in writing setting forth such alteration, amendment, or repeal that is signed and acknowledged by an authorized director and that contains an affidavit by an officer of the Association certifying that the necessary affirmative vote of the Members of the Association has been obtained.

## ARTICLE XIII Liability of Board Members and Officers; Indemnification

Neither the director nor the officers of the Association shall be liable to the Association or the Owners for any mistake of judgment, or for any other acts or omissions of any nature whatsoever, as such director and officers, except for any acts or omissions found by a court to constitute gross negligence or fraud. The Association shall defend, indemnify, and hold harmless any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a director or officer of the Association, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner that he reasonably believed to be in or not opposed to the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Association in advance of the final disposition of such action, suit, or proceeding, as authorized by the Board in the specific case, on receipt of an undertaking by or on behalf of the director or the officer of the Association to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article. The sums necessary to discharge the obligations of the Association under this Article shall be Common Expenses.

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of Members of the Association or disinterested directors, or otherwise, both as to action in his official capacity, and



as to action in other capacity while holding such office, and shall continue as to a person who has ceased to be a director or an officer of the Association. Directors appointed by the Declarant, and officers elected by directors appointed by the Declarant, shall be entitled to all the protections of this Article.

#### **ARTICLE XIV**

##### **Construction**

a. Nothing hereinabove contained shall in any way be construed as altering, amending, or modifying the Declaration. The Declaration and these Bylaws shall always be construed to further the harmonious, beneficial, cooperative, and proper use and conduct of the Property. If there is any inconsistency or conflict between these Bylaws and the aforesaid Declaration, the provisions of the Declaration shall control.

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

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

#### **ARTICLE XV**

##### **Dispute Resolution and Limitation Litigation**

All disputes and any litigation or other legal action of the Board or the Association shall be governed by Article XVII of the Declaration if and to the extent applicable.

THE GARDEN AT HOMEWOOD PLACE

WHEREAS, THIS ORGANIZATIN IS A NOT-FOR -PROFIT CORPORATION ORGANZIED AND EXISTING UNDER THE LAWS OF THE STATE OF ILLINOIS; and

WHEAREAS, the affairs of this corporation are managed by its Board of Directors; and

WHEREAS, this corporation and its Board of Directors are responsible for managing certain real estate in the County of Cook, State of Illinois, which real property is subject to the provisions of the Declarations of Covenants, Conditions, Restrictions and Easements for the Condominium Association, which was recorded in the office of the Recorder of Deeds of Cook County, Illinois on January 24.2001 as Document No. 10062958 (hereinafter "Declaration") as amended; and

WHEREAS, Under ARTICLE I paragraph 1.01 Age-qualified Occupant. Any individual (i) 50 years of age and older who owns and occupies a condominium Unit and was the original purchaser of the Condominium Unit from the Declarant; or (ii) 55 years of age or older who Occupies a Condominium Unit.

THEREFORE, the board of directors herein reserves the right to enforce the resale of any unit within the association to only those purchasers who are at least 55 years of age or older. At least one occupant must have reached the age of 55 prior to the closing of any sale.

Adopted this date March 8, 2006

By The Board of Directors

Nathana Smith  
Nathana Smith

Dale Barnes  
Dale Barnes

Shirley Sanlin  
Shirley Sanlin

Dorothy Thomatis  
Dorothy Thomatis

Diane VanHaren  
Diane VanHaren