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AMENDED AND RESTATED DECLARATION OF **CONDOMINIUM OWNERSHIP FOR** STRAWBERRY 1 NORTH CHICAGO ASSOCIATION

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

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AMENDED AND RESTATED DECLARATION OF CONDOMINIUM OWNERSHIP FOR STRAWBERRY 1 NORTH CHICAGO ASSOCIATION

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AMENDED AND RESTATED DECLARATION OF CONDOMINIUM OWNERSHIP FOR STRAWBERRY 1 NORTH CHICAGO ASSOCIATION

This Amended and Restated Declaration is made and entered into by the Strawberry 1 North Chicago Association with the approval of Owners representing at least three quarters (3/4) of the total ownership of the Common Elements.

RECITALS

WHEREAS, the property described in Exhibit A of this Declaration was submitted to a Declaration of Condominium Ownership for Strawberry 1 North Chicago Association on June 7, 1974 and recorded with the Recorder of Deeds of Lake County, Illinois as Document Number R74-28165 ("Original Declaration"); which was subsequently amended on May 23, 1991and recorded with the Recorder of Deeds of Lake County, Illinois as Document Number 3076684 on October 24, 1991, and subsequently amended on October 9, 2008 and recorded with the Recorder of Deeds of Lake County, Illinois as Document Number 6403915 on October 23, 2008;

WHEREAS, the sum total of the shares of the common elements as distributed by the Original Declaration fail to equal 100%; and

WHEREAS, it is the purpose of this Amended and Restated Declaration to correct the distribution of shares of the common elements so that they equal 100%, 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 Unit Owners and to conform with the Illinois Condominium Property Act.

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

ARTICLE 1 DEFINITIONS

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

- **1.01** Act. The Illinois Condominium Property Act as may be amended from time to time.
- **1.02** <u>Association</u>. Strawberry 1 North Chicago Association, an Illinois not for profit corporation.
- **1.03 Board**. The persons determined pursuant to Article 5 hereof who are vested with the authority and responsibility of administering the Property.
- **1.04 Buildings**. The Buildings located on the Property and containing the Units, as more specifically hereafter described in Article 2.

- **1.05 By-Laws**. The By-Laws of the Association which are incorporated in this Declaration and any relevant exhibits.
- 1.06 <u>Common Elements</u>. All of the Property, except the Units, including, but not limited to: the land, patios, balconies, outside walks, landscaping, stairways, entrances and exits, roofs, and other structural parts of the Buildings, Parking Areas, Garages, pipes, ducts, flues, chutes, conduits, wires (except pipes, ducts, electrical wiring and conduits situated entirely within a Unit and serving only said Unit), public utility lines and other utility installations to the outlets and such component parts of the walls, floors and ceilings as are not located within the Units.
- **1.07** <u>Common Expenses</u>. The proposed or actual expenses incurred by the Association in accordance with this Declaration, including reserves, with respect to the ownership, operation and maintenance of the Common Elements and with respect to the purchase, ownership, operation and maintenance of the Recreational Property, and which expenses are to be assessed to and shared by the Unit Owners in the same proportion as they own the Common Elements, all as provided for in this Declaration.
- **1.08** <u>Declaration</u>. This instrument by which the Property is submitted to the provisions of the Act, including such amendments, if any, to this instrument as may from time to time be adopted pursuant to the terms hereof.
- **1.09** <u>Developer</u>. HeatherRidge Development Company or any person or entity succeeding to its interests as Developer.
- 1.10 <u>Limited Common Elements</u>. A portion of the Common Elements contiguous to and serving exclusively a single Unit or adjoining Units as an inseparable appurtenance thereto, including specifically, but not by way of limitation, balconies, patios, and such portions of the perimeter walls, floors and ceilings, doors, windows and entryways, and all associated fixtures and structures therein as lie outside the Unit boundaries. The Board as hereinafter defined may from time to time designate other portions of the Common Elements and Limited Common Elements including, but not limited to, such heating, plumbing and electrical fixtures and all associated pipes, ducts and wiring as may serve exclusively a single Unit or group of contiguous Units.
- **1.11** Majority or Majority of the Unit Owners. The Owners of more than fifty percent (50%) in the aggregate in interest of the undivided ownership of the Common Elements. Any specified percentage of the Unit Owners means such percentage in the aggregate in interest of such undivided ownership of the Common Elements.
- **1.12** Occupant. Person or persons, other than an Owner, in possession of a Unit.
- **1.13** Owner. The person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit Ownership or who is a contract purchaser of a Unit. For purposes hereof, unless otherwise specifically provided therein, the word "Owner" shall include any beneficiary of a trust, shareholder

of a corporation or partner of a partnership holding legal title to a Unit or who is a contract purchaser thereof.

- **1.14** Parcel. The entire tract of real estate described in Exhibit A of the original Declaration and submitted to the provisions of the Act.
- **1.15** Parking Areas. The part or parts of the Common Elements, including garages, provided for parking automobiles.
- **1.16** <u>Person</u>. A natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.
- **1.17** Plat of Survey. The plats of survey of the Parcel and all of the Units in the Property submitted to the provisions of the Act, said Plats being attached to the Original Declaration as Exhibit "A" including any amended or supplemented plats.
- **1.18 Property**. All the land, property and space comprising the Parcel, all improvements and structures constructed or contained therein or thereon, including the Buildings, and all easements, licenses, permits, rights and appurtenances belonging thereto, and all fixtures, equipment and property intended for the mutual use, benefit or enjoyment of the Owners, Occupants and their respective guests and invitees.
- **1.19** Recreational Property. All improvements and structures constructed or to be constructed on the Common Elements intended for the mutual and exclusive use, benefit and enjoyment of the Unit Owners, Occupants and their respective guests and invitees, including, but not limited to: the swimming pool, recreational building, tennis courts and related recreational facilities, including all related fixtures and equipment.
- 1.20 <u>Unit (or Dwelling Unit)</u>. The air space occupied by a separate individual apartment or townhouse having lawful access to a public right of way contained in one of the Buildings, and occupying one or two floors, as designated and delineated on the Plat and being bounded by the finished interior surfaces of the floors and ceilings and the finished interior surfaces of the perimeter walls of such apartment or townhouse, together with all fixtures and improvements therein contained, but not including any of the Common Elements.
- **1.21** <u>Unit Ownership</u>. A part of the Property consisting of one Unit and its undivided interest in the Common Elements appurtenant thereto.
 - **1.22** <u>City</u>. The City of North Chicago.
- **1.23** <u>Voting Member</u>. One person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners designated pursuant to Article 4.03 of the By-Laws.

ARTICLE 2 UNITS

2.01 <u>Description and Ownership</u>.

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- (a) All Units in the Buildings located on the Parcel as delineated on the Plat attached to the original Declaration as Exhibit "A" and any supplemented or amended Plat. Said Plats are specifically incorporated herein by reference and made a part hereof.
- (b) Each Unit consists of the space enclosed and bounded by the horizontal and vertical planes constituting the boundaries of such Unit as shown on the Plats; provided, however, that no structural components of a Building, and no pipes, wires, conduits, ducts, flues, shafts, or public utility lines situated within a Unit and forming part of any system serving one or more other Units or the Common Elements shall be deemed to be a part of said Unit. The legal description of each Unit shall consist of the identifying number, or symbol of such Unit as shown on said Plat. Every deed, lease, mortgage or other instrument may legally describe a Unit by its indentifying number or symbol as shown on the Plat and every such description shall be deemed good and sufficient for all purposes.
- (c) Except as provided by the Act or as provided elsewhere herein, no Unit Owner shall, by deed, plat, court decree or otherwise, subdivide or in any other manner cause his Unit to be separated into any tracts or parcels different from the whole Unit as shown on the Plats.
- 2.02 <u>Certain Structures Not Constituting Part of a Unit</u>. Except as a tenant in common with all other Unit Owners, no Unit Owner shall own any structural components of the Building, including structural columns or pipes, wires, conduits, ducts, flues, shafts, or public utility lines running through his Unit and forming a part of any system serving more than his Unit, or any components of communication systems, if any, located in his Unit, whether or not any such items shall be located in the floors, ceilings or perimeter or interior walls of the Unit.
- **2.03** Real Estate Taxes. It is understood that real estate taxes are to be separately taxed to each Unit Owner for his Unit and his corresponding percentage of ownership in the Common Elements as provided in the Act.
- **2.04** Conveyances Subject to Declaration. All easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits, and privileges which are granted, created, reserved or declared by this Amended and Restated Declaration shall be deemed to be covenants appurtenant, running with the land and shall at all times inure to the benefit of and be binding on any Person having at any time any interest or estate in the Parcel, and their respective heirs, successors, personal representatives or assigns. Reference in any deed of conveyance, lease, mortgage, trust deed, other evidence of obligation, or other instrument to the provisions of this Amended and Restated Declaration shall be sufficient to create and reserve all of the

easements, restrictions, conditions, covenants, reservations, liens, charges, rights, benefits and privileges which are granted, created, reserved, or declared by this Amended and Restated Declaration, as fully and completely as though they were set forth in their entirety in any such document.

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ARTICLE 3 COMMON ELEMENTS

3.01 <u>Description</u>. The Common Elements shall consist of all Property, except the Units. Without limiting the generality of the foregoing, the Common Elements shall include the land, patios, balconies, outside walks, landscaping, stairways, entrances and exits, roofs, and other structural parts of the Buildings, Parking Areas, Garages, pipes, ducts, flues, chutes, conduits, wires and other utility installations to the outlets and such component parts of the walls, floors and ceilings as are not located within the Units.

Structural columns located within the boundaries of a Unit shall be part of the Common Elements. Any references to "Common Elements" appearing on the Plats shall be deemed solely for purposes of general information and shall not be limiting in any way, nor shall any such reference define the Common Elements in any way.

- 3.02 Ownership of Common Elements. Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, as set forth in Exhibit A attached hereto. The percentages of ownership interests set forth in Exhibit A have been computed and determined in accordance with the Act, and shall remain constant and shall not be changed, except as specifically permitted under the Act or the Declaration, without unanimous written consent of all Unit Owners. Said ownership interest in the Common Elements shall be an undivided interest, and the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with their respective percentages of ownership. The ownership of each Unit shall not be conveyed separate from the percentage of ownership in the Common Elements corresponding to said Unit. The undivided percentage of ownership in the Common Elements corresponding to any Unit shall always be deemed conveyed or encumbered with any conveyance or encumbrance of that Unit, even though the legal description in the instrument conveying or encumbering said Unit may refer only to that Unit.
- 3.03 <u>Limited Common Elements</u>. The Limited Common Elements are portions of the Common Elements contiguous to and serving exclusively a single Unit or adjoining Units as an inseparable appurtenance thereto, including specifically, but not by way of limitation, balconies, patios, attics and such portions of the perimeter walls, floors and ceilings, doors, windows and entryways, and all associated fixtures and structures therein as lie outside the Unit boundaries. The Board as hereinafter defined may from time to time designate other portions of the Common Elements and Limited Common Elements including, but not limited to, such heating, plumbing and electrical fixtures and all associated pipes, ducts and wiring as may serve exclusively a single Unit or group of contiguous Units.

- **3.04** <u>Use of Limited Common Elements</u>. Each Unit Owner and Occupant shall have the right to:
- (a) the exclusive use and possession of the Limited Common Elements serving exclusively the Unit of such Unit Owner or Occupant, which right shall be appurtenant to and shall run with title to such Unit, and shall not be separated from such Unit, and
- (b) the use and possession of the Limited Common Elements serving the Unit of such Unit Owner or Occupant in common with one or more (but not all) other Units, which use and possession shall be to the exclusion of all other persons except the Unit Owner or Occupant of any such other Unit to which such Limited Common Elements shall respectively appertain.
- (c) no Owner or Occupants shall decorate, fence, enclose, landscape, adorn or alter such patio or balcony in any manner contrary to such rules and regulations as may be established by the Board, as hereinafter provided, or unless such Owner shall first obtain the written consent of the Board to do so; and further provided that each Unit Owner shall be responsible for the maintenance of the patio, balcony and attic, if any, adjoining their Unit.

The use of Limited Common Elements may be transferred between Unit Owners at their expense in accordance with the Act or as expressly provided in this Declaration.

3.05 Parking and Garages. The outdoor uncovered parking spaces in the Condominium Property shall be a part of the Common Elements. The Board shall have the right and power to adopt reasonable rules and regulations governing the use of the outdoor parking spaces as it shall deem necessary and appropriate, provided, however, that no recreational vehicles, buses, trailers or mobile homes may be parked in such spaces or in driveway areas. The parking spaces within the garages are available for lease on a first-come first serve basis, pursuant to a written lease entered into between the Association and an Owner. Each garage space shall be subject to an assessment as determined by the Board based on the then current budget for the Association. In addition, the party leasing the garage space shall be subject to all provisions of this Declaration and any Rules and Regulations adopted by the Board. Notwithstanding anything contrary within a lease for a garage space, said lease shall terminate at such time as the party leasing the garage space ceases to be an Owner at the Association.

ARTICLE 4 GENERAL PROVISIONS AS TO UNITS AND COMMON ELEMENTS

- **4.01** <u>Submission of Property to the Act</u>. The Property has been submitted to the provisions of the Condominium Property Act of the State of Illinois.
- **4.02** No Severance of Ownership. No Unit Owner shall execute any deed, mortgage, lease or other instrument affecting title to his Unit Ownership without including therein both his interest in the Unit and his corresponding percentage of

ownership in the Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, lease or other instrument purporting to affect the one without including also the other shall be deemed and taken to include the interest so omitted even though the latter is not expressly mentioned or described therein.

4.03 Easements.

(a) Encroachments. In the event that:

- (1) by reason of the construction, repair, settlement or shifting of the Building or any other improvements, any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements, or any other Unit; or
- (2) by reason of the design or construction of any Unit, it shall be necessary or advantageous to a Unit Owner to use or occupy any portion of the Common Elements for any reasonable use appurtenant to said Unit, which will not unreasonably interfere with the use or enjoyment of the Common Elements by any other Unit Owner; or
- (3) by reason of the design or construction of utility and ventilation systems, any mains, pipes, ducts or conduits serving more than one Unit encroach or shall hereafter encroach upon any part of any Unit;

then in any such case, valid easements for maintenance of such encroachment and for such use of the Common Elements are hereby established and shall exist for the benefit of such Unit, or the Common Elements, as the case may be, so long as such reason for use exists and as all or any part of the Building shall remain standing; provided, however, that in no event shall a valid easement for any encroachment or use of the Common Elements be created in favor of any Unit Owner if such encroachment or use is detrimental to or interferes with the reasonable use and enjoyment of the Property by any other Unit Owner or has been created by the Unit Owner or his agent through intentional, willful or negligent conduct.

(b) Easements for Utilities and Commercial Entertainment. Perpetual easements for the suppliers of utilities serving the Property and any person providing cable television or other similar entertainment to any Unit Owners or to the Property, are hereby granted the right to install, lay, construct, operate, maintain, renew, repair or replace, conduits, cables, pipes and wires and other equipment into, over, under, along and on any portion of the Common Elements for the purpose of providing the Property with utility and entertainment services, together with the reasonable right of ingress to and egress from the Property for said purpose; and the Board or Association may hereafter grant other or additional easements for utility or entertainment purposes and for other purposes including, but not limited to, such easements as may be required to construct, keep and maintain improvements upon the Common Elements, for the benefit

of the Property, over, under, along and on any portion of said Common Elements, and each Unit Owner hereby grants the Board or Association an irrevocable power of attorney to execute, acknowledge and record for and in the name of such Unit Owner, such instruments as may be necessary to effectuate the foregoing (provided that with respect to all easements granted hereby or pursuant hereto, no Unit Owner shall be deprived of, or be subjected to material interference with, the use of his Unit or any Limited Common Element serving his Unit, other than reasonably and temporarily). Each mortgagee of a Unit shall be deemed to consent to and be subordinate to any easement hereafter granted and also grants such power of attorney to the Board or Association to effectuate the foregoing. Easements are also hereby declared and granted to the Board and Association and to the suppliers of utilities or cable television or entertainment lines described above in this paragraph to install, lay, operate, maintain, repair and replace any pipes, wire, ducts, conduits, public utility lines, entertainment lines, components of the communications systems, if any, or structural components, which may run through the walls of a Unit and which constitute or will constitute Common Elements, whether or not such walls lie in whole or in part within the Unit boundaries.

There is reserved to the Association, and its respective successors and assigns, the right, without notice to, or the consent of, any Unit Owner or mortgagee of a Unit Ownership:

- (1) to record a supplement to the Plats showing the location of any or all of such utility or commercial entertainment conduits, cables, pipes, electrical wiring, transformers and switching apparatus and other equipment "as built;" and
- (2) to record, from time to time, additional supplements, showing additions, modifications and deletions to any or all of such conduits, cables, pipes, electrical wiring, transformers and switching apparatus and other equipment.

Once the location of the easement to any such utility or other entity is shown by any supplement or additional supplement to the Plats as aforesaid, the easement granted by this Article 4.03(b) to such utility or other entity shall be limited to the area or areas located within ten feet on either side of the equipment of such utility or other entity shown on such supplement or additional supplement as such other area designated in the supplement by the Association. A power coupled with an interest is hereby granted to the Association, acting by and through its duly authorized officers, their respective successors, assigns, agents and designees, and each of them singly without the other's concurrence, as attorney-in-fact to do or cause the foregoing to be done. The acceptance of each deed, mortgage, trust deed or other instrument with respect to a Unit Ownership shall be deemed a grant of such power to each of said attorneys-in-fact, an acknowledgment of a consent to such power, and shall be deemed to reserve to each of said attorneys-in-fact the power to record any and all such supplements.

(c) <u>Electrical Easement</u>. A ten foot wide easement for underground electrical service along and centered on the service conductor is herby declared and established, and may be crossed by driveways and walkways. Such easement for the

underground service shall be kept clear of all other improvements, including Buildings, patios or other pavings, other than crossing walkways or driveways and any utility company using the easement shall not be liable for any damage done by them or their assigns, agents, or employees to shrubbery, trees, flowers or other portions of the Common Elements covered by said easement.

- (d) <u>Easement in Favor of Association</u>. A blanket easement over the Property is hereby granted in favor of the Association for the purpose of exercising its rights and performing its duties under this Declaration. The authorized representatives of the Association or the Board, or of the manager or managing agent for the Association, and any suppliers of water or utility services to the Property, shall be entitled to reasonable access to, over and through the individual Units as may be required in connection with the operation, maintenance, repairs, or replacements of or to the Common Elements or any equipment, facilities or fixtures affecting or serving other Units or the Common Elements, or to service and take readings of any utility meters (including water meters) located within a Unit.
- (e) <u>Easement in Favor of Other Owners</u>. The use by each Unit Owner and by his or her invitees of the Common Elements shall be subject to such reasonable rules and regulations as the Board may adopt.
- herein are easements appurtenant running with the land and, so long as the Property is subject to the provisions of this Declaration, shall remain in full force and effect (except where early termination is otherwise provided in this Declaration) and shall inure to the benefit of and be binding on any Unit Owner, purchaser, mortgagee and other person having an interest in the Property, or any part or portion thereof. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Article, or described in any other part of this Declaration, shall be sufficient to create and reserve such easements and rights to respective grantees, mortgagees and trustees of such Unit Ownerships as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

A majority of more than 50% of the Owners at a meeting of the Owners duly called for such purpose may authorize the granting of an easement for the laying of cable television cable or high speed internet cable and may authorize the Board to enter into a contract for cable television and/or high speed internet cable with the local cable television franchise. The grant of such easement shall be according to the terms and conditions of the local ordinance providing for cable television in the City of North Chicago.

The Property is subject to a Planned Development Ordinance heretofore adopted by the City of North Chicago, and no change may be made in the final site plan, size or location of buildings, or similar matter without the prior approval of said City.

4.04 Use of the Common Elements.

- General. Subject to the provisions of this Declaration, each Unit Owner shall have the nonexclusive right to use the Common Elements (and except the Limited Common Elements and those portions of the Property subject to leases, easements or licenses made by or assigned to the Board) in common with the other Unit Owners, as may be required for the purpose of ingress and egress to, and use, occupancy and enjoyment of, the respective Unit Ownership owned by such Unit Owner, and such other incidental uses as are permitted by this Declaration. Use of the Limited Common Elements shall be governed by Article 3.04 of this Declaration. Such rights to use and possess the Common Elements shall be subject to and be governed by the provisions of the Act, this Declaration, and rules and regulations of the Association. In addition, the Association shall have the authority to lease, grant licenses or concessions, or grant easements with respect to parts of the Common Elements, including but not limited to, storage areas and recreational areas, subject to the provisions of the Declaration and By-Laws. All income derived by the Association from leases, licenses, concessions or other sources shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions or regulations as the Board may adopt or prescribe.
- (b) <u>Guest Privileges</u>. The aforedescribed rights shall extend to the Unit Owner and Occupants, members of the immediate family, guests, visitors, agents, servants, invitees, customers and licensees of the Unit Owner, subject to reasonable rules and regulations adopted or prescribed by the Association with respect thereto.
- (c) <u>Disclaimer of Bailee Liability</u>. Notwithstanding anything to the contrary contained in this Declaration, neither the Board, the Association nor the nor any Unit Owner shall be considered a bailee of any personal property stored in the Common Elements and shall not be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence.

4.05 Maintenance, Repairs and Replacements.

By the Association. The Association, at its expense, shall be (a) responsible for the maintenance, decorating, repair, and replacement of the Common Elements, including landscaping, gardening, snow removal, painting, cleaning, and the portion of each Unit which contributes to the support of the Buildings, but excluding, however, the interior surfaces of walls, ceilings and floors. In addition, the Association shall maintain, repair, and replace all pipes, wires, conduits, ducts, flues, shafts, and other facilities for the furnishing of utility services which may be located within the Unit boundaries and forming part of any system servicing more than one Unit, as specified in Article 2.02 hereof, exclusive of any portions of the foregoing which may be located at or beyond the wall outlets, or which may be the responsibility of an individual Unit Owner under paragraph (b) below, or any other provision of this Declaration. Maintenance, repairs, and replacements of the Common Elements shall be furnished by the Association acting by and through the Board as part of the Common Expenses, subject to the By-Laws or rules and regulations of the Association.

- (b) <u>By the Unit Owner</u>. Notwithstanding anything contrary set out above and except as otherwise provided in paragraph (c) below, each Unit Owner shall furnish and be responsible for, at his own expense:
- (1) All of the maintenance, repairs and replacements within his own Unit, all interior doors appurtenant thereto, window and patio doors (including washing of exterior surfaces), all screens, and all internal installations of such Unit such as refrigerators, ranges, and other kitchen appliances, furnaces, air conditioning units, lighting fixtures and other electrical fixtures and plumbing, and any portion of any other utility service facilities located within the Unit; provided, however, that such maintenance, repairs and replacements as may be required for the bringing of water and electricity to the Units, shall be furnished by the Board as part of the Common Expenses.
- (2) All maintenance of the patio, balcony or attic adjoining or part of their Unit.
- All of the decorating within his own Unit (initially and (3)thereafter from time to time), including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the common walls and the interior surfaces of the vertical perimeter walls, floors and ceiling of his Unit, and such Unit Owner shall maintain such portions in good condition at his sole expense as may be required from time to time. All windows, interior window sills, and interior window frames of a Unit shall be cleaned, repaired, maintained and replaced by and at the expense of each respective Unit Owner. In addition, each Unit Owner shall be individually responsible for the repair, maintenance and replacement of all door and window locks and hardware with respect to which each Unit Owner is entitled to the exclusive use. The use of and the covering of the interior surfaces of such windows, whether by draperies, shades, or other items visible on the exterior of the Building shall be subject to the rules and regulations of the Board as may be imposed from time to time, which shall provide for notice to the management company prior to any such installation and the management company's approval of the method of installation prior to any such installation. Decorating of the Common Elements (other than interior surfaces within the Units as above provided), and any re-decorating of Units to the extent made necessary by any damage to existing decorating of such Units caused by maintenance, repair or replacement work on the Common Elements by the Board, shall be furnished by the Board as part of the Common Expense.
- (4) All of the maintenance, repair, and replacements of the Limited Common Elements benefiting his Unit, in whole or in part, except to the extent as otherwise directed by the Board or as is otherwise provided herein. At the discretion of the Board, the Board may perform, or cause to be performed, such maintenance, repairs, and replacements of the Limited Common Elements and the cost thereof shall be assessed in whole or in part to Unit Owners benefited thereby, and further, at the discretion of the Board, the Board may direct such Unit Owners, in the name and for the

account of such Unit Owners, to arrange for such maintenance, repairs, and replacements, to pay the cost thereof with the funds of the Unit Owner, and to procure and deliver to the Board such lien waivers and contractor's or subcontractor's sworn statements as may be required to protect the Property from all mechanics' or materialman's lien claims that may arise therefrom.

- (5) Whenever the Board shall determine, in its discretion, that any maintenance, repair or replacement of any Unit or the Limited Common Elements appurtenant thereto is necessary to protect the Common Elements or any other portion of the Condominium Property (i) if such work is made necessary through the fault of the Unit Owner, then the Board may direct the Unit Owner thereof to perform such maintenance, repair or replacement and pay the cost thereof; or (ii) if such work is made necessary through no fault of the Owner, then the Board may cause the work to be done and the cost thereof shall be a Common Expense. If a Unit Owner fails or refuses to perform any such maintenance, repair, or replacement within a reasonable time after so directed by the Board pursuant to the preceding sentence, then the Board may cause such maintenance, repair, or replacement to be performed at the expense of such Unit Owner. The determination of whether or not the work is made necessary through the fault of the Unit Owner shall be made by the Board and such determination shall be final and binding.
- (c) In the event that any repair or replacement to the Common Elements is made necessary by reason of any act or occurrence for which insurance is maintained by the Board pursuant to Article 5.03 hereof and for which insurance proceeds are available as provided in Article 9.01 hereof, the Association, at its expense to the extent of such proceeds, and subject to Article 4.06 hereof, shall be responsible for the repair or replacement of such Common Elements.

Nature of Obligation. Nothing herein contained shall be construed to impose a contractual liability upon the Association for maintenance, repair and replacement of the Common Elements or the Units or any portion or parts thereof, but the Association's liability shall be limited to damages resulting from negligence. The respective obligations of the Association and Unit Owners set forth in this Declaration shall not be limited, discharged or postponed by reason of the fact that any such maintenance, repair or replacement is required to cure a latent or patent defect in material or workmanship in the construction of the Building, nor because they may become entitled to proceeds under policies of insurance. In addition, and notwithstanding anything hereinabove to the contrary, no Unit Owner shall have a claim against the Board or Association for any work ordinarily the responsibility of the Board or Association, but which the Unit Owner himself has performed or paid for, unless the same shall have been agreed to in advance by the Board or Association.

4.06 Negligence of Unit Owner. If, due to the willful misconduct or negligent act or omission of a Unit Owner, or of a member of his family or household pet or of a guest or other authorized occupant or visitor of such Unit Owner, damage shall be caused to a part of the Condominium Property or maintenance, repairs or replacements shall be required which would otherwise be charged as a Common Expense, then such

Unit Owner shall pay for such damage and such maintenance, repairs and replacements as may be determined by the Board, to the extent not covered by insurance, if any, carried by the Association.

4.07 Joint Facilities. To the extent that equipment, facilities and fixtures within any Unit or Units shall be connected to similar equipment, facilities or fixtures affecting or serving other Units or the Common Elements, then the use thereof by the individual Unit Owner shall be in all respects reasonable as it affects the other Unit Owners.

4.08 Additions, Alterations or Improvements.

- (a) The Board may authorize and charge as a Common Expense the cost of the additions, alterations, or improvements to the Common Elements. The cost of any such work to the Common Elements may be paid out of a special assessment. Any additions, alterations or improvements must be approved by the City, as may be necessary.
- Except as otherwise provided in Article 8 hereof, no additions, alterations or improvements shall be made by a Unit Owner to any part of the Common Elements and no additions, alterations or improvements shall be made by a Unit Owner to his Unit where such work alters the wall or partition, configuration, ceiling, perimeter doors or windows, floor load or otherwise affects the structure of the Unit or increases the cost of insurance required to be carried by the Board hereunder without the prior written consent of the Board. Upon the written request of a Unit Owner, the Board may (but shall not be required to) condition its consent to the making of an addition, alteration or improvement by a Unit Owner under this Article 4.08(b) upon the Unit Owner's agreement either (i) to be solely responsible for the maintenance of such addition, alteration or improvement, subject to such standards as the Board may from time to time set, or (ii) to pay to the Association from time to time the additional costs of maintenance or insurance as a result of the addition, alteration or improvement. If an addition, alteration or improvement is made by a Unit Owner without the prior written consent of the Board, then the Board may, in its discretion, take any of the following actions, which actions shall not be exclusive of the remedies available to the Board under Article 11.02 hereof:
- (1) Require the Unit Owner to remove the addition, alteration or improvement and restore the Property to its original condition, all at the Unit Owner's expense; or
- (2) If the Unit Owner refuses or fails to properly perform the work required under (1), the Board may cause such work to be done and may charge the Unit Owner for the cost thereof as determined by the Board; or
- (3) Ratify the action taken by the Unit Owner, and the Board may (but shall not be required to) condition such ratification upon the same conditions which it may impose upon the giving of its prior consent under this Article.

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

ARTICLE 5 ADMINISTRATION

- **5.01** Administration of the Property. The administration of the Property shall be vested in the Board of Directors in accordance with the By-Laws attached hereto as Exhibit B.
- **5.02** <u>General Powers of the Board</u>. The Board shall have the following general powers:
- (a) The Board may engage the services of an agent to manage the Property for which the Board is responsible pursuant to this Declaration, to the extent deemed advisable by the Board. The management agreement shall require the management agent to furnish a fidelity bond in such amounts and with such provisions as contained in Article 5.03 hereof. The term of any management agreement shall not exceed two (2) years and shall be terminable for cause by the Association on thirty (30) days written notice, with or without cause and without cause or payment of a termination fee by either party on ninety (90) days written notice.
- (b) Any agent hired to manage the property shall be licensed as required by the State of Illinois and meet the following minimum requirements:
- (1) shall have attained the age of 21 and be a citizen or legal permanent resident of the United States;
- (2) shall not have been convicted of forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud or other similar offense or offenses;
- (3) shall have a working knowledge of the fundamentals of community association management, including the Condominium Property Act, the Illinois Not-for-Profit Corporation Act, and any other laws pertaining to community association management; and
- (4) shall not have engaged in the following activities: failure to cooperate with any law enforcement agency in the investigation of a complaint; or failure to produce any document, book, or record in the possession or control of the community association manager after a request for production of that document, book, or record in the course of an investigation of a complaint.
- (c) The Board or its agents, upon reasonable notice, may enter any Unit when necessary in connection with any maintenance, repair or replacement or

construction for which the Board is responsible or to make emergency repairs as may be necessary to prevent damage to the Common Elements or to any other Unit or Units.

- (d) All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President of the Board and countersigned by the Treasurer or Secretary.
- (e) The Board shall have the power and duty to provide for the designation, hiring, and removal of employees and other personnel, including lawyers and accountants, engineers, or architects to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management, and operation of the Property, and to delegate any such powers to the manager or managing agent (and any such employees or other personnel as may be employees of the managing agent).
- (f) The Board shall have the power to exercise all other powers and duties of the Board of Directors or Unit Owners as a group referred to in this Declaration or the Act. More specifically, the Board shall exercise for the Association all powers, duties and authority vested in it by law or the Declaration except for such powers, duties and authority reserved thereby to the members of the Association. The powers and duties of the Board shall include, but shall not be limited to, the following matters:
- (1) Operation, care, upkeep, maintenance, replacement and improvement of the Common Elements in a neat and orderly manner;
- (2) Preparation, adoption and distribution of the annual budget for the Property;
- (3) Levying of assessments and collection thereof from Unit Owners;
 - (4) Borrowing funds;
- (5) Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements;
 - (6) Obtaining adequate and appropriate kinds of insurance;
- (7) Purchasing and receiving conveyances of Unit Ownerships and owning, conveying, mortgaging, encumbering, leasing and otherwise dealing with Unit Ownerships conveyed to or purchased by it;
- (8) Adoption and amendment of rules and regulations covering the details of the operation and use of the Property, after a meeting of the Unit Owners called for the specific purpose of discussing the proposed rules and regulations, notice

of which contains the full text of the proposed rules and regulations; however, no rules or regulations may impair any rights guaranteed by the first Amendment to the Constitution of the United States or Article 4 of Article I to the Illinois Constitution. The Board may adopt rules and regulations requiring Owners or tenants of Owners to post a deposit with the Board in a reasonable amount as determined by the Board to ensure that no damage is caused to the Condominium Property because of Owner or his tenants moving in or out of the Dwelling Unit. Without limiting the foregoing, the Board may levy a reasonable charge or liquidated damages upon Owners for a violation of a rule or regulation;

- (9) Keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property;
- (10) To have access to each Unit from time to time as may be necessary for the maintenance, repair or replacement of any Common Elements (to the extent the Association is responsible for such maintenance, repair or replacement) therein or accessible therefrom, or for making repairs therein necessary to prevent damage to the Common Elements or to other Unit or Units;
- (11) Pay real property taxes, special assessments, and any other special taxes or charges of the State of Illinois or of any political subdivision thereof, or other lawful taxing or assessing body, which are authorized by law to be assessed and levied upon the real property of the condominium and are not payable by Unit Owners directly, with such payments being made either directly to the appropriate governing body;
- (12) Impose charges for late payments of a Unit Owner's proportionate share of the Common Expenses, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levy reasonable fines for violation of this Declaration and rules and regulations of the Association;
- (13) By a majority vote of the entire Board, assign the Association's right to future income from Common Expenses or other sources, and mortgage or pledge substantially all of the remaining assets of the Association;
- (14) Record the dedication of a portion of the Common Elements to a public body for use as or in connection with a street or utility where authorized by the Unit Owners under the provisions of Article 4.09 hereof;
- (15) Record the granting of an easement pursuant to the provisions of Article 4.03 hereof and any instruments required under Articles 5.02(f)(7) or (14) hereof or elsewhere in this Declaration;
- (16) Except to the extent limited by this Declaration and the Act, the Board shall have the power and duty to exercise the rights of, and perform all of the covenants and obligations imposed upon, the Association or the Unit Owners, and to execute any and all instruments required pursuant thereto;

- (17) To reasonably accommodate the needs of a handicapped Unit Owner as required by the federal Civil Rights Act of 1968, the Illinois Human Rights Act and any applicable local ordinances in the exercise of its powers with respect to the use of the Common Elements or approval of modifications in an individual Unit;
- (g) Subject to the provisions of Article 4 and Article 6 hereof, the Board for the benefit of all the Unit Owners shall acquire and shall pay as Common Expenses the following:
- (1) Operating expenses of the Common Elements, including water, waste removal, electricity, gas and telephone and other necessary utility service for the Common Elements and (if not separately metered or charged) for the Units.
- (2) Services of any person or firm to act on behalf of the Unit Owners in connection with real estate taxes and special assessments on the Unit Ownerships, and in connection with any other matter where the respective interests of the Unit Owners are deemed by the Board to be similar and non-adverse to each other.
- (3) Painting, cleaning, tuck pointing, maintenance, decorating, repair, and replacement of the Common Elements (but not including the interior surfaces of the Units and the perimeter doors, windows and patio and balcony doors appurtenant thereto, which the Unit Owners shall paint, clean, decorate, maintain, replace and repair) and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper.
- (4) Any other materials, supplies, utilities, furniture, equipment, labor, services, maintenance, repairs or structural alterations which the Board is required to secure or pay for pursuant to the terms of this Declaration and By-Laws, or which in its opinion shall be necessary or proper for the maintenance and operation of the Property as a first-class condominium development or for the enforcement of the restrictions contained herein.
- (5) Any amount necessary to discharge any mechanics' lien or other encumbrance levied against the entire Property or any part thereof which may in the opinion of the Board constitute a lien against the Property or against the Common Elements, rather than merely against the interests therein of particular Unit Owners. Where one or more Unit Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be specifically assessed to said Unit Owners.
- (6) Maintenance and repair of any Unit if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Elements or any other portion of the Building, or if a Unit Owner of any Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Unit Owner,

provided that the Board shall levy a special assessment against such Unit Owner for the cost of said maintenance or repair.

- (h) The Board, by a vote of at least two-thirds (2/3rds) of its members, shall have the authority to lease or to grant licenses, concessions, easements, leases and contracts with respect to any part of the Common Elements, all upon such terms as the Board deems appropriate.
- (i) The Board shall have the power to bid for and purchase any Unit Ownership at a sale pursuant to a mortgage foreclosure, or a foreclosure of the lien for Common Expenses under the Act, or at a sale pursuant to an order of direction of a court, or other involuntary sale, upon the consent or approval of Voting Members representing not less than two-thirds (2/3) of the total votes.
- (j) The Association shall have no authority to forebear the payment of assessments by any Unit Owner.

5.03 Insurance. The Association shall at all times maintain:

- (a) <u>Property Insurance</u>. Property insurance (i) on the Common Elements and the Units, including the Limited Common Elements and except as otherwise determined by the Board of Directors, the bare walls, floors, and ceilings of the Unit, (ii) providing coverage for special form causes of loss, and (iii) providing coverage at the time the insurance is purchased and at each renewal date, in a total amount of not less than the full insurable replacement cost of the insured property, less deductibles, but including coverage sufficient to rebuild the insured property in compliance with building code requirements subsequent to an insured loss, including: Coverage B, demolition costs; and Coverage C, increased cost of construction coverage. The combined total of Coverage B and Coverage C shall be no less than 10% of each insured building value or \$500,000, whichever is less.
- (b) General Liability Insurance. Commercial general liability insurance against claims and liabilities arising in connection with the ownership, existence, use, or management of the Property in a minimum amount of \$1,000,000, or a greater amount deemed sufficient in the judgment of the Board, insuring the Board, the Association, the management agent, and their respective employees and agents and all persons acting as agents. All Unit Owners shall be included as additional insured parties but only for claims and liabilities arising in connection with the ownership, existence, use, or management of the Common Elements. The insurance shall cover claims of one or more insured parties against other insured parties.

(c) Fidelity Bond; Directors and Officers Coverage.

(1) The Association shall obtain and maintain a fidelity bond covering persons, including the managing agent and its employees who control or disburse funds of the Association, for the maximum amount of coverage available to protect funds in the custody or control of the Association, plus the Association reserve fund.

- (2) The management company shall be covered by a fidelity bond for the maximum amount of coverage available to protect Association funds. The Association has standing to make a loss claim against the bond of the managing agent as a party covered under the bond.
- (3) For purposes of paragraphs (1) and (2), the fidelity bond must be in the full amount of Association funds and reserves in the custody of the Association or the management company.
- (4) The Board of Directors shall obtain directors and officers liability coverage. Directors and officers liability coverage shall extend to all contracts and other actions taken by the board in their official capacity as directors and officers, but this coverage shall exclude actions for which the directors are not entitled to indemnification under the General Not For Profit Corporation Act of 1986 or the Declaration and By-Laws of the Association. This coverage shall include, but not be limited to, coverage of: defense of non-monetary actions; defense of breach of contract; and defense of decisions related to the placement or adequacy of insurance. This coverage shall include as an insured: past, present, and future board members while acting in their capacity as members of the Board of Directors; the managing agent; and employees of the Board of Directors and the managing agent.
- Contiguous Units; Improvements and Betterments. The insurance (d) maintained under paragraph (a) must include the Units, any Limited Common Elements except as otherwise determined by the Board of Directors, and the Common Elements. The insurance need not cover improvements and betterments to the Units installed by Unit Owners, but if improvements and betterments are covered, any increased cost may be assessed by the Association against the Units affected. For insurance purposes only, the Common Elements shall include fixtures located within the unfinished interior surfaces of the perimeter walls, floors, and ceilings of the individual units initially Common Elements exclude floor, wall, and ceiling installed by the Developer. "Improvements and betterments" means all decorating, fixtures, and coverings. furnishings installed or added to and located within the boundaries of the Unit, including electrical fixtures, appliances, air conditioning and heating equipment, water heaters, or built-in cabinets installed by Unit Owners.
- (e) <u>Deductibles</u>. The Board of Directors of the Association may, in the case of a claim for damage to a Unit or the Common Elements:
 - (1) pay the deductible amount as a common expense;
- (2) after notice and an opportunity for a hearing, assess the deductible amount against the Unit Owners who caused the damage or from whose Units the damage or cause of loss originated; or

- (3) require the Unit Owners of the Units affected to pay the deductible amount.
- (f) Other Coverage. Within the discretion of the Board, the Association may carry any other insurance, including workers compensation, employment practices, environmental hazards, and equipment breakdown that the Board of Directors considers appropriate to protect the Association, the Unit Owners, or officers, directors, or agents of the Association.
- (g) <u>Insured Parties; Waiver of Subrogation</u>. Insurance policies carried pursuant to paragraphs (a) and (b) must include each of the following provisions:
- (1) Each Unit Owner and secured party is an insured person under the policy with respect to liability arising out of the Unit Owner's interest in the Common Elements or membership in the Association.
- (2) The insurer waives its right to subrogation under the policy against any Unit Owner of the Condominium or Members of the Unit Owner's household and against the Association and members of the Board of Directors.
- (3) The Unit Owner waives his or her right to subrogation under the Association policy against the Association and the Board of Directors.
- (h) <u>Primary Insurance</u>. If at the time of a loss under the policy there is other insurance in the name of a Unit Owner covering the same property covered by the policy, the Association's policy is primary insurance.
- (i) Adjustment of Losses; Distribution of Proceeds. Any loss covered by the property policy under paragraph (a) must be adjusted by and with the Association. The insurance proceeds for that loss must be payable to the Association, or to an insurance trustee designated by the Association for that purpose. The insurance trustee or the Association must hold any insurance proceeds in trust for Unit Owners and secured parties as their interests may appear. The proceeds must be disbursed first for the repair or restoration of the damaged Common Elements, the bare walls, ceilings, and floors of the Units, and then to any improvements and betterments the Association may insure. Unit Owners are not entitled to receive any portion of the proceeds unless there is a surplus of proceeds after the Common Elements and Units have been completely repaired or restored or the Association has been terminated as trustee.

(j) <u>Mandatory Unit Owner Coverage</u>.

(1) Each Unit Owner shall obtain insurance covering their personal liability and compensatory (but not consequential) damages to another Unit caused by the negligence of the Unit Owner or his or her guests, residents, or invitees, or regardless of any negligence originating from the Unit. The personal liability of a Unit Owner or Association Member must include the deductible of the Unit Owner whose

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

- (2) Each Owner shall promptly report, in writing to the Board, all additions, alterations or improvements to his Dwelling Unit without prior request from the Board and shall reimburse the Board for any additional insurance premiums attributable thereto, and shall be responsible for any deficiency in any insurance loss recovery resulting from his failure to so notify the Board. The Board shall not be responsible for obtaining insurance on such additions, alternations or improvements unless and until such Owner shall make such report and request the Board in writing to obtain such insurance, and shall make arrangements satisfactory to the Board for such additional premiums; and upon the failure of such Owner to do so, the Board shall not be obligated to apply any insurance proceeds to restore the affected Dwelling Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements.
- (k) <u>Certificates of Insurance</u>. Contractors and vendors (except public utilities) doing business with the Association under contracts exceeding \$10,000 per year must provide certificates of insurance naming the Association, its Board of Directors, and its managing agent as additional insured parties.
- (I) <u>Settlement of Claims</u>. Any insurer defending a liability claim against the Association must notify the Association of the terms of the settlement no less than ten days (10) before settling the claim. The Association may not veto the settlement unless otherwise provided by contract or statute.

All policies of insurance of the character described in above in this Article 5.03:

- (1) shall name as insured the Board, as trustees for the Unit Owners, in the percentages established in Exhibit A to this Declaration; and shall also name as an assured the Insurance Trustee described in herein, as the respective interests of all of such assureds may appear;
- (2) shall be without contribution as respects other such policies of insurance carried individually by the Unit Owners, whether such other insurance covers their respective Units or the additions and improvements made by such Unit Owners to their respective Unit;
- (3) shall provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash

settlement therefore, such option shall not be exercisable in the event the Unit Owners elect to sell the Property or remove the Property from the provisions of the Act; and

(4) shall contain an endorsement to the effect that such policy shall not be terminated for nonpayment of premiums without at least ten (10) days' prior written notice to the First Mortgagee of each Unit Ownership.

Policies of insurance of the character described in this Article 5.03 may contain an endorsement extending coverage so as to include the payment of Common Expenses with respect to damaged Units during the period of reconstruction thereof. Notwithstanding the issuance of standard mortgage clause endorsements under the policies of insurance of the character described herein, any losses under such policies shall be payable, and all insurance proceeds recovered thereunder shall be applied and disbursed, in accordance with the provisions of this Declaration.

All policies of insurance of the character described herein in this Article 5.03 shall name as insured the Association, the Board, its managing company, and the other agents and employees of such Association, Board and managing company and shall also provide coverage for each Unit Owner (but as to the insurance described above, only with respect to those portions of the Property not reserved for their exclusive use. In addition, all policies of insurance of the character described in this Article 5.03 shall contain an endorsement or clause whereby the insurer waives any right to be subrogated to any claim against the Association, its officers, members of the Board, the managing agent, its respective employees and agents, and the Unit Owners and Occupants.

The Association, for the benefit of the Unit Owners and the First Mortgagee of each Unit Ownership, shall pay the premiums and obtain a binder on the policies of insurance described in this Article 5.03 at least thirty days (30) prior to the expiration date of the respective policies, and upon written request therefore shall notify the First Mortgagee of each Unit Ownership of such payment within ten days (10) after the date on which payment is made.

Loss, if any, under any policies of insurance of the character described in this Article 5.03 shall be adjusted with the Board, and the insurance proceeds on account of any such loss shall be paid and applied as follows:

(1) To the Board, as trustee for each of the Unit Owners in their respective percentages of ownership in the Common Elements as established in this Declaration, in the case of any one loss, of Two Hundred Thousand and No/100 Dollars (\$200,000.00) or less in the aggregate, which insurance proceeds, less the actual cost, fees and expenses, if any, incurred in connection with the adjustment of the loss, shall be applied to the payment of the cost of restoring the Property to substantially the same condition as it existed immediately prior to such damage or destruction, with each Unit and the Common Elements having the same vertical and horizontal boundaries as before, free from vendor's, mechanics', materialman's, and other similar liens; or

In the case of any one loss exceeding Two Hundred (2) Thousand and No/100 Dollars (\$200,000.00) in the aggregate, then the insurance proceeds shall be paid to a bank, which corporation is hereby designated by the Board to act as trustee for the Board (the "Insurance Trustee") pursuant to the Act for the purpose of collecting and disbursing the insurance proceeds described in this subparagraph (2). If such entity (or its successor appointed pursuant hereto) shall fail or cease for any reason to act as the Insurance Trustee, then the Board shall, pursuant to the Act, appoint as successor Insurance Trustee a corporation qualified to accept and execute trusts in the State of Illinois and having a capital of not less than Five Million and No/100 Dollars (\$5,000,000.00). Such proceeds, less the actual cost, fees, and expenses, if any, incurred in connection with the adjustment of the loss, and the fees of the Insurance Trustee, shall be applied by the Insurance Trustee to the payment of the cost of restoring the Property to substantially the same condition as it existed immediately prior to such damage or destruction, with each Unit and the Common Elements having the same vertical and horizontal boundaries as before. Such proceeds shall be paid by the Insurance Trustee to or for the account of the Association, from time to time as work progresses, in such manner as shall be required to facilitate the restoration of the Property in accordance with the provisions of the Act. Association and the Insurance Trustee may, prior or subsequent to any such loss, enter into an insurance trust agreement further implementing the provisions of the Act and this Declaration with respect to the collection and disbursement of proceeds of insurance by the Insurance Trustee.

5.04 Liability of the Board of Directors and Officers of the Association. Neither the members of the Board nor the officers of the Association shall be liable to the Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such Board members and officers, except for any acts or omissions finally adjudged by a court to constitute gross negligence or fraud. The Unit Owners (including the members of the Board and the officers of the Association in their capacity as Unit Owners) shall indemnify and hold harmless each of the members of the Board and each of the officers of the Association against all contractual and other liabilities to others arising out of contracts made by or other acts of the Board and officers of the Association on behalf of the Unit Owners or arising out of their status as Board members or officers of the Association, unless any such contract or act shall have been finally adjudged by a court to have been made fraudulently or with gross It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid or received in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative, or other, in which any member of the Board or officers of the Association may be involved by virtue of such persons being or having been such member or officer; provided, however, that such indemnity shall not be operative with respect to:

- (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such member or officer, or
- (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such persons, being adjudged liable for gross negligence or fraud in the performance of his duties as such member or officer.

It is also intended that the liability of any Unit Owner arising out of any contract made by or other acts of the Board or officers of the Association, or out of the aforesaid indemnity in favor of the members of the Board or officers of the Association, shall be limited to such proportion of the total liability hereunder as his percentage of interest in the Common Elements bears to the total percentage interest of all the Unit Owners in the Common Elements. Every agreement made by the Board on behalf of the Unit Owners shall be deemed to provide that the members of the Board are acting only as agents for the Unit Owners, and shall have no personal liability thereunder (except as Unit Owners) and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Elements bears to the total percentage interest of all Unit Owners in the Common Elements.

ARTICLE 6 COMMON EXPENSES

6.01 Preparation of Annual Budget. On or before December 1 of each calendar year, the Board shall cause to be prepared a detailed proposed budget for the Such budget shall take into account the estimated annual ensuing calendar year. Common Expenses and cash requirements for the year, including wages, materials, insurance, services, supplies, costs related to the Recreational Property, and all other Common Expenses, together with a reasonable amount considered by the Board to be necessary for adequate reserves, including, without limitation, amounts to maintain a Capital Reserve (as hereinafter defined in Article 6.02). The annual budget shall also take into account the estimated net available cash income for the year from the operation or use of the Common Elements and, to the extent that the assessments and other cash income collected from the Unit Owners during the preceding year are more or less than the expenses for the preceding year, the surplus or deficit shall also be taken into account. On or before November 15 of each year, the Board shall notify each Unit Owner in writing as to the proposed annual budget, with reasonable itemization thereof, including those portions intended for capital expenditures or repairs or payment of real estate taxes and containing each Unit Owner's respective assessment; provided, however, that such proposed annual budget shall be furnished to each Unit Owner at least twenty five (25) days prior to its adoption by the Board. On or before January 1 of the ensuing calendar year, and the first day of each and every month of said year, each Unit Owner, jointly and severally, shall be personally liable for and obligated to pay to the Board (or as it may direct) one-twelfth (1/12) of his proportionate share of the Common Expenses for each year as shown by the annual budget. Such proportionate share for each Unit Owner shall be in accordance with his respective percentage of ownership in the Common Elements as set forth in Exhibit B attached hereto. On or before April 1 of each calendar year following the initial meeting of the Unit Owners, the Board shall supply to all Unit Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenses plus reserves.

The Association shall 6.02 Capital Reserve; Supplemental Budget. segregate and maintain a special reserve account to be used solely for making capital expenditures in connection with the Common Elements (the "Capital Reserve"). The Board shall determine the appropriate level of the Capital Reserve based on a periodic review of the useful life of improvements to the Common Elements and equipment owned by the Association as well as periodic projections of the cost of anticipated major repairs or improvements to the Common Elements or the purchase of equipment to be used by the Association in connection with its duties hereunder. Each budget shall disclose that percentage of the annual assessment which shall be added to the Capital Reserve and each Unit Owner shall be deemed to make a capital contribution to the Association equal to such percentage multiplied by each installment of the annual assessment paid by such Unit Owner. If the estimated Common Expenses contained in the budget prove inadequate for any reason or in the event a nonrecurring Common Expense is anticipated for any year, then the Board may prepare and approve a supplemental budget covering the estimated deficiency or nonrecurring expense for the remainder of such year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a special or separate assessment shall be made to each Unit Owner for his proportionate share of such supplemental budget. All Unit Owners shall be personally liable for and obligated to pay their respective adjusted monthly amount. In addition to the foregoing, any Common Expense not set forth in the annual budget or any increase in assessments over the amount set forth in the adopted annual budget shall be separately assessed against all Unit Owners. Assessments for additions and alterations to the Common Elements or to property owned by the Association not included in the adopted annual budget shall be separately assessed against all Unit Owners and, except if relating to an emergency or mandated by law. The Board may adopt special or separate assessments payable over more than one fiscal year. Unless such multi-year assessment relates to an emergency or is mandated by law or is for an addition or alteration to the Common Elements or to the property owned by the Association and is not included in the adopted annual budget, the entire amount of such multi-year assessment shall be deemed considered and authorized in the first fiscal year in which such multi-year assessment is approved. Any separate or special assessment for expenditures relating to an emergency or mandated by law may be adopted by the Board without being subject to Unit Owner approval pursuant to Article V in the By-Laws or otherwise. As used in this Article 6.02, "emergency" means an immediate danger to the structural integrity of the Common Elements or to the life, health, safety or property of the Unit Owners. Each Unit Owner shall receive notice, in the same manner as is provided for meetings of the Unit Owners, of any meeting of the

Board concerning the adopted of any supplemental budget or any special or separate assessment.

6.03 Special Assessment.

- (a) 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 a separate special assessment;
- (b) Except as provided in subsection (c) below, 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 unit 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 unit 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; and
- (c) Separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to unit owner approval or the provisions of item (b) above. As used herein, "emergency" means an immediate danger to the structural integrity of the common elements or to the life, health, safety or property of the unit owners.
- **6.04** Failure to Prepare Annual Budget. The failure or delay of the Board to give notice to each Unit Owner of the annual budget shall not constitute a waiver or release in any manner of such Unit Owner's obligation to pay his respective monthly assessment, as herein provided, whenever the same shall be determined, and in the absence of the annual or adjusted budget, the Unit Owner shall continue to pay monthly assessment at the then existing monthly rate established for the previous period until the monthly assessment which is due more than ten (10) days after notice is given of such new annual budget.
- 6.05 Nonpayment of Assessments. Any assessments or other charges or payments which a Unit Owner is required to make or is liable for hereunder which are not paid when due shall be deemed delinquent. If any Unit Owner shall fail or refuse to make any such payment, when due, the amount thereof shall be constitute a lien on the interest of such Unit Owner as provided in the Act. If an assessment or other charge or payment is not paid thirty (30) days after the due date, it shall bear interest from the due date at the contract rate of interest then permitted in Illinois but not to exceed 18% per annum, and the Board (a) may bring an action again the Unit Owner personally obligated to pay the same, together with interest, costs and reasonable attorneys' fees of any such action, which shall be added to the amount of such assessment or other charge or payment and shall be included in any judgment rendered in such action, (b) accelerate payment of the portion of the Annual Assessment payable by such Unit Owner for the remainder of the fiscal year, and (c) may enforce and foreclose any lien

which it has or which may exist for its benefit. In addition, the Board may add a reasonable late fee to any installment of an assessment which is not paid within fifteen (15) days of its due date. No Unit Owner may waive or otherwise escape liability for the assessments or other charges or payment provided for herein by nonuser, abandonment or transfer of his Unit.

6.06 Association's Lien Subordinated to Mortgages. The lien on each Unit Ownership provided for in this Article 6 for assessments or other charges or payments shall be subordinate to the lien of any first mortgage on the Unit Ownership Recorded prior to the date that any such assessments or other charges or payments become due. Except as hereinafter provided, the lien provided for in this Article 6 shall not be affected by any transfer of title to the Unit Ownership. Where title to the Unit Ownership is transferred pursuant to a decree of foreclosure or by deed or assignment in lieu of foreclosure, such transfer of title shall (to the extent permitted by law) extinguish the lien for any assessments or other charges or payments under this Article 6 which become due prior to (a) the date of the transfer of title or (b) the date on which the transferee comes into possession of the Unit, whichever occurs first. However, the transferee of a Unit Ownership shall be liable for his share of any assessments or other charges or payments with respect to which a lien against his Unit Ownership has been extinguished pursuant to the preceding sentence which are reallocated among the Unit Owners pursuant to a subsequently adopted annual, revised or special assessment, and nonpayment thereof shall result in a lien against the transferee's Unit Ownership as provided for in this Article 6. If for any reason the Unit Owner of a Unit is permitted to remain in possession of his Unit during the pendency of a foreclosure action with respect to the Unit, the Unit Owner shall be required to pay a reasonable rental for such right and the plaintiff in the foreclosure action shall be entitled to the appointment of a received to collect such rental.

6.07 Records of the Association.

- (a) The managing company or the Board shall maintain the following records of the Association available for examination and copying at convenient hours of weekdays by the Unit Owners or their First Mortgagees and their duly authorized agents or attorneys:
- (1) the Association's Declaration, By-Laws and plats of survey, and all amendments of these;
 - (2) the rules and regulations of the Association, if any;
- (3) if the Association is incorporated as a corporation, the articles of incorporation of the Association and all amendments to the articles of incorporation;
- (4) minutes of all meetings of the Association and its Board of Directors for the immediately preceding seven (7) years;

- (5) all current policies of insurance of the Association;
- (6) 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;
- (7) a current listing of the names, addresses, and weighted vote of all Unit Owners entitled to vote;
- (8) ballots and proxies related to ballots for all matters voted on by the Unit Owners 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
- (9) the books and records of account for the Association's current and ten (10) immediately preceding fiscal years, including but not limited to itemized and detailed records of all receipts and expenditures.
- (b) Any Unit Owner shall have the right to inspect, examine, and make copies of the records described in subparagraphs (1), (2), (3), (4), and (5) of subsection (a) of this Article, in person or by agent, at any reasonable time or times, at the Association's principal office. In order to exercise this right, the Unit Owner must submit a written request to the Board, or its authorized agent, stating with particularity the records sought to be examined. Failure of the Board to make available all records so requested within thirty (30) days of receipt of the Unit Owner's written request shall be deemed a denial.
- Except as otherwise provided in subsection (e) of this Section 6.08, any Unit Owner of the Association shall have the right to inspect, examine, and make copies of the records described in subparagraphs (6), (7), (8), and (9) of subsection (a) of this Section 6.07, 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, the Unit Owner must submit a written request, to the Board or its authorized agent, stating with particularity the records sought to be examined and a proper purpose for the request. Subject to the provisions of subsection (e) of this Article, failure of the Board to make available all records so requested within thirty (30) business days of receipt of the Unit Owner's written request shall be deemed a denial; provided, however, that if the Association has adopted a secret ballot election process as provided in Section 18 of the Act shall not be deemed to have denied a Unit Owner's request for records described in subparagraph (8) of subsection (a) of this Section 6.07 if voting ballots, without identifying unit numbers, are made available to the requesting Unit Owner within thirty (30) days of receipt of the Unit Owner's written request. In an action to compel examination of records described in subparagraphs (6), (7), (8), and (9) of subsection (a) of this Section 6.07, the burden of proof is upon the Unit Owner to establish that the Unit Owner's request is based on a proper purpose.

- (d) The actual cost to the Association of retrieving and making requested records available for inspection and examination under this Article shall be charged by the Association to the requesting Unit Owner. If a Unit Owner requests copies of records requested under this Article, the actual costs to the Association of reproducing the records shall also be charged by the Association to the requesting Unit Owner.
- (e) Notwithstanding the provisions of subsection (c) of this Section 6.08, unless otherwise directed by court order, the Association need not make the following records available for inspection, examination, or copying by its Unit Owners:
- (1) documents relating to appointment, employment, discipline, or dismissal of Association employees;
- (2) documents relating to actions pending against or on behalf of the Association or its Board of Directors in a court or administrative tribunal;
- (3) 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;
- (4) documents relating to common expenses or other charges owed by a Unit Owner other than the requesting Unit Owner; and
- (5) documents provided to the Association in connection with the lease, sale, or other transfer of a unit by a Unit Owner other than the requesting Unit Owner.
- (f) Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Unit Owner.
- **6.08** Status of Collected Funds. All funds collected hereunder shall be held and expended for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Unit Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments or user charges) shall be deemed to be held for the benefit, use and account of all the Unit Owners in the percentages set forth in Exhibit A.
- **6.09** <u>User Charges</u>. The Board may establish, and each Unit Owner shall pay, user charges to defray the expense of providing services, facilities, or benefits which may not be used equally or proportionately by all of the Unit Owners or which, in the judgment of the Board, should not be charged to every Unit Owner. Such expense may include such services and facilities provided to Unit Owners which the Board determines should not be allocated among all of the Unit Owners in the same manner as the Common Expenses. Such user charges may be billed separately to each Unit Owner

benefited thereby, or may be added to such Unit Owner's share of the Common Expenses, as otherwise determined, and collected as a part thereof. Nothing herein shall require the establishment of user charges pursuant to this Article 6.09, and the Board may elect to treat all or any portion thereof as Common Expenses.

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

ARTICLE 7 Recreational Property

- **7.01** Operation and Maintenance of Recreational Property. The Board, on behalf of the Association, shall be responsible for the operation and maintenance of the Recreational Property and shall possess all of the rights, powers, remedies, duties and obligations with respect the Recreational Property and with respect to the assessments pertaining thereto (as provided for in paragraph 2 of this Article) as are granted to and imposed on the Board with respect to the Property and assessments pertaining thereto under this Declaration.
- 7.02 <u>Assessments with Respect to Recreational Property</u>. All costs and expenses incurred by the Association in the ownership, operation, maintenance, repair and replacement of the Recreational Property shall, for all purposes of this Declaration, be considered Common Expenses and each Unit Owner, by acquiring title to his or her Unit, agrees to pay to the Association, at the time and the manner set forth in this Declaration with respect to Common Expenses pertaining to the Property, his or her respective share of all such costs and expense in accordance with all applicable provisions of this Declaration as though the Recreational Property were for all purposes included in and a part of the Common Elements.
- **7.03** <u>Use of Recreational Property</u>. The Recreational Property shall be used exclusively by the Unit Owners, Occupants and their guests and invitees. Each Unit Owner, as a member of the Association, shall be entitled to use the Recreational Property for its intended purpose, subject to such rules and regulations as may be established by the Board.

ARTICLE 8 COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

The Property shall be occupied and used as follows:

8.01 Each Unit (or any two or more adjoining Units used together) shall be used for residential purposes only. That part of the Common Elements separating any two or more adjoining Units which are owned by the same Unit Owner, including, without limitation, walls separating said Units and hallways serving only said Units, may be altered, removed or made part of said Units to afford ingress and egress to and from

such adjoining Units, and new walls obstructing such hallways may be added to the Common Elements; provided, however, that:

- (a) Such alteration or removal shall not impair or weaken the structural integrity of any Unit or any portion of the Common Elements;
- (b) The Unit Owner shall furnish to the Board not less than thirty (30) days prior to the date the Unit Owner desires to commence such work all plans detailing the work to be done;
- (c) The Board consents to the performance of such work and grants permission to the Unit Owner to use such Common Elements as Limited Common Elements;
- (d) The expense of such alterations shall be paid in full by the Unit Owner making such alterations; and
- (e) Such Unit Owner shall pay in full the expense of restoring such Common Elements to their former condition prior to such alterations in the event such Units cease to be used together.
- **8.02** There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior consent of the Board or except as hereinafter expressly provided. Each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit.
- **8.03** Nothing shall be done or kept in any Unit or in the Common Elements serving the Units which will increase the rate of insurance on the Building or contents thereof without the prior written consent of the Board. In any case, the Unit Owner shall be responsible for payment of any such increase. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building, or contents thereof, or which would be in violation of any law.
- **8.04** No exotic or domestic animals of any kind, including rabbits, livestock, fowl or poultry, shall be raised, bred or kept in any Unit or on the Condominium Property, except that dogs, cats or other household pets may be kept in Units subject to rules and regulations adopted by the Board.

Pit Bulls and any dog which has the appearance and characteristics of being predominantly of the breeds of bull terrier, and in accordance with the city of North Chicago's Pit Bull Ordinance, Section 1: Definitions, are not allowed as pets on Association property. The Association reserves the right to require, at its discretion, that the Unit Owner must have his or her dog's breed certified in writing by a veterinarian at any time.

Any pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days written notice from the Board to the Unit Owner of the Unit containing the pet, and the decision of the Board shall be final.

- **8.05** No noxious, unlawful or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or Occupants or which shall in the judgment of the Board cause unreasonable noise or disturbance to others. An Owner shall not place or cause to be placed in the lobbies, vestibules, stairways and other Common Elements of a similar nature, any furniture, packages or objects of any kind. Such areas shall be used for no other purpose than for normal transit through them.
- **8.06** Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity of the Building, which would structurally change the Building, except as is otherwise provided herein. No Unit Owner shall overload the electric wiring in the Building, or operate machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior written consent of the Board or the managing agent, acting in accordance with the Board's direction. No Unit Owner shall overload the floors of any Unit. Any furnishings which may cause floor overloads shall not be placed, kept or used in any Unit except only in accordance with advance written Board approval. In order to enhance the soundproofing of the Buildings, the floor coverings for all Units shall meet minimum standards as the Board may determine from time to time provided that any revised standards shall apply only to floor coverings installed subsequent to the adoption thereof by the Board and shall in no event be applied retroactively to require replacement of any floor covering complying with such minimum standards when originally installed.
- 8.07 No Unit Owner shall display, hang, store or use any clothing, sheets, blankets, laundry or other articles on the Condominium Property subject to the rules and regulations of the Board. No unit owner shall paint or decorate or adorn the outside of his Unit, patio or balcony, or install outside his Unit, patio or balcony any canopy, awning or shutter, or television antenna or satellite dish, without the prior written unanimous consent of the Board of Managers of the Association, and if applicable without a permit issued and approved by the City of North Chicago. The Property shall be kept free and clear of all rubbish, debris and other unsightly materials and no waste shall be committed thereon. All rubbish shall be deposited in such areas and such receptacles as shall be designated by the Board. Each Unit's containers for such materials shall be kept within its appurtenant trash area, except during days designated by the Board for pickup and disposal of such materials. The burning of such materials is strictly prohibited.
- 8.08 Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, exercise equipment, wagons, toys, furniture, clothing and other

articles, shall not be stored or kept in any area constituting part of the Common Elements. Notwithstanding the above, bicycles may be stored on the Limited Common Elements during the summer months as may be provided for in Rules and Regulations duly adopted by the Association.

- **8.09** No use of a Unit shall be conducted, maintained or permitted to the extent same is in violation of the uses permitted hereunder or under any applicable laws, statutes, codes, regulations or ordinances governing the Property from time to time (including, without limitation, the relevant provisions of the City of North Chicago zoning ordinances).
- **8.10** The Unit restrictions in Section 8.01 above shall not, however, be construed in such a manner as to prohibit a Unit Owner from:
 - (a) maintaining his personal professional library therein;
- (b) keeping his personal business or professional records or accounts therein;
- (c) handling his personal business or professional telephone calls or correspondence therefrom; and
 - (d) maintaining a computer or other office equipment within the Unit.
- **8.11** Except as provided in Article Eleven, no "For Sale", "For Rent", or any other sign of any kind or other form of solicitation or advertising sign or window display shall be maintained or permitted on the Condominium Property except at such location and in such form as shall be determined by the Board.
- **8.12** The provisions of the Act, this Declaration and rules and regulations that relate to the use of the individual Unit or the Common Elements shall be applicable to any person leasing a Unit Ownership and shall be deemed to be incorporated in any lease executed in connection with a Unit Ownership. The Association may prohibit a tenant from occupying a Unit until the Unit Owner complies with the leasing requirements prescribed in Article 13 hereof or as may be adopted by the Association. The Board may proceed directly against a tenant, at law or in equity, or under the provisions of Article IX of the Code of Civil Procedure, for any breach by a tenant of any covenants, rules, regulations or bylaws, without excluding any other rights or remedies. The remedies set forth in Article IX of the Code of Civil Procedure shall be available to the Association and against the Unit Owner and the Unit Owner's lessee in the event of any violation of this sentence or of any other provision of this Declaration concerning Unit Ownership leasing, without excluding any other rights or remedies.
- **8.13** Except with the prior written approval of the Board, no structure(s) of a temporary character, trailer, tent, shack, shed, barn or other outbuilding shall be used on the Property at any time.

- **8.14** Except in individual patio areas, no planting or gardening shall be done except as designated by the Board. No fences, hedges or walls shall be erected or maintained upon the Property except as are installed in accordance with the initial construction of the Buildings located on the Property as approved by the Board in writing.
- **8.15** No trucks or commercial vehicles shall be stored or parked on the Property except in areas designated for such vehicles; nor shall they be parked on any residential street on the Property except while engaged in transport or delivery to or from a Building.

ARTICLE 9 DAMAGE, DESTRUCTION, CONDEMNATION AND RESTORATION OF BUILDING

9.01 Sufficient Insurance. In the event the improvements forming a part of the Property, or any portion thereof, including any Units, shall suffer damage or destruction from any cause and the proceeds of any policy or policies insuring against such loss or damage, and payable by reason thereof, plus Capital Reserves, shall be sufficient to pay the cost of repair, restoration or reconstruction, then such repair, restoration or reconstruction shall be undertaken and the insurance proceeds and, if necessary, the Capital Reserve shall be applied by the Board or the payee of such insurance proceeds in payment therefore; provided, however, that in the event within one hundred eighty (180) days after said damage or destruction, the Unit Owners shall elect either to sell the Property as hereinafter provided in Article 10 hereof or to withdraw the Property from the provisions of this Declaration and from the provisions of the Act as therein provided, then such repair, restoration, or reconstruction shall not be undertaken. In the event such repair, restoration, or reconstruction is not undertaken, the net proceeds of insurance policies shall be divided by the Board or the payee of such insurance proceeds among all Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit A, after first paying from the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

9.02 Insufficient Insurance.

- (a) If the insurance proceeds and the Capital Reserve are insufficient to reconstruct the Building and the Unit Owners and all other parties in interest do not voluntarily make provision for reconstruction of the Building within one-hundred eighty (180) days from the date of damage or destruction, then the provisions of the Act shall apply.
- (b) In the case of damage or other destruction in which fewer than one-half (1/2) of the Units in the Association are rendered uninhabitable, upon the unanimous affirmative vote of the Voting Members at a meeting called for the purpose, the Building or other portion of the Property shall be reconstructed. The meeting shall be held within thirty (30) days following the final adjustment of insurance claims, if any;

otherwise, such meeting shall be held within ninety (90) days of the occurrence of the damage or other destruction. At such meeting the Board or its representatives shall present to the members present an estimate of the cost of repair or reconstruction, and the estimated amount of necessary assessments against each Unit Owner.

- In the case of damage or other destruction, upon the unanimous affirmative vote of the Voting Members at a meeting called for that purpose, any portion of the Property affected by such damage or destruction may be withdrawn from the Act. Upon the withdrawal of any Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit or portion thereof shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board. The payment of just compensation, or the allocation of any insurance or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest. Any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage interest therein. Any proceeds available from the withdrawal of any Limited Common Elements will be distributed in accordance with the interest of those entitled to their use. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof by the Unit Owner shall cease.
- Eminent Domain. In the event any portion of the Property is taken by condemnation or eminent domain proceedings, provision for withdrawal of the portions so taken from the provisions of the Act may be made by the Board. withdrawal of any Unit or portion thereof due to eminent domain, the percentage of interest in the Common Elements appurtenant to such Unit or portion so withdrawn shall be reallocated among the remaining Units on the basis of the percentage of interest of each remaining Unit. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution in market value of the Unit, as determined by the Board, and the other Unit Owners' percentages shall be correspondingly increased. The allocation of any condemnation award or other proceeds to any withdrawing or remaining Unit Owner shall be on an equitable basis, which need not be a Unit's percentage interest. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Unit Owner's percentage interest therein. Proceeds available from the withdrawal of any Limited Common Element will be distributed in accordance with the interests of those entitled to their use. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof by the Unit Owner shall cease. The Association shall represent the Unit Owners in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for the acquisition of the Common Elements or any part thereof. In the event of the total taking of the Property by eminent domain,

the condemnation award available in that connection shall be divided by the Association among all Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit A, after first paying from the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

9.04 Repair, Restoration or Reconstruction of the Improvements. As used in this Article, "repair, restoration or reconstruction" of improvements means restoring the improvements to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and Common Element having the same vertical and horizontal boundaries as before, unless, if allowed by the Act, other action is approved by First Mortgagees of Unit Ownerships, whose Unit Owners constitute a Majority of the Unit Owners. Any repair, restoration or reconstruction shall be in accordance with law and this Declaration.

ARTICLE 10 SALE OF THE PROPERTY

At a meeting duly called for such purpose and attended by all Unit Owners, the Unit Owners by affirmative vote of Unit Owners who own seventy-five percent (75%) or more in the aggregate of the entire percentage ownership interest in the Common Elements may elect to sell the Property as a whole. Within ten (10) days after the date of the meeting at which such sale is approved, the Board shall give written notice of such action to each First Mortgagee. Such action shall be binding upon all Unit Owners, and it shall thereupon become the duty of every Unit Owner to execute and deliver such instruments and to perform all acts as in manner and form may be necessary to effect such sale.

ARTICLE 11 REMEDIES

- **11.01** <u>Violations</u>. Upon the occurrence of any one or more of the following events, the Board shall have the rights and remedies set forth in Article 11.02 of this Declaration:
- (a) Failure by a Unit Owner to pay when due any sums required to be paid by such Unit Owner pursuant to the provisions of this Declaration, for thirty (30) days after written notice of such non-payment shall have been given such Unit Owner.
- (b) Violation or breach by a Unit Owner or an Occupant of any provision, covenant or restriction of the Act, this Declaration, the By-Laws, contractual obligation to the Board or Association undertaken by such Unit Owner, or rules and regulations promulgated by the Board.
- **11.02** Remedies. Upon the occurrence of any one or more of the events described in Article 11.01, the Board shall have the following rights and remedies:

- (a) The Board shall have the right to immediate possession of the defaulting Unit Owner's Unit after service by the Board on such Unit Owner, in the manner set forth in Article 15.01 hereof, of a notice to quit and deliver up possession, which right may be enforced by an action for possession under Article IX of the Code of Civil Procedure, as amended.
- (b) For a violation or breach described in Article 11.01(b) hereof, the Board shall have the right:
- (1) To enter upon that part of the Property where such violation or breach exists and summarily abate and remove or do whatever else may be necessary to correct, at the expense of the defaulting Unit Owner, any such violation or breach or the cause of such violation or breach, and the Board, or its agents, shall not thereby be deemed guilty in any manner of trespass; or
- (2) To enjoin, abate, or remedy by a proceeding at law or in equity the continuance of any such violation or breach provided, however, that no summary abatement shall be undertaken in connection with any alteration or demolition of improvements until judicial proceedings are instituted.
- Upon the occurrence of one of the events described in Article 11.01 (a) hereof, including, without limitation, failure by a Unit Owner to pay his percentage share of Common Expenses or user charges, the Board shall have a lien on the interest of the defaulting Unit Owner in his Unit Ownership in the amount of any sums due from such Unit Owner; provided, however, that such lien shall be subordinate to the lien of a prior recorded first mortgage on the interest of such Unit Owner. Except as hereinafter provided, the lien provided for in this Article 11.02(c) shall not be affected by any transfer of title to the Unit Ownership. Where title to the Unit Ownership is transferred pursuant to a decree of foreclosure or by deed or assignment in lieu of foreclosure, such transfer of title shall, to the extent permitted by law, extinguish the lien described in this Article 11.02(c) for any sums which became due prior to (1) the date of the transfer of title or (2) the date on which the transferee comes into possession of the Unit Ownership, whichever occurs first. However, the transferee of a Unit Ownership shall be liable for his share of any sums with respect to which a lien against his Unit Ownership has been extinguished pursuant to the preceding sentence which are reallocated among the Unit Owners pursuant to a subsequently adopted annual revised or special assessment, and non-payment thereof by such transferee shall result in a lien against the transferee's Unit Ownership as provided in this Article 11.02(c).
- (d) The Board shall have the power to issue to the defaulting Unit Owner a ten (10) day notice in writing to terminate the right of said defaulting Unit Owner to continue as a Unit Owner and to continue to occupy, use, or control his Unit Ownership and thereupon an action may be filed by the Board against the defaulting Unit Owner for a decree declaring the termination of the defaulting Unit Owner's right to occupy, use or control the Unit owned by him and ordering that all the right, title and interest of said defaulting Unit Owner in the Property shall be sold at a judicial sale, upon such notice and terms as the court shall determine, except that the court shall

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

- (e) In addition to or in conjunction with the remedies set forth above, the Board or its agents shall have the right to bring an action at law or in equity against the Unit Owner or Occupant as permitted by law including, without limitation, an action (1) to foreclose a lien against the Unit Ownership, (2) for damages, injunctive relief, or specific performance, (3) for judgment or for the payment of money and the collection thereof, (4) for any combination of the remedies set forth in this Article or (5) for any other relief which the Board may deem necessary or appropriate. Any and all rights and remedies provided for in the Act, this Declaration, any contractual obligation to the Board or Association undertaken by such Unit Owner, or rules and regulations promulgated by the Board may be exercised at any time and from time to time cumulatively or otherwise by the Board in its discretion. The failure of the Board to exercise any such rights or remedies to enforce any provisions of this Declaration, the By-Laws or rules and regulations of the Board shall in no event be deemed a waiver of the right to do so thereafter.
- (f) Upon the occurrence of one of the events described in Article 11.01(a), the Board may accelerate the maturity of the remainder of installments of Common Expenses due from such defaulting Unit Owner for the balance of the assessment year.
- (g) All expenses incurred by the Board in connection with any actions, proceedings or self-help in connection with the exercise of its rights and remedies under this Article, including, without limitation, court costs, reasonable attorneys' fees and all other fees and expenses, and all damages, together with interest thereon at the rate of eighteen percent (18%) per annum (or such lesser rate charged by law should 18% be held to be in excess of the maximum legal rate allowable by law), shall be charged to and assessed against the defaulting Unit Owner, and shall be added to and deemed part of that Unit Owner's respective share of the Common Expenses, and the Board shall have a lien for all of the same upon the Unit Ownership of such defaulting Unit Owner and upon all of that Unit Owner's additions and improvements thereto and upon all of that Unit's Owners personal property whether in his or her Unit or located elsewhere on the Property.

- (h) Any expense incurred by the Association in connection with foreclosure proceedings filed against a Unit Owner and which names the Association as a party, including attorney's fees and costs, shall be charged to and assessed against the said Unit Owner and shall be added to and deemed a part of that Unit Owner's respective share of the Common Expense.
- 11.03 <u>Enforcement by Unit Owners</u>. Any aggrieved Unit Owner may enforce the provisions of this Declaration, the By-Laws, or any rules and regulations promulgated by the Board by an action at law or in equity against the defaulting Unit Owner or Occupant upon a violation or breach described in Article 11.01(b) hereof against any person or persons either to restrain such violation or breach or to recover damages.

ARTICLE 12 FIRST MORTGAGEE'S RIGHTS

- **12.01** <u>Notice to First Mortgagees</u>. Each Unit Owner shall notify the Association of the name and address of the First Mortgagee of his Unit or its servicing agent, if any, and shall promptly notify the Association of any change in such information. The Association shall maintain a record of such information with respect to all Units. Each First Mortgagee or its agent shall have the right to examine the books and records of the Association at any reasonable time and to have an audited statement of the Association's operations prepared for a fiscal year at its own expense. Upon the specific written request of a First Mortgagee to the Board, the First Mortgagee shall receive some or all of the following as designated in the request:
- (a) Copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Association to the Unit Owner of the Unit covered by the First Mortgagee's mortgage;
- (b) Any audited or unaudited financial statements of the Association which are prepared for the Association and distributed to the Unit Owners;
- (c) Copies of notices of meetings of the Unit Owners and the right to be represented at any such meetings by a designated representative;
- (d) Notice of any proposed action which would require the consent of a specified percentage of First Mortgagees pursuant to Section 12.02;
- (e) Notice of substantial damage to or destruction of any Unit (in excess of \$1,000) or any part of the Common Elements (in excess of \$10,000);
- (f) Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Condominium Property;
- (g) Notice of any default of the Unit Owner of the Unit which is subject to the First Mortgagee's mortgage, where such default is not cured by the Unit Owner

within thirty (30) days after the giving of notice by the Association to the Unit Owner of the existence of the default. The request of a First Mortgagee shall specify which of the above it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Association. Failure of the Association to provide any of the foregoing to a First Mortgagee who has made a proper request therefore shall not affect the validity of any action which is related to any of the foregoing. The Association need not inquire into the validity of any request made by a First Mortgagee hereunder and in the event of multiple requests from purported First Mortgagees of the same Unit Ownership, the Association shall honor the most recent request received.

12.02 Consent of First Mortgagees.

- (a) In addition to any requirements or prerequisites provided for elsewhere in this Declaration, the consent of First Mortgagees holding, in the aggregate, First Mortgages on at least two-thirds (2/3) of the Unit Ownerships (by number) which are subject to First Mortgages will be required for the Association to do or permit to be done any of the following:
- (1) Adoption of an amendment to this Declaration which (i) changes the Undivided Interests (except as permitted in this Declaration), (ii) changes Section 6.06 or Article 9, (iii) changes this Article 12 or any other provision of this Declaration or the By-Laws which specifically grants rights of First Mortgagees; (iv) materially changes insurance and fidelity bond requirements, or (v) imposes a right of first refusal or similar restriction on the right of a Unit Owner to sell, transfer or otherwise convey his Unit Ownership;
 - (2) The abandonment or termination of the Condominium;
 - (3) The partition or subdivision of a Unit;
- (4) The abandonment, partition, subdivision, encumbrance, sale or transfer of the Common Elements (except for the granting of easements for public utilities or for other purposes consistent with the intended use of the Condominium Property and except for the encumbrance, sale or transfer of a Undivided Interest in connection with the encumbrance, sale or transfer of a Unit Ownership;
 - (5) The sale of the Condominium Property;
- (6) The removal of a portion of the Condominium Property from the provisions of the Act and this Declaration;
- (7) The effectuation of a decision by the Association to terminate professional management and assume self-management of the Condominium; and
- (8) The use of hazard insurance proceeds for losses to the Condominium Property (whether to Units or to the Common Elements) for other than

the repair, replacement or reconstruction of such Units or Common Elements; provided, that, such consent of First Mortgagees will not be required with respect to any action under (1) through (8) above which occurs as a result of (i) substantial damage due to fire or other casualty (including, without limitation, action taken pursuant to Article 9; or (ii) a taking of a portion or all of the Condominium Property by condemnation or eminent domain (including, without limitation, action taken pursuant to Article 9).

- (b) Whenever required, the consent of a First Mortgagee shall be deemed granted unless the party seeking the consent is advised to the contrary by the First Mortgagee within thirty (30) days after making the request for consent.
- distribution of any insurance proceeds hereunder as a result of substantial damage to, or destruction of any award or settlement as a result of condemnation or eminent domain proceedings with respect to any part of the Condominium Property, any such distribution shall be made to the Unit Owners and their respective First Mortgagees, as their interests may appear, and no Unit Owner or other party shall be entitled to priority over the First Mortgagee of a Unit with respect to any such distribution to or with respect to such Unit; provided, that, nothing in this Section shall be construed to deny to the Association the right to apply any such proceeds to repair or replace damaged portions of the Condominium Property after condemnation or taking by eminent domain of a part of the Condominium Property.
- **12.04** Regulatory Agreement. Anything herein to the contrary notwithstanding, this Declaration, as it relates to the administration of the Condominium Property, shall be subject to the Regulatory Agreement, if any, for so long as the Regulatory Agreement shall be in effect. In the event of any conflicts between the provisions of the Regulatory Agreement and the provisions of this Declaration or any other Exhibit hereto, the provisions of the Regulatory Agreement shall govern. While the Regulatory agreement is in effect, a violation of the Regulatory Agreement by a Unit Owner, tenant or occupant of a Unit shall be a default hereunder and the provisions of Article 10 shall apply.
- **12.05** <u>Commissioner Approvals</u>. Anything herein to the contrary notwithstanding, whenever this Declaration or the By-Laws provide for the approval or consent of the Commissioner, such approval or consent shall not be required unless the Regulatory Agreement is in full force and effect and shall be deemed granted unless the party seeking the consent is advised to the contrary in writing by the Commissioner within thirty (30) days of making such request.
- 12.06 <u>Administrator Approvals</u>. Anything herein to the contrary notwithstanding, whenever this Declaration or the By-Laws provide for the approval or consent of the Administrator, such approval or consent shall not be required unless the Administrator (a) has issued its condominium project approval of the condominium and such project approval has not terminated, (b) has issued a guarantee of the first mortgage on at least one Unit which guarantee is then outstanding, (c) is the owner or holder of a first mortgage on a Unit or (d) is the Unit Owner of a Unit. Whenever

required, the consent of the Administrator shall be deemed granted unless the party seeking the consent is advised to the contrary in writing by the Administrator within thirty (30) days after making the request for consent.

ARTICLE 13 LEASING OF A UNIT

13.01 <u>Leasing</u>. Upon the recording of this Amended and Restated Declaration and subject to the following terms and conditions, any owner shall have the right to lease all (but not less than all) of their Unit after they have first resided in their Unit for a period of not less than twelve (12) consecutive months. All leases must be in writing, signed by the owner and lessee and a copy must be delivered to the Association not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first. The lessee under every such lease shall be bound by and subject to all of the obligations set forth in the Declaration, By-Laws and Rules and Regulations of the Association and the failure of the lessee to comply therewith shall constitute a default under the lease which shall be enforceable by the Board or the Association, and the lease shall be deemed to expressly so provide. The Unit Owner making such lease shall not be relieved thereby from any of said obligations.

Notwithstanding any foregoing provisions of this Amended and Restated Declaration to the contrary, effective with the recording of this document, the rental or leasing of Units is limited to a total of twenty five percent (25%) of the Units at one time. Those Units that are leased on the effective date of this Amendment may be leased until the current Owner either ceases leasing or sells the Unit, whichever comes first. Upon such occurrence, or with respect to those Units not leased on the effective date of this Amendment, the following provisions shall apply:

- (a) Any Owner desiring to lease out their Unit must apply to the Board prior to entering into a lease agreement and provide a copy of the proposed lease.
- (b) The Board shall promptly review the proposed lease agreement in order to verify that it complies with the standards as set forth herein.
- (c) In the event less than twenty five percent (25%) of the number Units at the Association are being leased out at the time of application, the Owner shall be permitted to lease the Unit.
- (d) In the event twenty five percent (25%) or more of the units are currently being leased at the time of application, the Owner's name shall be added to a waiting list to be maintained by the Board or the managing agent, and the Unit may not be leased except as set forth below.
- (e) Once a Unit that is leased out reverts to resident owner status, or the Owner sells the Unit or otherwise indicates that the Unit will no longer be leased, the name on the waiting list for the longest period of time shall have the first opportunity to lease their Unit. That Owner will be given seven (7) days to indicate whether they intend

to lease out their Unit. That Owner will then have an additional sixty (60) days to present a signed lease to the Board, otherwise the right to lease shall pass to the next Owner on the waiting list.

- (f) To meet special situations and to avoid undue hardship or practical difficulties, the Board may, but is not required to, grant permission to a Unit Owner to lease his Unit to a specified lessee for a period of not more than one (1) year on such reasonable terms as the Board may establish. Such permission may be granted by the Board only upon written application by the Unit 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 for the original application. The Board has sole and complete discretion to approve or disapprove any Unit Owner's application for a lease or extension of a lease. The Board's decision shall be final and binding. Any lease approved by the Board shall be subject to the Declaration, By-Laws and rules and regulations governing the Association.
- (g) This Section shall not apply to the rental or leasing of Units to the immediate family members of the Owner. For purposes of this provision, "immediate family members shall be defined as spouses, parents and children of family members. Immediate family member shall not include siblings, grandparents or grandchildren.
- (h) The Board of Managers of the Association shall have the right to lease any Association owned Units or any Unit which the Association has possession, pursuant to any court order, and said Units shall not be subject to this Amendment.
- (i) Any Unit being leased out in violation of this Amendment or any Unit Owner found to be in violation of the Rules and Regulations adopted by the Board of Managers may be subject to a flat or daily fine to be determined by the Board of Managers upon notice and an opportunity to be heard.
- (j) In addition to the authority to levy fines against the Unit 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 Unit Owner and/or tenant, under 735 ILCS 5/9 et, seq., an action for injunctive and other equitable relief, or an action at law for damages.
- (k) Any action brought on behalf of the Association and/or the Board of Managers to enforce this Amendment shall subject the Unit Owner to the payment of all costs and attorneys' fees at the time they are incurred by the Association.
- (I) All unpaid charges as a result of the foregoing shall be deemed to be a lien against the Unit and collectible as any other unpaid regular or special assessment, including late fees and interest on the unpaid balance.

ARTICLE 14 CITY OF NORTH CHICAGO RIGHTS

- **14.01** <u>In General</u>. In addition to any rights, powers or easements granted to the City of North Chicago elsewhere in this Declaration, the City of North Chicago shall have the rights, powers and easements set forth in this Article.
- 14.02 <u>Easements</u>. The City of North Chicago is hereby granted the right and easement of access over, across and through the Property for any purposes reasonably related to the proper exercise of the rights and powers of the City of North Chicago, Including, without limitation, the right and easement (a) to come upon the Common Elements for the purpose of reading water meters installed by or on behalf of the City of North Chicago and (b) to come upon the Property and to install, lay, construct, renew, operate, maintain, repair and replace lines, pipes, pumps and other equipment (including housings for such equipment) into, over, under, along, and through the Property (including both the Common Elements and Units) for the purpose of providing water, storm sewer and sanitary sewer services and storm water detention areas, if any, to the Property or any part or parts thereof and to adjacent property.

In addition, the City of North Chicago is hereby granted a perpetual grant of easement for roadway purposes on, over, under and across that portion of the Property that constitutes the non-dedicated streets existing within the Property (said streets to be deemed to include not only the paved area from curb to curb, but also such additional portions of the Property adjacent to such paved area as may be reasonably required by the City of North Chicago for purposes of the maintenance, repair and replacement of such paved areas) so as to establish such streets as dedicated, public streets and so as to allow the City of North Chicago to control and maintain said streets as fully as though the portion of the Property comprising said streets had been dedicated for public use upon the submission of the Property to the Act, and in furtherance of the foregoing, a power coupled with an interest is given to the Board of Directors, and each member thereof singly, as attorney-in-fact, for purposes of the execution and delivery of such grant of easement on behalf of the Unit Owners.

ARTICLE 15 GENERAL PROVISIONS

15.01 Manner of Giving Notices. Notices provided for in this Declaration and in the Act to be given to the Board or Association shall be in writing and addressed to the Unit address of each member of the Board or at such other address as otherwise provided herein. Notices provided for in this Declaration and in the Act to any Unit Owner shall be in writing and addressed to the Unit address of said Unit Owner, or at such other address as otherwise provided herein, including, without limitation, in Article 5.05 hereof. Any Unit Owner may designate a different address or addresses for notices to him by giving written notice of his change of address to the Board or Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail or when delivered in person with written acknowledgment of the receipt thereof, or, if addressed to a Unit Owner, when deposited in his mailbox at

such address as is designated pursuant hereto or at the door of his or her Unit in the Building.

- **15.02** <u>Notice to Mortgagees</u>. Upon written request to the Board, notices shall be given to a First Mortgagee as required under Article 12.
- **15.03** Notices of Estate or Representatives. Notices required to be given any devisee, heir or personal representative of a deceased Unit Owner may be delivered either personally or by mail to such party at his or its address appearing in the records of the court wherein the estate of such deceased Unit Owner is being administered.
- **15.04** Conveyance and Leases. Each Owner, under Articles of Agreement for Deed, and each tenant under a lease for a Unit Ownership, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed, shall be deemed and taken to be covenants running with the land and shall bind any person having at any time an interest or estate in the Property, and shall inure to the benefit of such Unit Owner in like manner as though the provisions of the Declaration were recited and stipulated at length in each and every deed of conveyance.
- **15.05** <u>No Waivers</u>. No covenants, restrictions, conditions, obligations or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.
- 15.06 Change, Modification or Rescission. Except as otherwise provided in the Act or this Declaration, the Declaration and By-Laws may be amended, changed or modified by an instrument in writing setting forth such amendment, change or modification by the affirmative vote of Voting Members (either in person or by proxy) of at least two-thirds (2/3) of the total vote and the approval of any mortgagees as may be required under the provisions of Article 11 of this Amended and Restated Declaration. Any amendment, change or modification shall conform to the provisions of the Illinois Condominium Property Act and shall be effective upon recordation thereof. Except to the extent authorized by provisions of the Act, no amendment to the condominium instruments shall change the boundaries of any Unit or the undivided interest in the Common Elements, the number of votes in the Association or the liability for Common Expenses appertaining to a Unit.
- **15.07** Partial Invalidity. The invalidity of any covenant, restriction, condition, limitation or any other provision of this Declaration, or any part of the same, shall not impair or affect in any manner the validity, enforceability or effect of the rest of this Declaration.
- **15.08** Perpetuities and Other Invalidity. If any of the options, privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for

violation of (a) the rule against perpetuities or some analogous statutory provisions, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of George W. Bush, former President of the United States.

- **15.09** <u>Liberal Construction</u>. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a first-class condominium development.
- 15.10 Ownership by Land Trustee. In the event title to any Unit Ownership is conveyed to a land title holding trust, under the terms of which all powers of management, operation and control of the Unit Ownership remain vested in the trust beneficiary or beneficiaries, then the Unit Ownership under such trust and the beneficiaries thereunder from time to time shall be responsible for payment of all obligations, liens or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Unit Ownership. No claim shall be made against any such title holding trustee personally liable for payment of any lien or obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Unit Ownership and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title of such Unit Ownership.
- **15.11** <u>Special Amendment</u>. The Board reserves the right and power to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration:
- (a) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration (or the Department of Veterans Affairs) or any other governmental agency or any other public, quasi-public or private entity which performs (or may perform) functions similar to those currently performed by such entities;
- (b) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Unit Ownerships;
 - (c) to bring this Declaration into compliance with the Act; or
- (d) to correct clerical or typographical or similar errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Board to vote in favor of, make or consent to a Special Amendment on behalf of each Unit Owner as proxy or attorney-in-fact, as the case may be. Each deed,

mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit Ownership, and the acceptance thereof, shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Board to vote in favor of, make, execute and record Special Amendments.

The foregoing Amended and Restated Declaration of Condominium Ownership for Strawberry 1 North Chicago Association Condominium Association is hereby approved by the Unit Owners having at least three quarters (3/4) of the total vote.

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PRESIDENT'S SIGNATURE PAGE

I, <i>K</i>	ober	4 Ker	<u>945</u> , am	the F	Presiden	t of the	Board	of Director	rs of
Strawberry	North	Chicago	Association	n, an	Illinois	not-for-	profit co	orporation	and
condominium	establi	shed by t	he aforesai	d Decl	aration,	and by	my sign:	ature belov	v do
hereby execut	te the f	oregoing	amendmen	t to the	e Declar	ration pu	rsuant to	Section 1	17 of
the Illinois Cor	ndomin	ium Prope	erty Act.						

EXECUTED this <u>/4</u> day of <u>Novembu</u>, 2017.

RY.

President

BOARD SIGNATURE PAGE

We, the undersigned, are the members of the Board of Managers of Strawberry 1 North Chicago Association., an Illinois not-for-profit corporation and condominium established by the aforesaid Declaration of Strawberry 1 North Chicago Association, and by our signatures below, we hereby execute the foregoing amendment to the Declaration pursuant to Article XIII, Section 7 of the Declaration and Section 27(a) of the Condominium Property Act. This document may be executed in counterparts for the convenience of the parties.

EXECUTED thisday of	November , 2017.
	Clifa Clark
	Printed name: CHRISTINE CLARK
	Roth
	Printed name: Robert Kergus
	Printed name: CHANDA JOSHT
	Jans We
	Printed name: Judy Wentz
	Printed name:

Being the members of the Board Strawberry 1 North Chicago Association

EXHIBIT A LEGAL DESCRIPTION

That part of the West half of the South East Quarter of the North West Quarter of Section 7, Township 44 North, Range 12, East of the Third Principal Meridian, lying West of the West Line of Frontenac Avenue and lying South of the North Line of Berwyn Street as extended West and as vacated by Document 442264 on October 11, 1937, in Lake County, Illinois.

All located in North Chicago, Illinois and commonly known as:

A STATE OF THE STA		Percentage	
Address	Unit Number	of Ownership	PIN
3377A Beacon	1 1	.5745	09-19-111-007
3377B Beacon	2	. 5745	09-19-111-008
3377C Beacon	3	.7078	09-19-111-009
3377D Beacon	4	. 5745	09-19-111-010
3373A Beacon	5	.7464	09-19-111-011
3373B Beacon	6	.7464	09-19-111-012
3373C Beacon	7	. 5745	09-19-111-013
3373D Beacon	8	. 5745	09-19-111-014
3369A Beacon	9	.5745	09-19-111-015
3369B Beacon	10	.6013	09-19-111-016
3369C Beacon	11	.5745	09-19-111-017
3369D Beacon	12	.7078	09-19-111-018
3365 A Beacon	13	.7464	09-19-111-019
3365 B Beacon	14	.6013	09-19-111-020
3365 C Beacon	15	.5745	09-19-111-021
3365 D Beacon	16	.7078	09-19-111-022
3361A Beacon	17	.7464	09-19-111-023
3361B Beacon	18	.7464	09-19-111-024
3361C Beacon	19	.5745	09-19-111-025
3361D Beacon	20	.5745	09-19-111-026
3357A Beacon	21	.5745	09-19-111-027
3357B Beacon	22	.6013	09-19-111-028
3357C Beacon	23	.5745	09-19-111-029
3357D Beacon	24	.5745	09-19-111-030
3353A Beacon	25	.5745	09-19-111-031
3353B Beacon	26	.5745	09-19-111-032
3353C Beacon	27	.7078	09-19-111-033
3353D Beacon	28	.7078	09-19-111-034
3341A Beacon	29	.7464	09-19-111-035
3341B Beacon	30	.6013	09-19-111-036
3341C Beacon	31	.6013	09-19-111-037

	Percentage	
Unit Number		PIN
32	.5745	09-19-111-038
33	.5745	09-19-111-039
34	.7078	09-19-111-040
35	.6013	09-19-111-041
36	.5745	09-19-111-042
37	.5745	09-19-111-043
38	.6013	09-19-111-044
39	.7464	09-19-111-045
40	.7078	09-19-111-046
41	.7464	09-19-111-047
42	.6013	09-19-111-048
43	.7464	09-19-111-049
44	.6013	09-19-111-050
45	.7078	09-19-111-051
46	.5745	09-19-111-052
47	.5745	09-19-111-053
48	.5745	09-19-111-054
	.5745	09-19-111-055
	.5745	09-19-111-056
		09-19-111-057
		09-19-111-058
		09-19-111-059
		09-19-111-060
55	.5745	09-19-111-061
		09-19-111-062
		09-19-111-063
		09-19-111-064
		09-19-111-065
	L-14-AMILITATION	09-19-111-066
		09-19-111-067
		09-19-111-068
		09-19-111-069
		09-19-111-070
		09-19-111-071
		09-19-111-072
		09-19-111-073
		09-19-111-074
		09-19-111-075
		09-19-111-070
		09-19-111-071
		09-19-111-072
		09-19-111-073
	32 33 34 35 36 37 38 39 40 41 42 43 44 45 46	Unit Number of Ownership 32 .5745 33 .5745 34 .7078 35 .6013 36 .5745 38 .6013 39 .7464 40 .7078 41 .7464 42 .6013 43 .7464 44 .6013 45 .7078 46 .5745 47 .5745 48 .5745 49 .5745 50 .5745 51 .5745 52 .5745 53 .5745 54 .5745 55 .5745 56 .7078 57 .5745 58 .5745 59 .5745 60 .7078 61 .7078 62 .5745 63 .6013 64 .57

Address	Unit Number	Percentage of Ownership	PIN
3317B Beacon	74	.5745	09-19-111-080
3317C Beacon	75	.7464	09-19-111-081
3317D Beacon	76	.7078	09-19-111-082
2900A Frontenac	77	.7078	09-19-111-083
2900B Frontenac	78	.7078	09-19-111-084
2900C Frontenac	79	.5745	09-19-111-085
2900D Frontenac	80	.7078	09-19-111-086
3302A Berwyn	81	.7464	09-19-111-087
3302B Berwyn	82	.7078	09-19-111-088
3302C Berwyn	83	.7078	09-19-111-089
3302D Berwyn	84	.5745	09-19-111-090
3314A Berwyn	85	.7078	09-19-111-091
3314B Berwyn	86	.5745	09-19-111-092
3314C Berwyn	87	.7078	09-19-111-093
3314D Berwyn	88	.5745	09-19-111-094
3326A Berwyn	89	.7078	09-19-111-095
3326B Berwyn	90	.7078	09-19-111-096
3326C Berwyn	91	.5745	09-19-111-097
3326D Berwyn	92	.7464	12-07-100-098
3338A Berwyn	93	.5745	12-07-100-099
3338B Berwyn	94	.5745	12-07-100-100
3338C Berwyn	95	.7078	12-07-100-101
3338D Berwyn	96	.7464	12-07-100-102
3313A Beacon	101	.7985	12-07-100-103
3313B Beacon	102	.7613	12-07-100-104
2930A Frontenac	103	.7613	12-07-100-105
2930B Frontenac	104	.7985	12-07-100-106
2920A Frontenac	105	.7613	12-07-100-107
2920B Frontenac	106	.7613	12-07-100-108
2910A Frontenac	107	.7613	12-07-100-109
2910B Frontenac	108	.7985	12-07-100-110
3306A Berwyn	109	.7613	12-07-100-111
3306B Berwyn	110	.7985	12-07-100-112
3310A Berwyn	111	.7613	12-07-100-113
3310B Berwyn	112	.7613	12-07-100-114
3318A Berwyn	113	.7613	12-07-100-115
3318B Berwyn	114	.7985	12-07-100-116
3322A Berwyn	115	.7613	12-07-100-117
3322B Berwyn	116	.7985	12-07-100-118
3330A Berwyn	117	.7613	12-07-100-119
3330B Berwyn	118	.7985	12-07-100-120
3334A Berwyn	119	.7613	12-07-100-121

		Percentage	
Address	Unit Number	of Ownership	PIN
3334B Berwyn	120	.7985	12-07-100-122
3313C Beacon	201	.6013	12-07-100-123
3313D Beacon	202	.5745	12-07-100-124
3313E Beacon	203	.6013	12-07-100-125
3313F Beacon	204	.5745	12-07-100-126
2930C Frontenac	205	.5745	12-07-100-127
2930D Frontenac	206	.5745	12-07-100-128
2930E Frontenac	207	.6013	12-07-100-129
2930F Frontenac	208	.6013	12-07-100-130
2920C Frontenac	209	.5745	12-07-100-131
2920D Frontenac	210	.5745	12-07-100-132
2920E Frontenac	211	.6013	12-07-100-133
2920F Frontenac	212	.6013	12-07-100-134
2910C Frontenac	213	.5745	12-07-100-135
2910D Frontenac	214	.5745	12-07-100-136
2910E Frontenac	215	.6013	12-07-100-137
2910F Frontenac	216	.6013	12-07-100-138
3306C Berwyn	217	.5745	12-07-100-139
3306D Berwyn	218	.6013	12-07-100-140
3306E Berwyn	219	.5745	12-07-100-141
3306F Berwyn	220	.6013	12-07-100-142
3310C Berwyn	221	.5745	12-07-100-143
3310D Berwyn	222	.6013	12-07-100-144
3310E Berwyn	223	.5745	12-07-100-145
3310F Berwyn	224	.6013	12-07-100-146
3318C Berwyn	225	.5745	12-07-100-147
3318D Berwyn	226	.5745	12-07-100-148
3318E Berwyn	227	.5745	12-07-100-149
3318F Berwyn	228	.6013	12-07-100-150
3322C Berwyn	229	.5745	12-07-100-151
3322D Berwyn	230	.5745	12-07-100-152
3322E Berwyn	231	.6013	12-07-100-153
3322F Berwyn	232	.6013	12-07-100-154
3330C Berwyn	233	.5745	12-07-100-155
3330D Berwyn	234	.6013	12-07-100-156
3330E Berwyn	235	.5745	12-07-100-157
3330F Berwyn	236	.6013	12-07-100-158
3334C Berwyn	237	.5745	12-07-100-159
3334D Berwyn	238	.6013	12-07-100-160
3334E Berwyn	239	.5745	12-07-100-161
3334F Berwyn	240	.6013	12-07-100-162

EXHIBIT B

AMENDED AND RESTATED BY-LAWS OF STRAWBERRY 1 NORTH CHICAGO ASSOCIATION (An Illinois Not for Profit Corporation)

1.01 NAME OF CORPORATION: The name of this corporation is Strawberry 1 North Chicago Association.

ARTICLE II Purpose and Powers

- **2.01 PURPOSES**: The purposes of this Association are to act on behalf of its members collectively, as their governing body for civic functions and other purposes, with respect to the preservation, care, maintenance, replacement, improvement, enhancement, operation and administration of both real and personal property and for the promotion of the health, safety and welfare of the members of the Association, all on a not-for-profit basis. These By-Laws are attached as Exhibit B to the Amended and Restated Declaration of Condominium Ownership for Strawberry 1 North Chicago Association ("Declaration"). All terms used herein shall have the meanings set forth in the Declaration.
- **2.02 POWERS**: The Association shall have and exercise all powers as are now or may hereafter be granted by the General Not For Profit Corporation Act of the State of Illinois, the Illinois Condominium Property Act ("Act"), the Declaration and these By-Laws.
- 2.03 PERSONAL APPLICATION: All present or future Owners, tenants, future tenants, and their agents and employees, and any other person that might use the facilities of the Condominium Property in any manner, shall be subject to the provisions of the Declaration and these By-Laws. The acquisition or rental of a Dwelling Unit or the act of occupancy of a Dwelling Unit will signify that the Declaration and these By-Laws are accepted, ratified and will be complied with.

ARTICLE III Offices

- **3.01 REGISTERED OFFICE**: The Association shall have and continuously maintain in this state a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Illinois as the Board may from time to time determine.
- **3.02 PRINCIPAL OFFICE**: The Association's principal office shall be maintained on the Condominium Property or at the office of the managing agent engaged by the Association.

ARTICLE IV Administration

- ADMINISTRATION OF THE PROPERTY. The direction 4.01 administration of the Property shall be vested in the Board of Directors (herein sometimes referred to as the "Board"), which shall consist of at five (5) persons who shall be elected in the manner hereinafter set forth. Each member of the Board shall be one of the Unit Owners; provided, however, that in the event a Unit Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any designated agent of such corporation, partnership, or other legal entity, or beneficiary of such trust, shall be eligible to serve as a member of the Board, so long as any such agent resides on the Property. If a Unit Owner owns more than one Unit Ownership and is a corporation, partnership, trust or other legal entity, other than a natural person, then any number of agents or beneficiaries of such Unit Owner may be directors, provided that the number of such Unit Owner's agents or beneficiaries who become directors shall not exceed the number of Unit Ownerships owned by such Unit Owner.
- **4.02 ASSOCIATION**. Each Unit Owner shall be a member of the Association so long as he shall be a Unit Owner, and such membership shall automatically terminate when he ceases to be a Unit Owner, and upon the transfer of his ownership interest, the transferee thereof shall likewise succeed to such membership in the Association. The Association shall have one class of membership.

4.03 **VOTING RIGHTS**.

There shall be one Voting Member for each Unit Ownership. Such Voting Member may be the Unit Owner or one of the groups composed of all the owners of a Unit Ownership, or be some person designated by such Unit Owner or Unit Owners or his duly authorized attorney-in-fact to act as proxy on his or their behalf and who must be a Unit Owner. Such designation shall be made in writing to the Board, shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator, or by written notice to the Board by the Unit Owner or his duly authorized attorney-in-fact, shall bear the date of its execution and shall be invalid after eleven (11) months from date of execution unless otherwise provided in the proxy. Any or all such Unit Owners may be present at any meeting and, furthermore, may vote or take any other action as a Voting Member to the extent provided in Article 4.03(b) hereof. If a Unit Owner is a trust, then the voting rights of such Unit Owner may be exercised by a beneficiary of such trust, and if a Unit Owner or such a beneficiary is a corporation or partnership, then the voting rights of said Unit Owner or beneficiary may be exercised by an officer, partner or employee of such Unit Owner or beneficiary. The total number of votes of all Voting Members shall be one hundred fifty six (156), and each Unit Owner or group of Unit Owners shall be entitled to the number of votes equal to the total of the percentage of ownership in the Common Elements applicable to his or their Unit Ownership as set forth in Exhibit A; provided that when thirty (30%) percent or fewer of the Units, by number, possess over fifty (50%) percent in the aggregate of the votes in the Association, any percentage vote of Unit Owners specified herein shall require the specified percentage by number of Units rather than by percentage of interest in the Common Elements allocated to Units that would otherwise be applicable.

(b) In the event the Voting Member is other than the Unit Owner, is not present at a meeting of the Association and has not voted by proxy, then if the Unit Owner is present, such owner shall be entitled to cast all of the votes allocated to the Unit. In the event the ownership of a Unit is composed of multiple owners and the Voting Member is not present and has not voted by proxy, then if only one of the multiple owners of a Unit is present, such owner shall be entitled to cast all of the votes allocated to that Unit Ownership. In the event more than one owner of a Unit Ownership is present, but not the Voting Member, who has not voted by proxy, the votes allocated to that Unit Ownership may be cast only in accordance with the agreement of a majority in interest of the group of owners comprising the Unit Owner who are present. Majority agreement shall be deemed to have occurred if any one of the multiple owners casts the votes allocated to that Unit Ownership without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit Ownership.

4.04 MEETINGS.

- (a) Quorum. Meetings of the Unit Owners shall be held at the Property or at such other place in Lake County, Illinois, as may be designated in any notice of a meeting. The presence in person or by proxy at any Unit Owners' meeting of Voting Members or other Unit Owners representing at least twenty (20%) percent of the Unit Ownerships shall constitute a quorum unless the Unit Owners, in accordance with the Act, provide otherwise. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Unit Owners at which a quorum is present upon the affirmative vote of the Voting Members having a majority of the total votes present at such meeting.
- (b) Annual Meeting. There shall be an annual meeting of the Unit Owners each year at such reasonable time or date as may be designated by written notice of the Board delivered to the Unit Owners not less than ten (10) days or more than thirty(30) days prior to the date fixed for said meeting.
- (c) <u>Special Meetings</u>. Special meetings of the Unit Owners may be called at any time for the purpose of considering matters which, by the terms of this Declaration, require the approval of all or some of the Voting Members, or for any other reasonable purpose provided, however, that the following matters shall require the approval of Voting Members having not less than seventy-five percent (75%) of the total votes:

- (1) the merger or consolidation of the Association;
- (2) the sale, lease, exchange or other disposition (excluding the mortgage or pledge) of all, or substantially all of the property and assets of the Association; and
- (3) the purchase or sale of Units or other real estate by the Association on behalf of all Unit Owners.

Special meetings may be called by written notice authorized by a majority of the Board, the President of the Board, or by twenty five percent (25%) of the Unit Owners, and delivered not less than ten (10) days and no more than thirty (30) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered. Matters to be submitted to the Unit Owners at special membership meetings shall be submitted by the Board.

4.05 Notices of meetings of the Unit Owners required to be given herein may be delivered either personally or by mail to the designated Voting Member, addressed to each such person at the address given by the Unit Owner to the Board for the purpose of service of such notice, or to the Unit of the Unit Owner with respect to which such voting right appertains, if no address has been given to the Board by the Voting Members, provided that any such notice shall be delivered no less than ten (10) and no more than thirty (30) days prior to the date fixed for such meeting and shall state the time, place and purpose of such meeting. For purposes of this Article 4.05, a notice shall be deemed "delivered" upon compliance with the notice provisions set forth in Article 15.01 hereof.

ARTICLE V Board of Directors

Board of Directors.

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- (a) The direction and administration of the Property shall be vested in a Board of Directors (hereinafter referred to as the "Board"), consisting of five (5) persons who shall be elected in the manner hereinafter provided. The voting members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease such number of persons on the Board, at any annual or special meeting, provided that the number shall not be less than three (3) nor greater than seven (7) and that the terms of at least one third (1/3) shall expire annually.
- (b) Each Director shall be a Unit Owner. In all elections for members of the Board, each Voting Member shall be entitled to cast his vote or votes for up to the number of Directors equal to the number of vacancies to be filled. Voting shall be on a non-cumulative voting basis and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. Any candidate for election to the Board, or such candidate's representative, shall have the

right to be present at the counting of ballots at such election. All members of the Board shall be elected at large. At the first Annual Meeting of the Association following adoption of this Amended Declaration a full Board of Directors shall be elected. The four (4) candidates receiving the most votes shall hold their position for a period of two years and the three (3) candidates receiving the next highest number of votes shall hold their positions for a period of one year. Then all Directors shall serve two year terms. Members of the Board shall receive no compensation for their services. Vacancies in the Board, including vacancies due to any increase in the number of persons on the Board, shall be filled by a two-thirds (2/3rds) vote of the remaining Board members thereof at a special meeting of the Board which vacancy shall be filled until the next annual meeting of the Unit Owners or for a period terminating no later than thirty (30) days following the filing of a petition signed by Voting Members holding twenty (20%) percent of the votes of the Association requesting a meeting of the Unit Owners to fill the vacancy for the balance of the term. A meeting of the Unit Owners shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the filing of a petition signed by Voting Members with twenty (20%) percent of the votes of the Association requesting such a meeting. Except as otherwise provided in this Declaration, the Property shall be managed by the Board and the Board shall act by majority vote of those present at its meetings when a quorum exists.

- The Board shall elect from amongst its members a President who shall preside over both its meetings and those of the Unit Owners, and who shall be the chief executive officer of the Board and the Association and who shall be designated to mail and receive all notices and execute all amendments hereto as provided herein and in the Act, a Secretary who shall keep the minutes of all meetings of the Board and of the Unit Owners and who shall, in general, perform all the duties incident to the office of the Secretary, and a Treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect from amongst the members of the Board. The term of office for each officer shall be until the next succeeding annual meeting of the Board, and until his successor shall be duly elected or appointed and qualified pursuant hereto. Vacancies in any office shall be filled by the Board by a majority vote of the remaining members thereof at a special meeting of the Board. Any director elected to fill a vacancy shall hold office for a term equal to the unexpired term of the officer he succeeds. Any officer may be removed for cause at any time by a vote of two-thirds (2/3rds) of the total membership of the Board at a special meeting hereof. Any officer may succeed himself.
- (d) Written notice stating the place, date and hour of any meeting of the Board shall be given to each member of the Board not less than forty-eight (48) hours prior to the date of such meeting. The purpose for which the meeting is called shall be stated in the notice.
- (e) A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. Board members may participate in and act at any meeting of the board of managers in person, by telephonic means, or by use of any acceptable technological means whereby all persons participating in the meeting can

- (c) To provide for any maintenance, repair, alteration, addition, improvement or replacement of the Common Elements for which the Association is responsible under the Declaration and these By-Laws;
- (d) To estimate and provide each Owner with an annual budget as provided for in the Declaration;
- (e) To set, give notice of, and collect assessments from the Owners as provided in the Declaration;
 - (f) To pay the Common Expenses;

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- (g) To adopt rules and regulations as provided in the Declaration;
- (h) To delegate the exercise of its power to committees appointed pursuant to Section 5.04 of these By-Laws;
- (i) To own, convey, encumber, lease or otherwise deal with Dwelling Units or other real property conveyed to or purchased by the Association;
- (j) To incur liabilities, to borrow funds if necessary for Association purposes; to secure any of its obligations by pledge or assignment of the right for future income and accounts receivable:
- (k) To keep detailed, accurate records of the receipts and expenditures affecting the use and operation of the Condominium Property; and
- (I) To ratify and confirm actions of the members of the board taken in response to an emergency, as that term is defined in subdivision (a)(8)(iv) of the Illinois Condominium Property Act and that the board shall give notice to the unit owners of: (i) the occurrence of the emergency event within 7 business days after the emergency event, and (ii) the general description of the actions taken to address the event within 7 days after the emergency event.

ARTICLE VI Officers

- 6.01 OFFICERS: The officers of the Association shall be a President, a Secretary and a Treasurer and such assistants to such officers as the Board may deem appropriate. All officers shall be elected at each annual meeting of the Board and shall hold office at the discretion of the Board. Officers may succeed themselves in office. The President, Secretary and Treasurer shall be Directors and all other officers may, but need not be, Directors. Other than the President, a person may hold more than one office.
- **6.02 VACANCY OF OFFICE**: Any officer may be removed at any meeting of the Board by the affirmative vote of the majority of the Directors in office, either with or

without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

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- **6.03 POWERS OF OFFICERS**: The respective officers of the Association shall have such powers and duties as are from time to time prescribed by the Board and as are usually vested in such officers of an Illinois Not-For-Profit Corporation including, without limitation, the following:
- (a) The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the Owners and at all meetings of the Board and shall execute amendments to the Declaration and these By-Laws, as provided for in the Act, the Declaration and these By-Laws;
- (b) The Secretary shall keep minutes of all meetings of the Owners and of the Board and shall have custody of the corporate seal of the Association and have charge of such other books, papers and documents as the Board may prescribe, and shall be responsible for giving and receiving all notices to be given to or by the Association under the Act, the Declaration or these By-Laws;
- (c) The Treasurer shall be responsible for Association funds and securities and for keeping full and accurate accounts of all receipts and disbursements in the Association books of accounts kept for such purpose. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time be designated by the Board.
- **6.04** OFFICERS' COMPENSATION: The officers shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the Voting Members.

ARTICLE VII Committees Designated By Board

- 7.01 <u>BOARD COMMITTEES</u>: The Board, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent consistent with law and as provided in said resolution, shall have and exercise the authority of the Board in the management of the Association; but the designation of such committees and delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or him by law.
- 7.02 <u>SPECIAL COMMITTEES</u>: Other committees not having and exercising the authority of the Board in the management of the Association may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Owners and the President of the Association shall appoint the

members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal.

- **7.03 TERM**: Each member of a committee shall continue as such until the next annual meeting of the Board and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.
- **7.04** CHAIRMAN: One member of each committee shall be appointed chairman.
- **7.05 VACANCIES**: Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.
- **7.06 QUORUM**: Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.
- **7.07 RULES**: Each committee may adopt rules for its own government not inconsistent with the Declaration, these By-Laws or with rules adopted by the Board.

ARTICLE VIII Instruments, Checks, Deposits and Funds

- 8.01 <u>EXECUTION OF INSTRUMENTS</u>: The Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument (including amendments to the Declaration or these By-Laws which must be executed by the Association) in the name of and on behalf of the Association and such authority may be general or confined to specific instances. In the absence of any such authorization by the Board, any such contract or instrument shall be executed by the President or a Vice President and attested to by the Secretary or an Assistant Secretary of the Association.
- **8.02 PAYMENTS**: All checks, drafts, vouchers or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Association.

- **8.03 BANK ACCOUNTS**: All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board shall elect.
- **8.04 SPECIAL RECEIPTS**: The Board may accept on behalf of the Association any contribution, gift, request, or devise for the general purposes or for any special purpose of the Association.

ARTICLE IX Fiscal Management

- **9.01** FISCAL YEAR: The fiscal year of the Association shall be determined by the Board and may be changed from time to time as the Board deems advisable.
- 9.02 ANNUAL STATEMENT: Within a reasonable time after the close of each fiscal year, the Board shall furnish each Owner with an itemized accounting of the Common Expenses for such fiscal year actually incurred or paid, together with an indication of which portion of the Common Expenses were incurred or paid for capital expenditures or repairs or the payment of the real estate taxes, and with a tabulation of the amounts collected pursuant to the Annual Assessment budget, and showing the net excess or deficit of income over expenditures plus reserves.
- **9.03 ASSESSMENT PROCEDURE**: Annual assessments and special assessments shall be made and collected as provided in Article 6 of the Declaration, and the provisions of Article 6 are incorporated herein by reference.

ARTICLE X Seal

10.01 <u>SEAL</u>: The Board may provide for a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Association and the words "Corporate Seal", Illinois.

ARTICLE XI Amendments

11.01 <u>AMENDING THE BY-LAWS</u>: These By-Laws may be amended or modified at any time, or from time to time, in the same manner as provided in Article 15.06 of the Declaration; provided, that no provision of these By-Laws may be amended or modified so as to conflict with the provisions of the Declaration or the Act.

EXHIBIT C

AFFIDAVIT OF MAILING

I, CHRISTINE CLARK, state that I am the Secretary of the
Board of Directors of Strawberry 1 North Chicago Association and that a copy of the
foregoing Amended and Restated Declaration of Condominium Ownership 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 and to all mortgagees having bona fide liens of record against the
Association.

By:

itle: Secretary

EXHIBIT D

CERTIFICATION BY SECRETARY TO UNIT OWNER APPROVAL

I, CHRISTINE CLARIC, state that I am the Secretary of the Board of Directors of Strawberry 1 North Chicago Association, an Illinois not-for-profit corporation and condominium, and as such Secretary and the keeper and custodian of the books and records of said condominium, I hereby certify that the foregoing Amended and Restated Declaration of Condominium Ownership for Strawberry 1 North Chicago Association was approved by Unit Owners having, in the aggregate, at least three-fourths (3/4) of the total vote, at a special meeting of the Unit Owners duly noticed, convened and held for that purpose on
Secretary, Strawberry 1 North Chicago Association
Subscribed and Sworn to before me
this 14 day of November 2017.
Notary Public POLINA STEIN Official Seal Notary Public - State of Illinois My Commission Expires Jan 5, 2020
My Commission Expires: 1/5/2020

EXHIBIT E SECRETARY'S AFFIDAVIT OF NOTICE TO MORTGAGES AND MORTGAGEE CONSENT

I, CHRISTINE CLARK, being first duly sworn on oath, depose and state that I am the Secretary of the Board of Directors of Strawberry 1 North Chicago Association, an Illinois not-for-profit corporation and condominium, and that pursuant to Article XIII, Section 7 of the Declaration of Condominium Ownership for Strawberry 1 North Chicago Association and Section 27(a) of the Illinois Condominium Property Act written notice of the foregoing amendment has been sent by certified mail to all mortgagees of record against any Unit in the aforesaid condominium, not less than ten (10) days prior to the date of this affidavit.

I further certify that consent has been made by the eligible mortgagees either by receipt of a signed consent or by waiver of the mortgagee's rights by the 30-day rule.

By: Secretary Strawberry 1 North Cl

Secretary, Strawberry 1 North Chicago Association

Date: Nov. 14^{TH.}, 2017

Subscribed and Sworn to before me

this /4 day of November, 2017.

Notary Public

My Commission Expires:

POLINA STEIN Official Seal Notary Public - State of Illinois My Commission Expires Jan 5, 2020