

98546472

8285/0339 03 001 Page 1 of 33

1998-06-25 15:07:57

Cook County Recorder 167.00

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR THE PRAIRIE POINTE NEIGHBORHOOD ASSOCIATION

THIS DECLARATION is made this 26th day of MAY, 1998 by Austin Bank of Chicago as trustee under trust nos. 4724 and 5177.

WITNESSETH:

33
NS

WHEREAS, Declarant is the title holder of that certain real property situated in Cook County, Illinois, more particularly described as:

Lots 1 through 58 inclusive and Lots C and D in Prairie Pointe, being a subdivision of part of the West half of the West half of Section 22, Township 41 North, Range 9, East of the third principal meridian, according to the plat thereof recorded JUNE 18, 1998 as document no. 98519335, in Cook County, Illinois ("Property").

WHEREAS, the foregoing Property consists of land to be subdivided into lots for residential subdivision purposes.

WHEREAS, Declarant intends to subject the Property to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Association, Owners, and all parties having any right, title, or interest in the Property; and

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the values and amenities of the subject development to create an Association for the purpose of maintaining the Landscape and Easement Areas (hereinafter defined), and for administering and enforcing these covenants, conditions and restrictions, and for collecting and disbursing the assessments and charges described herein;

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following covenants, conditions, restrictions, easements, charges and liens which are for the purpose of protecting the value and desirability of, and which shall run with, the Property submitted hereto and be binding on and inure to the benefit of all parties having any right, title or interest in the described Property or any part thereof, including their heirs, successors and assigns.

ARTICLE I

Definitions

Section 1: "Association" shall mean and refer to an Illinois corporation, its successors and assigns, to be organized by Declarant and to be known by the name of Prairie Pointe Neighborhood Association.

98546472

BOX 333-CTI

7744591 DI M. Roth 184
RC

Section 2: "Board" or "Board of Directors" shall mean the board of directors or other governing body, however designated, of the Association.

Section 3: "Building Envelope" shall mean that area within each of Lots 1 through 58 inclusive delineated by lines or other graphic method on the Plat or as established by Village ordinance (whichever is more restrictive) as that area in which a residence must be located.

Section 4: "Bulk Purchaser" shall mean any person or entity which shall purchase all of the Property from Declarant as part of a single transaction.

Section 5: "By-Laws" shall mean the by laws of the Association initially in the form attached hereto as Exhibit A, as amended from time to time and made a part hereof.

Section 6: "Common Expenses" shall mean those expenses incurred by the Association under the authority of this Declaration and under its by-laws and as defined in Article IV, Section 2.

Section 7: "Declarant" shall mean and refer to Austin Bank of Chicago as trustee under trust nos. 4724 and 5177.

Section 8: "Declaration" shall mean the within instrument together with those exhibits which are attached hereto and made a part hereof and shall include such amendments, if any, to the within instrument as may be from time to time adopted pursuant to the terms hereof.

Section 9: "Landscape and Easement Area(s)" shall mean all those areas designated on such Plat or Plats as (a) "Landscape Easement"; (b) Lots C and D; and (c) all cul de sac islands within the Property, islands dividing road pavement (such as boulevard entries) and entrance monuments, which areas may be referred to herein collectively either as "Landscape and Easement Areas" or by their individual designation as noted above and on the Plat.

Section 10: "Lot" shall mean and refer to a platted residential Lot identified by a number on the Plat (and excluding lots identified by a letter), and shall include the dwelling unit if a dwelling unit is constructed thereon.

Section 11: "Member" shall mean and refer to an Owner of a Lot who holds membership in the Association.

Section 12: "Owner" shall mean and refer to the record owner, the beneficiary of a land trust which is record owner of fee simple title to any Lot which is part of the Property, and contract sellers, all whether one or more persons or entities, but excluding those having such interest merely as security for the performance of an obligation. The term "Owner" shall include Declarant to the extent

98546472

of the number of Lots owned by Declarant and also includes the interest of Declarant as contract seller of any Lot.

Section 13: "Person" shall mean any individual, firm, corporation, trustee, or other entity capable of holding title to real estate.

Section 14: "Plat" or "Plat of Subdivision" shall mean any document recorded in the office of the Recorder of Deeds of Cook County, Illinois as a plat of subdivision affecting all or a portion of the Property.

Section 15: "Property" shall mean and refer to the Property described on page 1 hereof.

Section 16: The "Village" shall refer to the Village of Streamwood, Illinois.

ARTICLE II

The Association

A. Initial Organization:

Section 1: The Declarant will cause the Association to be incorporated at the discretion of Declarant, but not later than the time when the control of the Association is turned over ("Turnover Date") to the Members. The Association shall be turned over to the Members on the earlier to occur of June 30, 2001 or at such time as 75% of the Lots depicted on the Plat for Prairie Pointe are sold to individual Lot purchasers. A lot shall not be deemed sold for the purpose of this provision upon conveyance to a Bulk Purchaser.

Section 2: Until the Association has been organized and until election of the initial Board, the same rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Board and Association by this Declaration and in the By-Laws shall be vested in, and held and performed by Declarant or its beneficiary. The Declarant shall have free use of all assessments for this purpose. All references to the Association shall be deemed a reference to the Declarant or its beneficiary until the Declarant or its beneficiary resigns as the Association in accordance herewith. The election of the initial Board shall occur at the time the Association is turned over to the Members. If the initial Board is not elected by the Owners at the time so established, Declarant shall continue in office for a period of an additional thirty (30) days whereupon written notice of its resignation shall be sent to all Owners entitled to vote at such election.

Section 3: Upon conveyance of all of the Property to a Bulk Purchaser: (a) all rights and obligations of the Declarant or its beneficiary(ies) under this Declaration shall become those of the Bulk Purchaser and all references to the Declarant or its

9856A72

beneficiary(ies) in Articles II through X, inclusive, shall become references to the Bulk Purchaser, and Declarant shall have no further rights or duties with respect to any matter herein, and (b) the architectural review provision vested in the Declarant or its beneficiaries in Article V of this Declaration shall terminate and no longer be in effect for the Bulk Purchaser.

Section 4: Upon Declarant's resignation, Declarant shall turn over the corporate books of the Association, a list of all current Owners of the Property, an accounting for Association dues collected and/or spent on behalf of the Association in accordance herewith, and a current status of account for all assessments currently due, whether paid or in default. Thereafter, neither Declarant nor its beneficiary shall have any further obligations whatsoever as the Association or to any Member or Owner.

B. Functions of Association:

Section 1: The Association shall have the easement rights as separately granted on the Plat and in the annexation agreement for the Property (as amended), in addition to or in conjunction with the rights specified herein, and shall maintain the functional characteristics of the Landscape and Easement Areas.

Section 2: The Association shall also specify rules and architectural guidelines for the use and general aesthetic character of the land and water areas within the Landscape and Easement Areas, not in conflict with original engineering and other approvals given by the Village for any portion of the Property. No Owner shall construct any landscape or other improvements within the Landscape and Easement Areas. The Association shall have the absolute right to enter the Landscape and Easement Areas and remove all non-conforming landscape materials. The Association shall maintain, remove and replace landscaping in its discretion and may utilize the assessments provided for herein for such purpose.

Section 3: The Association shall take title to Lots C and D and shall provide for the maintenance thereof and the expense therefor shall be Common Expenses. Nothing herein shall obligate the Association to maintain those areas falling with Lots A, B and E as depicted on the Plat; provided however that the Lots will be part of a special service area(s) and will be separately assessed by the Village for maintenance of these areas.

Section 4: The Association shall have the authority to organize social events for the benefit of the Members, and the expenses therefor shall be Common Expenses.

Section 5: The Association shall have all other powers under law incident to operating a community association, and all powers specified elsewhere in this Declaration, including the power to adopt reasonable rules and regulations to implement the intent of this Declaration, and the power to assess fines and recover attorneys fees and collection or litigation costs in enforcing this Declaration or any such rules or regulations.

90566472

Section 6: The Association may perform its function and carry out its duties by entering into agreements for the performance thereof with such persons and business entities regularly engaged in the performance of generally similar functions and duties as the Board shall determine, which agreements shall be for such length of time, at such rates of compensation and upon such other terms and provisions as the Board shall determine from time to time. Such persons or business entities may, but need not, be persons or business entities owning or otherwise directly or indirectly interested in the Property or any part thereof. The Association itself shall also have the power to perform its functions and carry out its duties.

Section 8: The Association shall have the general powers to enforce in its own behalf or on behalf of the Association Members, in a court of law or otherwise, all of the covenants and conditions appearing in this Declaration.

C. Membership and Voting Rights.

Section 1: Every Owner who is subject to assessment in whole or in part shall automatically be a Member of the Association and shall remain a Member so long as he remains an Owner of a Lot subject hereto. Declarant shall be a Member of the Association but shall have no obligation to pay assessments. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2: The Association shall have two (2) classes of voting membership:

Class A: Class A Members shall be all Members with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned.

Class B: The Class B Member shall be the Declarant who shall be entitled to three (3) votes for each Lot owned, provided however that the Declarant shall be entitled to only one (1) vote per lot and no greater than forty-nine percent (49%) of the total number of votes outstanding on the happening of either of the following events, whichever occurs earlier:

(a) When seventy-five percent (75%) of the Lots have been conveyed by the Declarant to Owners other than Declarant;

(b) Five (5) years after the date the first Lot is conveyed by the Declarant to such other Owners.

D. Insurance.

Section 1: The Association may (but shall not be obligated to) maintain on behalf of the Association, Board, officers, managers and managing agent, comprehensive public liability insurance, including liability for injuries to and death of persons, and property damage, in such limits as it shall deem desirable, and other

98566472

liability insurance as it may deem desirable, insuring the Association from liability of whatever reasonable nature including specifically, without limitation, those liabilities in connection with its maintenance of the Landscape and Easement Areas even in the case where it holds no title to these premises.

Section 2: The Association may (but shall not be obligated to) also maintain such policies of insurance for worker's compensation and property damage, property loss, vandalism and malicious mischief in relation to the Landscape and Easement Areas as the Association may deem desirable and may also obtain such other kinds of insurance as the Association shall from time to time deem prudent with respect to all of its activities pursuant to its by-laws and this Declaration.

Section 3: The premiums for all insurance purchased pursuant to the provisions of this Section shall be Common Expenses and shall be paid at least thirty (30) days prior to the expiration date of any policy.

ARTICLE III

Landscape and Easement Areas

Section 1: The Landscape and Easement Areas shall be maintained in perpetuity and shall not be developed for any use which would limit or cause to limit the function and purpose of the facilities.

Section 2: A perpetual easement is hereby granted for the benefit of the Declarant, the Association, their successors and assigns, over, upon and across the Landscape and Easement Areas (to the extent they are not owned by such entities), for the purpose of administering such areas for the purposes described in Article II B.

Section 3: The Declarant (while a Member of the Association) or its beneficiary or their agents, and the Association shall further have the right of ingress and egress over and upon the Lots not within said Landscape and Easement Areas for any and all purposes connected with the maintenance of the Landscape and Easement Areas and the construction, operation, repair, maintenance and reconstruction of any facilities thereon.

Section 4: The Landscape and Easement Areas shall be maintained at all times in compliance with the ordinances of the Village of Streamwood.

Section 5: A perpetual easement is hereby granted for the benefit of the Village or its successors, over, upon and across the Landscape and Easement Areas and all facilities necessary for the purpose of inspecting such areas.

Section 6: Use.

98546472

(a) Lot C shall be used for the recreational purposes of the subdivision residents and their guests and shall be maintained and kept neat and trimmed by the Association in furtherance of this purpose. The Association shall have the power to construct, maintain, replace, or remove any improvement of a recreational nature within said lot provided that such action is not in conflict with Village ordinances or any original subdivision approvals; and

(b) Lot D shall be used solely for entry landscaping and monumentation which shall be maintained by the Association. No Owner shall have any right to alter or use for its own benefit any portion of such Lot.

Section 7: Notwithstanding any provisions herein to the contrary, the easements herein created shall be subject to easements of record on the date hereof, including those easements granted on the Plat of Subdivision.

Section 8: Upon any termination of the Association, title to Outlot C shall be conveyed to the Village.

ARTICLE IV

Covenants for Maintenance Assessments

Section 1: Each Owner of a Lot, except Declarant, by acceptance of a deed therefor or otherwise, whether or not it shall be so expressed in any such deed or other conveyance, hereby covenants and agrees and shall be deemed to covenant and agree to pay to the Association and/or Declarant, as the case may be, for each Lot owned (or to a mortgage company or other collection agency designated by the Association or Declarant): (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The assessments thus collected by the Association or Declarant shall constitute the maintenance fund of the Association for Common Expenses.

Section 2: Each Owner, other than Declarant, shall pay to the Association or Declarant assessments representing his or its allocated share of (a) the expenses of improvement, maintenance, repair, replacement, administration and operation with respect to the Landscape and Easement Areas; (b) the cost of maintaining and enforcing the easements, covenants, conditions and restrictions established and reserved by this Declaration and by any Plat of Subdivision, deed of conveyance or other instrument affecting the Property including reasonable attorneys' fees; (c) the administrative expenses of the Association; (d) the expenses of social events; (e) the full performance of all obligations by the Association imposed by the Declaration and the Association's by-laws and (f) any further matter not otherwise enumerated herein which is consented to by 75% or more of the Owners. Said expenses hereinabove referred to shall be known as "Common Expenses". To the extent, if at all, that any assessments for any fiscal year are not expended by the Association or Declarant, any

98546472

such savings shall be applied by the Association or Declarant in reduction of its budget for the following year, except with respect to amounts held by the Association or Declarant as reserves which shall be deemed to be held by the Association or Declarant in trust for the Members for the uses and purposes for which such reserves have been established. Any interest of any Owner in and to such reserve funds shall be deemed appurtenant to such Owner's membership and shall automatically transfer and inure to such Owner's successor in interest.

Section 3: Payments of assessments shall be in such amounts and at such times as provided below:

(a) Upon each sale or transfer of any Lot from the Declarant or from any future Owner, including the sale of a beneficial interest in a land trust or such similar transfer intended to directly or indirectly vest a person or entity other than the Owner with use and ownership of the Lot (except transfers by foreclosure, death or to the same real party in interest such as a conveyance into a land trust where the grantor is the majority beneficial owner of the trust), there shall be paid to the Association or Declarant, as the case may be, a sum equal to one-half of the then current amount for annual Association dues provided, however, that the initial amount as of the date of recording hereof shall be the fixed amount of \$100.00 until the first budget is prepared and an assessment based thereon is calculated. Said sum shall be known as the "Initial Fee."

(b) Until December 31, 1998, the maximum annual assessment (not including any special assessment) shall be \$150.00 per Lot, in addition to the \$100.00 Initial Fee.

(c) On or before October 31, 1998 and on or before each October 31st thereafter, the Board shall estimate the total amount necessary to pay the costs and expenses of the Association as are provided for herein and in the by-laws of the Association, which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount necessary for a reserve for contingencies and replacements, and the Board shall on or before November 30 of each year, notify each Owner in writing as to the amount of such estimate, with a reasonable itemization thereof. All obligations of the Owners hereunder, including but not limited to the Common Expenses, for assessments, special assessments or other levies by the Association, pursuant to this Declaration or the by-laws of the Association, shall be determined by multiplying the amount of such assessment, special assessment or levy by a fraction, the numerator of which is the number of Lots owned by the Owner, and the denominator of which is the number of Lots subjected from time to time to the terms and conditions of this Declaration. Commencing on January 1 of the ensuing year, the new annual assessments or charges as calculated above are to be paid in one installment due January 1.

If an Owner takes title to a Lot from the Declarant after July 1 of any given year, said Owner shall be responsible for one-half of the annual assessment for said

98546472

Lot (in addition to the Initial Fee). Otherwise, the Owner shall be responsible for the entire year's assessment. The first installment shall be payable at closing and the second shall be due on July 1. The Initial Fee shall be due at the time of closing. Notwithstanding anything to the contrary in this Declaration, neither the Declarant nor a Bulk Purchaser shall have any obligation to pay assessments.

(d) If said estimated cash requirement proves inadequate, for any reason, to defray the operating expenses and costs during any given year, then the Board shall be authorized to adopt a supplemental budget or budgets and shall adjust the assessments accordingly. The Board shall serve notice of such further or adjusted assessment on all Owners by a statement in writing giving the amount and reasons therefor, and such further or adjusted assessment shall become effective sixty (60) days after the delivery or mailing of such notice. Any increase in the annual assessment pursuant to a supplemental budget in excess of fifty percent (50%) of the approved assessment must be approved by two-thirds (2/3) of each class of Members voting in person or by proxy at a meeting duly called for such purpose.

(e) The Association shall also have the power to borrow funds not to exceed one-half (1/2) of the annual budget on terms calling for repayment not to exceed three (3) years, or in such additional amounts and for such additional time periods as are approved by two-thirds (2/3) of each class of Members voting in person or by proxy at a meeting duly called for such purpose.

(f) In addition to the annual assessments authorized above, the Association may levy, in any assessment year, special assessments applicable to that year only for the purpose of defraying, in whole or in part, the cost of any taxes, construction, reconstruction, repair or replacement of a capital improvement upon the Landscape and Easement Areas. Any such assessment shall be levied equally against each Owner.

(g) The Board shall establish and maintain reasonable reserves for contingencies and replacements as it shall deem necessary, and any extraordinary expenditure not included in the estimated cash requirements shall be first charged against such reserves in the year of such expenditure. If such reserves are depleted or, in the opinion of the Board, significantly reduced, then any supplemental budget, or the next regular estimated cash requirements shall provide for the re-establishment of such reserves to the extent the Board deems reasonably appropriate.

(h) The failure or delay of the Board to prepare or serve the annual or adjusted estimate or the itemized accounting or other document on the Owner shall not constitute a waiver or release in any manner of such Owner's obligation to pay the adjusted assessments or necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Owner shall continue to pay the bi-annual charge at the then existing rate established for the previous period until 30 days after the new assessment amount shall have been mailed or delivered.

98546472

(i) The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Property, specifying and itemizing maintenance and repair expenses of the Property and any other expenses incurred. Such records shall be available for inspection by any Owner or first mortgagee of record, at such reasonable time or times during normal business hours as may be requested by the Owner or mortgagee.

On or before the date of the annual meeting of each calendar year, the Board shall supply all Owners with an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or under the actual expenditures plus reserves.

(j) No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use or abandonment of his Lot.

Section 4: Any assessments which are not paid when due shall be delinquent.

Any Owner who is delinquent in his or her assessments shall have no power to vote on any matter affecting the Association until such delinquency is fully cured, including the interest and costs provided herein.

The annual and special assessments, together with interest thereon at the rate of nine percent (9%) per annum thereon and costs of collection thereof, including, but not limited to reasonable attorneys' fees, as hereinafter provided, shall be a charge on the Lot and shall be a continuing lien upon each Lot against which each such assessment is made, enforceable by the Association.

The grantee from any Lot Owner will be jointly and severally liable with such Lot Owner (excluding Declarant) for all unpaid assessments and accrued interest due and payable at the time of conveyance without prejudice, however, to the rights of the grantee to recover from the grantor any amounts paid by the grantee. The foregoing assessments, together with such interest thereon and costs of collection thereof, including, but not limited to reasonable attorneys' fees, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made. The Association shall have the power to record a notice of its lien created by this document by filing an appropriate certificate with the recorder of deeds of Cook County, Illinois.

Each such assessment, together with such interest thereon and costs of collection thereof, including but not limited to reasonable attorneys' fees, as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such Lot at the time when the said assessment fell due.

Section 5: The lien of the assessment provided for herein shall be subordinate to the lien of any bona fide first mortgage (or equivalent security interest) on a Lot and

98546472

to the liens of Declarant's Lender(s). No sale or transfer shall relieve such Lot from liability from the lien of any unpaid assessment or for any assessment thereafter becoming due.

ARTICLE V

Standards of Construction

Section 1: No landscaping or construction of a building, fence, wall, or other structure shall be commenced, erected, or maintained nor shall any addition to or change or alteration thereto be made (except interior alterations), until the Declarant or its beneficiary, assigns or successors has approved such landscaping, construction or installation in accordance with the terms hereof. The Declarant or its beneficiary shall retain such authority until such time as title to each of the Lots is conveyed by the Declarant to the Owners and a permanent residence is constructed thereon, notwithstanding that the Declarant has resigned, or been removed by passage of time, from the Association; provided however, that Declarant may, at any time after formation of the Association vest by written assignment all such powers in the Association. After such time all further powers of architectural control shall be vested in the Board, which shall be entitled to a reasonable fee for its and/or its consultants' architectural review, as established by the Board.

Section 2: Owners are required to first submit preliminary sketches of any structure to be built or installed for "informal comment" showing the nature, kind, shape, height, material, color scheme, proposed location on Lot, and any proposed modification of the grade of the Lot to the Declarant for review prior to the submittal of detailed architectural or other plans and specifications for full review. Declarant, or its beneficiary, successors or assigns, shall have the sole and exclusive right to refuse to approve any such preliminary sketches, which are not suitable or desirable in the opinion of the Declarant or its beneficiary, successors or assigns, for aesthetic or other reasons; and in so passing upon such preliminary sketches, Declarant, or its beneficiary, successors or assigns, shall have the right to take into consideration the suitability of the proposed building or other structures with the surroundings, and the overall design intent of a residential community which may exceed the general standards of the surrounding community. Owners are strongly encouraged to install brick on that portion of a residence which primarily faces the public street to which the Lot is adjacent. In no case shall any residence have the same elevation and color scheme as the residence on either side of or directly across from it. Such approval or disapproval of preliminary sketches shall be given within sixty (60) days after submission to Declarant, or its assigns. If the Declarant, or its successors or assigns, fail to approve or disapprove preliminary plans within sixty (60) days after submission, approval shall be deemed to have been given.

If such preliminary sketches are approved, the Owner shall then submit a detailed landscape plan and architectural and final construction plans and specifications relating to such proposed construction. All plant material in any

98546472

landscape plan shall be indigenous to the northeastern Illinois region. Declarant or its beneficiary, successors or assigns shall approve such architectural and construction plans if the same are in substantial conformity with the preliminary sketches previously approved. No architectural and construction plans may be submitted without a detailed landscape plan. Landscaping shall be installed in accordance with the approved landscape plan prior to the issuance of a final occupancy permit, which shall include, without limitation, sodding of the Lot except in wooded areas or Landscape and Easement Areas, and the installation of plant material in front of and on all sides of all residences. In the event Declarant, or its beneficiary, successors or assigns, fails to approve or disapprove such detailed plans and specifications or other material within sixty (60) additional days after submission, approval shall not be required, and the requirements of this Declaration shall be deemed to be complete. After any disapproval, an Owner may resubmit plans as amended for a like review period to attempt to again meet the architectural review criteria.

Declarant, or its beneficiary, successors or assigns, following the submission of both the informal sketches and detailed plans and specifications, will aid and assist the respective Owners, or their agents, and will make every attempt to reasonably cooperate with the wishes of the Owner.

Notwithstanding anything herein to the contrary, a Bulk Purchaser shall succeed to all powers of architectural control vested under this Article V in the Declarant or its beneficiaries, and may exercise its sole discretion with respect to building and landscape improvement design.

Section 3: No house shall be built on any Lot which house has a minimum area of less than 1,500 square feet. For the purpose of calculating floor area, the garage, basement and areas such as decks and screened in porches not designed for year-round living are not included in the square footage requirements and stairwells (excluding basement stairs) shall be included in the area of one floor only.

Section 4: No building or improvement, or any part thereof, including garages, porches, and driveways shall be erected on any Lot other than wholly within the Building Envelopes, or as otherwise designated on the Plat or by Village ordinance, whichever is more restrictive. Owners are encouraged to minimize disturbance of woodlands within the Building Envelope. No construction of any improvements to Lots 59 through 66 inclusive may commence until snow fencing or its equivalent is erected which precludes contractors and workmen from driving, parking, working or otherwise going upon areas outside the Building Envelope for the Lot. All such construction must cease when such fence is breached or the intent of the preceding sentence is violated.

Section 5: The Declarant or its beneficiary shall have absolute discretion in the orientation of any garage opening. Garage door openings which are positioned out of view from the roadway fronting any residence will be encouraged where practical considerations allow. No residence shall have less than a two (2) car attached garage.

98546472

Section 6: Access driveways and other paved areas for vehicular use on a Lot shall have a base of compacted gravel, crushed stone, or other approved base material and shall have a wearing surface of asphalt, concrete or brick. Plans and specifications for driveways, culverts, pavement edging, or markers, shall be approved in writing by Declarant or its beneficiary or their successors or assigns in the manner prescribed in Section 2 above.

Section 7: All structures shall be painted with two coats of paint unless constructed with ornamental masonry or brick. No aluminum or vinyl siding is allowed, unless it is dark gray, white or an earth tone color, and then only when approved by the Declarant or its beneficiary, or by the Association upon assignment by Declarant of the right of architectural review.

Section 8: All electrical services and telephone lines shall be placed underground and no outside electrical lines shall be placed overhead. No exposed or exterior radio or television transmission or receiving antennas shall be erected, placed, or maintained on any part of such premises including specifically, without limitation, satellite dishes, unless 18" or less in diameter and then only when a) approved by Declarant (or by the Association upon assignment of the right of architectural approval) under the standards for architectural review in Article V, b) completely screened from view from the public roadway and adjacent properties and c) located within the Building Envelope. All such receiving antennas with the exception of such approved satellite dishes shall be placed in the attic or elsewhere entirely within the premises.

Section 9: Except with respect to Sections 4 and 5 of this Article V (unless otherwise agreed by the Village), Declarant hereby grants and gives Declarant, or its beneficiary, successors and assigns, the right to enter into agreements with the owners of any Lot or Lots (without the consent of Owners of other Lots or adjoining or adjacent property) to deviate from any and all of the covenants set forth in this Article V provided, however, that such deviation is in compliance with the ordinances of the Village of Streamwood. Any such deviation shall be granted if there are practical difficulties or particular hardships evidenced by the petitioning Owner, and any such deviation (which shall be manifested by an agreement in writing) shall not constitute a waiver of a particular covenant on a subsequent occasion or as to other Lots or of any other covenant as to any of the Property.

Section 10: Declarant shall have no obligation, but only the right to issue and enforce the approvals as described herein and shall not be held liable for any action or inaction taken with respect to the authority granted to it in this Article V, or elsewhere herein or under law.

98546472

ARTICLE VI

Use and Control of the Property

Section 1: Except as otherwise set forth in this Section 1, each and every Lot in the subdivision shall be used only for single family residential purposes. No building or structure or portions thereof shall be adapted to business purposes, other than the business of the Owner requiring no visitation by persons or vehicles or extraordinary deliveries. To the extent the Village adopts a home office ordinance which would otherwise apply to the Property, the terms of such ordinance shall supersede the preceding sentence. No apartment house, double house, lodging house, rooming house, multiple family dwelling or any other than a single family residential structure constructed according to the standards set forth above shall be erected, placed, permitted or maintained on the Property, or any part thereof, and no house shall be occupied by more than a single family. (A "family" may include in-laws, parents or siblings who do not themselves inhabit the residence with a separate family of more than one generation).

Section 2: Each Owner shall be responsible for the maintenance and repair of his Lot and the improvements thereon not otherwise subject to maintenance by the Association. To the extent, if at all, that any Owner shall fail to perform the maintenance of his own Lot at reasonable times and in a reasonable manner, the Declarant, the Association and/or the Village may, but shall not be required to, perform such maintenance or repair and, in such event, the cost thereof shall be added to such Owner's annual assessment and such amount shall be immediately due and payable, and the Association shall have such rights and remedies with respect to the collection of the same as are herein provided with respect to the annual assessments. If the Village performs maintenance, it shall be entitled to reimbursement by the affected Owner and in default of such payment the Village shall have the right to place a lien against such Lot for the amount due. Neither the Association, the Village nor the Declarant shall be liable to an Owner for trespass, property damage for any other actionable wrong whatsoever in the reasonable exercise of its rights hereunder.

Each Owner, from and after the date of taking title to his Lot(s) shall maintain such Lot(s) in a neat and trimmed appearance notwithstanding that no improvements have been constructed thereon. No storage of any goods or materials shall be permitted on any Lot prior to construction of a residence thereon, and thereafter only in compliance herewith. If no improvements have been constructed on said Lot(s) within three (3) years of sale of each Lot from Declarant, the then current Owner shall grade and seed unwooded portions of the Lot(s) with hydroseed and thereafter shall maintain the Lot(s) to a finished lawn appearance. In default thereof, an officer of the Association (including Declarant) or its agents may enter any such lot, without committing a trespass or other actionable wrong against such Owner, and remove any such materials or goods and grade, seed and maintain said Lot(s), and such Owner shall pay to the Declarant or the Association, as the case may be, its costs of the same.

9854RA72

Section 3: No private dwelling house erected upon any Lot shall be occupied in any manner (a) while in the course of construction, (b) at any time prior to its being fully completed, as herein required, (c) at any time prior to the issuance of an occupancy permit by the Village of Streamwood or appropriate governing authority, or (d) (except in the event of a sale to a Bulk Purchaser who also constructs residential improvements on the affected Lot) until made to comply with the approved plans, the requirements herein, and all other covenants, conditions, reservations, and restrictions herein set forth; and, (except in the event of a sale to a Bulk Purchaser who also constructs residential improvements on the affected Lot) no such house shall be permanently occupied pursuant to a permanent occupancy certificate prior to the issuance or a letter from the Declarant or its assigns that any structure or landscaping placed upon the Owner's Lot conforms with the architectural, construction and landscape plans as originally approved for the Lot. All construction shall be completed within one year from the start thereof. No temporary house, temporary dwelling, temporary garage, temporary outbuilding, trailer home, or other temporary structure shall be placed or erected upon any Lot, provided however that Declarant reserves the right for itself, or its agents, assigns, or a Bulk Purchaser to use any Lot for office, sale or display purposes.

Notwithstanding the above, any Lot Owner shall be entitled to leave portions of the interior of the premises unfinished for future completion as long as all exterior surfaces conform to the requirements herein, and as long as all structural and foundational components of the residence are complete prior to occupancy.

Section 4: None of the Lots shall at any time be divided into as many as two or more building sites. A single Lot together with a single contiguous Lot may be used for one building site, provided however that any improvements thereon must be constructed within a building envelope acceptable to the Village, if different from the Building Envelope appearing on the Plat.

Section 5: No commercial vehicles, construction, or like equipment, recreational vehicles or boats, or mobile or stationary trailers of any kind or large items of personal property not intended primarily for use on the Lot shall be permitted on any Lot within the Property unless kept in a garage and completely enclosed, except such construction vehicles as are necessary for the period of any approved construction.

Section 6: The Declarant shall determine location, color, size, design, lettering and all other particulars of all mail or paper delivery boxes and lamp posts and the standards and brackets and name signs for such boxes in order that the area shall be uniform in appearance with respect thereto. Notwithstanding the foregoing, each mailbox must be placed in accordance with post office standards.

Section 7: No dogs or animals shall be allowed to run free within the Property unless properly restrained by a leash. No horses, cattle, swine, goats, poultry, fowl, non-domesticated animals, vicious animals (including specifically, without limitation, all pit bull terriers) or offensive animals shall be kept on any Lot.

985A6472

Section 8: No clotheslines or drying yards shall be permitted unless concealed by hedges acceptable to the Association.

Section 9: No signs or other advertising shall be displayed unless the size, form and number of the same are first approved in writing by the Association or its successor.

Section 10: No refuse pile or other unsightly objects shall be allowed to be placed or suffered to remain anywhere upon a Lot, other than for regular household garbage pickup. All construction refuse shall be placed in a dumpster or roll off box of sufficient capacity. No Lot shall be used in whole or part for the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such Lot to appear in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept upon any Lot that will emit a foul or obnoxious odor or that causes any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of the surrounding property, or that will constitute a violation of local, state or federal environmental laws.

Section 11: No bird baths or non-natural building or landscaping materials shall be placed in any front yard, and no tennis court or swimming pool shall be placed or located on a Lot in any front or side yard or outside of the Building Envelopes established by the Plat, and shall not be located within any easement appearing of record or on the Plat of Subdivision. There shall be no above ground swimming pools other than (a) whirlpools built into outdoor decks joined to a residence, or (b) small temporary pools meant for use by small children.

Section 12: Outbuildings, shacks, barns or other detached buildings on the premises shall generally not be allowed except when permitted by the Declarant or its successors and approved in accordance with Article V, and unless placed entirely within the Building Envelope. The architecture of said out buildings shall resemble the architecture of the residence and be in conformance with the general character of the neighborhood. No prefabricated metal storage buildings shall be erected, constructed or placed on any portion of any Lot.

Section 13: All streams and drainage ways, whether natural or artificial shall remain totally unobstructed by each Owner. No parcel shall be graded in a manner that will in any way affect the drainage to or from a Lot or which would be in contravention to the engineering drawings or specifications which are a part of the Plat and which have been approved by and are on file with the Village. Except during construction of subdivision improvements in accordance with approved engineering, no Lot or parcel shall be increased in size by filling in the water it abuts. No rock, gravel, or clay shall be excavated or removed from any property for any commercial purposes, but may be removed for the purpose of construction only in accordance with Village ordinances, regulations and codes.

98546472

Section 14: Only four (4) foot high black vinyl coated chain link fencing may be constructed (unless otherwise required by ordinance with respect to swimming pools) and then only on the perimeter of, or within, any side or rear yard of any Lot; provided however that any such fence must be placed at least ten (10) feet from the split rail fence installed at the boundary between any Lot and either Lot B or Lot E as depicted on the Plat.

ARTICLE VII

Remedies

Section 1: The violation or breach of any provision of this Declaration, any Plat of Subdivision, or any deed, conveyance, or other instrument executed by Declarant affecting lands in the Property, will not create a forfeiture, but will give the Declarant and, upon resignation, the Association, in addition to any other rights herein granted or otherwise available to it and under law, the right, in its discretion, to (a) enter on the Lot(s) on which such violation or breach exists and summarily abate, remove or correct at the expense of the applicable Owner, any structure, thing, or condition that may exist thereon contrary to the provisions of such instrument including specifically, without limitation, any nonconformity with approved plans, and the Declarant or the Association, as the case may be, and its agents, will not thereby be deemed guilty of any manner of trespass; or (b) remedy the same by appropriate legal proceedings, at law or in equity, including, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof.

Section 2: In any proceeding arising because of an alleged default by an Owner, the Declarant or Association will be entitled to recover the costs of such proceeding, including, without limitation, reasonable attorneys' fees and interest at the rate of 9% per annum.

Section 3: All rights, remedies and privileges granted to the Association pursuant to this Declaration will be deemed to be cumulative, and the exercise of any one or more will not be deemed to constitute an election of remedies, nor will it preclude the Declarant or Association from exercising such other or additional rights, remedies, or privileges as may be granted to it by this Declaration or at law or in equity.

Section 4: No restriction imposed hereby will be abrogated or waived by any failure to enforce any provision hereof, no matter how many violations or breaches may occur.

Section 5: The invalidity of any restriction hereby imposed, or of any provisions hereof, or of any part of such restriction or provision, will not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration.

98546472

Section 6: In addition to all rights granted the Association, the Village shall also have rights to enforce this Declaration. In the event that the Association does not provide the necessary maintenance of the Landscape and Easement Areas, then the Village is expressly authorized, but has no obligation as provided under Illinois Compiled Statutes and other applicable law, to provide such necessary maintenance. If required to perform this service because the Association fails or refuses to so provide, then the Association shall be obligated to repay the Village for all expenses incurred for said maintenance, including reasonable attorneys' fees, if any, and maximum allowable statutory interest not to exceed eighteen (18%) percent per annum. The Village shall also have the right, in furtherance of its enforcement of its claim for reimbursement, to record a lien against the areas maintained by the Homeowners Association and all Lots, which said lien shall be effective as of the date of recordation and/or to foreclose the lien and any additional rights or remedies at law or in equity which the Village chooses to pursue. All such costs and expenses are hereby declared to be a common expense of the Association, as provided under Illinois Compiled Statutes or applicable law. Notwithstanding any other provisions of this Declaration, the provisions of this paragraph may not be altered, amended, or deleted without the written consent of the Village, and then only in accordance with the rules adopted by the Homeowners Association. Further, the Village shall have the unconditional right to enter upon the Property for the purposes of furnishing municipal or emergency services to the Owners or the areas maintained by the Homeowners Association, to enforce its traffic and other ordinances and regulations. Additionally, the Declarant and the Homeowners Association further agree that for a period of twenty (20) years from the date of recording of this Declaration, no amendment may be made to any terms or provisions of this Declaration which affect the Village without the prior written consent of the Village.

ARTICLE VIII

Conveyances

Section 1: All conveyances of Lots are subject to this Declaration, the Homeowners Association, Village of Streamwood ordinances, all easements appearing of record and on the Plat of Subdivision, and other matters of record.

Section 2: Each Owner, and each grantee by the acceptance of a deed of conveyance of any Lot or any portion of the Property, accepts the Property subject to the provisions of this Declaration, including without limitation, the right of the Association to remedy any breach hereof by the actions specified under Article VII. All such provisions will run with the land and bind, apply to, and inure to the benefit of every Owner of any interest therein, and all persons claiming thereunder, as though the provisions of this Declaration were recited and stipulated at length in each deed of conveyance.

Section 3: No Owner shall have any right or power to disclaim, terminate or withdraw from his membership in the Association or any of his obligations as such

985AR472

Member, and no purported disclaimer, termination or withdrawal thereof or therefrom on the part of any such Owner shall be of any force or effect for any purpose.

Section 4: Except in the case of a Bulk Purchaser which also constructs residential improvements on the Lot, no Lot shall be transferred or conveyed after initial construction of improvements thereon until the Declarant or its successors has issued its written statement that the improvements are in conformance with previously approved architectural and landscape plans as provided for in Article V.

ARTICLE IX

Permits

Section 1: All fees for building permits or permits for water or sewer service and all school donations and structural, plumbing or other fees whatsoever affecting any Lot or the Property are to be paid by the Lot Owner, unless otherwise agreed to in writing by Declarant or its beneficiary or their successors and assigns. Any such agreement shall not be assignable unless expressly made so.

ARTICLE X

Miscellaneous Provisions

Section 1: If and to the extent that any of these covenants would otherwise be unlawful or void for violation of (a) the rule against perpetuities, (b) the rule restricting restraints on alienation, or (c) any other applicable statute or common law rule analogous thereto or otherwise imposing limitations upon the time for which such covenants may be valid, then the provisions concerned shall continue and endure only until the expiration of a period of twenty-one (21) years after the death of the last to survive of the class of persons consisting of all of the lawful descendants of George Bush, former President of the United States, living at the date of this Declaration.

Section 2: The provisions of this Declaration will be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community.

Section 3: All article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

Section 4: This Declaration may be amended from time to time, or terminated, as follows:

- (a) Prior to the conveyance of any Property from the Declarant, by an instrument executed by the Declarant.

90546472

(b) After conveyance of any or all of the Property by Declarant, by an instrument having the affirmative assent or vote of not less than seventy-five percent (75%) of the outstanding Owners in the subdivision at the time of the amendment.

Each such instrument will be effective only upon being filed in the Office of the Recorder of Deeds of Cook County, Illinois.

Section 5: This Declaration does not amend or modify nor is it intended to modify any engineering statements or any requirement of the respective ordinances of the Village or County of Cook, Illinois, dealing with the subdividing and planning of the Property or the design and the construction of all improvements, but is intended to create additional covenants and agreements for the purposes herein set forth.

Section 6: The Village is granted a perpetual easement, right and privilege to enter upon the Property herein for the purpose of providing police and fire protection services and maintaining all utilities and roadways accepted by the Village.

Section 7: Any notices required to be sent to any Member or Owner shall be deemed to have been properly sent when mailed, postage prepaid to the last known address of such Member as it appears on the records of the Association at the time of such mailing.

Section 8: All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa.

Section 9: In the event of any conflict between this Declaration and the by-laws or Articles of Incorporation of the Association, this Declaration shall control.

Section 10: Declarant and/or its beneficiary may by written document assign all rights hereunder (including without limitation the approval powers set forth in Article V), and delegate all of its duties, which survive the recording of this Declaration to a third party which acquires all or a majority of the Lots for resale, and thereafter Declarant shall have no further rights or obligations hereunder.

98546A72

DECLARANT: Austin Bank of Chicago as trustee under trust nos. 4724 and 5177

THIS DOCUMENT IS EXECUTED SOLELY BASED ON INFORMATION FURNISHED BY THE BENEFICIARY OR BENEFICIARIES OF THE AFORESAID TRUST. THE UNDERSIGNED HAS NO PERSONAL KNOWLEDGE OF ANY OF THE FACTS OR STATEMENTS HEREIN CONTAINED.

By:

Its:

Attest:

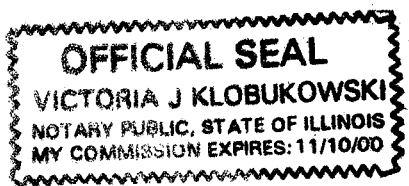
Its:

STATE OF ILLINOIS)
) SS.
COUNTY OF Cook)

I, Victoria J. Klobukowski, a Notary Public in and for said County of Cook in the State aforesaid, DO HEREBY CERTIFY that Rudolph C. Schoppe of AUSTIN BANK OF CHICAGO personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said BANKING ASSOCIATION, for the uses and purposes therein set forth.

*not
JANET
KULIBABA*

Given under my hand and Notarial Seal this 26th day of MAY, 1998.



Victoria J. Klobukowski
NOTARY PUBLIC

Prepared By:
Mark C. Eiden, Esq.
Eiden, Eckert, O'Donnell, Ltd
175 E. Hawthorn Parkway
Suite 401
Vernon Hills, IL 60061

AFTER RECORDING RETURN TO:
John R. NYWEDGE
8500 SEARS TOWER
CHICAGO, IL 60606

98566472

EXHIBIT A
TO DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
THE PRAIRIE POINTE NEIGHBORHOOD ASSOCIATION

BY-LAWS OF
THE PRAIRIE POINTE NEIGHBORHOOD ASSOCIATION
AN ILLINOIS NOT-FOR-PROFIT CORPORATION

ARTICLE I
NAME OF CORPORATION

The name of this corporation is the Prairie Pointe Neighborhood Association.

ARTICLE II
PURPOSE AND POWERS

2.01 PURPOSES. The purposes of this Association are to act on behalf of its members collectively, as their governing body for civic functions and other purposes, with respect to the preservation, care, maintenance, replacement, improvement, enhancement, operation and administration of both real and personal property and for the promotion of the health, safety and welfare of the Members of the Association, all on a not-for-profit basis. These By-Laws are attached as Exhibit A to the Declaration of Covenants, Conditions and Restrictions for the Prairie Pointe Neighborhood Association ("Declaration"). All terms used herein shall have the meanings set forth in the Declaration.

2.02 POWERS. The Association shall have and exercise all powers as are now or may hereafter be granted by the General Not-For-Profit Corporation Act of the State of Illinois, the Declaration and these By-Laws.

2.03 PERSONAL APPLICATION. All present or future Owners, tenants, future tenants, and their agents and employees, and any other person that might use the facilities of the Property in any manner, shall be subject to the provisions of the Declaration and these By-Laws. The mere acquisition or rental of a Unit or the mere act of occupancy of a dwelling unit on a Lot will signify that the Declaration and these By-Laws are accepted, ratified and will be complied with.

98546472

ARTICLE III
OFFICES

3.01 REGISTERED OFFICE. The Association shall have and continuously maintain in this state a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Illinois as the Board may from time to time determine.

3.02 PRINCIPAL OFFICE. The Association's principal office shall be maintained on the Property or at the office of a managing agent engaged by the Association.

ARTICLE IV
MEETINGS OF MEMBERS

4.01 VOTING RIGHTS. The Association shall have one class of membership. There shall be one individual with respect to each Unit who shall be entitled to vote at any meeting of the Owners (the "Voting Member"). If the Owner of a Lot is one individual, then such individual shall be the Voting Member. If the Record Ownership of a Lot shall be in more than one individual or if the Owner is a trustee, corporation, partnership or other legal entity, then the Voting Member shall be designated by the Owner or by a majority of Owners in writing to the Board. If in the case of multiple individual Owners no designation is given and only one of the multiple Owners is present at a meeting of the Owners, then he is entitled to cast all the votes allocated to that Lot. If in the case of multiple individual Owners no designation is given and more than one of the multiple Owners are present at a meeting, the votes allocated to that Lot may be cast only in accordance with the agreement of a majority in interest of the multiple Owners, provided that the Board shall consider a majority agreement if any one of the multiple Owners casts the votes allotted to the Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot. Any or all Owners may be present at any meeting of the Owners, but the voting rights shall be vested exclusively in the Voting Members; provided, however, that a Voting Member may vote either in person or by proxy executed and dated in writing by the Voting Member or his duly authorized attorney-in-fact and filed with the secretary before the meeting. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy. Except as otherwise specifically provided in the Declaration or these By-Laws, each Voting Member shall have one vote.

4.02 PLACE OF MEETING; QUORUM. Meetings of the Owners shall be held on the Property or at such other place in the County in which the Property is located and convenient to the Owners as may be designated in any notice of a meeting. All meetings shall be conducted in accordance with the rules and provisions set forth in Roberts Rules of Order, as from time to time published. Voting Members holding 20%

of the votes, represented in person or by proxy, shall constitute a quorum. The vote of a majority of the votes entitled to be cast by the Voting Members present or represented by proxy at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the Voting Members. The affirmative vote of 75% of the votes entitled to be cast shall be required for the following action: (a) merger or consolidation of the Association; (b) sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all of the property and assets of the Association; and (c) purchase or sale of land or of Lots on behalf of all Owners.

4.03 ANNUAL MEETINGS. The initial meeting of the Owners shall be held upon not less than 21 nor more than 30 days' written notice given by the Declarant. If not called earlier by the Declarant, the initial meeting of the Owners shall be held on or before the Turnover Date. Thereafter there shall be an annual meeting of the Owners within 30 days from the anniversary date of designated by the Board.

4.04 SPECIAL MEETINGS. Special meetings of the Owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration, require the approval of all or some of the Voting Members or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by the President, a majority of the Board or by Voting Members representing at least 20% of the votes.

4.05 NOTICE OF MEMBERSHIP MEETINGS. Written notice of any membership meeting shall be mailed or personally delivered and posted conspicuously on the Property, giving Owners not less than 10 nor more than 30 days notice of the time, place, and purpose of the meeting.

ARTICLE V
BOARD OF DIRECTORS

5.01 IN GENERAL. The affairs of the Association and the direction and administration of the Property shall be vested in the Board, which (after the Turnover Date) shall consist of 5 persons or such other number of persons as shall be fixed from time to time by the affirmative vote of 50% of the Voting Members ("Directors"). The Board shall have all of the powers granted to it under the Declaration, these By-Laws and the General Not-For-Profit Corporation Act of the State of Illinois.

5.02 DEVELOPER DESIGNATED BOARDS. Anything herein to the contrary notwithstanding, until the first meeting of the Owners after the Turnover Date the Board shall consist of 3 individuals from time to time designated by the Declarant. Such individuals may, but need not, be Owners and shall serve at the discretion of the Declarant.

5.03 BOARDS AFTER TURNOVER DATE. At the first meeting of the Owners (which shall be held no later than the Turnover Date) the Voting Members shall elect the initial Board in the manner hereinafter provided to replace the Declarant designated Board established under Paragraph 5.02. The Declarant shall give at least 21 days notice of the first meeting of the Owners to elect the initial Board and shall provide to any Owner within 3 working days of a written request from the Owner, the names, addresses and telephone numbers (if available) of each Owner entitled to vote at such meeting. Any Owner shall be provided with this same information within 3 working days of the request, with respect to each subsequent meeting to elect members of the Board. From and after such meeting, each member of the Board shall be an Owner or a Voting Member, or both. Within 60 days after the election of a majority of the Board other than those designated by the Declarant, the Declarant shall deliver to the Board:

(a) All original documents as recorded or filed pertaining to the Property, its administration and the Association, such as the Declaration, the By-Laws, Articles of Incorporation, other Association instruments, annual reports, minutes and rules and regulations, contracts, leases, or other agreements entered into by the Association. If any original documents are unavailable, a copy may be provided if certified by affidavit of the Declarant, or an officer or agent of the Declarant, as being a complete copy of the actual document as recorded or filed.

(b) An accounting of all receipts and expenditures made or received on behalf of the Association by the Declarant designated Boards and copies of all insurance policies and a list of any loans or advances to the Association which are outstanding.

(c) All Association funds and bank accounts.

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

(e) A list of all litigation, administrative action and arbitrations involving the Association, any notices of governmental bodies involving actions taken or which may be taken by the Association, engineering and architectural drawings and specifications as approved by any governmental authority, all other documents filed with any other governmental authority, all governmental certificates, correspondence involving enforcement of any Association requirements, copies of any documents relating to disputes involving Owners, originals of all documents relating to everything listed in this subparagraph.

5.04 ELECTION. At the initial meeting of the Owners, the Voting Members shall elect

a full Board of Directors. The three Directors receiving the highest number of votes shall serve a term of two years and the two other Directors shall serve a term of one year. Thereafter each Director shall serve a term of two years. Each Director shall hold office until his term expires or until his successor shall have been elected and qualified. Directors may succeed themselves in office. In all elections for members of the Board, the Voting Member for each Lot shall be entitled to the number of votes equal to the number of Directors to be elected (cumulative voting shall not be permitted). The candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected.

5.05 ANNUAL MEETINGS. The Board shall hold an annual meeting within 10 days after the annual meeting of the Owners at such place as shall be fixed by the Directors at the annual meeting of the Owners.

5.06 REGULAR MEETINGS. Regular meetings of the Board shall be held at such time and place as shall be determined at the annual meeting or, from time to time, by a majority of the Directors, provided that from and after the Turnover Date, not less than four such meetings shall be held during each fiscal year.

5.07 SPECIAL MEETINGS. Special meetings of the Board may be called by the President or by at least one-third (1/3) of the Directors then serving.

5.08 NOTICE OF BOARD MEETINGS. Notice of each meeting of the Board shall be mailed or personally delivered to each Director at least 48 hours prior to the meeting and notice of any meeting of the Board concerning the adoption of the proposed annual budget or any increase or establishment of an assessment shall be given to each Owner in the same manner as provided in Paragraph 4.05 of these By-Laws, unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened.

5.09 OPEN MEETINGS. Each meeting of the Board shall be open to any Owner except for the portion of any meeting held (i) 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, (ii) to consider information regarding appointment, employment or dismissal of an employee, or (iii) to discuss violations of rules and regulations of the Association or an Owner's unpaid share of the Assessment attributable to expenses of the Association. Any vote taken on any of the matters set forth in subparagraphs (i), (ii) or (iii) above shall be taken at a meeting or portion thereof open to any Owner. Notice of such meeting shall be mailed or personally delivered and posted conspicuously upon the Property at least 48 hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened. The Board may adopt reasonable rules governing the conduct of Owners who attend meetings and Owners who do not comply with such

rules may be removed from the meeting. Any Owner may record the proceedings at a meeting required to be open by tape, film or other means and the Board may prescribe reasonable rules and regulations to govern the right to make such recordings.

5.10 QUORUM. A majority of the Directors serving from time to time shall constitute a quorum for the election of officers and for the transaction of business at any meeting of the Board. Except as otherwise expressly provided herein or in the Declaration, any action may be taken upon the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present.

5.11 COMPENSATION/REIMBURSEMENT FOR EXPENSES. No Director shall be compensated by the Association for services rendered to the Association, except as expressly provided in a resolution duly adopted by the Voting Members. Upon the presentation of receipts or other appropriate documentation, a Director shall be reimbursed by the Association for reasonable out-of-pocket expenses incurred in the course of the performance of his duties as a Director.

5.12 REMOVAL OR RESIGNATION OF DIRECTOR. Any Director may be removed from office, with or without cause, by action of the Voting Members at any annual meeting or at a special meeting called for such purpose. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting. Any Director may resign at any time by submitting his written resignation to the Board. If a Director ceases to be an Owner or a Voting Member, he shall be deemed to have resigned as of the date of such cessation.

A successor to fill the unexpired term of a Director who resigns or is removed may be appointed by a two-thirds (2/3) majority of the remaining Directors to serve until the next meeting of the Owners or for a period terminating no later than 30 days following the filing of a petition signed by the Owners holding 20% of the votes of the Association requesting a meeting of the Owners to fill the vacancy for the balance of the term. Such meeting of the Owners shall be called for purposes of filling a vacancy on the Board no later than 30 days following the filing of a petition signed by the Owners holding 20% of the votes of the Association requesting such a meeting.

5.13 POWERS AND DUTIES OF THE BOARD. The Board shall have all of the power and duties granted to it or imposed upon it by the Declaration, these By-Laws, and the Illinois General Not-For-Profit Corporation act, including, without limitation, the following powers and duties:

- (a) To procure insurance as provided for in the Declaration;
- (b) To engage the services of a manager or managing agent to assist the Association in performing and providing such services as the Association is required to provide to its members under the Declaration;

(c) To provide for the designation, hiring and removal of such employees and such other personnel, including attorneys and accountants, as the Board may, in its discretion, deem necessary or proper for the effective administration of the Association;

(d) To provide for any maintenance, repair, alterations, addition, improvement or replacement of the Community Property for which the Association is responsible under the Declaration and these By-Laws, including but not limited to the power to enter into and carry out an agreement with any homeowner and to carry out powers and duties of the Board of Directors in such a manner that would be economical to the Association and its members;

(e) To estimate and provide each Owner with an annual budget as provided for in the Declaration;

(f) To set, give notice of, and collect assessments from the Owners as provided in the Declaration;

(g) To pay expenses related to maintaining and repairing the Community Property;

(h) To adopt rules and regulations as provided in the Declaration;

(i) To delegate the exercise of its power to committees appointed pursuant to Paragraph 7.01 of these By-Laws;

(j) To own, convey, encumber, lease, or otherwise deal with Units or other real property conveyed to or purchased by the Association;

(k) To keep detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property;

(l) To 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;

(m) To impose charges for late payments of an Owner's proportionate share of the Association's expenses, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levy reasonable fines for violation of the Declaration, By-Laws, and rules and regulations of the Association;

(n) To assign the Association's right to future income, including the right to receive assessments;

(o) To record the dedication of a portion of the Landscape and Easement Areas to a public body for use as, or in connection with, a street or utility where authorized by the Owners; and

(p) To record the granting of an easement for the laying and installation of cable television cable where authorized by the Unit Owners.

ARTICLE VI
OFFICERS

6.01 **OFFICERS**. The officers of the Association shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such assistants to such officers as the Board may deem appropriate. All officers shall be elected at each annual meeting of the Board and shall hold office at the discretion of the Board. Officers may succeed themselves in office. The President, Vice President, Secretary and Treasurer shall be Directors and all other officers may, but need not be, Directors.

6.02 **VACANCY OF OFFICE**. Any officer may be removed at any meeting of the Board by the affirmative vote of the majority of the Directors in office, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

6.03 **POWERS OF OFFICERS**. The respective officers of the Association shall have such powers and duties as are from time to time prescribed by the Board and as are usually vested in such officer of an Illinois Not-For-Profit Corporation including without limitation, the following:

(a) The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the Owners and at all meetings of the Board and shall execute amendments to the Declaration and these By-Laws;

(b) The Vice President shall, in the absence or the disability of the President, perform the duties and exercise the powers of such office and other duties assigned by the Board. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to act in the capacity of President on an interim basis;

(c) The Secretary shall keep minutes of all the meetings of the Owners and of the Board and shall have custody of the Association Seal and have charge of such other books, papers and documents as the Board may prescribe, and shall be responsible for giving and receiving all notices to be given to or by the Association under the Declaration or these By-Laws; and

(d) The Treasurer shall be responsible for Association funds and securities

and for keeping full and accurate accounts of all receipts and disbursements in the Association books of accounts kept for such purpose. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board.

6.04 OFFICERS' COMPENSATION. The officers shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the Voting officers.

ARTICLE VII
COMMITTEES DESIGNATED BY BOARD

7.01 BOARD COMMITTEES. The Board by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent consistent with law and as provided in said resolution shall have and exercise the authority of the Board in the management of the Association; but the designation of such committees and delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or him by law.

7.02 SPECIAL COMMITTEES. Other committees not having and exercising the authority of the Board in the management of the Association may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Owners and the President of the Association shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal.

7.03 TERM. Each member of a committee shall continue as such until the next annual meeting of the Board and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

7.04 CHAIRMAN. One member of each committee shall be appointed chairman.

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

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

be the act of the committee.

7.07 RULES. Each committee may adopt rules for its own government not inconsistent with the Declaration, these By-Laws or with rules adopted by the Board.

ARTICLE VIII
INSTRUMENTS, CHECKS, DEPOSITS AND FUNDS

8.01 EXECUTION OF INSTRUMENTS. The Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument (including amendments to the Declaration or these By-Laws which must be executed by the Association) in the name of and on behalf of the Association and such authority may be general or confined to specific instances. In the absence of any such authorization by the Board, any such contract or instrument shall be executed by the President or a Vice President and attested to by the Secretary or an Assistant Secretary of the Association.

8.02 PAYMENTS. All checks, drafts, vouchers or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association, and in such manner as shall from time to time be determined by the resolution of the Board. In the absence of such determination by the Board such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Association.

8.03 BANK ACCOUNTS. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board shall elect.

8.04 SPECIAL RECEIPTS. The Board may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purpose or for any special purpose of the Association.

ARTICLE IX
FISCAL MANAGEMENT

9.01 FISCAL YEAR. The fiscal year of the Association shall be determined by the Board and may be changed from time to time, as the Board deems advisable.

9.02 ANNUAL STATEMENT. Within a reasonable time after the close of each fiscal year the Board shall furnish each Owner with an itemized accounting of the Association's expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the Annual Assessment budget, and

showing the net excess or deficit of income over expenditures plus reserves.

9.03 ASSESSMENT PROCEDURE. (a) Annual assessments and special assessments shall be made and collected as provided in Article V of the Declaration, and the provisions of Article V are incorporated herein by reference.

(b) If an adopted budget requires assessment against the Owners in any fiscal year exceeding 115% of the assessments for the preceding year, the Board, upon written petition by Owners with 20% of the votes of the Association filed within 14 days of the Board action, shall call a meeting of the Owners within 30 days of the date of filing of the petition to consider the budget. Unless a majority of the votes of the Owners are cast at the meeting to reject the budget, it is ratified, whether or not a quorum is present. In determining whether assessments exceed 115% of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Property, and anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, shall be excluded from the computation.

9.04 NO FORBEARANCE ON ASSESSMENT PAYMENT. Neither the Association nor the Board shall have authority to forebear the payment of assessments by any Owner.

ARTICLE X
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, and shall keep at the registered or principal office of the Association a record giving the names and addresses of the members. All books and records of the Association may be inspected by any Owner, or his agent, mortgagee or attorney, for any proper purposes at any reasonable time.

ARTICLE XI
SEAL

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

ARTICLE XII
AMENDMENTS

These By-Laws may be amended or modified at any time, or from time to time in the same manner as provided in Article IX of the Declaration; provided, that no provision

of these By-Laws may be amended or modified so as to conflict with the provisions of the Declaration. These By-Laws may also be amended by the Developer for the purposes and by the procedure set forth in the Declaration. No amendment to these By-Laws shall become effective until recorded in Cook County, Illinois.

Pin# 06-22-300-005-0000, 06-22-302-011-8000