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AMENDED AND RESTATED DECLARATION  
FOR THE SANDPEBBLE WALK BUILDING THREE  
CONDOMINIUM ASSOCIATION

This document prepared by and after recording to be  
returned to:

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AMENDED AND RESTATED DECLARATION FOR THE  
SANDPEBBLE WALK BUILDING THREE CONDOMINIUM ASSOCIATION

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[To be inserted before recording]

DECLARATION OF CONDOMINIUM OWNERSHIP  
FOR SANDPEBBLE WALK BUILDING THREE CONDOMINIUM

WHEREAS, the Association and its Owners are the owners of a certain parcel of real estate located in the Village of Wheeling, County of Cook, State of Illinois, which parcel is legally described in Exhibit A, attached hereto and made a part of this Amended and Restated Declaration; and

WHEREAS, the parcel of real estate described in Exhibit A was submitted together with all buildings, improvements and other permanent fixtures of whatsoever kind thereon, and all rights and privileges belonging or in any way pertaining thereto, to the provisions of the Condominium Property Act of the State of Illinois; and

WHEREAS, the unit owners, mortgagees, occupants, and any other persons hereafter acquiring any interest in said Property shall, at all times, enjoy the benefits of, and shall hold their interests subject to the rights, easements, privileges and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of such property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness thereof; and

WHEREAS, this Amendment is adopted pursuant to the provisions of Section 27(a)(i) of the Illinois Condominium Property Act.

NOW, THEREFORE, the Association and its owners of the real estate described in Exhibit A attached hereto, and for the purposes above set forth, hereby declares as follows:

1. DEFINITIONS. As used herein, unless the context otherwise requires:
  - (a) "Act" means the "Condominium Property Act" of the State of Illinois.
  - (b) "Declaration" means this Amended and Restated Declaration by which the Property is submitted to the provisions of the Act, as hereinafter provided, and such Declaration as from time to time amended.
  - (c) "Parcel" means the real estate described in Exhibit A, which is attached to this Declaration and made a part hereof and which is submitted to the provisions of the Act.
  - (d) "Property" means all the land, property and space comprising the Parcel, and all improvements and structures erected, constructed or contained therein or thereon, including buildings and all easements, rights and appurtenances belonging thereto, and all furniture, fixtures, equipment and furnishings intended for the mutual use, benefit or enjoyment of the Unit Owners, submitted to the provisions of the Act.
  - (e) "Unit" means a part of the Property, including one or more rooms and

occupying one or more floors or a part or parts thereof, designed or intended for independent use and having lawful access to a public way as a one-family dwelling or such other incidental uses permitted by this Declaration, as set forth on the Plat attached to the Original Declaration as Exhibit B and incorporated herein by reference. Each Unit shall consist of the space enclosed and bounded by the horizontal and vertical planes constituting the boundaries of such Unit as shown on the Plat; provided, however, that no structural components of a Building, and no pipes, wires, conduits, ducts, flues, shafts, or public utility lines situated within a Unit and forming part of any system serving one or more other Units or the Common Elements shall be deemed to be a part of said Unit.

(f) "Common Elements" means all the Property, except the Units, and shall include, but shall not be limited to, the land, foundations, entrances and exits, roof, pipes, ducts, electrical wiring and conduits (except pipes, ducts, electrical wiring and conduits situated entirely within a Unit and serving only said Unit), public utility lines, floors, ceilings and perimeter walls of Units (other than such portions thereof included within Unit boundaries as shown on the Plat), structural components of the Building, and all other portions of the Property except the individual units. Structural components located within the boundaries of a Unit shall be part of the Common Elements.

(g) "Limited Common Elements" means a portion of the Common Elements contiguous to and serving exclusively a single Unit or adjoining Units as an inseparable appurtenance thereto, including specifically, but not by way of limitation, balconies, patios, terraces and such portions of the perimeter walls, floors and ceilings, doors, windows and entryways, and all associated fixtures and structures therein as lie outside the Unit boundaries. The Board as hereinafter defined may from time to time designate other portions of the Common Elements and Limited Common Elements including, but not limited to, such heating, plumbing and electrical fixtures and all associated pipes, ducts and wiring as may serve exclusively a single Unit or group of contiguous Units.

(h) "Person" means a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

(i) "Unit Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership or a Unit.

(j) "Majority" or "Majority of the Unit Owners" means the owners of more than fifty percent (50%) in the aggregate in interest of the undivided ownership of the Common Elements. Any specified percentage of the Unit Owners means such percentage in the aggregate in interest of such undivided ownership of the Common Elements.

(k) "Unit Ownership" means a part of the Property consisting of one Unit and the undivided interest in the Common Element appurtenant thereto.

(l) "Building" means the building or buildings located on one Parcel and forming part of the Property and containing the Units, as shown by the surveys of the

respective floors of said Building included in the Plat attached hereto as Exhibit B.

(m) "Association" means the Sandpebble Walk Building 3 Condominium Association, an Illinois not-for-profit corporation, its successors and assigns.

(n) "Homeowners' Association Declaration" means the Declaration of Covenants, Conditions, Restrictions and Easements for Sandpebble Walk Homeowners' Association, which Declaration was registered in the Office of the Registrar of Titles, Cook County, Illinois on May 12, 1972, as Documents No. 2622769.

(o) "Sandpebble Walk Homeowners' Association" means the Sandpebble Walk Homeowners' Association, an Illinois not-for-profit corporation, its successors and assigns.

2. SUBMISSION OF PROPERTY TO THE ACT. This Parcel and property hereby submits the Parcel and the property to the provisions of the Condominium Property Act of the State of Illinois.

3. PLAT. The Plat attached to the original Declaration as Exhibit B, and incorporated herein and made a part hereof, sets forth the measurements, elevations, locations and other data, as required by the Act, with respect to (1) the Parcel and its exterior boundaries; (2) the Building and each floor thereof; and (3) each Unit of the Building and its horizontal and vertical dimensions.

4. UNIT IDENTIFICATION. Each Unit is identified on the Plat by a distinguishing number or other symbol. The legal description of each Unit shall refer to such identifying number or symbol. Every deed, lease mortgage or other instrument shall legally describe a Unit by its identifying number or symbol as shown on the Plat and every such description shall be deemed good and sufficient for all purposes, as provided in the Act.

5. ASSOCIATION OF UNIT OWNERS AND ADMINISTRATION AND OPERATION OF THE PROPERTY.

(a) Sandpebble Walk Building Three Condominium Association, a not-for-profit corporation, has been incorporated as provided by the Act, which shall be the governing body for all of the Unit Owners for the maintenance, repair, replacements, administration and operation of the Property as provided in the Act and in this Declaration and in the By-Laws which are attached hereto as Exhibit D and made a part hereof. As soon as said Association has been incorporated it shall be responsible for the administration and operation as aforesaid of the property. The Association shall be managed by a Board of Directors, which shall be elected in the manner provided in the By-Laws. The Board of Directors of the Association shall constitute the Board of Managers provided for in the Act, and all rights, titles, powers, privileges and obligations vested in or imposed upon the Board of Managers in the Act and in this Declaration and in the By-Laws shall be held or performed by the Association or by the duly elected members of the Board of Directors thereof and their successors in office.

(b) Whenever the word "Board" is used in this Declaration or in the By-Laws, it shall mean and refer to the Association acting through its Board of Directors. Neither the Board, the Association nor the Unit Owners shall be deemed to be conducting a business of any kind. All funds collected by the Board shall be held and expended for the purposes designated in this Declaration and the By-Laws and (except for such adjustments as the Board may require to reflect delinquent, prepaid and special assessments) shall lie deemed to be held for the benefit, use and account of all the Unit Owners in the percentages set forth in Exhibit C, and shall be administered in accordance with the provisions of the Declaration and the By-Laws. Each Unit Owner shall be a member of the Association so long as he shall be a Unit Owner, and such membership shall automatically terminate when he ceases to be a Unit Owner, and upon transfer of his ownership interest, the new Unit Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association.

6. OWNERSHIP OF COMMON ELEMENTS.

(a) Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, as set forth in the schedule attached hereto as Exhibit C, which is incorporated herein and made a part of this Declaration. The aforesaid percentages of ownership interest have been computed and determined in accordance with the Act, and shall remain constant unless hereafter changed by registered amendment to this Declaration consented to in writing by all Unit Owners. Said ownership interest in the Common Elements shall be undivided interests, and the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with their respective percentages of ownership as set forth in Exhibit C. The ownership of each Unit and of the Unit Owner's corresponding percentage of ownership in the Common Elements shall not be separated.

(b) The respective undivided interests in the Common Elements allocated to each Unit in accordance with Section 6(a) above, cannot be changed except by registered amendment to this Declaration consented to in writing by all Unit Owners. The undivided interest in the Common Elements and fee title to the respective Unit conveyed therewith, shall not be separated or separately conveyed. The undivided interest in the Common Elements shall be deemed to be conveyed or encumbered with its respective Unit, even though the legal description in the instrument of conveyance or encumbrance may refer only to the fee title to the Unit.

7. USE OF THE COMMON ELEMENTS. Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements) in common with all other Unit Owners, as may be required for the purposes of access and ingress and egress to and use and occupancy and enjoyment of the respective Unit owned by such Unit Owner. Such right to use the Common Elements shall extend to each Unit Owner, and the agents, servants, tenants, family members and invitees of each Unit Owner. Each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements serving his Unit. Such rights to use and possess the Common Elements, including the Limited Common Elements, shall be

subject to and governed by the provisions of the Act, this Declaration, the By-Laws and by the rules and regulations of the Board. The Board shall have the exclusive authority from time to time to adopt or amend administrative rules and regulations governing the use, occupancy and control of the Common Elements as more particularly provided in the By-Laws. The Board shall have the authority to lease or to grant licenses or concessions with respect to parts of the Common Elements, subject to the provisions of this Declaration and By-Laws.

8. COMMON EXPENSES. Each Unit Owner shall pay his proportionate share of the expenses of administration, maintenance and repair of the Common Elements and of any other expenses incurred in conformance with this Declaration and the By-Laws or otherwise lawfully agreed upon (which expenses are herein sometimes referred to as "common expenses"). Such proportionate share of the common expenses for each Unit Owner shall be in the same ratio as his percentage of ownership in the Common Elements. Payment thereof shall be in such amounts and at such times as determined in the manner provided in the By-Laws. If any Unit Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof shall constitute a lien on the interest of such Unit Owner in the Property as provided in the Act.

9. BOARD'S DETERMINATION BINDING. In the event of any dispute or disagreement between any Unit Owners relating to the Property, or any question of interpretation or application of the provisions of this Declaration or the By-Laws, the determination thereof by the Board shall be final and binding on each and all of such Unit Owners, their successors and assigns.

10. INDEMNITY. The members of the Board and the officers thereof or of the Association shall not be liable to the Unit Owners for any mistake of judgment, or any acts or omissions made in good faith as such members or officers. The Unit Owners shall indemnify and hold harmless each of such members or officers against all contractual liability to others arising out of contracts made by such members or officers on behalf of the Unit Owners or the Association unless any such contract shall have been made in bad faith or contrary to the provisions of this Declaration. The liability of any Unit Owner arising out of any contract made by such members or officers or out of the aforesaid Indemnity shall be limited to such proportion of the total liability thereunder as his percentage interest in the Common Elements bears to the total percentage interest of all the Unit Owners in the Common Elements. Each agreement made by such members or officers or by the managing agent on behalf of the Unit Owners or the Association shall be executed by such members or officers or the managing agent, as the case may be, as agents, for the Unit Owners or for the Association.

11. SEPARATE MORTGAGES. Each Unit Owner shall have the right, subject to the provisions herein, to make a separate mortgage or encumbrance on his respective Unit together with his respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to make or create or cause to be made or created any mortgage or encumbrance or other lien on or affecting the Property or any part thereof, except only to the extent of his Unit and his respective ownership interest in the Common Elements.

12. SEPARATE REAL ESTATE TAXES. Real estate taxes are to be separately

taxed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements.

13. INSURANCE.

(a) Property Insurance. No policy of insurance shall be issued or delivered to the Association, and no policy of insurance issued to the Association shall be renewed, unless the insurance coverage under the policy includes property insurance (i) on the Common Elements and the Units, including the Limited Common Elements and except as otherwise determined by the Board, the bare walls, floors, and ceilings of the Unit, (ii) providing coverage for special form causes of loss, and (iii) in a total amount of not less than the full insurable replacement cost of the insured property, less deductibles, but including coverage for the increased costs of construction due to building code requirements, at the time the insurance is purchased and at each renewal date. The insurance maintained under this subsection must include the Units, the Limited Common Elements except as otherwise determined by the Board, and the Common Elements. The insurance need not cover improvements and betterments to the Units installed by Unit Owners, but if improvements and betterments are covered, any increased cost may be assessed by the Association against the Units affected. Common Elements include fixtures located within the unfinished interior surfaces of the perimeter walls, floors, and ceilings of the individual Units initially installed by the developer. Common Elements exclude floor, wall, and ceiling coverings. "Improvements and betterments" means all decorating, fixtures, and furnishings installed or added to and located within the boundaries of the Unit, including electrical fixtures, appliances, air conditioning and heating equipment, water heaters, or built-in cabinets installed by Unit Owners.

(b) General Liability Insurance. No policy of insurance shall be issued or delivered to the Association, and no policy of insurance issued to the Association shall be renewed, unless the insurance coverage under the policy includes commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the property in a minimum amount of \$1,000,000, or a greater amount deemed sufficient in the judgment of the Board, insuring the Board, the Association, the management agent, and their respective employees and agents and all persons acting as agents. The Unit Owners must be included as additional insured parties but only for claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Elements. The insurance must cover claims of one or more insured parties against other insured parties.

(c) Property and general liability insurance policies required to be carried by the Association must include each of the following provisions:



(i) Each Unit Owner and secured party is an insured person under the policy with respect to liability arising out of the Unit Owner's interest in the Common Elements or membership in the Association.

(ii) The insurer waives its right to subrogation under the policy against any Unit Owner of the condominium or members of the Unit Owner's household and against the Association and members of the Board.

(iii) The Unit Owner waives his or her right to subrogation under the Association policy against the Association and the Board.

(d) Adjustment of Losses; Distribution of Proceeds. Any loss covered by the property policy required to be maintained by the Association must be adjusted by and with the Association. The insurance proceeds for that loss must be payable to the Association, or to an insurance trustee designated by the Association for that purpose. The insurance trustee or the Association must hold any insurance proceeds in trust for Unit Owners and secured parties as their interests may appear. The proceeds must be disbursed first for the repair or restoration of the damaged Common Elements, the bare walls, ceilings, and floors of the Units, and then to any improvements and betterments the Association may insure. Unit Owners are not entitled to receive any portion of the proceeds unless there is a surplus of proceeds after the Common Elements and Units have been completely repaired or restored or the Association has been terminated as trustee.

(e) Primary Insurance. If at the time of a loss under the Association's policy there is other insurance in the name of a Unit Owner covering the same property covered by the policy, the Association's policy is primary insurance.

(f) Deductibles. The Board of the Association may, in the case of a claim for damage to a Unit or the Common Elements, (i) pay the deductible amount as a common expense, (ii) after notice and an opportunity for a hearing, assess the deductible amount against the Unit Owners who caused the damage or from whose Units the damage or cause of loss originated, or (iii) require the Unit Owners of the Units affected to pay the deductible amount.

(g) Directors and Officers Coverage. The Board must obtain directors and officers liability coverage at a level deemed reasonable by the Board, if not otherwise established by this Declaration or By-Laws. Directors and officers liability coverage must extend to all contracts and other actions taken by the Board in their official capacity as directors and officers, but this coverage shall exclude actions for which the directors are not entitled to indemnification under the General Not For Profit Corporation Act of 1986 or this Declaration and By-Laws of the Association.

(h) Mandatory Unit Owner Coverage. The Board may require condominium Unit Owners to obtain insurance covering their personal liability and compensatory (but not consequential) damages to another Unit caused by the negligence of the Unit Owner or his or her guests, residents, or invitees, or regardless of any negligence originating from the Unit. The personal liability of a Unit Owner or Association member must include the deductible of the Unit Owner whose Unit was damaged, any damage not

covered by insurance required by this subparagraph, as well as the decorating, painting, wall and floor coverings, trim, appliances, equipment, and other furnishings. If the Unit Owner does not purchase or produce evidence of insurance requested by the Board, the directors may purchase the insurance coverage and charge the premium cost back to the Unit Owner. In no event is the Board liable to any person either with regard to its decision not to purchase the insurance, or with regard to the timing of its purchase of the insurance or the amounts or types of coverages obtained.

14. MAINTENANCE, REPAIRS AND REPLACEMENTS.

(a) Each Unit Owner shall furnish and be responsible for, at his own expense, all of the maintenance, repairs and replacements within his own Unit. Maintenance, repairs and replacements of the Common Elements shall be furnished by the Board as part of the common expenses; subject to the rules and regulations of the Board; provided, however, that at the discretion of the Board, maintenance, repairs and replacements of the Limited Common Elements may be assessed in whole or in part to Unit Owners benefited thereby and further, at the discretion of the Board, it may direct such Unit Owners in the name and for the account of such Unit Owners to arrange for such maintenance, repairs and replacements, to pay the cost thereof, and to procure and deliver to the Board such lien waivers and contractor's and subcontractor's sworn statements as may be required to protect the Property from all mechanic's or materialmen's lien claims that may arise therefrom.

(b) The Board may cause to be discharged any mechanic's lien or other encumbrance which, in the opinion of the Board, may constitute a lien against the Property or Common Elements, rather than against a particular Unit and its corresponding percentage of ownership in the Common Elements. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses (including attorney's fees) incurred by reason of such lien.

(c) Whenever the Board shall determine, in its discretion, that maintenance or repair of any Unit is necessary to protect the Common Elements or any other portion of the Building, the Board may cause a written notice of the necessity for such maintenance or repair to be served upon such Unit Owner, which notice may be served by delivering a copy thereof to any occupant of such unit, or by mailing the same by certified or registered mail addressed to the Owner at the Unit. If such Unit Owner fails or refuses to perform any such maintenance or repair within a reasonable time stated in the notice (or any extension thereof approved by the Board), the Board may cause such maintenance and repair to be performed at the expense of such Unit Owner.

(d) If, due to the act or neglect of a Unit Owner, or a member of his family or household pet or of a guest or other authorized occupant or visitor of such Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be at

the common expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Board, to the extent not covered by insurance.

(e) The Board shall have exclusive authority to take, or refrain from taking, any action pursuant to this paragraph 14. All expenses which, pursuant to this paragraph 14, are chargeable to any Unit Owner, may be specifically assessed to such Unit Owner and shall be payable by such Unit Owner as prescribed by the Board.

15. ALTERATIONS, ADDITIONS OR IMPROVEMENTS. No alterations of any Common Elements, or any additions or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board. The Board may authorize and charge as common expenses (or in the case of Limited Common Elements may charge to the Unit Owner benefited thereby) alterations and improvements of, and additions to, the Common Elements; provided, however, that in the event the costs thereof are to be charged as common expenses the Board shall not approve such alterations, improvements or additions requiring an expenditure in excess of Three Thousand Dollars (\$3,000) without the approval of Unit Owners owning not less than seventy five percent (75%) in the aggregate interest of the undivided ownership of the Common Elements. Any Unit Owner may make alterations, additions or improvements within his Unit without the prior written approval of the Board, but in any event such Unit Owner shall be responsible for any damage to other Units, the Common Elements, or the Property as a result of such alterations, additions, improvements.

16. DECORATING. Each Unit Owner shall furnish and be responsible for, at his own expense, all of the decorating within his own Unit from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating. In the event the boundaries of any Unit, as shown on the Plat, are the finished undecorated interior surfaces of the perimeter walls, floors and ceilings thereof, the owner of such Unit shall be entitled to the exclusive use of such surfaces, and such Unit Owner shall maintain such surfaces in good condition at his sole expense. The use of and the covering of the interior surfaces of windows, whether by draperies, shades or other items visible on the exterior of the Building, shall be subject to the rules and regulations of the Board. Decorating of the Common Elements (other than interior surfaces within the Units as above provided), and any re-decorating of Units to the extent made necessary by any damage to existing decorating of such Units caused by maintenance, repair, or replacement work on the Common Elements by the Board, shall be furnished by the Board as part of the common expenses.

17. SALE OR LEASE BY A UNIT OWNER - FIRST OPTION TO ASSOCIATION.

(a) Notwithstanding anything herein to the contrary, if any Unit Owner desires to lease, or cause a unit to be occupied by a person other than one defined as a "Unit Owner" or members of his immediate family, in addition to the requirements set forth in this Section, from and after the date of the recording of an Amendment to the original Declaration dated September 20, 1995, each Owner is required to reside within their Unit for a continuous period of at least one (1) year after the date of acquiring fee simple title

to a Unit. A Unit Owner as of the date of September 20, 1995 that is renting their unit under a lease agreement shall not be subject to this Amendment.

If any lease to, or occupancy of, a unit by a person other than Owner or his immediate family is made or attempted by any Owner without complying with all of the provisions of this Section, such lease or occupancy shall be subject to each and every remedy given to the Board of Directors under this Declaration and under the Illinois Condominium Property Act, and other applicable laws of the State of Illinois.

If after complying with this Section, any Unit Owner shall desire at any time to sell or lease his Unit, he shall first give the Association at least thirty (30) days prior written notice of the proposed sale or lease, which notice shall state the name and address and financial and character references of the proposed lease or contract for sale. During the period of thirty (30) days following the receipt by the Association of such written notice, the Association shall have the first right at its option to purchase or lease such Unit Ownership upon the same terms as the proposed sale or lease described in such notice.

(b) If the Association shall give written notice to such Unit Owner within said thirty (30) day period that it has elected not to exercise such option, or if the Association shall fail to give written notice to such Unit Owner within said thirty (30) day period that it does or does not elect to purchase or lease such Unit Ownership upon the same terms as herein provided, then such Unit Owner may proceed to close said proposed sale or lease transaction at any time within the next ninety (90) days thereafter; and if he fails to close said proposed sale or lease transaction within said ninety (90) days, his Unit Ownership shall again become subject to the Association's right of first option as herein provided.

(c) If the Association shall give written notice to such Unit Owner within said thirty (30) day period of its election to purchase or lease such Unit Ownership upon the same terms as the proposed sale or lease described in said written notice to the Association, then such purchase or lease by the Association shall be closed upon the same terms as such proposed sale or lease.

(d) The notices referred to herein shall be given in the manner hereinafter provided for the giving of notices.

(e) The Board shall have the authority, on behalf of and in the name of the Association, to elect not to exercise such option and to give written notice of such election. A certificate executed by the president or secretary of the Association, certifying that the Association, by its Board, has elected not to exercise such option to purchase or lease such Unit Ownership upon the terms of such proposed sale or lease, shall be conclusive evidence of such election by the Association and of the compliance with the provisions hereof by the Unit Owner proposing to make such proposed sale or lease. Such certificate shall be furnished to such Unit Owner upon his compliance with the provisions hereof.

(f) If the Board shall adopt a resolution recommending that the Association shall exercise its option to purchase or lease such Unit Ownership upon the terms of such proposed sale or lease, the Board shall promptly call a meeting of all of the Unit Owners for the purpose of voting upon such option, which meeting shall be held within said thirty (30) day period. If Unit Owners owning not less than eighty percent (80%) of the total ownership of the Common Elements, by affirmative vote at such meeting, elect to exercise such option to make such purchase or lease, then the Board shall promptly give written notice of such election as herein provided. In such event, such purchase or lease by the Association shall be closed and consummated, and, for such purpose, the Board shall have the authority to make such mortgage or other financing arrangements, and to make such assessments proportionately among the respective Unit Owners, and to make such other arrangements, as the Board may deem desirable in order to close and consummate such purchase or lease of such Unit Ownership by the Association.

(g) If the Association shall make any such purchase or lease of a Unit Ownership as herein provided, the Board shall have the authority at any time thereafter to sell or sublease such Unit Ownership on behalf of the Association upon such terms as the Board shall deem desirable, without complying with the foregoing provisions relating to the Association's right of first option, and all of the net proceeds or deficit therefrom shall be applied among all of the Unit Owners in such manner as the Board shall determine.

(h) If a proposed lease of any Unit Ownership is made by any Unit Owner, after compliance with the foregoing provisions, a copy of the lease as when executed shall be furnished by such Unit Owner to the Board and the lessee thereunder shall be bound by and be subject to all of the obligations of such Unit Owner with respect to such Unit Ownership as provided in this Declaration and the By-Laws, and the lease shall expressly so provide. The Unit Owner making any such lease shall not be relieved thereby from any of his obligations. Upon the expiration or termination of such lease, or in the event of any attempted subleasing thereunder, the provisions hereof with respect to the Association's right of first option shall again apply to such Unit Ownership.

(i) The provisions hereof with respect to the Association's right of first option shall not apply to sales or leases made by the Declarant.

(j) If any sale or lease of a Unit Ownership is made or attempted by any Unit Owner without complying with the foregoing provisions, such sale or lease shall be subject to each and all of the rights and options of the Association hereunder and each and all of the remedies and actions available to the Association hereunder.

(k) The foregoing provisions with respect to the Association's right of first option as to any proposed sale or lease shall be and remain in full force and effect until the Property as a whole shall be sold or removed from the provisions of the Act, as provided in the Act, unless sooner rescinded or amended by the Unit Owners in the manner herein provided for amendments of this Declaration. The board may adopt rules and regulations from time to time, no inconsistent with the foregoing provisions, for the purpose of implementing and effectuating the foregoing provisions.

(l) The Board shall have the power and authority to bid for and purchase any Unit Ownership at a sale pursuant to a mortgage foreclosure, or a foreclosure of the lien for common expenses under the Act, or at a sale pursuant to an order or direction of a court, or other involuntary sale, upon the consent or approval of Unit Owners owning not less than eighty percent (80%) of the total ownership of the Common Elements. The Board shall have the power and authority to finance such purchase of a Unit by mortgage, common assessment, or any other financing arrangement that shall be deemed expedient.

18. ENCROACHMENTS. If any portions of the Common Elements shall actually encroach upon any Unit, or if any Unit shall actually encroach upon any portions of the Common Elements or any other Units, as the Common Elements and Units are shown by the surveys comprising the Plat attached hereto as Exhibit B, there shall be deemed to be easements in favor of the owners of the Common Elements and the respective Unit Owners involved to the extent of such encroachments so long as the same shall exist. In the event a Unit or Common Elements is or are partially or totally destroyed, and then rebuilt, any minor encroachment upon the Common Elements due to construction shall be permitted and a valid easement for said encroachment and the maintenance thereof shall be deemed to exist for so long as the same shall exist.

19. USE AND OCCUPANCY - COVENANTS AND RESTRICTIONS.

(a) No unit shall be used for other than residential purposes. Each Unit shall be used as a residence for a single family and for no other purpose, by the Unit Owner and his family, or by a person or single family to whom the Unit Owner shall have leased his Unit, subject to the provisions with respect to leasing contained in the Declaration. A Unit shall not be used or rented for transient or hotel purposes, which means (i) for a term of less than thirty (30) days, or (ii) for a term of more than thirty (30) days where customary hotel services, such as room, food, beverage, maid, laundry, linen, or bell boy services, are required.

(b) The Common Elements shall be used only for access, ingress and egress to and from the respective families residing therein and their respective guests, household help and other authorized visitors, and for such other purposes which are incidental to the residential use of the respective Units.

20. SANDPEBBLE WALK HOMEOWNERS' ASSOCIATION. Each Unit Owner is a member of the Sandpebble Walk Homeowners Association and is subject to and has all of the rights and benefits of the Homeowners' Association Declaration, which Declaration is incorporated herein and made a part hereof. Pursuant to the Homeowners' Association Declaration, members of the Sandpebble Walk Building Three Condominium Association are subject to assessments by the Sandpebble Walk Homeowners' Association. Assessments upon members of the Sandpebble Walk Homeowners' Association who are Unit Owners are to be paid to and collected by the Sandpebble Walk Building Three Condominium Association on behalf of and to the Sandpebble Walk Homeowners' Association, in the manner provided by the Homeowners' Association Declaration and as may be provided by the Board of the Sandpebble Walk Building Three Condominium Association. Assessments of the Sandpebble Walk Homeowners'

Association shall be paid by the Unit Owners as a part of the Common Expense of the Sandpebble Walk Building Three Condominium Association.

21. REMEDIES.

(a) In the event of any default by any Unit Owner under the provisions of the Act, Declaration, By-Laws, or rules and regulations of the Board, the Board or its agents shall have each and all of the rights and remedies which may be provided for in the Act, Forcible Entry and Detainer Act, Declaration, By-Laws, or said rules and regulations or which may be available at law or in equity, and may prosecute any action or other proceeding against such defaulting Unit Owner and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or the right to take possession of the Unit and to sell the same as hereinafter in this paragraph provided, or for any combination of remedies or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorneys' fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate of seven percent (7%) per annum until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien, to the extent authorized by law, for all of the same, as well as for non-payment of his respective share of the common expenses, upon the Unit and owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property. In the event of any such default by any Unit Owner, the Board and the manager or managing agent, if so authorized by the Board, shall have the authority to correct such default, and to do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against such defaulting Unit Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board.

(b) If any Unit Owner (either by his own conduct or by the conduct of any other occupant of his Unit) shall violate any of the covenants or restrictions or provisions of this Declaration or the rules and regulations adopted by the Board, and such violation shall not be cured within thirty (30) days after notice in writing from the Board, or shall reoccur more than once thereafter, then the board shall have the power to issue to said defaulting Owner a ten (10) day notice in writing to terminate the rights of said defaulting Owner to continue as a Unit Owner and to continue to occupy, use or control his Unit, and thereupon an action in equity may be filed by the Board against said defaulting Owner for a decree of mandatory injunction against said defaulting Owner or Occupant or (subject to the prior consent in writing of any mortgagee having a security interest in the Unit Ownership of said defaulting Owner, which consent shall not be unreasonably withheld), in the alternative, for a decree declaring the termination of said defaulting Owner's right to occupy, use or control the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the Property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon

such notice and terms as the court shall determine, except that the court shall enjoin and restrain the said defaulting Owner from re-acquiring his interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxes against said defaulting Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to said defaulting Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding percentage of ownership in the Common Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Unit Ownership sold subject to this Declaration.

22. PRIORITY OF LIENS.

(a) Notwithstanding anything to the contrary herein contained, all sums assessed by the Association but unpaid for the share of the Common Expense chargeable to a Unit shall constitute a lien on the Unit prior to all other liens except only (i) tax liens on the Unit for general real estate taxes or special assessments; and (ii) all sums unpaid on a bona fide first mortgage lien of record against such Unit.

(b) Where the mortgagee of a first mortgage of record or other purchaser of a Unit obtains title to the Unit as a result of foreclosure of the first mortgage, such acquirer of title, his successors and assigns, shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Unit which became due prior to the acquisition of title to such Unit by such acquirer. Such unpaid share of Common Expense or assessments shall be deemed to be Common Expenses collectible from all of the Unit Owners, including such acquirer, his successors and assigns.

(c) In a voluntary conveyance of a Unit the grantee of the Unit shall be jointly and severally liable with the grantor for all unpaid assessments by the Association against the latter for his share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall be entitled to a statement from the Board setting forth the amount of the unpaid assessments against the grantor due the Association and such grantee shall not be liable for, nor shall the family unit conveyed be subject to a lien for, any unpaid assessments made by the Association against the grantor in excess of the amount therein set forth.

23. AMENDMENT.

(a) The provisions of this Declaration may be changed, modified or rescinded by an instrument in writing setting forth such change, modification or rescission, signed by Unit Owners owning not less than seventy-five percent (75%) of the total ownership of Common Elements and certified by the secretary of the Board; provided, however, that



all lien holders of record have been notified by certified mail of such change, modification or rescission, and an affidavit by said secretary certifying to such mailing is a part of such instrument.

(b) Notwithstanding the provisions of the foregoing paragraph, if the Act, or this Declaration, or By-Laws, requires the consent or agreement of all Unit Owners or of all lien holders for any action specified in the Act or in this Declaration, then any such instrument changing, modifying or rescinding any provision this Declaration with respect to such action shall be signed by all the Unit Owners or all lien holders or both as required by the Act or this Declaration.

(c) The change, modification or rescission, whether accomplished under either of the provisions of the preceding two paragraphs, shall be effective upon registration of such instrument in the office of the Registrar of Cook County, Illinois; provided, however, that no provisions in this Declaration may be changed, modified or rescinded so as to conflict with the provisions of the Act.

24. NOTICES.

(a) Notices provided for in the Act, Declaration or By-Laws shall be in writing, and shall be addressed to the Board, or any Unit Owner, as the case may be, at Sandpebble Walk Building Three Condominium, 1450 S. Sandpebble Drive, Wheeling, Illinois (indicating thereon the number of the respective Unit or apartment if addressed to a Unit Owner), or at such other address as hereinafter provided. The Board may designate a different address for notices to it giving written notice of such change of address to all Unit Owners at such time. Any Unit Owner may also designate a different address or addresses for notices to him by giving written notice of his change of address to the Board. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail or when delivered in person with written acknowledgment of the receipt thereof.

(b) Upon written request to the Board, the holder of any recorded mortgage or trust deed encumbering any Unit shall be given a copy of all notices permitted or required by this Declaration to be given to the Unit Owner or Owners whose Unit is subject to such mortgage or trust deed.

25. SEVERABILITY. If any provision of this Declaration or the By-Laws or any section, sentence, clause, phrase or word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of this Declaration and the By-Laws and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

26. PERPETUITIES AND OTHER RULES OF PROPERTY. If any of the option, privileges, covenants or rights created by this Declaration would otherwise violate (a) the rule against perpetuities or some analogous statutory provision, or (b) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21)

years after the death of the survivor of the now living lawful descendants of the incumbent Mayor of the City of Chicago, and the incumbent President of the United States.

27. RIGHTS AND OBLIGATIONS. Each purchaser under any contract for a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, shall bind any Person having, at any time any interest or estate in said land, and shall inure to the benefit of such Person in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the rights described in the paragraph or described in any other part of this Declaration or the By-Laws shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of such Unit Ownerships as fully and completely as though such rights were recited fully and set forth in their entirety in such documents.

28. GENERAL PROVISIONS.

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

(b) The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of operation of a first class condominium.

(c) In the event title to any Unit Ownership is conveyed to a titleholding trust, under the terms of which all powers of management, operation and control of the Unit Ownership remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be considered Unit Owners for all purposes and they shall be responsible for payment of all obligations, liens, or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Unit Ownership. No claim shall be made against any such titleholding trustee personally for the payment of any lien or obligation hereunder created and the trustee not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Unit Ownership and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Unit Ownership.

Signed and acknowledged this 26 day of November, 2014.

J. Anderson

Shirley Clark

being at least two-thirds of the Board of Directors  
of Sandpebble Walk Building Three Condominium Association

EXHIBIT A

to

DECLARATION OF CONDOMINIUM OWNERSHIP

for

SANDPEBBLE WALK BUILDING THREE CONDOMINIUM

Part of Lot 1 in Sandpebble Walk, being subdivision in the Southeast  $\frac{1}{4}$  of the Southeast  $\frac{1}{4}$  of Section 15, Township 42 North, Range 11 East of the Third Principal Meridian together with part of the West 495.0 feet of the Southeast  $\frac{1}{4}$  of the Southeast  $\frac{1}{4}$  of said Section 15, in the Township and Range aforesaid, taken as one tract, and bounded by a line described as follows:

Commencing at the Northwest corner of said Lot 1 in Sandpebble Walk, said corner being the intersection of the North line of the Southeast  $\frac{1}{4}$  of the Southeast  $\frac{1}{4}$  of said Section 15, with the East line of the West 495.0 feet of the Southeast  $\frac{1}{4}$  of the Southeast  $\frac{1}{4}$  of said Section 15; thence South  $00^{\circ}04'17''$  East along the East line of the West 495.0 feet aforesaid, 300.14 feet; thence South  $89^{\circ}55'43''$  West, 98.21 feet to the point of beginning of the parcel to be described; thence South  $09^{\circ}49'45''$  West, 64.33 feet; thence South  $80^{\circ}10'15''$  East, 106.50 feet; thence South  $10^{\circ}07'15''$  East, 69.92 feet; thence North  $79^{\circ}52'45''$  East, 64.33 feet; thence North  $10^{\circ}07'15''$  West 78.33 feet; thence North  $29^{\circ}46'45''$  East, 114.84 feet; thence North  $60^{\circ}13'15''$  West, 64.33 feet; thence South  $29^{\circ}46'45''$  West 101.50 feet; Thence North  $80^{\circ}10'15''$  West, 108.26' feet to the point of beginning in Cook County, Illinois.

EXHIBIT C  
TO  
DECLARATION OF CONDOMINIUM OWNERSHIP

<u>UNIT #</u>	<u>PERCENTAGE OF OWNERSHIP</u>	<u>UNIT #</u>	<u>PERCENTAGE OF OWNERSHIP</u>
101	2.094671	225	2.094671
102	2.094671	226	2.094671
103	1.699227	227	2.071180
104	2.071180	228	2.071180
105	2.071180	229	2.071180
106	2.071180	230	2.071180
107	2.071180	231	2.094671
108	2.071180	232	2.094671
109	2.094671	333	2.345249
110	2.094671	334	2.094671
111	2.071180	335	2.345249
112	2.071180	336	2.071180
113	2.071180	337	1.699227
114	2.071180	338	2.071180
115	2.094671	339	2.071180
116	2.094671	340	2.071180
217	2.094671	341	2.071180
218	2.094671	342	2.345249
219	2.345249	343	2.071180

220	2.071180	344	2.071180
221	1.699227	345	2.071180
222	2.071180	346	2.071180
223	2.071180	347	2.094671
224	2.071180	348	2.345249

"EXHIBIT "D"  
to  
AMENDED AND RESTATED DECLARATION OF CONDOMINIUM OWNERSHIP  
for  
SANDPEBBLE WALK BUILDING THREE CONDOMINIUM

AMENDED AND RESTATED BY-LAWS OF SANDPEBBLE WALK  
BUILDING THREE CONDOMINIUM ASSOCIATION

ARTICLE I

Members (Unit Owners)

SECTION 1. The name of this corporation is Sandpebble Walk Building Three Condominium Association (hereinafter called the "Association"). Its principal office is located in Wheeling, Illinois.

SECTION 2. The purpose of the Association is to act on behalf of its members collectively as their governing body with respect to the administration, maintenance, repair and replacement of certain property located at 1450 S. Sandpebble Drive, Wheeling, Illinois (hereinafter called the "Property") which have been submitted to the provisions of the Condominium Property Act of the State of Illinois and to be known as Sandpebble Walk Building Three Condominium, and to own the real estate or interest or rights therein or appurtenant thereto and any and all personal property in connection therewith as may be incidental or necessary to such purpose, all on a non-profit basis consonant with the provisions of its Articles of Incorporation.

SECTION 3. The Members of the Association shall consist of the respective Unit Owners of the Property in accordance with the respective percentages of ownership interest in the Common Elements of the Property owned by the respective Unit Owners, as said terms are defined in the Declaration of Condominium Ownership for Sandpebble Walk Building Three Condominium Association, which Declaration is filed in the office of the Registrar of Titles of Cook County, Illinois (hereinafter called the "Declaration"). (The words "member" or "members" as used in these By-laws means and shall refer to "Unit Owner" or "Unit Owners," as the case may be, referred to in the Declaration.)

SECTION 4. The membership of each Unit Owner shall terminate when he ceases to be a Unit Owner, and upon the sale, transfer or other disposition of his ownership interest in the Property, his membership in the Association shall automatically be transferred to the new Unit Owner succeeding to such ownership interest. The Association may, but shall not be required to, issue certificates or other evidence of membership therein.

SECTION 5. Meetings of Unit Owners shall be held at such place in Cook County, Illinois, as may be specified in the notice of the meeting. The annual meeting of the Unit

Owners shall be held on the first Tuesday of October in each year, at 7:00 p.m., Chicago time, or at such other hour specified in the written notice of such meeting. Special meetings of the Unit Owners may be called by the President or by a majority of the directors of the Board, or by twenty percent (20%) of the Unit Owners.

Written notice of any membership meeting shall be mailed or delivered giving Unit Owners no less than ten (10) and no more than thirty (30) days notice of the time, place, and purpose of such meeting.

SECTION 6. The aggregate number of votes for all Unit Owners shall be one hundred (100), which shall be divided among the respective Unit Owners in accordance with their respective percentages of ownership interest in the Common Elements. Where there is more than one Unit Owner of a Unit, if only one of the multiple owners is present at a meeting of the Association, he or she shall be entitled to cast all the votes allocated to that Unit. If more than one of the multiple owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple owners. There is majority agreement when any one of the multiple owners cast the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

SECTION 7. The presence, in person or by proxy, of twenty percent (20%) of the Unit Owners at any meeting of the Association shall constitute a quorum unless the Unit Owners holding a majority of the percentage interest in the Association provide for a higher percentage, provided that in voting on amendments to the Association's bylaws, a Unit Owner who is in arrears on the Unit Owner's regular or separate assessments for 60 days or more, shall not be counted for purposes of determining if a quorum is present, but that Unit Owner retains the right to vote on amendments to the Association's bylaws.

SECTION 8. Written notice of any membership meeting shall be mailed or delivered giving Unit Owners no less than ten (10) and no more than thirty (30) days notice of the time, place, and purpose of such meeting.

SECTION 9. Voting shall be on a percentage basis. The percentage vote to which each Unit is entitled is the percentage interest of the undivided ownership of the Common Elements appurtenant thereto.

#### SECTION 10.

(a) Except as provided in subparagraph (B) in connection with Board elections, a Unit Owner may vote by proxy executed in writing by the Unit Owner or by his duly authorized attorney in fact. The proxy must bear the date of execution and, unless the condominium instruments or the written proxy itself provide otherwise, the proxy is invalid after 11 months from the date of its execution;

(b) If a rule adopted at least 120 days before a Board election or the Declaration or By-Laws provide for balloting as set forth in this subsection, Unit Owners may not



vote by proxy in Board elections, but may vote only (i) by submitting an Association-issued ballot in person at the election meeting or (ii) by submitting an Association-issued ballot to the Association or its designated agent by mail or other means of delivery specified in the Declaration, By-Laws, or rule. The ballots shall be mailed or otherwise distributed to Unit Owners not less than 10 and not more than 30 days before the election meeting, and the Board shall give Unit Owners not less than 21 days' prior written notice of the deadline for inclusion of a candidate's name on the ballots. The deadline shall be no more than 7 days before the ballots are mailed or otherwise distributed to Unit Owners. Every such ballot must include the names of all candidates who have given the Board or its authorized agent timely written notice of their candidacy and must give the person casting the ballot the opportunity to cast votes for candidates whose names do not appear on the ballot. A ballot received by the Association or its designated agent after the close of voting shall not be counted. A Unit Owner who submits a ballot by mail or other means of delivery specified in the Declaration, By-Laws, or rule may request and cast a ballot in person at the election meeting, and thereby void any ballot previously submitted by that Unit Owner.

(c) If a written petition by Unit Owners with at least twenty percent (20%) of the votes of the Association is delivered to the Board within 14 days after the Board's approval of a rule adopted pursuant to subparagraph (B), the Board shall call a meeting of the Unit Owners within 30 days after the date of delivery of the petition. Unless a majority of the total votes of the Unit Owners are cast at the meeting to reject the rule, the rule is ratified.

SECTION 11. The Association may, upon adoption of the appropriate rules by the Board, conduct elections by secret ballot whereby the voting ballot is marked only with the percentage interest for the Unit and the vote itself, provided that the Board further adopt rules to verify the status of the Unit Owner issuing a proxy or casting a ballot. A candidate for election to the Board or such candidate's representative shall have the right to be present at the counting of ballots at such election.

SECTION 12. In the event of a resale of a Unit, the purchaser of a Unit from a seller pursuant to an installment contract to purchase shall during such times as he or she resides in the Unit be counted toward a quorum for purposes of election of members of the Board at any meeting of the Unit Owners called for purposes of electing members of the Board, shall have the right to vote for the election of members of the Board and to be elected to and serve on the Board unless the seller expressly retains in writing any or all such rights. In no event may the seller and purchaser both be counted toward a quorum, be permitted to vote for a particular office or be elected and serve on the Board. Satisfactory evidence of an installment contract shall be made available to the Association or its agent. For purposes of this section "installment contract" shall have the same meaning as set forth in Section 1(e) of "An Act Relating to Installment Contracts to Sell Dwelling Structures", approved August 11, 1967 as amended (765 ILCS 75/1).

SECTION 13. Matters subject to the affirmative vote of not less than two-thirds of the votes of Unit Owners at a meeting duly called for that purpose shall include, but not be limited to: (1) merger or consolidation of the Association; (2) sale, lease, exchange, or other disposition

(excluding the mortgage or pledge) of all, or substantially all of the property and assets of the Association; and (3) the purchase or sale of land or of Units on behalf of all Unit Owners.

SECTION 14. The Board may disseminate to the Unit Owners biographical and background information about candidates for election to the Board if 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; and the Board does not express a preference in favor of any candidate.

## ARTICLE II

### Board of Directors

SECTION 1. The board of directors to the Association (referred to in the Condominium Property Act of the State of Illinois as the "board of managers," and sometimes referred to herein as the "Board") shall consist of three (3) persons. Each person on the Board shall hold office for the term of one year and until his successor shall be elected and qualified. The word "director" as sometimes used herein shall mean a person elected to and serving on the Board.

SECTION 2. Each director shall be a Unit Owner (or, if a Unit Owner is a corporation, partnership or trust, a director may be an officer, partner or beneficiary of such Unit Owner). If a director shall cease to meet such qualifications during his term, he shall thereupon cease to be a director and his place on the Board shall be deemed vacant.

SECTION 3. The remaining members of the Board may fill a vacancy on the Board by a two-thirds (2/3) vote until the next annual meeting of Unit Owners or for a period terminating no later than thirty (30) days following the filing of a petition signed by Unit Owners holding twenty percent (20%) of the votes of the Association requesting a meeting of the Unit Owners to fill the vacancy for the balance of the term. A meeting of the Unit Owners shall be called for the purpose of filling a vacancy on the Board no later than thirty (30) days following the filing of a petition signed by Unit Owners holding twenty percent (20%) of the votes of the Association requesting such a meeting.

SECTION 4. An annual meeting of the Board shall be held within ten (10) days following the annual meeting of Unit Owners. Special meetings of the Board shall be held upon call by the President or by a majority of the Board on not less than forty-eight (48) hours' notice in writing to each director, delivered personally or by mail or telegram. Any director may waive notice of a meeting, or consent to any action of the Board without a meeting.

SECTION 5. Any director may be removed from office by the vote of two-thirds (2/3) of the total ownership of the Common Elements.

SECTION 6. Directors shall receive no compensation for their services unless expressly provided for in resolutions duly adopted by the Unit Owners.

SECTION 7. The Board shall have the following powers and duties:

- (a) to elect and remove the officers of the Association as hereinafter provided;
- (b) to administer the affairs of the Association and the Property;
- (c) to engage the services of a manager or managing agent who shall manage and operate the Property and the Common Elements thereof for all of the Unit Owners, upon such terms and for such compensation and with such authority as the Board may approve;
- (d) to formulate policies for the administration, management and operation of the Property and the Common Elements thereof;
- (e) to adopt rules and regulations, with written notice thereof to all Unit Owners, governing the administration, management, operation and use of the Property and the Common Elements, and to amend such rules and regulations from time to time;
- (f) to provide for the maintenance, repair, and replacement of the Common Elements and payments therefor, and to approve payment vouchers or to delegate such approval to the officers or the manager or managing agent;
- (g) to provide for the designation, hiring and removal of employees and other personnel, including accountants and attorneys, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and the Common Elements, and to delegate any such powers to the manager or managing agent (and any such employees of the managing agent);
- (h) to appoint subcommittees of the Board and to delegate to such subcommittees the Board's authority to carry out certain duties of the Board;
- (i) to estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Unit Owners their respective shares of such estimated expenses, as hereinafter provided;
- (j) unless otherwise provided herein or in the Declaration, to comply with the instructions of a majority of the Unit Owners, as expressed in a resolution duly adopted at any annual or special meeting of the Unit Owners;
- (k) to exercise all other powers and duties of the board of managers or Unit Owners as a group referred to in the Condominium Property Act of the State of Illinois, and all powers and duties of the board of managers or a board of directors referred to in the Declaration or these By-laws.

SECTION 8. The Board shall meet at least four (4) times annually. Meetings of the Board shall be open to any Unit 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 a Unit Owner's unpaid share of Common Expenses. Any vote on these matters shall be taken at a meeting or portion thereof open to any Unit Owner. Any Unit Owner may record the proceedings at meetings or portions thereof required to be open by tape, film, or other means. The Board may prescribe reasonable rules and regulations to govern the right to make such recordings. Notice of such meetings shall be mailed or delivered to Board members at least forty-eight (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. In addition, copies of notices of meetings of the Board shall be posted in entranceways, elevators, or other conspicuous places in the condominium at least forty-eight (48) hours prior to the meeting of the Board except where there is no common entranceway for seven (7) or more Units, the Board may designate one or more locations in the proximity of these Units where the notices of meetings shall be posted.

SECTION 9. 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 member of the Board member's immediate family has twenty-five percent (25%) or more interest, unless notice of intent to enter the contract is given to Unit Owners within twenty (20) days after a decision is made to enter into the contract and the Unit Owners are afforded an opportunity by filing a petition, signed by twenty percent (20%) of the Unit Owners, for an election to approve or disapprove the contract. Such petition shall be filed within twenty (20) days after such notice and such election shall be held within thirty (30) days after filing the petition. For purposes of this provision, a Board member's immediate family means the Board member's spouse, parent, and children.

SECTION 10. The Association shall obtain and maintain a fidelity bond covering persons, including the managing agent and its employees who control or disburse funds of the Association, for the maximum amount of coverage available to protect funds in the custody or control of the Association, plus the Association reserve fund. All management companies that are responsible for the funds held or administered by the Association must be covered by a fidelity bond for the maximum amount of coverage available to protect those funds. The Association has standing to make a loss claim against the bond of the managing agent as a party covered under the bond. The fidelity bond must be in the full amount of Association funds and reserves in the custody of the Association or the management company.

### ARTICLE III

#### Officers

SECTION 1. At each annual meeting, the Board shall elect the following officers of the Association from among the members of the Board:

- (a) a President, who shall preside over the meetings of the Board and of the Unit

Owners, and who shall be the chief executive officer of the Association;

- (b) a Secretary, who shall keep the minutes of all meetings of the Board and of the Unit Owners, and who shall, in general, perform all the duties incident to the office of Secretary. The Secretary of the Association is hereby designated as the person to mail and receive all notices as provided for in the Condominium Property Act and in this Declaration. Unless otherwise provided by the Condominium Property Act, amendments to the condominium instruments authorized to be recorded shall be executed and recorded by the President of the Association or such other officer authorized by the Board.
- (c) a Treasurer, who shall be responsible for financial records and books of account and the manner in which such records and books are kept and reported;
- (d) such additional officers as the Board shall see fit to elect.

SECTION 2. The respective officers shall have the general powers usually vested in such officers; provided that the Board may delegate any specific powers to any other officer or impose such limitations or restrictions upon the powers of any officer as the Board may see fit.

SECTION 3. Each officer shall hold office for the term of one year and until his successor shall have been elected and qualified.

SECTION 4. Vacancies in any office shall be filled by the Board at special meetings thereof. Any officer may be removed at any time by the Board at a special meeting thereof.

SECTION 5. The officers shall receive no compensation for their services, unless expressly provided for in a resolution duly adopted by the Unit Owners.

#### ARTICLE IV

##### Assessments

SECTION 1. The Board shall cause to be prepared an estimated annual budget for each fiscal year of the Association. Such budget shall take into account the estimated common expenses and cash requirements for the year, including salaries, wages, payroll taxes, legal and accounting fees, supplies, materials, parts, services, maintenance, repairs, replacements, landscaping, insurance, fuel, power, real estate taxes and individual telephone, electricity and other individual utility expenses billed or charged to the separate Unit Owners on an individual or separate basis rather than a common basis and all other common expenses. The annual budget shall also take into account the estimated net available cash income for the year from the operation or use of the laundry and other Common Elements. The annual budget shall provide for a reserve for contingencies for the year and a reserve for replacements, in reasonable amounts as determined by the Board. To the extent that the assessments and other cash income collected from the Unit Owners during the preceding year shall be more or less than the expenditures for such preceding year, the surplus or deficit, as the case may be, shall also be taken into account.

Each Unit Owner shall receive, at least thirty (30) days prior to the adoption thereof by the Board, a copy of the proposed annual budget together with an indication of which portions are intended for reserves, capital expenditures or repairs or payment of real estate taxes.

SECTION 2. Each Unit Owner shall receive notice, in the same manner as provided for in the Condominium Property Act for membership meetings, of any meeting of the Board concerning the adoption of the proposed annual budget and regular assessments pursuant thereto or to adopt a separate (special) assessment.

On or before the first day of the first month and of each succeeding month or the year covered by the annual budget, each Unit Owner shall pay, as his respective monthly assessment for the common expenses, one-twelfth (1/12) of his proportionate share of the common expenses for such year as shown by the annual budget. Such proportionate share for each Unit Owner shall be in accordance with his respective ownership interest in the Common Elements as set forth in Exhibit C of the Declaration. The Board may cause to be sent to each Unit Owner on or before the first day of each month a statement of the monthly assessment of such Unit Owner for such month, but the failure to send or to receive such monthly statement shall not relieve any Unit Owner of his obligation to pay his monthly assessment on or before the first day of each month. In the event that the Board shall not approve an estimated annual budget or shall fail to determine new monthly assessments for any year, or shall be delayed in doing so, each Unit Owner shall continue to pay each month the amount of his respective monthly assessment as last determined. Each Unit Owner shall pay his monthly assessment on or before the first day of each month to the manager or managing agent or as may be otherwise directed by the Board. No Unit Owner shall be relieved of his obligation to pay his assessments for common expense by abandoning or not using his Unit or the Common Elements.

SECTION 3. Commencing with the date of occupancy of his Unit by each Unit Owner, he shall pay his assessment for the following month or fraction of a month, which assessment shall be in proportion to his respective ownership interest in the Common Elements and the number of months and days remaining of the period covered by the current annual budget, and which assessment shall be as computed by the Board.

#### SECTION 4.

(a) The Board shall annually supply to all Unit Owners an itemized accounting of the Common Expenses for the preceding year actually incurred or paid, together with an indication of which portions were for reserves, capital expenditures or repairs or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the budget or assessment, and showing the net excess or deficit of income over expenditures plus reserves. Except as provided in subsection (c) below, if an adopted budget or any separate assessment by the Board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding one hundred fifteen percent (115%) of the sum of all regular and separate assessments payable during the preceding fiscal year, the Board, upon written petition by Unit Owners with twenty percent (20%) of the votes of the Association delivered to the Board within fourteen (14) days of the Board action, shall call a meeting of the Unit Owners within thirty (30) days of the date

of delivery of the petition to consider the budget or separate assessment. Unless a majority of the total votes of the Unit Owners are cast at the meeting to reject the budget or separate assessment, it is ratified.

(b) Any Common Expense not set forth in the budget or any increase in assessment over the amount adopted in the budget shall be separately assessed against all Unit Owners.

(c) Separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to Unit Owner approval or the provisions of item (a) above or item (d) below. As used herein, "emergency" means an immediate danger to the structural integrity of the Common Elements or to the life, health, safety or property of the Unit Owners.

(d) Assessments for additions and alterations to the Common Elements or to Association-owned property not included in the adopted annual budget, shall be separately assessed and are subject to approval of two-thirds of the total votes of all Unit Owners.

(e) The Board may adopt separate assessments payable over more than one fiscal year. With respect to multi-year assessments not governed by items (c) and (d), the entire amount of the multi-year assessment shall be deemed considered and authorized in the first fiscal year in which the assessment is approved.

SECTION 5. In the event that during the course of any year, it shall appear to the Board that the monthly assessments, determined in accordance with the estimated annual budget for such year, are insufficient or inadequate to cover the estimated common expenses for the remainder of such year, then the Board shall prepare and approve a supplemental budget covering the estimated deficiency for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a supplemental assessment shall be made to each Unit Owner for his proportionate share of such supplemental budget.

SECTION 6. The Board shall not approve any capital expenditures in excess of Ten Thousand Dollars (\$10,000.00) unless required for emergency, repair, protection or operation of the Common Elements, nor enter into any contracts for more than two (2) years without the prior approval of two-thirds (2/3) of the total ownership of the Common Elements.

SECTION 7. It shall be the duty of every Unit Owner to pay his proportionate share of the common expenses, in the same ratio as his percentage of ownership in the Common Elements as set forth in the Declaration, and as assessed in the manner herein provided. If any Unit Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof shall constitute a lien on the interest of such Unit Owner in the Property. The Association and the Board shall have the authority to exercise and enforce any and all rights and remedies as provided for in the Condominium Property Act, the Declaration or these By-laws, or are otherwise at be liable at law or in equity, for the collection of all unpaid assessments. The Association shall have no authority to forbear the payment of assessments by any Unit Owner.

SECTION 8. The Board shall cause to be kept detailed and accurate records in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the common expenses incurred. Such payment vouchers may be approved in such manner as the Board may determine. All records and vouchers authorizing the payments shall be available for examination by the Unit Owners at convenient hours of week days.

The Board shall, upon receipt of ten (10) days' notice to it or the Association and upon payment of a reasonable fee, furnish to any Unit Owner a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such owner.

SECTION 9. The Board of directors may cause the Association to discharge any mechanic's lien or other encumbrance which in the opinion of the Board may constitute a lien against the Property or Common Elements, rather than against a particular Unit Ownership only. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses (including attorneys' fees) incurred by reason of such lien.

## ARTICLE V

### Use and Occupancy Restrictions

SECTION 1. Except as herein provided with respect to the uses permitted by the Developer, no Unit shall be used for any other purpose than as a private dwelling for the member and his immediate family or by a person and such person's immediate family to whom the member shall have leased his Unit subject to all of the provisions of these By-laws and the Declaration.

SECTION 2. No animals shall be raised, bred or kept in any Unit, except for dogs, cats or other household pets of a Unit Owner, provided that they are not kept for any commercial purposes, and provided that they shall be kept in strict accordance with the administrative rules and regulations relating to household pets from time to time adopted or approved by the Board, and provided that they shall not in the judgment of the Board constitute it nuisance to others.

SECTION 3. No unlawful, noxious or offensive activities shall be carried on in any Unit or elsewhere on the Property, nor shall anything be done therein or thereon which shall constitute a nuisance or which shall in the judgment of the Board cause unreasonable noise or disturbance to others.

SECTION 4. Each Unit Owner shall maintain his Unit in good condition and in good order and repair, at his own expense, and shall not do or allow anything to be done in his Unit which may increase the rate or cause the cancellation of insurance on other Units or on the Common Elements. No Unit Owner shall display, hang, store or use any signs, clothing, sheets, blankets, laundry or other articles outside his Unit, or balcony, or which may be visible through his windows from the outside (other than draperies, curtains or shades of a customary nature and appearance, subject to the rules and regulations of the Board), or paint or decorate or adorn the



outside of his Unit, or balcony, or install outside his Unit or balcony any canopy or awning, or outside radio or television antenna, or other equipment, fixtures or items of any kind, without the prior written permission of the Association or Board or manager or managing agent.

SECTION 5. Trash, garbage and other waste shall be kept only in sanitary containers, and shall be disposed of in a clean and sanitary manner as prescribed from time to time in rules and regulations of the Board.

SECTION 6. Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kept in the corridors, hallways, lobby or other common areas, except in the storage area specifically designated for the respective Unit Owned by the Board or the manager or managing agent.

SECTION 7. No Unit Owner shall overload the electric wiring in the Building, or operate any machines, appliances, accessories equipment in such manner as to cause, in the judgment of the Board an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating or air-conditioning system or plumbing system, without the prior written consent the Association or Board or manager or managing agent.

## ARTICLE VI

### Insurance With Respect To Units

SECTION 1. Property Insurance. No policy of insurance shall be issued or delivered to the Association, and no policy of insurance issued to the Association shall be renewed, unless the insurance coverage under the policy includes property insurance (i) on the Common Elements and the Units, including the Limited Common Elements and except as otherwise determined by the Board, the bare walls, floors, and ceilings of the Unit, (ii) providing coverage for special form causes of loss, and (iii) in a total amount of not less than the full insurable replacement cost of the insured property, less deductibles, but including coverage for the increased costs of construction due to building code requirements, at the time the insurance is purchased and at each renewal date. The insurance maintained under this subsection must include the Units, the Limited Common Elements except as otherwise determined by the Board, and the Common Elements. The insurance need not cover improvements and betterments to the Units installed by Unit Owners, but if improvements and betterments are covered, any increased cost may be assessed by the Association against the Units affected. Common Elements include fixtures located within the unfinished interior surfaces of the perimeter walls, floors, and ceilings of the individual Units initially installed by the developer. Common Elements exclude floor, wall, and ceiling coverings. "Improvements and betterments" means all decorating, fixtures, and furnishings installed or added to and located within the boundaries of the Unit, including electrical fixtures, appliances, air conditioning and heating equipment, water heaters, or built-in cabinets installed by Unit Owners.

SECTION 2. General Liability Insurance. No policy of insurance shall be issued or delivered to the Association, and no policy of insurance issued to the Association shall be

renewed, unless the insurance coverage under the policy includes commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the property in a minimum amount of \$1,000,000, or a greater amount deemed sufficient in the judgment of the Board, insuring the Board, the Association, the management agent, and their respective employees and agents and all persons acting as agents. The Unit Owners must be included as additional insured parties but only for claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Elements. The insurance must cover claims of one or more insured parties against other insured parties.

SECTION 3. Property and general liability insurance policies required to be carried by the Association must include each of the following provisions:

(a) Each Unit Owner and secured party is an insured person under the policy with respect to liability arising out of the Unit Owner's interest in the Common Elements or membership in the Association.

(b) The insurer waives its right to subrogation under the policy against any Unit Owner of the condominium or members of the Unit Owner's household and against the Association and members of the Board.

(c) The Unit Owner waives his or her right to subrogation under the Association policy against the Association and the Board.

SECTION 4. Adjustment of Losses; Distribution of Proceeds. Any loss covered by the property policy required to be maintained by the Association must be adjusted by and with the Association. The insurance proceeds for that loss must be payable to the Association, or to an insurance trustee designated by the Association for that purpose. The insurance trustee or the Association must hold any insurance proceeds in trust for Unit Owners and secured parties as their interests may appear. The proceeds must be disbursed first for the repair or restoration of the damaged Common Elements, the bare walls, ceilings, and floors of the Units, and then to any improvements and betterments the Association may insure. Unit Owners are not entitled to receive any portion of the proceeds unless there is a surplus of proceeds after the Common Elements and Units have been completely repaired or restored or the Association has been terminated as trustee.

SECTION 5. Primary Insurance. If at the time of a loss under the Association's policy there is other insurance in the name of a Unit Owner covering the same property covered by the policy, the Association's policy is primary insurance.

SECTION 6. Deductibles. The Board of the Association may, in the case of a claim for damage to a Unit or the Common Elements, (a) pay the deductible amount as a common expense, (b) after notice and an opportunity for a hearing, assess the deductible amount against the Unit Owners who caused the damage or from whose Units the damage or cause of loss originated, or (c) require the Unit Owners of the Units affected to pay the deductible amount.

SECTION 7. Directors and Officers Coverage. The Board must obtain directors and officers liability coverage at a level deemed reasonable by the Board, if not otherwise established

by this Declaration or By-Laws. Directors and officers liability coverage must extend to all contracts and other actions taken by the Board in their official capacity as directors and officers, but this coverage shall exclude actions for which the directors are not entitled to indemnification under the General Not For Profit Corporation Act of 1986 or this Declaration and By-Laws of the Association.

SECTION 8. Mandatory Unit Owner Coverage. The Board may require condominium Unit Owners to obtain insurance covering their personal liability and compensatory (but not consequential) damages to another Unit caused by the negligence of the Unit Owner or his or her guests, residents, or invitees, or regardless of any negligence originating from the Unit. The personal liability of a Unit Owner or Association member must include the deductible of the Unit Owner whose Unit was damaged, any damage not covered by insurance required by this section, as well as the decorating, painting, wall and floor coverings, trim, appliances, equipment, and other furnishings. If the Unit Owner does not purchase or produce evidence of insurance requested by the Board, the directors may purchase the insurance coverage and charge the premium cost back to the Unit Owner. In no event is the Board liable to any person either with regard to its decision not to purchase the insurance, or with regard to the timing of its purchase of the insurance or the amounts or types of coverages obtained.

## ARTICLE VII

### Amendments

These By-laws may be amended or modified from time to time by action or approval of two-thirds (2/3) of the total ownership of the Common Elements. Such amendments shall be filed in the Office of the Registrar of Titles of Cook County, Illinois.