

**SECOND AMENDED AND
RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND
RESTRICTIONS FOR LAKESIDE
VILLAS HOMEOWNERS
ASSOCIATION**



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**SECOND AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR LAKESIDE VILLAS ASSOCIATION**

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LAKESIDE VILLAS

SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Second Amended and Restated Declaration of Covenants, Conditions and Restrictions has been approved this 14th day of October, 2011, by no less than two-thirds (2/3) of the Board of Directors, pursuant to Section 1-60 of the Illinois Common Interest Community Association Act ("Act").

WHEREAS, the property described in Exhibit A of this Declaration was submitted to a Declaration of Covenants, Conditions and Restrictions for Lakeside Villas, recorded with the Recorder of Deeds of Cook County, Illinois as Document No. 21751908 ("Original Declaration") as amended by the Amended and Restated Declaration recorded on September 18, 2009 as Document Number 0926103029; and

WHEREAS, it is the purpose of this Second Amended and Restated Declaration to set out the provisions governing the use, occupancy, administration and maintenance of the property for the mutual use, benefit and enjoyment thereof by the Owners, and more specifically for the purpose of enhancing and protecting the value of aforesaid Property.

NOW, THEREFORE, the Declaration is hereby amended and restated to be and read, in its entirety, as follows:

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Lakeside Villas Homeowners Association, Inc., an Illinois not-for-profit corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in Exhibit "A".

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association.

Section 4. "Lot" for the purposes of this Declaration shall mean and refer to a portion of a platted lot designated as a Unit upon any recorded subdivision map of the Properties and upon which Unit one individual home is constructed.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract Sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Board" means the Board of Directors of the Association selected pursuant to the terms of this Declaration, the Articles of Incorporation of the Association, and the By-Laws thereof.

Section 8. "Declaration" shall mean and refer to this Second Amended and Restated Declaration of Covenants, Conditions and Restriction for Lakeside Villas and any amendments thereto.

Section 9. "Original Declaration" means the Declaration recorded by the Original Developer with the Cook County Recorder of Deeds as Document No. 21751908.

ARTICLE II

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include person or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification of membership.

ARTICLE III

VOTING RIGHTS

Section 1. Incorporation of the Association. There has been and shall be incorporated a not-for-profit corporation known as the LAKESIDE VILLAS HOMEOWNERS ASSOCIATION, INC. which shall be the governing body for the administration, maintenance and operation of the Common Area and shall maintain and promote the desired character of the Property, as provided in this Declaration and the By-Laws duly adopted by the Association. All activities undertaken by the Association shall be for the sole benefit of the Owners in

accordance with this Declaration and the By-Laws. Pursuant to this Declaration, the Board of Directors of the Association shall constitute the final administrative authority and all decisions of the Board with respect to the administration of the Development shall be binding. All rights, titles, privileges and obligations vested or imposed upon the Association by this Declaration shall be held and performed by the Board of Directors.

Section 2. The Association shall have one class of voting membership. Members shall be all those Owners as defined in Article II. Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article II. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

ARTICLE IV

PROPERTY RIGHTS

Section 1. Burden Upon the Property. The Association and its members hereby declares that this Declaration and the covenants, restrictions and easements established herein shall be covenants to run with the land. Said covenants and restrictions shall inure to the benefit of and be binding upon each and every owner, and his or her respective heirs, representatives, successors, purchasers, lessees, grantees and mortgagees. By the recording or acceptance of the conveyance of a Lot or any interest therein, the person or entity to whom such interest is conveyed shall be deemed to accept and agree to be bound by the provisions of this Declaration and the By-laws of the Association.

Section 2. Non-Severability of Rights. The rights, liabilities and obligations set forth herein shall attach to and run with the ownership of any portion of the Property as more specifically set forth below and may not be severed or alienated from such ownership.

Section 3. Members' Easements of Enjoyment. Every member shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every assessed Lot, subject to the following provisions:

- (a) The right of the Association to limit the number of guests of members;
- (b) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(c) The right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, and the rights of such mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder;

(d) The right of the Association to suspend the voting rights and right to use of the recreational facilities by a member for any period during which (i) any assessment against his Lot remains unpaid; and (ii) any infraction exists of the terms and provisions of this Declaration, and/or its published rules and regulations;

(e) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by members entitled to cast two-thirds (2/3) of the votes of the membership, if any, have been recorded, agreeing to such dedication or transfer;

(f) The right of the individual members to the exclusive use of parking spaces as provided in this Article.

Section 4. Delegation of Use. Any member may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenant, or contract purchasers who reside on the property.

Section 5. Title to the Common Area. The Common Area to the Association, free and clear of all encumbrances and liens, have been conveyed and shall be held by the Association, except for these covenants and restrictions, public zoning ordinances, current real estate taxes, if any, and utility easements granted or to be granted for sewer, water, gas, electricity, telephone and any other necessary utilities, and public street dedications.

Section 6. Parking Rights. For units without garage ownership, ownership of each Lot shall entitle the owner or owners thereof to the use of not more than two (2) automobile parking spaces, which shall be as near and convenient to said Lot as reasonably possible together with the right of ingress and egress in and upon said parking areas. Two (2) vehicular parking spaces have been assigned for each dwelling in accordance with a Federal Housing Administration approved parking assignment plan.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the Properties and in particular for the improvement and maintenance of the Properties, services, and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and of the homes situated upon the Properties. Such uses shall include, but are not limited to, the cost to the Association of all taxes, insurance, repair, replacement and maintenance of the Common Area and of the maintenance of the exteriors of the Lots or Townhouses as may from time to time be authorized by the Board of Directors, and other facilities and activities including, but not limited to, mowing grass, caring for the grounds, landscaping, swimming pool, recreational buildings and equipment, roofs and exterior walls of the Townhouses, garbage pickups, and other charges required by this Declaration of Covenants, Conditions and Restrictions or that the Board of Directors of the Association shall determine to be necessary or desirable to meet the primary purpose of the Association, including the establishment and maintenance of a reserve for repair, maintenance, taxes, and other charges as specified herein.

Section 3. Basis and Maximum of Annual Assessments. Each year on or before December 1, the Board shall adopt and furnish each Owner with a budget for the ensuing calendar year, which shall show the following with reasonable explanations and itemizations:

- (a) the estimated Common Expenses;

(b) the estimated amount, if any, to maintain adequate reserves for Common Expenses including, without limitation, amounts to maintain the Capital Reserve;

(c) the estimated net available cash receipts from the operation and use of the Common Area, plus estimated excess funds, if any, from the current year's assessments;

(d) the amount of the "Common Assessment" payable by the Owners, which is hereby defined as the amount determined in (1) above, plus the amount determined in (2) above, minus the amount determined in (3) above;

(e) that portion of the Common Assessment which shall be payable with respect to the ensuing calendar year by the Owner of each Lot which is subject to assessment hereunder, which shall be equal to the Common Assessment divided by the number of Lots, so that each Owner shall pay equal Common Assessments for each Lot owned. The Common Assessment shall be paid in twelve (12) monthly installments as determined by the Board from time to time, but no less frequently than once each calendar year.

Section 4. Annual and Special Assessments. Each Unit owner shall receive notice no less than ten (10) days nor more than thirty (30) days prior to 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, (ii) that except as provided in subsection (iv) below, if an adopted budget or any separate assessment adopted by the Board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding 115% of the sum of all regular and separate assessments payable during the preceding fiscal year, the Board, upon written petition by owners with 20 percent of the votes of the Association delivered to the Board within 14 days of the Board action, shall call a meeting of the owners within 30 days of the date of delivery of the petition to consider the budget or 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, (iii) that any expense not set forth in the budget or any increase in assessments over the amount adopted in the budget shall be separately assessed against all owners, (iv) that separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to owner approval or the provisions of item (ii) above. As used herein, "emergency" means an immediate danger to the structural integrity of Property or to the life, health, safety or property of the owners, (v) that the Board may adopt separate assessments payable over more than one fiscal year.

Section 5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots, except for certain lots as provided in Section 9, and may be collected on a monthly basis, or such other basis as set by the Board of Directors.

Section 6. Date of Commencement of Annual Assessments: Due Dates. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period and in lieu thereof, the amount of the prior year's annual assessment shall be the fixed amount. Written notice and a copy of the budget shall be sent to every Owner subject thereto no less than thirty (30) days prior to the date of the meeting in which it is adopted by the Board. Monthly assessment shall be due on the first day of each month. An owner shall first be liable for payment of a monthly assessment on the 1st day of the month following conveyance of title to him. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association, setting forth whether the assessments on a specified Lot have been paid, and reasonable charge may be made for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any assessment therein.

Section 7. Effects of Nonpayment of Assessment: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of seven percent (7%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property; and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. Each Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the LAKESIDE VILLAS HOMEOWNERS' ASSOCIATION, INC., or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property, except that the court shall restrain the defaulting Owner from re-acquiring his interest at such judicial sale.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages. Sale or transfer of any Lot shall not affect the assessment lien unless so provided as a result of a judicial sale pursuant to a decree of foreclosure.

Section 9. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein; (a) all properties dedicated to and accepted by a local public authority and granted to or

used by a utility company; (b) the Common Area; (c) all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Illinois.

Section 10. Proof of Payment. Upon written demand of an owner, at any time, the Association shall furnish such Owner a statement of account signed by an Officer of the Association setting forth the amount of assessments levied against such Owner's Lot, if any. Such statement of account shall be conclusive evidence of payment of any assessments not stated therein as unpaid. A reasonable charge may be made by the Association for the issuance of such certificate or statement of account.

Section. 11. Holding of Funds. All funds collected hereunder shall be held and expended for the purposes set forth herein and shall be deemed to be held for the sole benefit, use and account of all Owners equally.

Section 12. Contribution to Reserve Account. Upon the purchase of a Unit, the new Owner-Purchaser shall be obligated to contribute an amount equal to three (3) months' assessments for the current year. Said amount shall be placed in the Association's reserve fund and may be used in the manner deemed appropriate by the Board.

Section 13. Additions and Alterations. Assessments related to additional or alterations of the Common Areas shall be approved by no less than two-thirds (2/3) of the Lot Owners.

ARTICLE VI

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which was built as part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a Party Wall, and to the extent not inconsistent with the provisions of this Article VI, the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions shall apply thereto. An Owner shall not cut through or make any penetration through a Party Wall for any purpose.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in equal proportions without

prejudice, however to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party walls to be exposed to the elements shall bear the whole costs of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall or under the provisions of this Article, each party shall choose an arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators and shall be binding. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefore, the Board of Directors of the Association shall select an arbitrator for the refusing party.

ARTICLE VII

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties except such as were originally installed or approved in connection with the initial construction of the homes upon the Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association and by an architectural committee of three (3) or more persons appointed by the Board.

ARTICLE VIII

EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: paint, repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass, walks, driveways, carports (if any), parking areas and other exterior improvements, and the Association for itself and its agents is hereby granted the right and easement to enter in and upon all Lots and the exterior of the homes thereon for purposes of

such maintenance. Such exterior maintenance shall not include glass surfaces, patio areas, window and door fixtures and hardware and fenced-in yards.

In the event that the need for maintenance or repair is caused through the willful or negligent act of the Owner, his family, or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE IX

USE RESTRICTIONS

Section 1. All replacement buildings or structures on the property shall be of new construction and approved by the Board.

Section 2. Each Lot conveyed shall be designated by a separate legal description and shall constitute a freehold estate subject to the terms, conditions and provisions hereof.

Section 3. The Lots shall be used only for residential purposes, as a private residence, and no professional, business, or commercial use shall be made of the same, or any portion thereof; nor shall an Owner's or resident's use of a Lot endanger the health or disturb the reasonable enjoyment of any other Owner or resident. These restrictions shall not, however, be construed in such a manner as to prohibit an Owner from: (a) maintaining a personal professional library therein; (b) keeping personal business or professional records or accounts therein; or (c) handling personal business or professional telephone calls or correspondence therefrom. Such uses are expressly declared customarily incident to the principal use for housing and not in violation of this Section.

Section 4. No buildings other than Townhouses, being residences for single family occupancy joined together by a common exterior roof and foundation, shall be constructed on the Lots.

Section 5. No building or structure shall be moved onto said Lots.

Section 6. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuildings shall be used on any Lot at any time as a residence, either temporarily or permanently.

Section 7. No advertising signs (except one "For Rent" or "For Sale" sign of not more than five square feet per Lot) billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on said Lots.

Section 8. The foregoing covenants of this Article X, shall not apply to the activities of LAKESIDE VILLAS HOMEOWNERS' ASSOCIATION, INC., a

used by a utility company; (b) the Common Area; (c) all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Illinois.

Section 10. Proof of Payment. Upon written demand of an owner, at any time, the Association shall furnish such Owner a statement of account signed by an Officer of the Association setting forth the amount of assessments levied against such Owner's Lot, if any. Such statement of account shall be conclusive evidence of payment of any assessments not stated therein as unpaid. A reasonable charge may be made by the Association for the issuance of such certificate or statement of account.

Section. 11. Holding of Funds. All funds collected hereunder shall be held and expended for the purposes set forth herein and shall be deemed to be held for the sole benefit, use and account of all Owners equally.

Section 12. Contribution to Reserve Account. Upon the purchase of a Unit, the new Owner-Purchaser shall be obligated to contribute an amount equal to three (3) months' assessments for the current year. Said amount shall be placed in the Association's reserve fund and may be used in the manner deemed appropriate by the Board.

Section 13. Additions and Alterations. Assessments related to additional or alterations of the Common Areas shall be approved by no less than two-thirds (2/3) of the Lot Owners.

ARTICLE VI

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which was built as part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a Party Wall, and to the extent not inconsistent with the provisions of this Article VI, the general rules of law regarding party walls and of liability for property damage due to negligence or willful acts or omissions shall apply thereto. An Owner shall not cut through or make any penetration through a Party Wall for any purpose.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in equal proportions without

such maintenance. Such exterior maintenance shall not include glass surfaces, patio areas, window and door fixtures and hardware and fenced-in yards.

In the event that the need for maintenance of repair is caused through the willful or negligent act of the Owner, his family, or guests, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to which such Lot is subject.

ARTICLE IX

USE RESTRICTIONS

Section 1. All replacement buildings or structures on the property shall be of new construction and approved by the Board.

Section 2. Each Lot conveyed shall be designated by a separate legal description and shall constitute a freehold estate subject to the terms, conditions and provisions hereof.

Section 3. The Lots shall be used only for residential purposes, as a private residence, and no professional, business, or commercial use shall be made of the same, or any portion thereof; nor shall an Owner's or resident's use of a Lot endanger the health or disturb the reasonable enjoyment of any other Owner or resident. These restrictions shall not, however, be construed in such a manner as to prohibit an Owner from: (a) maintaining a personal professional library therein; (b) keeping personal business or professional records or accounts therein; or (c) handling personal business or professional telephone calls or correspondence therefrom. Such uses are expressly declared customarily incident to the principal use for housing and not in violation of this Section.

Section 4. No buildings other than Townhouses, being residences for single family occupancy joined together by a common exterior roof and foundation, shall be constructed on the Lots.

Section 5. No building or structure shall be moved onto said Lots.

Section 6. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuildings shall be used on any Lot at any time as a residence, either temporarily or permanently.

Section 7. No advertising signs (except one "For Rent" or "For Sale" sign of not more than five square feet per Lot) billboards, unsightly objects, or nuisances shall be erected, placed or permitted to remain on said Lots.

Section 8. The foregoing covenants of this Article X, shall not apply to the activities of LAKESIDE VILLAS HOMEOWNERS' ASSOCIATION, INC., a

non-profit corporation incorporated or to be incorporated under the laws of the State of Illinois.

Section 9. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any lot, except dogs, cats or other common household pets (not to exceed a total of two (2) pets) may be kept, provided that they are not kept, bred, or maintained for any commercial purposes. Any pet causing or creating a nuisance or unreasonable disturbance, or which otherwise violates the terms and conditions of the rules and regulations governing pets, shall be permanently removed from the Property upon three (3) weeks' written notice from the Board to the Owner of the Lot containing such pet, and the decision of the Board shall be final.

Section 10. All rubbish, trash, or garbage, shall be regularly removed from the property and shall not be allowed to accumulate thereon. For those units without a garage, all rubbish, trash or garbage shall be kept screened in the back yard by adequate planting or fencing so as not to be seen from neighboring Lots and streets

Section 11. Drying of clothes shall be confined to individual patios and must be kept screened by adequate planting or fencing so as not to be seen from neighboring Lots and streets.

Section 12. Without prior written authorization of the Board of Directors no television or radio antennas of any sort shall be placed, allowed or maintained on any Lot or any portion of the exterior of the improvements located on the property, nor upon any structure situated upon the property.

Section 13. An Owner shall do no act nor any work that will impair the structural soundness or integrity of the property of another Owner or impair any easement or impediment, nor do any act or allow any condition to exist which will adversely affect the other properties of their Owners.

Section 14. Parking areas are intended for the use only for parking automobiles and shall not be used for any other purposes. For units without garage ownership, commercial vehicles shall not be parked on the Association's streets except for such time as they are providing their intended service to an owner in the Association.

Section 15. No buildings shall be located nearer than 30 feet to a front yard line of a public street, nearer than 30 feet to a side yard line abutting a public street nor nearer than 20 feet from the rear yard line of the sub-division boundary. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) feet and six (6) feet above public streets shall be placed or permitted to remain on any corner within the triangular area formed by the street property line and a line connecting them at points twenty-five (25) feet

from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. No fence or wall shall be erected, placed or altered on any Lot nearer to any front street line than the maximum front building setback line.

Section 16. Transfer of a Lot.

(a) The term "leasing of lots" includes a transaction wherein the title holder of a lot, who does not reside therein, permits its occupancy by persons not on title regardless of whether a formal written lease exists or if consideration is paid therefore. Additionally, the term "leasing of lots" shall include any transaction wherein possession of a lot is provided prior to transfer of title. In no event may less than the entire lot be leased.

(i) Notwithstanding any other provisions of the Declaration to the contrary, the leasing or rental lots except as hereinafter provided in subparagraphs (ii), (iii), (iv), and (v) is prohibited.

(ii) In order to meet special situations and to avoid undue hardship or practical difficulties, the Board may, but is not required to, grant permission to a Lot Owner to lease or rent his Lot to a specified lessee for a period of not less than twelve (12) consecutive months nor more than twenty four (24) consecutive months or such other reasonable terms as the Board may establish. Such permission may be granted by the Board only upon the written application by the Lot Owner to the Board. The Board shall respond to each application in writing within thirty (30) days of the submission thereof. All requests for extension of the original lease must also be submitted to the Board in the same manner as set forth in the original application. The Board has sole and complete discretion to approve or disapprove any Lot Owner's application for a lease or extension of the lease; provided, however, that in no event shall any Lot Owner be permitted to rent or lease such Lot for more than twenty-four (24) months. The Board's decision shall be final and binding.

(iii) All Lot Owners leasing their Lot at the time of recording of this Amendment shall continue to be able to lease their Lot until the termination of the then existing lease provided that, prior to the effective date of this amendment, a copy of the lease shall have been provided to the Board of Directors.

(iv) The provisions of subparagraphs (i), (ii), and (iii) shall not apply to the rental or leasing of a Lot to a Lot Owner's spouse, child, parent, grandparent, or to any one or more of them.

(v) The provisions of subparagraphs (i), (ii), and (iii) shall not apply to the rental or leasing of Lots by the Association through its Board of Directors.

(vi) The provisions of Sub-paragraphs (i), (ii) and (iii) shall not apply to any Unit owned and leased by a 501(c)(3) corporation.

(b) All leases permitted by this Amendment shall be subject to the terms of the Declaration and the rules established by the Board. The provisions of the Condominium Property Act, the Declaration, By-Laws and Rules and Regulations that relate to the use of the individual Lot or the Common Elements shall be applicable to any person leasing a Lot and shall be deemed to be incorporated in any lease. With regard to any lease, the Lot Owner leasing the Lot shall deliver a copy of the signed lease to the Board or if the lease is oral, a memorandum of the lease, not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first. In addition to any other remedies, by filing an action jointly against the tenant and the Lot Owner, the Association may seek to enjoin a tenant from occupying a Lot or seek to evict a tenant for failure of the Lessor-Owner to comply with the leasing requirements prescribed by the Declaration, By-Laws, and Rules and Regulations. The Board of Directors may proceed directly against a tenant, at law or in equity, or may evict the tenant for any other breach by a tenant of any covenants, rules, regulations or By-Laws. A Lot Owner may not assign, delegate, transfer, surrender, or avoid the duties, responsibilities, and liabilities of a Lot Owner under the Condominium Property Act, the condominium instruments, or rules and regulations of the Association; and such an attempted assignment, delegation, transfer, surrender, or avoidance shall be deemed void.

(c) All tenants shall acknowledge in writing that they have received copies of the rules and regulations of the Association and a copy of the written receipt shall be submitted to the Board of Directors along with the copy of the lease.

(d) In the event a lot Owner has been granted hardship status, they must re-apply within thirty (30) days of the expiration of each hardship period if they wish to request an extension.

(e) The provisions of the Declaration, By-Laws and Rules and Regulations that relate to the use of the individual lot or the Common Elements shall be applicable to any person leasing a lot and shall be deemed to be incorporated in any lease. In the event an Owner or Tenant violates any provision set forth herein or in the Governing Documents, said Owner or Tenant may be

subject to a flat or daily fine to be determined by the Board of Directors upon notice and an opportunity to be heard.

(f) All Owners and tenants, including Family Members as herein defined, must comply with the provisions contained in the Crime Free Leasing Resolution and Addendum, as duly adopted and as may be from time to time amended by Resolution of the Board of Directors, and is attached hereto as Exhibit "C" for reference purposes only.

(g) In addition to the authority to levy fines against the Owner for violation of this Amendment or any other provision of the Declaration, By-Laws or Rules and Regulations, the Board shall have all rights and remedies, including but not limited to the right to maintain an action for possession against the tenant, an action for injunctive and other equitable relief, or an action at law for damages.

(h) Any action brought on behalf of the Association and/or the Board of Directors to enforce this Amendment shall subject the Owner and/or the Tenant to the payment of all costs and attorneys' fees at the time they are incurred by the Association.

(i) All unpaid charges including legal fees as a result of the foregoing shall be deemed to be a lien against the lot and collectible as any other unpaid regular or special assessment, including late fees and interest on the unpaid balance.

Section 17. Flags. (i) An American Flag shall be defined as a flag made of fabric, cloth, or paper displayed from a flagpole or in a window. An American Flag shall not include a depiction or emblem of the American flag made of lights, paint, or roofing, siding, or paving material, flora or balloons, or any other similar building, landscaping, or decorative component. (ii) A Military Flag shall be defined as a flag of any branch of the United States Armed Forces or the Illinois National Guard made of fabric, cloth, or paper displayed from a staff or flagpole or in a window. A Military Flag shall not include a depiction or emblem of a military flag made of lights, paint, or roofing, siding, or paving material, flora or balloons, or any other similar building, landscaping, or decorative component.

In the interests of the health, safety, and welfare of the Association, the Board has adopted the following Rules and Regulations governing the display of American and Military Flags:

(i) The display of the American Flag shall be subject to the provisions of Title 4 of the United States Code, Chapter 1 (The Flag), Sections 4 through 10.

(ii) A flag or mount may not be installed by the unit owner on a portion of the Common Area. A flag or mount may be installed

on that portion of the property that is under the exclusive use and control of an Owner.

Section 18. Disabilities. Until determined by federal or state legislation, administrative agency or court of law, the Common Area shall not be subject to the public facility regulations of the Americans With Disabilities Act. In order to conform to the Fair Housing Amendments Act of 1988, any Owner or Resident may make reasonable modification to his Home's Exterior or Lot, subject to the following:

(a) All requests for modification to the Home's Exterior and Lot must be in writing per Association Property Improvement Proposal guidelines.

(b) The Board may request copies of plans, specifications, drawings, certifications and other reasonable documentation for its review.

(c) The Board may establish reasonable guidelines for construction of any addition, improvement or modification.

(d) All work must be approved by the Board prior to commencing construction.

(e) The Board of Directors shall have the authority to establish a fee for administration, supervision and documentation associated with Residents moving in and out of the premises, including a security deposit for damages to the Common Area.

ARTICLE X

EASEMENTS

Section 1. Common Areas. The Common Areas will also be subject to utility easements for sewer, water, gas, electricity, telephone and any other necessary utilities.

Section 2. Encroachments. Accordingly, the owner of each lot shall take title subject to a perpetual easement for any such encroachment, and such encroachment may be re-established but not enlarged. The same shall apply to the common areas. Each lot shall also be subject to an easement for overhangs and projections from an adjoining townhouse if same were constructed in accordance with the approved plans and specifications.

ARTICLE XI

INSURANCE

Section 1. Every Owner shall keep all buildings and improvements situated on his Lot insured against loss by fire, lightning, or windstorm under policies providing for payment by the insurance companies of monies sufficient to pay the cost of fully replacing or repairing same, less a deductible amount as specified in the rules and regulations. The Owner shall cause a certificate evidencing such insurance to be delivered to the Association which Certificate shall provide that a reasonable period of notice shall be given the Association in the event of lapse or change in status of such insurance. In the event such Certificate is not received by the Association within 60 days after conveyance of the title to the Owner, Association may purchase such insurance and the cost thereof shall be paid by the Owner. If unpaid, the amount thereof shall constitute a lien against the property, and the Association shall have the same remedies with respect thereto as with all other liens herein established.

Section 2. The Association shall not be required to repair or replace any item damaged or destroyed by fire, lightning, windstorm, any other insurable risk or "act of God". In the event of such occurrence the obligation to repair or replace shall be that of the Owner.

Section 3. Each Owner herein waives all right to recover from another Owner or the Association for any injury, loss, damage or destruction to his property by fire, lightning, windstorm, an "act of God", or other casualty or by any other peril insured or required to be insured under the terms of this Article.

Section 4. The Association shall maintain fidelity insurance which provides coverage for all Board members and officers.

ARTICLE XII

RESALES AND RECORDS

Section 1. Resale. In the event of any sale of a Lot by an Owner, such Owner shall obtain from the Board and shall make available for inspection to the prospective purchaser, upon demand the following:

- (a) A Copy of the Declaration, By-Laws and any rules and regulations.
- (b) A statement of any liens, assessments due or other charges due and owing.

- (c) A statement of any capital expenditures anticipated by the Association within the current or succeeding two fiscal years.
- (d) A statement of the status and amount of any reserve or replacement fund or any portion of such fund earmarked for any specified project by the Board
- (e) A copy of the statement of financial condition of the Association for the last fiscal year for which such statement is available.
- (f) A statement of the status of any pending suits or judgments in which the Association is a party.
- (g) A statement setting forth what insurance coverage is provided for all owners by the Association.

The President of the Association or such other officer as is specifically designated shall furnish the above information when requested to do so in writing and within thirty (30) days of the request. A reasonable fee covering the direct out-of-pocket cost of providing such information and copying maybe charged by the Association or the Board to the seller for providing such information.

Section 2. Records of the Association.

A. The Board shall keep and maintain the following records or true and complete copies of these records, at the Association's principal office:

- (a) the Association's Declaration, By-Laws, and plats of survey, and all amendments of these;
- (b) the rules and regulations of the Association, if any;
- (c) the Articles of Incorporation of the Association and all amendments to the Articles of Incorporation;
- (d) minutes of all meetings of the Association and the Board of Directors for the immediately preceding seven (7) years;
- (e) all current policies of insurance of the Association;
- (f) all contracts, leases, and other agreements then in effect to which the Association is a party or under which the Association or the Unit Owners have obligations or liabilities;

(g) ballots and proxies related to ballots for all matters voted on by the members of the Association during the immediately preceding twelve (12) months, including but not limited to the election of members of the Board of Directors; and

(h) the books and records of account for the Association's current and seven (7) immediately preceding fiscal years, including but not limited to itemized and detailed records of all receipts and expenditures.

B. Any member of the Association shall have the right to inspect, examine, and make copies of the records described in subdivisions (a), (b), (c), (d), and (e) of Subsection A of this Section 2, in person or by agent, at any reasonable time or times, at the Association's principal office. In order to exercise this right, a member must submit a written request to the Association's Board of Directors or its authorized agent, stating with particularity the records sought to be examined.

C. Except as otherwise provided in Subsection D of this Section 2, any member of an association shall have the right to inspect, examine, and make copies of the records described in subdivisions (f), (g), and (h) of Subsection A of this Section 2, in person or by agent, at any reasonable time or times but only for a proper purpose, at the Association's principal office. In order to exercise this right, a member must submit a written request, to the Association's Board or its authorized agent, stating with particularity the records sought to be examined and a proper purpose for the request.

D. The actual cost to the Association of retrieving and making requested records available for inspection and examination under this Section shall be charged by the Association to the requesting member. If a member requests copies of records requested under this Section, the actual costs to the Association of reproducing the records shall also be charged by the Association to the requesting member.

E. Notwithstanding the provisions of Subsection C of this Section 2, unless otherwise directed by court order, the following records are not available to inspection, examination, or copying by members:

(i) documents relating to appointment, employment, discipline, or dismissal of Association employees;

(ii) documents relating to actions pending against or on behalf of the Association or its Board of Directors in a court or administrative tribunal;

(iii) documents relating to actions threatened against, or likely to be asserted on behalf of, the Association or its Board of Directors in a court or administrative tribunal;

(iv) documents relating to common expenses or other charges owed by a member other than the requesting member; and

(v) documents provided to an association in connection with the lease, sale, or other transfer of a unit by a member other than the requesting member.

F. Each Owner of the Lakeside Villas Homeowners Association shall file the correct mailing address of such owner with the Board and shall notify the Board promptly in writing of any subsequent change of address. The Board shall maintain a file of such addresses and make the same available to the Association. A written or printed notice, deposited in the United States Post Office, postage prepaid, and addressed to any owner at the last address filed by such owner with Declarant shall be sufficient and proper notice to such owner wherever notices are required in this Declaration.

ARTICLE XIII

COMMON INTEREST COMMUNITY

The Association shall act and operate as a Common Interest Community as defined in Illinois Revised Statutes, (1985), Chapter 10, Section 90-112, as from time to time amended. The Declaration and By-Laws shall be deemed to be amended as necessary to comply with any statute relating to Common Interest Communities, and the Board may record such documents as are necessary to effect this compliance.

ARTICLE XIV

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, easements, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Any Owner found to be in violation by a court of competent jurisdiction of any of the foregoing shall also be liable for reasonable attorney's fees incurred by the Association in prosecuting such action. The amount of such attorney's fees together with court costs, if unpaid, shall constitute an additional lien against the defaulting owner's lot, enforceable as other liens herein established. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of and one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, of the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date that the Original Declaration was recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, subject to amendment as hereinafter set forth. The covenants and restrictions of this Declaration may be amended within any successive 10 year period by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. These covenants and restrictions may also be cancelled or amended by an instrument signed by sixty-percent (60%) of the Lot Owners executed and recorded within ninety (90) days of the expiration of any successive ten (10) year period, such cancellation or amendment to be effective on the date of commencement of the ten (10) year period in question.

Signed and approved this 19th day of October, 2011.

James A. Leach
John M. Elmer
Don
Michael D. Lerner
Jeff D. Zuercher

being no less than two-thirds (2/3) the
Board of Directors of the **LAKESIDE VILLAS**
HOMEOWNERS ASSOCIATION

EXHIBIT A

Legal Descriptions

Unit 1 of Lakeside Villas, being a resubdivision of part of the Southwest Quarter of the Southeast Quarter of Section 9, Township 42 North, Range 11, East of the Third Principal Meridian, in Cook County, Illinois.

Out Lot 1, Out Lot 2 and Out Lot 3 in Unit 1 of LAKESIDE VILLAS, being a resubdivision of part of the Southwest Quarter of the Southeast Quarter of Section 9, Township 42 North, Range 11, East of the Third Principal Meridian in Cook County, Illinois.

Lot 4 in Zale's Subdivision, being a subdivision in the Southeast Quarter and the Southwest Quarter of Section 9, Township 42 North, Range 1, East of the Third Principal Meridian (excepting therefrom that part of said Lot 4 falling in Lakeside Villas Unit 1, being a resubdivision of part of the Southwest quarter of the Southeast Quarter of Section 9 aforesaid and excepting also that part of said Lot 4 lying West of the West line and said West line extending North, of Lakeside Villas Unit 1 aforesaid) all in Cook County, Illinois.

| PIN Number | Lot/Address |
|---------------|---------------------------------------|
| 03-09-402-009 | 799 Lakeside Circle Dr., Wheeling, IL |
| 03-09-402-010 | 797 Lakeside Circle Dr., Wheeling, IL |
| 03-09-402-011 | 795 Lakeside Circle Dr., Wheeling, IL |
| 03-09-402-012 | 793 Lakeside Circle Dr., Wheeling, IL |
| 03-09-402-013 | 791 Lakeside Circle Dr., Wheeling, IL |
| 03-09-402-014 | 789 Lakeside Circle Dr., Wheeling, IL |
| 03-09-402-015 | 787 Lakeside Circle Dr., Wheeling, IL |
| 03-09-402-016 | 785 Lakeside Circle Dr., Wheeling, IL |
| 03-09-403-001 | 798 Bridgeview Ct., Wheeling, IL |
| 03-09-403-002 | 796 Bridgeview Ct., Wheeling, IL |
| 03-09-403-003 | 794 Bridgeview Ct., Wheeling, IL |
| 03-09-403-004 | 792 Bridgeview Ct., Wheeling, IL |
| 03-09-403-005 | 790 Bridgeview Ct., Wheeling, IL |
| 03-09-403-006 | 788 Bridgeview Ct., Wheeling, IL |
| 03-09-403-007 | 786 Bridgeview Ct., Wheeling, IL |
| 03-09-403-008 | 1507 Clearwater Ct., Wheeling, IL |
| 03-09-403-009 | 1509 Clearwater Ct., Wheeling, IL |
| 03-09-403-010 | 1511 Clearwater Ct., Wheeling, IL |
| 03-09-403-011 | 1513 Clearwater Ct., Wheeling, IL |
| 03-09-403-012 | 1515 Clearwater Ct., Wheeling, IL |
| 03-09-403-013 | 1517 Clearwater Ct., Wheeling, IL |

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| 03-09-403-014 | 1519 Clearwater Ct., Wheeling, IL |
| 03-09-403-015 | 720 Clearwater Ct., Wheeling, IL |
| 03-09-403-016 | 718 Clearwater Ct., Wheeling, IL |
| 03-09-403-017 | 716 Clearwater Ct., Wheeling, IL |
| 03-09-403-018 | 714 Clearwater Ct., Wheeling, IL |
| 03-09-403-019 | 712 Clearwater Ct., Wheeling, IL |
| 03-09-403-020 | 710 Clearwater Ct., Wheeling, IL |
| 03-09-403-022 | 706 Clearwater Ct., Wheeling, IL |
| 03-09-403-023 | 708 Clearwater Ct., Wheeling, IL |
| 03-09-403-023 | 719 Clearwater Ct., Wheeling, IL |
| 03-09-403-024 | 717 Clearwater Ct., Wheeling, IL |
| 03-09-403-025 | 715 Clearwater Ct., Wheeling, IL |
| 03-09-403-026 | 713 Clearwater Ct., Wheeling, IL |
| 03-09-403-027 | 711 Clearwater Ct., Wheeling, IL |
| 03-09-403-028 | 709 Clearwater Ct., Wheeling, IL |
| 03-09-403-029 | 707 Clearwater Ct., Wheeling, IL |
| 03-09-403-030 | 705 Clearwater Ct., Wheeling, IL |
| 03-09-403-031 | 720 Lakeside Circle Dr., Wheeling, IL |
| 03-09-403-032 | 718 Lakeside Circle Dr., Wheeling, IL |
| 03-09-403-033 | 716 Lakeside Circle Dr., Wheeling, IL |
| 03-09-403-034 | 714 Lakeside Circle Dr., Wheeling, IL |
| 03-09-403-035 | 710 Lakeside Circle Dr., Wheeling, IL |
| 03-09-403-035 | 712 Lakeside Circle Dr., Wheeling, IL |
| 03-09-403-037 | 708 Lakeside Circle Dr., Wheeling, IL |
| 03-09-403-038 | 706 Lakeside Circle Dr., Wheeling, IL |
| 03-09-403-039 | 1500 Clearwater Ct., Wheeling, IL |
| 03-09-403-040 | 1502 Clearwater Ct., Wheeling, IL |
| 03-09-403-041 | 1504 Clearwater Ct., Wheeling, IL |
| 03-09-403-042 | 1506 Clearwater Ct., Wheeling, IL |
| 03-09-403-043 | 1508 Clearwater Ct., Wheeling, IL |
| 03-09-403-044 | 1510 Clearwater Ct., Wheeling, IL |
| 03-09-403-045 | 1512 Clearwater Ct., Wheeling, IL |
| 03-09-403-046 | 1514 Clearwater Ct., Wheeling, IL |
| 03-09-403-047 | 1516 Clearwater Ct., Wheeling, IL |
| 03-09-403-048 | 1518 Clearwater Ct., Wheeling, IL |
| 03-09-403-051 | 1507 Clearwater Ct., Wheeling, IL Common Area |
| 03-09-403-052 | 716 Clearwater Ct., Wheeling, IL Common Area |
| 03-09-404-001 | 1519 Cedarwood Ct., Wheeling, IL |
| 03-09-404-002 | 1517 Cedarwood Ct., Wheeling, IL |
| 03-09-404-003 | 1515 Cedarwood Ct., Wheeling, IL |
| 03-09-404-004 | 1513 Cedarwood Ct., Wheeling, IL |

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| 03-09-404-005 | 1511 Cedarwood Ct., Wheeling, IL |
| 03-09-404-006 | 1509 Cedarwood Ct., Wheeling, IL |
| 03-09-404-007 | 1507 Cedarwood Ct., Wheeling, IL |
| 03-09-404-008 | 1505 Cedarwood Ct., Wheeling, IL |
| 03-09-404-009 | 1503 Cedarwood Ct., Wheeling, IL |
| 03-09-404-010 | 1501 Cedarwood Ct., Wheeling, IL |
| 03-09-404-011 | 680 Cedarwood Ct., Wheeling, IL |
| 03-09-404-012 | 682 Cedarwood Ct., Wheeling, IL |
| 03-09-404-013 | 684 Cedarwood Ct., Wheeling, IL |
| 03-09-404-014 | 686 Cedarwood Ct., Wheeling, IL |
| 03-09-404-015 | 688 Cedarwood Ct., Wheeling, IL |
| 03-09-404-016 | 690 Cedarwood Ct., Wheeling, IL |
| 03-09-404-017 | 692 Cedarwood Ct., Wheeling, IL |
| 03-09-404-018 | 679 Cedarwood Ct., Wheeling, IL |
| 03-09-404-019 | 677 Cedarwood Ct., Wheeling, IL |
| 03-09-404-020 | 675 Cedarwood Ct., Wheeling, IL |
| 03-09-404-021 | 673 Cedarwood Ct., Wheeling, IL |
| 03-09-404-022 | 671 Cedarwood Ct., Wheeling, IL |
| 03-09-404-023 | 669 Cedarwood Ct., Wheeling, IL |
| 03-09-404-024 | 1502 Cedarwood Ct., Wheeling, IL |
| 03-09-404-025 | 1500 Cedarwood Ct., Wheeling, IL |
| 03-09-404-026 | 650 Ash Lane, Wheeling, IL |
| 03-09-404-027 | 648 Ash Lane, Wheeling, IL |
| 03-09-404-028 | 646 Ash Lane, Wheeling, IL |
| 03-09-404-029 | 644 Ash Lane, Wheeling, IL |
| 03-09-404-030 | 642 Ash Lane, Wheeling, IL |
| 03-09-404-031 | 640 Ash Lane, Wheeling, IL |
| 03-09-404-032 | 628 Ivy Ct., Wheeling, IL |
| 03-09-404-033 | 626 Ivy Ct., Wheeling, IL |
| 03-09-404-034 | 624 Ivy Ct., Wheeling, IL |
| 03-09-404-035 | 622 Ivy Ct., Wheeling, IL |
| 03-09-404-036 | 620 Ivy Ct., Wheeling, IL |
| 03-09-404-037 | 629 Ivy Ct., Wheeling, IL |
| 03-09-404-038 | 627 Ivy Ct., Wheeling, IL |
| 03-09-404-039 | 625 Ivy Ct., Wheeling, IL |
| 03-09-404-040 | 623 Ivy Ct., Wheeling, IL |
| 03-09-404-041 | 621 Ivy Ct., Wheeling, IL |
| 03-09-404-042 | 619 Ivy Ct., Wheeling, IL |
| 03-09-404-043 | 614 Ivy Ct., Wheeling, IL |
| 03-09-404-044 | 616 Ivy Ct., Wheeling, IL |
| 03-09-404-045 | 618 Ivy Ct., Wheeling, IL |

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|---------------|---------------------------------------|
| 03-09-404-046 | 612 Barberry Lane, Wheeling, IL |
| 03-09-404-047 | 610 Barberry Lane, Wheeling, IL |
| 03-09-404-048 | 617 Barberry Lane, Wheeling, IL |
| 03-09-404-049 | 615 Barberry Lane, Wheeling, IL |
| 03-09-404-050 | 613 Barberry Lane, Wheeling, IL |
| 03-09-404-051 | 611 Barberry Lane, Wheeling, IL |
| 03-09-404-052 | 609 Barberry Lane, Wheeling, IL |
| 03-09-404-053 | 607 Barberry Lane, Wheeling, IL |
| 03-09-404-054 | 605 Barberry Lane, Wheeling, IL |
| 03-09-404-055 | 603 Barberry Lane, Wheeling, IL |
| 03-09-404-056 | 660 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-057 | 658 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-058 | 656 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-059 | 654 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-060 | 652 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-061 | 650 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-062 | 648 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-063 | 646 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-064 | 640 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-065 | 638 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-066 | 636 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-067 | 634 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-068 | 632 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-069 | 630 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-070 | 628 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-071 | 626 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-072 | 624 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-073 | 610 Westwood Ct., Wheeling, IL |
| 03-09-404-074 | 618 Westwood Ct., Wheeling, IL |
| 03-09-404-075 | 616 Westwood Ct., Wheeling, IL |
| 03-09-404-076 | 614 Westwood Ct., Wheeling, IL |
| 03-09-404-077 | 612 Westwood Ct., Wheeling, IL |
| 03-09-404-078 | 619 Westwood Ct., Wheeling, IL |
| 03-09-404-079 | 617 Westwood Ct., Wheeling, IL |
| 03-09-404-080 | 615 Westwood Ct., Wheeling, IL |
| 03-09-404-081 | 613 Westwood Ct., Wheeling, IL |
| 03-09-404-082 | 611 Westwood Ct., Wheeling, IL |
| 03-09-404-083 | 606 Westwood Ct., Wheeling, IL |
| 03-09-404-084 | 608 Westwood Ct., Wheeling, IL |
| 03-09-404-085 | 610 Westwood Ct., Wheeling, IL |
| 03-09-404-086 | 663 Lakeside Circle Dr., Wheeling, IL |

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| 03-09-404-087 | 661 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-088 | 659 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-089 | 657 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-090 | 655 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-091 | 653 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-092 | 1411 Candlewood Ct., Wheeling, IL |
| 03-09-404-093 | 1409 Candlewood Ct., Wheeling, IL |
| 03-09-404-094 | 1407 Candlewood Ct., Wheeling, IL |
| 03-09-404-095 | 1405 Candlewood Ct., Wheeling, IL |
| 03-09-404-096 | 1403 Candlewood Ct., Wheeling, IL |
| 03-09-404-097 | 1401 Candlewood Ct., Wheeling, IL |
| 03-09-404-098 | 1416 Bayside Ct., Wheeling, IL |
| 03-09-404-099 | 1414 Bayside Ct., Wheeling, IL |
| 03-09-404-100 | 1412 Bayside Ct., Wheeling, IL |
| 03-09-404-101 | 1410 Bayside Ct., Wheeling, IL |
| 03-09-404-102 | 1408 Bayside Ct., Wheeling, IL |
| 03-09-404-103 | 1406 Bayside Ct., Wheeling, IL |
| 03-09-404-104 | 1404 Bayside Ct., Wheeling, IL |
| 03-09-404-105 | 1402 Bayside Ct., Wheeling, IL |
| 03-09-404-106 | 1400 Bayside Ct., Wheeling, IL |
| 03-09-404-107 | 723 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-108 | 721 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-109 | 719 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-110 | 717 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-111 | 715 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-112 | 713 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-113 | 711 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-114 | 709 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-115 | 720 Bayside Ct., Wheeling, IL |
| 03-09-404-116 | 718 Bayside Ct., Wheeling, IL |
| 03-09-404-117 | 716 Bayside Ct., Wheeling, IL |
| 03-09-404-118 | 714 Bayside Ct., Wheeling, IL |
| 03-09-404-119 | 712 Bayside Ct., Wheeling, IL |
| 03-09-404-120 | 710 Bayside Ct., Wheeling, IL |
| 03-09-404-121 | 708 Bayside Ct., Wheeling, IL |
| 03-09-404-122 | 706 Bayside Ct., Wheeling, IL |
| 03-09-404-123 | 719 Bayside Ct., Wheeling, IL |
| 03-09-404-124 | 717 Bayside Ct., Wheeling, IL |
| 03-09-404-125 | 715 Bayside Ct., Wheeling, IL |
| 03-09-404-126 | 713 Bayside Ct., Wheeling, IL |
| 03-09-404-127 | 711 Bayside Ct., Wheeling, IL |

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| 03-09-404-128 | 709 Bayside Ct., Wheeling, IL |
| 03-09-404-129 | 707 Bayside Ct., Wheeling, IL |
| 03-09-404-130 | 705 Bayside Ct., Wheeling, IL |
| 03-09-404-131 | 1401 Bayside Ct., Wheeling, IL |
| 03-09-404-132 | 1403 Bayside Ct., Wheeling, IL |
| 03-09-404-133 | 1405 Bayside Ct., Wheeling, IL |
| 03-09-404-134 | 1407 Bayside Ct., Wheeling, IL |
| 03-09-404-135 | 1409 Bayside Ct., Wheeling, IL |
| 03-09-404-136 | 1411 Bayside Ct., Wheeling, IL |
| 03-09-404-137 | 1413 Bayside Ct., Wheeling, IL |
| 03-09-404-138 | 1415 Bayside Ct., Wheeling, IL |
| 03-09-404-139 | 1417 Bayside Ct., Wheeling, IL |
| 03-09-404-140 | 1419 Bayside Ct., Wheeling, IL |
| 03-09-404-141 | 1423 Bayside Ct., Wheeling, IL |
| 03-09-404-142 | 1425 Bayside Ct., Wheeling, IL |
| 03-09-404-143 | 1427 Bayside Ct., Wheeling, IL |
| 03-09-404-144 | 1429 Bayside Ct., Wheeling, IL |
| 03-09-404-145 | 725 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-146 | 727 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-147 | 729 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-148 | 731 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-149 | 733 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-150 | 735 Lakeside Circle Dr., Wheeling, IL |
| 03-09-404-151 | 723 Bayside Ct., Wheeling, IL Common Area |
| 03-09-405-001 | 707 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-002 | 705 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-003 | 703 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-004 | 701 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-005 | 699 Lakeside Circle Dr., Wheeling, IL |
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| 03-09-405-007 | 695 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-008 | 693 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-009 | 691 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-010 | 689 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-011 | 679 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-012 | 677 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-013 | 675 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-014 | 673 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-015 | 671 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-016 | 669 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-017 | 667 Lakeside Circle Dr., Wheeling, IL |

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|---------------|---|
| 03-09-405-018 | 665 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-019 | 670 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-020 | 668 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-021 | 666 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-022 | 664 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-023 | 662 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-024 | 694 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-025 | 692 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-026 | 690 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-027 | 688 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-028 | 686 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-029 | 684 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-030 | 682 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-031 | 680 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-032 | 704 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-034 | 700 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-035 | 698 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-035 | 702 Lakeside Circle Dr., Wheeling, IL |
| 03-09-405-036 | 680 Lakeside Circle Dr., Wheeling, IL Common Area |
| 03-10-406-013 | 786 Bridgeview Ct., Wheeling, IL Common Area |

EXHIBIT B

SECOND AMENDED AND RESTATED BY-LAWS

OF

LAKESIDE VILLAS HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION. The name of the corporation is LAKESIDE VILLAS HOMEOWNERS ASSOCIATION, hereinafter referred to as the "Association." The principal office of the corporation shall be located at 794 Lakeside Circle Drive, Wheeling, Illinois, 60090, or such other designation as determined by the Board, but meetings of members and directors may be held at such places within the State of Illinois, County of Cook, as may be agreed by the majority of the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Lakeside Villas Homeowners Association, Inc., an Illinois non-profit corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the members of the Association.

Section 4. "Lot" for the purposes of these By-Laws shall mean and refer to a portion of a platted lot designated as a Unit upon any recorded subdivision map of the Properties and upon which Unit one individual home is constructed or to be constructed, a typical description of a Unit being Lot 1, Area 2, Unit 4.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 7. "Declaration" shall mean and refer to the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Recorder of Cook County, Illinois.

ARTICLE III

MEMBERSHIP

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

Section 2. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Association, the voting rights and right to use the recreational facilities of such member may be suspended by the Board of Directors until such assessment has been paid. Such rights of a member may also be suspended for such period as any infraction exists with respect to any terms and conditions of the Declaration or the published rules and regulations of the Association.

ARTICLE IV

PROPERTY RIGHTS; RIGHTS OF ENJOYMENT

Section 1. Each member shall be entitled to the use and enjoyment of the Common Area and facilities as provided in the Declaration. Any member may delegate his rights of enjoyment of the Common Area and facilities to the members of his family, his tenants or contract purchasers, who reside on the property. Such member shall notify the secretary in writing of the name of any such delegate. The rights and privileges of such delegee are subject to suspension to the same extent as those of the member.

Section 2. The Declaration gives the Association the right to charge reasonable admission and other fees for the use of any recreational facilities

situated upon the Common Area; this right shall only be upon written approval of two-thirds (2/3) of the entire membership.

ARTICLE V

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of seven (7) directors, but no less than five (5) members, who shall be members of the Association and reside on the property.

Section 2. Election. At each annual meeting thereafter the members shall elect one director for a term of three years, and for each directorship expiring that year. Any director who shall be or become delinquent in the payment of their assessment for a period of at least two (2) months, shall be suspended from their position on the Board until such time as said Director's assessments are brought current.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a two-thirds (2/3) vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by two-thirds (2/3) of the remaining members of the Board at any regular or special meeting of the Board, or by a special election by the Owners within thirty (30) days after a petition signed by no less than twenty percent (20%) of the Owners has been submitted to the Board.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of a majority of the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors. Any such action shall be ratified by a majority vote of the Directors at a subsequent regular meeting of the Board, at which point it will become an official act of the Board.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly, at such place and hour as may be fixed from time to time by resolution of the Board. Notice shall be provided to the owners at least forty-eight hours (48) before the date of said meeting. A notice containing

the dates of all meetings for the year shall satisfy this requirement. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. At all meetings of the Board, there shall be a homeowners forum, however, the Board may establish the time and length of said homeowners forum.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association or by any two directors, after no less than three (3) days' notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the members.

The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from resident members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 3. Quorum. The presence in person or by proxy of no less than twenty percent (20%) of the Members shall constitute a quorum for all elections and other meetings of the Members.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties or assess a fine for the infraction of the Declaration, rules and regulations or other governing documents of the Association, after notice and an opportunity to be heard have been afforded to the Owner;

(b) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporated, or the Declaration;

(c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(d) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the members or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided herein, and in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period, as hereinafter provided in Article XII, and

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(d) issue, or to cause an appropriate officer to issue upon demand by any person, a certificate setting forth whether or not any assessment has been

paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded as it may deem appropriate;

(g) cause the Common Area to be maintained; and

(h) cause the exterior of the dwellings to be maintained.

Section 3. Board's Determination Binding. In the event a disagreement arises between any Owners relating to the Property or the interpretation and application of this Declaration, the By-Laws or the rules and regulations adopted by the Association, the review and resolution thereof by the board shall be final and binding upon any and all such Owners.

Section 4. Governing Law. In all other respects, the Association, its directors, officers and Members shall be governed by the Illinois Common Interest Community Association Act and the Illinois General Not-For-Profit Corporation Act. The Association shall, at all times, be a duly organized and authorized Illinois Not-for-profit corporation, operating under the Illinois General Not-For-Profit Corporation Act.

Section 5. Indemnification of the Board. The members of the Board and the officers of the Association shall not be liable to the Owners for any mistake in judgment or acts or omissions not made in bad faith, as members of the Board or officers. The Association shall indemnify and hold harmless each of the directors and officers, and their respective heirs, executors or administrators, against all contractual and other liabilities to others arising out of contracts made by or other acts of the directors and officers on behalf of the Owners or the Association or arising out of their status as directors or officers unless any such contract or act shall have been made criminally, fraudulently or with gross negligence. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative, or other in which any such director may be involved by virtue of such person being or having been such director or officer; provided, however, that such indemnity shall not be operative with respect to (i) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for criminal conduct, gross negligence or fraud in the performance of his duties as such

director or officer, or (ii) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person being adjudged liable for criminal conduct, gross negligence or fraud in the performance of his duties as such director or officer.

ARTICLE IX

COMMITTEES

The Board of Directors shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee as provided in these By-Laws. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purposes.

Section 1. A Recreation Committee which shall advise the Board of Directors on all matters pertaining to the recreational program and activities of the Association and shall perform such other functions as the Board, in its discretion, determines;

Section 2. A Maintenance Committee which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Properties, and shall perform such other functions as the Board in its discretion determines;

Section 3. A Finance Committee which shall supervise the annual audit of the Association's books and approve the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting, as provided in Article XI, Section 8(d) of these By-Laws. The Finance Committee shall also make a recommendation to the Board with regard to the annual budget. The Treasurer shall be an ex officio member of the Committee.

ARTICLE X

MEETINGS OF MEMBERS

Section 1. Annual Meetings. A regular annual meeting of the members shall be held on such day and such month of each year, at the hour designated in the Notice from the Board.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the entire membership or who are entitled to vote one-fourth (1/4) of the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days but not more than thirty (30) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, twenty percent (20%) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-laws.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, signed and dated by the Owner, and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot, but in any event it shall expire eleven (11) months from the date of the proxy.

ARTICLE XI

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall be made by the Board of Directors and will take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign

at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular election. The officer elected to such vacancy shall serve until the next annual election.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; if such seal exists, serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall

sign all checks and promissory notes of the Association; keep proper books of the account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE XII

ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. By the Declaration, each member is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, (2) special assessments for capital improvements, and (3) other items specifically provided for in the Declaration. The annual and special assessments, and such other items, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due and shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the Properties and in particular for the improvement and maintenance of the Properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, and of the homes situated upon the Properties.

Section 3. Special Assessments. (i) Each unit owner shall receive notice, in the same manner as is provided in the 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, (ii) that except as provided in subsection (iv) below, if an adopted budget or any separate assessment adopted by the Board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding 115% of the sum of all regular and separate assessments payable during the preceding fiscal year, the Board, upon written petition by owners with 20 percent of the votes of the Association delivered to the Board within 14 days of the Board action, shall call a meeting of the owners within 30 days of the date of delivery of the petition to consider the budget or 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, (iii) that any expense not set

forth in the budget or any increase in assessments over the amount adopted in the budget shall be separately assessed against all owners, (iv) that separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to owner approval or the provisions of item (ii) above. As used herein, "emergency" means an immediate danger to the structural integrity of Property or to the life, health, safety or property of the owners, (v) that the Board may adopt separate assessments payable over more than one fiscal year.

Section 4. Uniform Rate. Both annual and special assessments must be fixed at uniform rate for all Lots and may be collected on a monthly basis, or such other basis as set by the Board of Directors.

Section 5. Date of Commencement of Annual Assessments: Due Dates. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period and in lieu thereof, the amount of the prior year's annual assessment shall be the fixed amount. Written notice of any annual budget shall be sent to every Owner subject thereto no less than thirty (30) days prior to the meeting in which it is adopted. Monthly assessment shall be due on the first day of each month. An owner shall first be liable for payment of a monthly assessment on the 1st day of the month following conveyance of title to him. The Association shall upon demand at any time furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid, and reasonable charge may be made for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein.

Section 6. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of seven percent (7%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property; and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. Each Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the LAKESIDE VILLAS HOMEOWNERS' ASSOCIATION, INC., or its agents the rights and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage or deed of trust lien on real property, except that the court shall restrain the defaulting Owner from re-acquiring his interest at such judicial sale.

Section 7. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages. Sale or transfer of any Lot shall not affect the assessment lien unless so provided as a result of a judicial sale pursuant to a decree of foreclosure.

Section 8. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein; (a) all properties dedicated to and accepted by a local public authority and granted to or used by a utility company; (b) the Common Area; (c) all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Illinois.

ARTICLE XIII

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XIV

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: LAKESIDE VILLAS HOMEOWNERS ASSOCIATION

ARTICLE XV

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XVI

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.

EXHIBIT C

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Supreme J. Leinhardt, state that I am the President of the Board of Directors of the Lakeside Villas Homeowners Association, and that a copy of the foregoing Amended and Restated Declaration was either delivered personally to each Unit Owner at the Association or was sent by regular U. S. Mail, postage prepaid, to each Unit Owner in the Association at the address of the unit or such other address as the Owner has provided to the Board of Directors for purposes of mailing notices. I further state that the Unit Owners did not file a petition with the Board, pursuant to the requirements of Section 1-60 of the Illinois Common Interest Community Act, objecting to the adoption of this Amended and Restated Declaration

Supreme J. Leinhardt

Subscribed and Sworn to before me
this 26 day of January, 20 12.

Victoria J. Bikoma
Notary Public

My Commission Expires: 10/5/2014

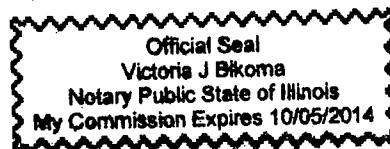


EXHIBIT D
CRIME FREE LEASING
RESOLUTION

WHEREAS, the Lakeside Villas Declaration of Covenants, Conditions and Restrictions ("Association") is an Illinois not-for-profit corporation, organized and operated for the purpose of administering the Association; and

WHEREAS, Association is administered by a duly elected Board of Directors in accordance with a certain Declaration of Covenants; and

WHEREAS, the Board of Directors is charged with the responsibility of maintaining the property and acting in the best interests of the members of the Association; and

WHEREAS, the Board of Directors has deemed it to be in the best interests of the Association to adopt the following rules regarding a Crime-Free Leasing Program.

NOW, THEREFORE, BE IT RESOLVED:

The rules and regulations of the Association are amended to include the following provisions:

Leases, Tenants and Non-Resident Lot Owners

I. It is the lot Owner's responsibility to comply with the following:

A. Provide the Association with a copy of the Lease and **Crime Free Lease Addendum** (a copy of which is attached hereto), executed by the tenants not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first. The lease must include names of all the residents of the lot. All tenants must be provided a copy of the Declaration, By-Laws, Rules and Regulations upon executing a lease for the lot. All leases must be in writing and for a period of not less than twelve (12) consecutive months nor more than twenty-four (24) consecutive months. All leases must be in conformance with, and make specific reference to, the legal documents of the Association.

B. There are several important items that every investor-owner must consider before leasing his/her lot. The Association is a Crime Free Community and has implemented this program:

1. Owners must notify prospective tenants that the Association is a **Crime Free Community**.

2. Owners must show prospective tenants the **Crime Free Lease Addendum**. This addendum must be initialed by prospective tenants to indicate they have seen it prior to completing the application.

3. Owners must obtain a completed lease application from prospective tenants, and provide a copy to the Board of Directors, no less than ten days prior to occupancy of the lot, a copy of the application is available through the Board of Directors and/or management.

4. Owners must obtain a criminal background check on prospective tenant and every person moving into the lot, and provide a copy to the Board of Directors, no less than ten days prior to occupancy of the lot. Owners must submit proof to the management company that this was done prior to the tenant moving into the lot.

A VIOLATION OF THE FOREGOING SECTION A AND B 1 THROUGH B 4 MAY RESULT IN A FINE OF **\$100.00**, AFTER NOTICE AND AN OPPORTUNITY FOR A HEARING.

5. All leases must be in writing and for a period of not less than twelve (12) consecutive months nor more than twenty-four (24) consecutive months, unless the Board consents in writing to the contrary. No lot owner may lease less than the entire lot. The lot may not be leased for transient or hotel purposes. All leases must be in conformance with, and make specific reference to, the legal documents of the Association. The Owner is also required to submit, not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first, a completed Resident Information form stating the number and name of all tenants, including children, who will be residing at their lot. This information will also include the phone number of the lot, all work numbers, emergency contact information, make, model and license plate number of vehicles used by the occupants.

6. All leases must be current. The management office must be provided a copy of all updated leases (renewal) and lease riders not later than the date of occupancy or ten (10) days after the updated lease is signed, whichever occurs first. Additionally, unless otherwise provided by law, any lot owner who fails to provide the Board of Directors with an address other than the lot where the owner is to receive notices or other information from the Association shall be deemed to have waived the right to receive notices at any address other than the address of the Lot, and the Association shall not be liable for any loss, damage, injury or prejudice to the rights of any such lot owner caused by any delays in receiving notice resulting therefrom.

7. Discrimination on the basis of age, race, color, creed, national origin or sex is not allowed.

8. If a tenant violates the Declarations, By-Laws or the Rules and Regulations of the Association, the owner shall also be held responsible.

9. Sub-leasing of Lots is not permitted.

10. During the terms of the lease, no new roommate may move in without a new lease being generated, containing the names of all tenants residing in the lot, (a new roommate is someone residing in the lot longer than 30 days). A copy of (1) the new lease, (2) new lease rider and (3) **Crime free Lease Addendum** must be delivered to the management office. **A background criminal check must be done on the new tenant(s) prior to moving in.** All moving rules must be followed during this time.

11. Owners may not rent their lots to any person or persons who have a) ever been convicted of any violent criminal activity b) been convicted of a drug-related criminal activity within the last five (5) years or been convicted of any form of aggravated sexual assault or been adjudicated a registered sexual offender.. "Violent criminal activity" is defined as any felonious criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force against the person or property of another. "Drug-related criminal activity" is defined as the illegal manufacture, sale, distribution, or use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in Section 102 of the Controlled Substances Act [21 U.S.C. 802].

A VIOLATION OF THE FOREGOING SECTION B 5 THROUGH B 11 MAY RESULT IN A MINIMUM \$100.00 FINE FOR THE FIRST VIOLATION, \$250.00 FOR THE SECOND VIOLATION, AND \$500.00 FOR THE THIRD AND EACH SUBSEQUENT VIOLATION, AFTER NOTICE AND AN OPPORTUNITY FOR A HEARING.

II. Anytime a crime is committed on this property which involves a resident, tenant, guest, or invitee of a tenant, resident or guest the following fines may be assessed to the owner of the respective lot involved, after notice and an opportunity for a hearing:

A. Activities on this property such as, but not limited to, disturbing the peace, fighting, vandalism, property damage, offensive behavior, harassment, intimidation, public drunkenness (adult), party out-of-control if supported after notice and opportunity to be heard on the matter:

| | |
|-------------------------|-----------------|
| 1 st offense | \$100.00 |
| 2 nd offense | \$250.00 |
| Thereafter | \$500.00 |

B. Activities on this property such as, but not limited to, domestic violence, child abuse assault, burglary, theft, public drunkenness (minors), possession of illegal drugs, minors in possession of alcohol, DUI, possession of stolen property if supported, after notice and opportunity to be heard on the matter:

| | |
|-------------------------|------------------------------|
| 1 st offense | \$100.00 |
| Thereafter | \$500.00 per incident |

C. Activities on this property such as, but not limited to, manufacturing or distributing illegal drugs, any crime related to gang activity; illegal possession of firearm or weapon; discharge of firearm, aggravated assault, arson, kidnapping, murder if supported, after notice and opportunity to be heard on the matter.

| | |
|----------------------------|-------------------------------|
| 1st offense and thereafter | \$1000.00 per incident |
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III. In addition to any other remedies, by filing an action jointly against the tenant and the lot owner, the Association may seek to enjoin a tenant from occupying a lot or seek to evict a tenant for failure of the lessor-owner to comply with the leasing requirements prescribed by the Declaration, By-Laws, and Rules and Regulations of the Association. The Board of Directors may proceed directly against a tenant, at law or in equity, or seek the eviction of the tenant, for any other breach by tenant of any covenants, rules, regulations or bylaws of the Association.

IV. This policy becomes effective _____, 20____. All lease agreements signed prior to this date will be grandfathered through the term of the lease or for one year from the effective date of these rules, whichever occurs first, in regards to the Crime Free Lease Addendum. Tenants are subject to another criminal background check at the time of lease renewal, only at the time the initial lease is effected. Owners are immediately responsible for providing the Association with a current Resident Information Form. The names on the Resident Information Form should be the same as those on the lease. Owners are also responsible for providing their tenants with information regarding this program and letting them know that crime will not be tolerated at the Association.

V. Fines for actions of individuals may be mitigated on a case by case basis (depending on the severity of the matter or damage and positive action taken regarding correction), with any decision made to be in the discretion of the Board and its decision shall be final and binding.

VI. All fines, costs, legal fees, and other expenses of the Association in connection with any violation under these rules shall be assessed to the account of the Lot Owner responsible.

Approved this 19 day of October, 2011.

Board of Directors
Lakeside Villas Homeowners Association

By: 

Its President

ATTEST:

By: 

Its Secretary