

**AMENDED AND RESTATED DECLARATION
OF PARK EAST TOWNHOME CONDOMINIUM**

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AMENDED AND RESTATED DECLARATION OF CONDOMINIUM OWNERSHIP
OF PARK EAST TOWNHOME CONDOMINIUM

WHEREAS, the Association and its Owners are the legal title holders of that certain parcel of real estate situated in the County of Lake, State of Illinois, which is legally described on Exhibit A attached hereto and by this reference made a part hereof; and

WHEREAS, by the recording of the Original Declaration, there was and shall be established for the mutual benefit of all current and future owners or occupants of the Property or any part thereof, certain easements and rights in, over and upon said Property and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and

WHEREAS, the Association and its Owners desire and intend that the Unit Owners, mortgagees, occupants and all other persons hereafter acquiring any interest in said Property and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and

WHEREAS, the Association and its Owners desire and intend that the Unit Owners, mortgagees, occupants and all other persons hereafter acquiring any interest in said Property shall at all times enjoy the benefits of, and shall hold their interests subject to, the rights, easements, privileges and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the co-operative aspects of such Property and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness thereof; and

WHEREAS, no less than two-thirds (2/3) of the Board has approved this Amended and Restated Declaration at a meeting held on February 24, 2025, pursuant to Section 27(b) of the Illinois Condominium Property Act (as defined below). Further, a copy of this Amended and Restated Declaration has been mailed by certified mail to all lienholders of record.

NOW THEREFORE, the Association and its Owners, DECLARE AS FOLLOWS:

ARTICLE I
Definitions

As used herein, unless the context otherwise requires:

(a) “Acceptable technological means” includes, without limitation, electronic transmission over the Internet or other network, whether by direct connection, intranet, telecopier, electronic mail, and any generally available technology that, by rule of the association, is deemed to provide reasonable security, reliability, identification, and verifiability.

(b) “Act” means the “Condominium Property Act” of the State of Illinois.

(c) “Association” means the Park East Townhome Condominium Association, an Illinois not-for-profit corporation.

(d) "Board" means the Board of Directors of the Park East Condominium Association.

(e) "Building" means all structures, attached or unattached, containing one or more Units.

(f) "By-Laws" shall mean the provisions for the administration of the Property, including, but not limited to, assessment, maintenance, use, occupancy and alteration, all as hereinafter set forth or as the same may be from time to time duly amended, the same to have full force and effect whether applied to or by the Declarant, Board, or the Association as hereinabove defined; Articles, V, VI, VII, XI, and XXI hereof shall constitute the By-Laws of the Association.

(g) "Common Elements" means all portions of the Property except the Units, including Limited Common Elements, and shall include, but shall not be limited to, the land, foundation, recreational areas, if any, private roads, retention or detention areas, facilities necessary for the management of storm waters, roof, incinerator, pipes, ducts, electrical wiring and conduits, public utility lines, such component parts of walls, floors and ceilings as are not located within the Units, structural components of the Buildings, including structural columns located within the Units, if any, outside walks and driveways, landscaping, and all other portions of the Property except the individual Units. Notwithstanding the foregoing, heating and cooling systems and fixtures located within a Unit and benefiting only that Unit shall not be deemed a Common Element hereunder.

(h) "Common Expenses" means the proposed or actual expenses affecting the Property, including Reserves, if any, lawfully assessed by the Board of the Unit Owner's Association.

(i) "Condominium Instruments" means all of the documents and authorized amendments thereto recorded pursuant to the provisions of the Act, including the Declaration, By-Laws of the Association and Plat.

(j) "Declaration" means this Amended and Restated Declaration by which the Property is submitted to the provisions of the Act, and shall include such amendments, if any, to this instrument as may be from time to time adopted pursuant to the terms hereof.

(k) "Electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient and that may be directly reproduced in paper form by the recipient through an automated process.

(l) "First Mortgagee" or other similar phrase shall mean a person, bank, savings and loan association, insurance company or other entity which owns and holds a first mortgage, or first trust deed, with respect to a Unit.

(m) "Limited Common Elements" means a portion of the Common Elements so designated in the Declaration as being reserved for the use of a certain Unit or Units to the exclusion of other Units, including specifically, but not by way of limitation, patios and such portion of perimeter walls, floors and ceilings, doors and windows as lie outside the Unit boundaries as shown on the Plat. The above mentioned Limited Common Elements are hereby assigned to the Units to which they are attached and to which they are in inseparable appurtenance. Driveway, yards and walkways, as delineated in Exhibit B attached hereto, are Limited Common Elements and assigned to the Units as set forth on said Exhibit B hereto.

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

(o) "Occupant" means a person, or persons, other than a Unit Owner, in possession of one or more Units.

(p) "Original Declaration" means the Declaration first recorded with the Lake County Recorder of Deeds against the Property as Document Number 2052005.

(q) "Parcel" means the parcel or tract of real estate described on Exhibit A of this Declaration, which is hereby submitted to the provisions of the Act.

(r) "Plat" means a Plat or Plats of Survey of the Parcel and of all Units in the Property submitted to the provisions of this Act, which may consist of a three-dimensional horizontal and vertical delineation of all such Units, as said Plat was attached to the Original Declaration as Exhibit "A", and as incorporated herein by reference only.

(s) "Property" means all the land, property, and space comprising the Parcel, and all improvements, including, but not limited to, all facilities necessary for the management of storm waters, and structures erected, constructed or contained therein or thereon, including the Buildings and all easements, rights and appurtenances belonging thereto, and all fixtures, equipment and furnishings intended for the mutual use, benefit or enjoyment of the Unit Owners, submitted to the provisions of the Act.

(t) "Purchaser" means any person or persons who purchase a Unit in a bona fide transaction for value.

(u) "Record, Recorded or Recording" refers to the recording in the Office of the Recorder of Deeds of Lake County, Illinois.

(v) "Reserves" means those sums paid by Unit Owners which are separately maintained by the Board for purposes specified by the Board or the Condominium Instruments.

(w) "Unit" means (i) a part of the Property, including one (1) or more rooms and occupying one (1) or more floors or a part or parts hereof, designated and intended for

independent use as a single-family residence, or such other incidental uses permitted by this Declaration; and (ii) the contiguous parking garage associated therewith, so specified as a Unit and listed on Exhibit C attached hereto and, by this reference, made a part hereof, and as set forth on the Plat attached hereto as Exhibit B and, by this reference, made a part hereof. Each Unit shall consist of the space enclosed and bounded by any horizontal and vertical planes shown on said Plat; provided, however, that no structural components of the Building locates within a Unit, including any walls separating two (2) or more Units or any interior walls located within a Unit, 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 a Unit.

(x) “Unit Owner” means the Person or Persons whose estates or interests, individually or collectively, aggregate fee simple ownership of a Unit and the undivided interest in the Common Elements appurtenant thereto.

(y) “Unit Ownership” means the ownership of a Unit and the undivided interest in the Common Elements appurtenant thereto.

ARTICLE II Submission of Property to the Act

The Association and Owners expressly intends to and, by Recording this Declaration, does hereby submit the Parcel and the Property to the provisions of the Act.

ARTICLE III Plat

The Plat which is attached hereto as Exhibit B sets forth the measurements, elevations, locations and other data, as required by the Act, including: (i) the Parcel and its exterior boundaries; (ii) the Buildings and each floor thereof; (iii) each Unit in each Building and its horizontal and vertical dimensions; and (iv) all other improvements comprising part of the Parcel.

ARTICLE IV Unit Identification

Each Unit is identified on the Plat by a distinguishing number or other symbol and shall consists of two (2) contiguous parcels of the Property which taken together shall be deemed a unit hereunder. The legal description of each Unit shall refer to such identifying number or symbol. Every deed, lease, mortgage or other instrument shall legally describe a Unit by its identifying number or symbol as shown on the Plat and every such description shall be deemed good and sufficient for all purposes, and shall be deemed to convey, transfer, encumber or otherwise affect the Unit’s corresponding percentage of ownership in the Common Elements as set forth in Exhibit C attached hereto, even though the same is not expressly mentioned or described therein. Except as provided by the Act or Condominium Instruments, no Unit Owner shall, by deed, plat

or otherwise, subdivide or in any other manner cause his Unit to be separated or partitioned into any tracts or parcels different from the whole Unit as shown on the Plat.

ARTICLE V
Association of Unit Owners and
Administration and Operation Property

(a) Association. There has been incorporated an Illinois not-for-profit corporation which is called the “Park East Townhome Condominium Association,” which Association shall be the governing body for all of the Unit Owners, for the maintenance, repair, replacement, administration and operation of the Property, as provided in the Act and Condominium Instruments. The duties and powers of the Association and its Board of Directors shall be those set forth in its Articles of Incorporation and this Declaration; provided, however, that the terms and provisions of the Act shall control in the event of any inconsistency among the Act, this Declaration, and the Articles of Incorporation. Neither the Board, the Association nor the Unit Owners shall be deemed to be conducting a business of any kind. All funds collected by the Board shall be held and expended for the purposes designated in this Declaration and shall be deemed to be held for the benefit, use and account of all the Unit Owners in the percentages set forth in Exhibit C (except for such adjustments as the board may require to reflect any delinquent prepaid and special assessments), and shall be administered in accordance with the provisions hereof. 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. Upon the transfer of a Unit Owner’s ownership interest, the new Unit Owner shall simultaneously and automatically succeed to the former Unit Owner’s membership in the Association. The Association shall have only one (1) class of membership.

(b) Administration of Property. The direction and administration of the Property shall be vested in the Board of Directors which shall consist of 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.

(c) Voting Rights. There shall be one person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known (and hereinafter referred to) as a “voting member.” Such voting member may be the Unit Owner or one of the group composed of all the Unit Owners of a unit Ownership, or be some person designated by such Unit Owner or Unit Owners of a Unit Ownership 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 and 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 of the voting members and may vote or take any other action as a voting member, either in person or by proxy. The total number of votes of all voting members shall be one hundred (100) (sometimes hereinafter referred to as the “Total Vote”), and each Unit Owner

or group of Unit Owners of a Unit Ownership 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 C, except as otherwise provided in this Paragraph (c). At any time, in the event that thirty percent (30%) or less of the total number of Units control in excess of fifty percent (50%) of the total votes of the Association, any provision herein which requires a vote by Unit Owners holding a certain percentage of the total vote shall require, in lieu thereof, that the percentage required be based on the number of Units rather than the percentage of the votes allocable to Units pursuant to their respective percentage of ownership in the Common Elements.

A Unit Owner may vote by proxy executed in writing by the Unit Owner or by his duly authorized attorney in fact. The proxy shall be invalid after eleven months from the date of its execution, unless otherwise provided in the proxy. Every proxy must bear the date of execution.

Any proxy distributed for Board elections by the Board must give Unit Owners the opportunity to designate any person as the proxy holder and give the Unit Owner the opportunity to express a preference for any of the known candidates for the Board or to write in a name.

Where there is more than one owner of a Unit, if only one of the multiple owners is present at a meeting of the Association, he or she shall be entitled to cast all the votes allocated to that Unit. If more than one of the multiple owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple owners. There is majority agreement when any one of the multiple owners cast the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other owners of the Unit.

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

(d) Member Meetings.

(1) Quorum. Meetings of the voting members shall be held at the Property in Lake County, Illinois, 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, of twenty percent (20%) of the Unit Owners at any meeting of the Association shall constitute a quorum unless the Unit Owners

holding a majority of the percentage interest in the Association provide for a higher percentage. Unless otherwise expressly provided herein, any action may be taken at any meeting of the voting members 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. Representatives of first mortgage lienholders shall be permitted to attend all meetings of the Association but shall not vote unless and until said lienholders hold title to a Unit. Cumulative voting is not permitted.

(2) Annual Meeting. There shall be an annual meeting of the voting member on the first Monday of November of each succeeding year at 8:00 p.m., or at such other reasonable time or date as may be designated by written notice of the Board delivered to the voting members. One of the purposes of the annual meeting of the Unit Owners shall be to elect members of the Board.

(3) Special Meetings. Special meetings of the voting members 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 two-thirds (2/3) of the total votes: (i) the merger or consolidation of the Association; (ii) the sale, lease, exchange, or other disposition of all, or substantially all of the property and assets of the Association; and (iii) the purchase or sale or lease of Units or other real estate on behalf of all Unit Owners. Special meetings of the Unit Owners can be called by the President, Board, or by twenty percent (20%) of Unit Owners.

(e) Notices of Meetings. Except as otherwise provided therein, notices of meetings required to be given herein may be delivered either personally or by mail to the persons entitled to vote there at, addressed to each such person at the address given by him 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, 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.

(f) Board of Directors.

(1) The voting members shall elect the Board consisting of five (5) members. In all elections for members of the Board, each voting member shall be entitled to vote on a noncumulative 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. At the first annual meeting, five (5) Board members were elected. The three (3) persons receiving the highest number of votes at the first annual meeting were elected to the Board for a term of one (1) year. The election and term of office as between candidates receiving the same number of votes shall be determined by lot. Upon the expiration of the terms of office of the Board members so elected at the first annual meeting and thereafter, successors shall be elected for a term of two (2) years each; provided, however, that a member of the Board may hold successive terms of office. The voting members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease the number of Board members or the term of office of Board members at any annual or special meeting, provided that such number shall not be less than three (3) and that

the terms of at least one-third (1/3) of the persons on the Board shall expire annually. 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 the remaining members of the Board by a two-thirds (2/3) vote 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 Unit Owners holding twenty (20%) of the votes of the Association requesting a special meeting of the Unit Owners to fill the vacancy for the balance of the term. No later than thirty (30) days following the filing of the petition, a meeting of the Unit Owners shall be called for the purposes of filling the vacancy.

Except as otherwise provided in this Declaration, the Property shall be managed, controlled, and otherwise dealt with by the Board and the Board shall act, except where a greater vote is specified herein, by majority vote of those present at its meetings when a quorum exists. Meetings of the Board may be called, held, and conducted in accordance with such regulations as the 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 voting members 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 among the members of the Board. All officers of the Association shall serve for a term of one (1) year or until their successors are elected as provided for herein. Officers may hold successive terms of office.

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

The remaining members of the Board may fill a vacancy among the officers for the unexpired term of office.

If there are multiple Owners of a single Unit, only one of the multiple Owners shall be eligible to serve as a member of the Board at any one time.

The Board shall meet at least four (4) times annually.

The Board may disseminate to the Unit Owners biographical and background information about candidates for election to the Board if reasonable efforts to identify all candidates are made and all candidates are given an opportunity to include biographical and background information in the information to be disseminated; and the Board does not express a preference in favor of any candidate.

(2) The Board shall elect from among its members a President who shall preside over both its meeting and those of the voting members, 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 voting members 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 among the members of the Board. All officers of the Association shall serve for a term of one (1) year or until their successors are elected as provided for herein. Officers may hold successive terms of office.

The Secretary of the Association is hereby designated as the person to mail and receive all notices as provided for in the Condominium Property Act and in this Declaration. Unless otherwise provided by the Condominium Property Act, amendments to the condominium instruments authorized to be recorded shall be executed and recorded by the President of the Association or such other officer authorized by the Board.

(3) Any Board member may be removed from office, by affirmative vote of the voting members having at least two-thirds (2/3) of the total votes, at any special meeting called for the purpose. A successor to fill the unexpired term of a Board member removed may be filled by the remaining members of the Board by a two-thirds (2/3) vote or may be elected by the voting members at the same meeting or any subsequent meeting called for that purpose.

(4) INTENTIONALLY LEFT BLANK.

(5) All meetings of the Board, whether regularly scheduled or specially called, shall be open to attendance by any Unit Owner and, except for the portion of any meeting held (i) to discuss litigation when an action against or on behalf of the Board and/or Association has been filed and is pending in a court or administrative tribunal, or when the Board finds that such an action is probable or imminent; (ii) to consider information regarding appointment, employment or dismissal of an employee; or (iii) to discuss violations of rules and regulations of the Association or a Unit Owner's unpaid share of common expenses. Any vote on the matters listed in clauses (i), (ii) and (iii) above, shall be taken at a Board meeting or portion thereof open to any Unit Owner. Except where such meetings concern the adoption of the proposed annual budget or any increase or establishment of an assessment, notice of such meeting shall be mailed to each Unit owner not less than forty-eight (48) hours prior thereto, unless a written waiver of such notice is signed by the persons entitled to such notice before the meeting is convened, and that copies of notices of meetings of the Board shall be posted in entranceways, or other conspicuous places in the condominium at least forty-eight (48) hours prior to the meeting. With respect to those meetings of the Board where budget or assessment matters are on the agenda, all Unit Owners shall receive written notice of such meetings not less than (10) days and not more than thirty (30) days prior to the date of said meeting, stating the time and place of said meeting and the matters to be considered. Any Unit Owner may record the proceedings at meetings of the Board required by the Act to be open to any Unit Owner by tape, film or other means; provided, however, that the Board may prescribe reasonable rules and regulations to govern the right of Unit Owners to make such recordings.

(6) Special meetings of the Board shall be held upon a call by the President or by a majority of the Board on not less than forty-eight (48) hours' notice in writing to each director, delivered personally or by mail or telegram.

(g) General Powers of the Board. The Board shall have the following general powers:

(1) The Board may engage the services of an agent to manage the portions of the Property for which the Board is responsible pursuant to this Declaration, to the extent deemed advisable by the Board, provided, however, that any agreement for professional management shall provide for termination for cause by the Association upon thirty (30) days written notice and shall have a term not to exceed one (1) year, renewable by agreement of the parties for successive one (1) year periods. All institutional first mortgage lien-holders shall be given ten (10) days prior written notice of any decision to terminate professional management and assume self-management of the Property.

(2) 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, to engage or contract for the services of others, and to make purchase 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).

(3) The Board or its agents, upon reasonable notice, may enter any Unit when necessary in connection with any maintenance 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.

(4) The Board's powers hereinafter enumerated shall be limited in that the Board shall have no authority to acquire and pay for out of the maintenance fund (as subsequently defined herein) any structural alterations, capital additions to, or capital improvements of the Common Elements (other than for purposes of replacing or restoring portions of the Common Elements, subject to all the provisions of this Declaration or unless required for emergency repair, protection or operation of the Common Elements), requiring an expenditure in excess of Thirty Thousand and No/100 Dollars (\$30,000.00) without in each case the prior written approval of Unit Owners owning sixty-six and two-thirds percent (66 2/3%) of the total ownership interest in the Common Elements.

(5) 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 Treasurer and countersigned by the President of the Board. The managing agent of the Property may be authorized to execute those documents required to enable it to perform its duties under its management agreement.

The Board may not enter into a contract with a current Board member or with a corporation or partnership in which a Board member or a member of the Board member's immediate family has twenty-five percent (25%) or more interest, unless notice of intent to enter the contract is given to Unit Owners within twenty (20) days after a decision is made to enter into the contract and the Unit Owners are afforded an opportunity by filing a petition, signed by twenty percent (20%) of the Unit Owners, for an election to approve or disapprove the contract. Such petition shall be filed within twenty (20) days after such notice and such election shall be held within thirty (30) days after filing the petition. For purposes of this provision, a Board member's immediate family means the Board member's spouse, parent, and children.

(6) The Board by vote of at least a majority of the Board, and without approval from any of the voting members except as hereinafter set forth, may adopt such reasonable rules and regulations as it may deem advisable for the maintenance, conservation and beautification of the Property, and for the health, comfort, safety and general welfare of the Unit Owners and occupants of the Property. Written notice of such rules and regulations shall be given to all voting members. To adopt or amend such rules and regulations from time to time, the Board shall call a special meeting of the Unit Owners upon not less than ten (10) nor more than thirty (30) days' written notice. The notice of the meeting shall state that the meeting is called for the purpose of discussing the proposed rules and regulations and shall contain the full text of the proposed rules;

(7) The Board by a vote of a majority of the persons on the Board shall subject to the terms of the Condominium Instruments, have the authority to lease or to grant licenses, concessions and contracts with respect to any part of the Common Elements. All income derived from leases, licenses, concessions or contracts shall be held and used for the benefit of the Unit Owners and shall be deposited into the maintenance fund (as subsequently defined herein).

(8) Nothing hereinabove contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all the Unit Owners or any of them.

(9) 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 Unit Owners owning not less than sixty-six and two-thirds percent (66 2/3%) in the aggregate of the undivided ownership of the Common Elements.

(10) The Association through its Board, on behalf of unit Owners, as their interests may appear, shall have standing to act in a representative capacity and shall have full power and authority to do and perform all and every act, including compromise of any claim, which might or could be done, performed or compromised by Unit Owners in relation to matters involving the Common Elements or more than one Unit.

(11) 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 the Declaration or the Act.

(12) The Board for the benefit of all the Unit Owners shall acquire and shall pay out of the maintenance fund hereinafter provided for, the following:

(A) Operating expenses of the Common Elements, including water, electricity, gas, and telephone and other necessary utility service for the Common Elements and (if not separately metered or charged) for the Units.

(B) 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 nonadverse to each other. The cost of such services shall be Common Expenses.

(C) Painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the outside windows and frames which the Unit Owners shall paint, clean, decorate, maintain and repair) and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper.

(D) 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 building or for the enforcement of these restrictions.

(E) Any amount necessary to discharge any mechanic's 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 insured by the Board by reason of said lien or liens shall be specifically assessed to said unit Owners.

(F) Maintenance and repair of any Unit if such maintenance or repair is necessary, in the direction of the Board, to protect the Common Elements, or any other portion of the Building, and a Unit Owner 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. In furtherance thereof, the Board or managing agent of the Property, if any, or their agents and employees, shall have a right of access to the Units for the purposes herein set forth.

(13) The powers and duties of the Board shall also include, but shall not be limited to, the following:

(A) To provide for the operation, care, upkeep, maintenance, replacement and improvement of the Common Elements. Nothing in this subsection (13)(a) shall be deemed to invalidate any provision in the condominium instruments placing limits on expenditures for the Common Elements, provided that, that such limits shall not be applicable to expenditures for repair, replacement, or restoration of existing portions of the Common Elements. The terms "repair, replacement or restoration" means expenditures to deteriorated or damaged portions of the Property related to the existing decorating, facilities, or structural or mechanical components, interior or exterior surfaces, or energy systems and equipment, with the functional equivalent of the original portions of such areas. Replacement of the common elements may result in an improvement over the original quality of such elements or facilities; provided that, if the improvement results in a proposed expenditure exceeding five percent (5%) of the annual budget, the Board, upon written petition by Unit Owners with 20 percent (20%) of the votes of the Association delivered to the Board within fourteen (14) days of the Board action to approve the expenditure, shall call a meeting of the Unit Owners within thirty (30) days of the date of delivery of the petition to consider such expenditure; unless a majority of the total votes of the Unit Owners are cast at the meeting to reject the expenditure, it is ratified;

(B) To prepare, adopt and distribute the annual budget for the Property;

(C) To levy and expend assessments;

(D) To collect assessments from Unit Owners;

(E) To provide for the employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements;

(F) To obtain adequate and appropriate kinds of insurance;

(G) To own, convey, encumber, lease and otherwise dealing with Units conveyed to or purchased by it;

(H) To adopt and amend 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 the meeting shall contain the full text of the proposed rules and regulations, and the meeting shall conform to the requirements of Section 18(b) of the Condominium Property Act, except that no quorum is required at such meeting of the Unit Owners. However, no rule or regulation may impair any rights guaranteed by the First Amendment to the Constitution of the United States or Section 4 of Article I of the Illinois Constitution, nor may any rules or regulations conflict with the provisions of the Condominium Property Act or the condominium instruments;

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

(J) To have access to each Unit from time to time as may be necessary for the maintenance, repair or replacement of any Common Elements or for making emergency repairs necessary to prevent damage to the Common Elements or to other Units;

(K) To pay real property taxes, special assessments, and any other special taxes or charges of the State of Illinois or of any political subdivision thereof, or other lawful taxing or assessing body, which are authorized by law to be assessed and levied upon the real property of the condominium;

(L) To impose charges for late payment 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, to levy reasonable fines for violation of the Declaration, Bylaws, and rules and regulations of the Association;

(M) By a majority vote of the entire Board, to assign the right of the Association to future income from Common Expenses or other sources, and to mortgage or pledge substantially all of the remaining assets of the Association;

(N) To 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 Section 14.2 of the Condominium Property Act;

(O) To record the granting of an easement for the laying of cable television cable where authorized by the Unit Owners under the provisions of Section 14.3 of the Condominium Property Act;

(P) To seek relief on behalf of all Unit Owners when authorized pursuant to Subsection (c) of Section 10 of the Condominium Property Act from or in connection with the assessment or levying of real property taxes, special assessments, and any other special taxes or charges of the State of Illinois or of any political subdivision thereof or of any lawful taxing or assessing body; and

(Q) To reasonably accommodate the needs of a handicapped Unit Owner as required by the federal Civil Rights Act of 1968, the Human Rights Act and any applicable local ordinances, in the exercise of its powers with respect to the use of Common Elements or approval of modifications in an individual Unit.

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

(15) To appoint committees of the Board and to delegate to such committees the Board's authority to carry out certain duties of the Board;

(16) To estimate the amount of, prepare, adopt and distribute the annual budget, and to provide the manner of assessing, levying on and collecting from the Unit Owners their respective shares of the Common Expenses, as hereinafter provided;

(17) To act in a representative capacity in relation to matters involving the Common Elements or more than one Unit, on behalf of the Unit Owners, as their interests may appear, and upon authorization by the affirmative vote of not less than a majority of the voting members at a meeting duly called for such purposes, the Board, acting on behalf of all Unit Owners, shall have the power to seek relief from or in connection with the assessment or levy of any real property taxes, special assessments and any other special taxes or charges of the State of Illinois or any political subdivision thereof, or any other lawful taxing of assessing body, which are authorized by law to be assessed and levied on real property and to charge and collect all expenses incurred in connection therewith as Common Expenses;

(18) To impose charges for late payment 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, to levy reasonable fines for violation of the Declaration, these Bylaws, or the rules and regulations of the Association, all in the manner set forth in the Declaration;

(19) The Board may grant easements, leases, licenses and concessions through or over the Common Elements by the vote of two-thirds (2/3) of its members at a meeting when a quorum is present;

(20) To exercise all other powers and duties of the Board or Unit Owners as a group referred to in the Condominium Property Act of the State of Illinois, and all powers and duties of a Board of a Board of Directors referred to in the Declaration and these Bylaws.

(h) Amendment of By-Laws. The By-Laws may be amended or modified from time to time by action or approval of the voting members having at least two-thirds (2/3) of the total votes, provided, however, that no provisions in the By-Laws may be amended or modified so as to conflict with the provisions of the Act. Such amendments shall be recorded in the Office of the Recorder of Deeds of Lake County, Illinois.

ARTICLE VI Non-Liability of Directors and Others

Neither the Association, nor any agent, sub-agent, director, officer or partner thereof, shall be personally liable to the Unit Owners or others for any mistake of judgment or for any acts or omissions made in good faith. The Unit Owners shall indemnify and hold harmless each of the aforesaid parties and their respective successors. It is also intended that the liability of any Unit Owner arising out of any contract made by any such indemnified party, or arising out of the aforesaid indemnity in his favor, shall be limited to such proportion of the total liability thereunder as said Unit Owner's percentage of interest in the Common Elements bears to the total percentage of interest of all the Unit Owners in the Common Elements. Every agreement

made by any of such indemnified parties on behalf of the Unit Owners shall provide that any indemnified party is acting only as agent for the Unit Owners or for the Association.

ARTICLE VII
Board's Determination Binding

In the event of any dispute or disagreement between Unit Owners relating to the Property or any question or interpretation or application of the provisions of the Condominium Instruments, the determination thereof by the Board shall be final and binding on each and all Unit Owners.

ARTICLE VIII
Ownership of the Common Elements

Each Unit Owner shall own an undivided interest in the Common Elements as a tenant in common with all other Unit Owners of the Property. The extent or amount of such ownership shall be expressed by the percentage amount set forth in Exhibit C attached hereto and shall remain constant unless changed in accordance with the unanimous approval of all Unit Owners.

So long as the Property is subject to the provisions of the Act, the Common Elements, except as otherwise provided in the Act, shall remain undivided and no Unit Owner shall bring any action for a partition or division of the Common Elements.

ARTICLE IX
Use of the Common Elements

Each Unit Owner shall have the non-exclusive right to use the Common Elements (except the Limited Common Elements) in common with all other Unit Owners, as may be required for the purposes of access, ingress to and egress from, use, occupancy and enjoyment of his respective Unit. Such right to use the Common Elements shall extend to each Unit Owner, his agents, servants, tenants, family members, invitees and licensees. Each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements contiguous to and serving or otherwise assigned to his Unit by the Condominium Instruments. Such rights to use and possess the Common Elements, including the Limited Common Elements, shall be subject to and governed by the provisions of the Act, Condominium Instruments and rules and regulations adopted from time to time by the Association or the Board.

Those portions of the Common Elements which are designated on the Plat as "Green Area," "Open Area," "Open Space," "Recreational Area," "Lake," "Retention Area," or "Detention area" (collectively referred to herein as "Open Spaces") shall be and forever remain subject to the following covenants, conditions and restrictions:

(1) The Open Spaces, including, but not limited to, all storm water management facilities forming a part thereof, shall be maintained by the Association for the mutual comfort, convenience, enjoyment, health, safety, recreation, and benefit of all Unit

Owners and in accordance with all applicable laws, ordinances, regulations or codes of any state, village, county or other governmental authority having jurisdiction over the Property;

(2) No permanent or temporary structure, improvement, building or facility of any kind or size shall be erected or maintained on the Open Spaces; provided, however, that the following shall not be deemed a violation hereof: (i) water and utility lines and drainage facilities; (ii) hedges, vegetation, ornamental trees and open patios; and (iii) buildings, structures, facilities, and surfaces which are consistent with the intended recreational use of the Open Spaces or use of the Open Spaces for the management of storm water;

(3) No interference with, or modification or change of any kind shall be cause or permitted with respect to (i) the shape, slope, contour, engineering, design, and landscaping of any portion of the areas designated on the Plat as "Lake," "Detention Area" or "Retention Area"; and (ii) the continued use and operation of such Detention Areas and Retention Areas for the management of storm waters; and

(4) The County of Lake, Illinois, shall have the right to inspect the Lake, Detention Area and Retention Area and any improvements or structures erected thereon for the purpose of ensuring the continued compliance with and enforcement of the covenants, conditions and restrictions set forth herein, and the County of Lake, Illinois, may act for and on behalf of the Association to correct any deficiency in or violation of the Association's to correct any deficiency in or violation of the Association's duties or responsibilities with respect to the Open Spaces, and shall be entitled to reasonable reimbursement from the Association for any funds expended therefore.

The covenants, conditions, and restrictions set forth herein are made for the benefit of the Unit Owners and the County of Lake, Illinois, and either or both of said parties may enforce the same at law or in equity and may, without limiting the generality of the foregoing, bring suit to enjoin the violation thereof or any action to recover from the Association damages suffered therefrom. Any failure on the part of the restriction herein contained shall in no event be deemed a waiver of their right to do so thereafter.

The Board shall have exclusive authority from time to time to adopt or amend administrative rules and regulations governing the use, occupancy and control of the Common Elements as more particularly provided in the By-Laws; provided, however that any rules or regulations heretofore adopted governing the use, occupancy or control of the Lake, Detention Area or Retention Area shall not be in violation of applicable zoning or other governmental ordinances or regulations. The Board shall have authority to lease or to grant licenses or concessions with respect to parts of the Common Elements, subject to the provisions of the Condominium Instruments. All income derived from leases, licenses or concessions shall be held and used for the benefit of all Unit Owners.

ARTICLE X
Limited Commons Elements

Each Unit Owner shall be entitled to the exclusive use of all floors, ceilings and stairways located within his Unit and those portions of the Building which form the perimeter of the space comprising his Unit and of the doors, windows, entry-ways, and fixtures and structures which are components thereof. Those walls which form part of the perimeter of more than one Unit shall be used exclusively by the Unit Owners of each of such Units.

Each Unit Owner shall be entitled to the exclusive use of those portions of the Common Elements which are designated on the Plat as Limited Common Elements and are contiguous to his Unit. Such Limited Common Elements shall be legally described by their identifying symbols, as shown on the Plat and every such description shall be deemed good and sufficient for all purposes and shall include for the Unit Owner as a right and benefit appurtenant to this Unit, a grant of a perpetual and exclusive use consisting of the right to use such Limited Common Elements even though not expressly mentioned or described therein.

Each deed, lease, mortgage or other instrument affecting a Unit Ownership shall include the specific Limited Common Elements allocated to the Unit and any such deed, lease, mortgage or other instrument purporting to affect a Unit Ownership without also including the limited Common Elements appurtenant thereto, shall be deemed and taken to include such Limited Common Elements even though not expressly mentioned or described therein.

The use and enjoyment of those Limited Common Elements benefiting and assigned to a single Unit shall be subject to and governed by the provision of the Act, Condominium Instruments and rules and regulations adopted from time to time by the Association or the Board.

Except for balconies and patios, the use of Limited Common Elements may be transferred between Unit Owners at their expense, provided that the transfer may be only in accordance with the Condominium Instruments, the Act and the provisions of this Declaration. Each transfer shall be made by an Amendment to the Declaration executed by all Unit Owners who are parties to the transfer and consented to by all other Unit Owners who have any right to use the Limited Common Elements affected. The amendment shall contain a certificate showing that a copy of the Amendment has been delivered to the Board. The Amendment shall contain a statement from the parties involved in the transfer which sets forth any changes in the parties' proportionate shares. If the parties cannot agree upon a reapportionment of their respective shares, the Board shall decide such reapportionment. No transfer shall become effective until the Amendment has been recorded. Rights and obligations in respect to any Limited Common Element shall not be affected, nor shall any transfer of it be effective, unless a transaction is in compliance with the requirements of this Article.

ARTICLE XI
Common Expenses – Maintenance Fund

(a) Preparation of Estimated Budget. Each year on or before November 1, the Board shall estimate the total amount necessary to pay the cost of wages, materials, insurance, services

and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements, and shall on or before November 15 notify each Unit Owner in writing as to the amount of such estimate, with reasonable itemization thereof, and containing each Unit Owner's respective assessment provided, however, that such annual budget shall be furnished to each Unit Owner at least thirty (30) days prior to its adoption by the Board. The annual budget shall also take into account the net available cash income for the year derived from the operation or use of the Common Elements. Subject to the provisions of Paragraph (j) hereof, said "estimated cash requirement" shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit C attached hereto. On or before January 1 of the ensuing year, and the first 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 the assessments made pursuant to this paragraph. On or before April 1 of each calendar year following the initial meeting, the Board shall supply to all Unit Owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves. Such accounting shall be prepared by a certified public accountant. Any net shortage or excess shall be applied as an adjustment to the installments due under the current year's estimate in the succeeding six (6) months after rendering of the accounting subject, however, to the provisions of Paragraph (b) hereof.

Each Unit Owner shall receive, at least twenty five (25) days prior to the adoption thereof by the Board, a copy of the proposed annual budget together with an indication of which portions are intended for reserves, capital expenditures or repairs or payment of real estate taxes.

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

(b) Reserve for Contingencies and Replacements – Supplemental Budget. The Association shall build up and maintain a reasonable reserve for contingencies and replacements, which reserve shall be segregated and allocated for specific purposes. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year shall be charged first against such portion of the contingency and replacement reserve which remains unallocated. If the "estimated cash requirement" proves inadequate for any reason or in the event a non-recurring Common Expense is anticipated for any year, then the Board may prepare and approve a supplemental budget covering the estimated deficiency or non-recurring expense for the remainder of the year, copies of which supplemental budget shall be furnished to each Unit Owner, and thereupon a 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.

(c) Failure to Prepare Annual Budget. The failure or delay of the Board to prepare or serve the annual or adjusted estimate on the Unit Owner shall not constitute a waiver or release

in any manner of such Unit Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Unit Owner shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the monthly maintenance payment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

(d) Books and Records. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for inspection at the office of the association, if any, by any Unit Owner or any holder of a first mortgage lien on a Unit Ownership, at such reasonable time or times during normal business hours as may be requested by the Unit Owner. 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.

(e) 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 C attached hereto.

(f) User Charges. The Board or Declarant acting pursuant to Article XXIV hereof 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 expenses may include, without limitation, charges for use of facilities located in the Common Elements which should not be reasonably allocated amount all of the Unit Owners in the same manner as Common Expenses and fees for such other services and facilities provided to Unit Owners which should not be reasonably 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, the collected as a part thereof. Nothing herein shall require the establishment of user charges pursuant to this Paragraph (j), and the Board may elect to treat all or any portion thereof Common Expense.

(g) The Association shall have no authority to forebear the payment of assessments by any Unit Owner.

(h) Requirement of Owner Approval. (i) Except as provided in subsection (iv) below, if an adopted budget or any separate assessment by the Board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding one hundred fifteen percent (115%) of the sum of all regular and separate assessments payable during the preceding

fiscal year, the Board, upon written petition by Unit Owners with twenty percent (20%) of the votes of the Association delivered to the Board within twenty-one (21) days of the Board action, shall call a meeting of the Unit Owners within thirty (30) days of the date of delivery of the petition to consider the budget or separate assessment. Unless a majority of the total votes of the Unit Owners are cast at the meeting to reject the budget or separate assessment, it is ratified. (ii) Any Common Expense not set forth in the budget or any increase in assessment over the amount adopted in the budget shall be separately assessed against all Unit Owners. (iii) 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 (i) above or item (iv) below. As used herein, "emergency" means an immediate danger to the structural integrity of the Common Elements or to the life, health, safety or property of the Unit Owners. (iv) Assessments for additions and alterations to the Common Elements or to Association-owned property not included in the adopted annual budget, shall be separately assessed and are subject to approval of two-thirds of the total votes of all Unit Owners. (v) The Board may adopt separate assessments payable over more than one fiscal year. With respect to multi-year assessments not governed by items (iii) and (iv), the entire amount of the multi-year assessment shall be deemed considered and authorized in the first fiscal year in which the assessment is approved.

ARTICLE XII Separate Mortgages

Each Unit Owner shall have the right, subject to the provisions herein, to make a separate mortgage or encumbrance on his Unit and the ownership interest in the Common Elements appurtenant thereto. Except as otherwise provided herein, no Unit Owner shall have the right or authority to make or create or cause to be made or created any mortgage or encumbrance or other lien on or affecting the Property or any part thereof.

ARTICLE XIII Separate Real Estate Taxes

Real estate taxes shall be separately taxed to each Unit Owner for his Unit and the corresponding percentage of ownership in the Common Elements appurtenant thereto, as provided in the Act. In the event that for any year such taxes are not separately taxed to the Unit Owners, but are taxed on the Property as a whole, then each Unit Owner shall pay his proportionate share thereof in accordance with his percentage of ownership in the Common Elements. The Board shall have authority to advance Association funds in payment of all or a portion of such taxes pending receipt from the Unit Owners of their proportionate shares thereof.

ARTICLE XIV Insurance

(a) The Board shall have the authority to and shall obtain insurance for the Property as follows:

(1) Property Insurance. Property insurance (a) on the common elements and the units, including the limited common elements and except as otherwise determined by the Board, the bare walls, floors, and ceilings of the unit; (b) providing coverage for special form causes of loss, and; (c) in a total amount of not less than the full insurable replacement cost of the insured property, less deductibles, but including coverage for the increased costs of construction due to building code requirements, at the time the insurance is purchased and at each renewal date.

(2) 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 (if any), and their respective employees and agents and all persons acting as agents. The Unit Owners must be included as additional insured parties, but only for claims and liabilities arising in connection with the Ownership, existence, use or management of the Common Elements. The insurance must cover claims of one or more insured parties against other insured parties.

(3) Fidelity Bond; Directors and Officers Coverage.

(A) The Association must 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.

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

(4) Contiguous Units; Improvements and Betterments. The insurance maintained by the Association must include the Units, the Limited Common Elements except as otherwise determined by the Board, and the Common Elements. The insurance need not cover improvements and betterments to the units installed by Unit Owners, but if improvements and betterments are covered, any increased cost may be assessed by the Association against the Units affected.

Common Elements include fixtures located within the unfinished interior surfaces of the perimeter walls, floors and ceilings of the individual Units initially installed by the developer. Common Elements exclude floor, wall and ceiling coverings. "Improvements and betterments" means all decorating, fixtures and furnishings installed or added to and located within the boundaries of the Unit, including electrical fixtures, appliances, air conditioning and heating equipment, water heaters or built-in cabinets installed by Unit Owners.

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

(6) Insured Parties; Waiver of Subrogation. Insurance policies carried pursuant to subparagraphs (a) and (b) must include each of the following provisions.

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

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

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

(7) Primary Insurance. 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.

(8) Adjustment of Losses; Distribution of Proceeds. Any loss covered by the property policy 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 completed repaired or restored or the Association has been terminated as Trustee.

(9) Certificates of Insurance. Contractors and vendors (except public utilities) doing business with the Association under contracts exceeding \$10,000.00 per year must provide certificates of insurance naming the Association, the Board and the managing agent (if any) as additional insured parties.

(10) Settlement of Claims. Any insurer defending a liability claim against the Association must notify the Association of the terms of the settlement no less than ten (10) days before settling the claim. The Association may not veto the settlement unless otherwise provided by contract or statute.

(11) Such workman's compensation insurance as may be necessary to comply with applicable laws.

(12) Employer's liability insurance in such amount as the Board shall deem desirable.

(13) In the event that the Secretary of Housing and Urban Development or any local governmental body or bodies shall determine from time to time that the Property is situated in a flood plain or is subject to special flooding hazards, flood insurance in such amounts as the Board shall deem desirable.

(14) Such other insurance (including insurance with respect to officers' and directors' liability) in such reasonable amounts as the Board shall deem desirable.

The premiums for the above-described insurance shall be Common Expenses.

(b) All insurance provided for in this Article XIV shall be effected under valid and enforceable policies issued by insurers of recognized responsibility authorized to do business in the State of Illinois.

(c) All policies of insurance of the character described in subparagraphs (1) and (2) of Paragraph (a) of this Article XIV: (i) Declarant so long as it has an insurable interest in the Property, and the Board as trustees for the Unit Owners in the percentages established in Exhibit C to this Declaration; (ii) shall be without contribution as respects other policies of insurance carried individually by the Unit Owners whether such other insurance covers their respective Units or the additions and improvements made by the Unit Owners to their respective Units; (iii) 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 (iv) shall contain an endorsement to the effect that such policy shall not be terminated for non-payment of premiums without at least thirty (30) days' prior written notice to the first mortgage lienholders of each Unit. Policies of insurance of the character described in subparagraph (1) of Paragraph (a) hereof 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 in subparagraphs (1) and (2) of Paragraph (a) hereof, 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.

(d) All policies of insurance of the character described in subparagraphs (3), (4), (5), (6), and (7) of Paragraph (a) of this Article XIV shall name as named insureds each Unit Owner and their spouses individually and severally, and the Association, Board and its managing agent, and the other agents and employees of the Association, Board managing agent so long as they have an insurable interest in the Property. In addition, all policies of insurance of the character described in subparagraphs (1) of Paragraph (a) hereof shall contain an endorsement or clause

whereby the insurer waives any right to be subrogated to any claim against the Association, its offices, members of the Board, the managing agent, their respective employees and agents and the Unit owners and occupants and shall cover claims of one or more insured parties against other insured parties.

(e) The Association, for the benefit of the Unit Owners and the mortgagee of each Unit, shall pay the premiums on the policies of insurance described in Paragraph (a) hereof at least thirty (30) days prior to the expiration dates of the respective policies.

(f) The loss, if any, under any policies of insurance of the character described in subparagraphs (1) and (2) of Paragraph (a) of this Article XIV, shall be payable, and the insurance proceeds paid, on account of any such loss shall be applied and disbursed to the Board or to any bank or trust company authorized to accept and execute trusts in the State of Illinois and which may have been designated by the Board to act as trustee for the Board pursuant to the act for the purpose of collecting and disbursing insurance proceeds (the "Insurance Trustee"). Such proceeds, less the actual costs, fees and expenses, if any, incurred in connection with the adjustment of the loss, and the fees of the Insurance Trustee, if any, shall be applied by the Board or the Insurance Trustee to the payment of the cost of restoring the Property to substantially the same condition in which 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. The proceeds shall be paid by the Board or 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. The 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 the proceeds of insurance by the Insurance Trustee.

(g) Each Unit Owner shall be responsible for insurance on the contents of his Unit and the furnishings and personal property therein, his personal property stored elsewhere on the Property, and any personal liability to the extent not covered by the policies of liability insurance obtained by the Board for the benefit of all Unit Owners as above provided. All policies of casualty insurance carried by a unit Owner shall be without contribution as respects the policies of casualty insurance obtained by the Board for the benefit of all Unit Owners as above provided.

(h) Each Unit Owner shall be required to report all additions or alterations to his Unit promptly in writing to the Board, without prior request from the Board or the managing agent, if any, and to reimburse the Board for any additional insurance premiums attributable thereto. A Unit Owner shall be responsible for any deficiency in insurance loss recovery resulting from his failure to so notify the Board. The Board shall not be responsible for obtaining insurance on any additions, alterations or improvements unless and until the Unit Owner shall make such report and request the Board in writing to obtain such insurance, and shall make arrangements satisfactory to the Board for additional premiums, if any, and upon the failure of a Unit Owner to do so, the Board shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements. "Additions" or "alterations" shall mean property attached to the

Unit and not readily removable without damage to the Unit. The insurance coverage described in this Paragraph (h) shall not be deemed to include personal property which is owned by the Unit Owner and not attached to the Unit.

(i) Each unit Owner hereby waives and releases any and all claims which he may have against any other Unit Owner, the Association, its officers, members of the Board, Declarant, the manager and managing agent of the Property, if any, and their respective employees and agents, for any damage to the Common Elements, the Units or to any personal property located in the Unit or Common Elements caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance.

(j) Any insurance premiums assessed on a basis reflecting increased charges for coverage on certain Units shall be assessed to such Unit.

(k) Cancellation of Insurance. No insurance required under Paragraph (a) hereof may be cancelled, including cancellation for nonpayment of premiums or substantially modified without at least thirty (30) days prior written notice to all named insures thereunder.

ARTICLE XV
Damage, Destruction,
Condominium and Restoration of Building

(a) 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 of insurance against such loss or damage, and payable by reason thereof, shall be sufficient to pay the cost of repair or restoration or reconstruction, then such repair, restoration or reconstruction shall be undertaken and the insurance proceeds 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 or to withdraw all or a part of the Property from the provisions of the Act, then such repair, restoration or reconstruction shall not be undertaken.

(b) Insufficient Insurance. In the event the Property, or any part thereof, shall be insufficient to pay the cost of repair, restoration or reconstruction, or the Property is not insured against the peril causing the loss or damage, and the Unit Owners and all other parties in interest do not voluntarily make provision for reconstruction, repair or restoration within one hundred eighty (180) days after said damage or destruction, then the provisions of the Act in such event shall apply; provided, however, that if only a portion of the Property is withdrawn from the provisions of the Act and said portion contains one (1) or more Units, the net proceeds of any insurance policies payable by reason of such damage or destruction shall be divided among the Unit Owners directly affected thereby according to each Unit Owner's thus affected the amount of any unpaid liens on such Units, in the order of priority of such liens. The Unit Owner of a Unit which is removed in part or in whole from the provisions of this Declaration shall be liable for the payment of assessments based on the percentage of interest in the Common Elements, if any, thereafter allocated to the Unit. Notwithstanding the foregoing, if such damage or

destruction renders uninhabitable fewer than one-half (1/2) of the Units, then, upon the affirmative vote and not fewer than three-fourth (3/4) of the Unit Owners voting at a meeting called for that purpose, the Board shall cause the Property or any affected part thereof to be repaired and reconstructed. Such 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 damage or destruction. At such meeting, the Board, or its representative, shall present an estimate of the cost of repair or reconstruction and the estimated amount of necessary separate assessments to be levied against each Unit Owner.

(c) Condemnation.

(1) If any Common Elements are subject to a taking or condemnation by competent authority, the Association shall, if necessary, restore the remaining Common Elements to conform as closely as possible to the general design, structure and materials used with respect to the Common Elements as they existed prior to the taking or condemnation. Any proceeds or awards made to the Association in connection with any such taking or condemnation shall be applied first to the cost of any restoration and any remaining portion of such proceeds or awards shall be, in the discretion of the Board, either (i) applied to pay the Common Expenses or (ii) distributed to the Unit Owners and their respective first mortgagees, as their interests may appear, based on their current percentage of interest in the Common Elements. Any proceeds available from a taking or condemnation of any Limited Common Elements shall be divided among the Unit Owners directly affected thereby in accordance with their respective percentages of interest in the Common Elements.

(2) In the case of a taking or condemnation by competent authority of a portion of the property which contains one (1) or more Units, the proceeds or awards made available in connection with any such taking or condemnation shall be divided among the Unit Owners directly affected thereby according to each Unit Owner's percentage of interest in the Common Elements as set forth in Exhibit C attached hereto, after paying out of the share of the Unit Owners thus affected the amount of any unpaid liens on the Units, in the order of priority of such liens. In the event that part or all of one or more Units is taken or condemned, then the portions so taken or condemned shall be deemed to have been removed from the provisions of the Declaration and the Act and the court which has jurisdiction of the action shall adjust the percentage of interest in the Common Elements of the remaining Units in a just and equitable manner and as provided under the Act, and if the court fails to make such adjustment, such adjustment may be made by the Board. The President and Secretary of the Association shall execute and record an instrument on behalf of the Association as required by the Act which amends this Declaration, effective as of the effective date of the taking or condemnation, to reflect the removal of property and adjustments, if any, in the percentage of interest in the Common Elements as a result of an occurrence covered by this subparagraph (2) of Paragraph (c). From and after the effective date of the amendment referred to in the preceding sentence, the Unit Owner of a Unit which is removed in part or in whole from the provisions of this Declaration shall only be liable for the payment of assessments based on the percentage of interest in the Common Elements, if any, allocated to the Unit in the amendment.

(d) 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 the Common Elements having the same vertical and horizontal boundaries as before.

ARTICLE XVI Sale of the Property

At a meeting duly called for such purpose, the Unit Owners by affirmative vote of at least seventy-five percent (75%) of the total vote of the voting members of the Association, may elect to sell the Property as a whole. Within ten (10) days after the date of the meeting at which such sale was approved, the Board shall give written notice of such action to the holder of any duly recorded mortgage or trust deed against any such Unit entitled to notice under Article XXX of this Declaration. 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; provided, however, that any Unit Owner who did not vote in favor of such action and who has filed written objection thereto with the Board within twenty (20) days after the date of the meeting at which such sale was approved shall be entitled to receive from the proceeds of such sale an amount equivalent to the value of his interest, as determined by an appraisal, less the amount of any unpaid assessments or charges due and owing from such Unit Owner. In the absence of agreement on an appraiser, such Unit Owner and the Board may each select a qualified appraiser, experienced in the appraisal of condominium units in Lake County, Illinois, and the two (2) so selected, shall select a third appraiser, experienced in the appraisal of condominium units in Lake County, Illinois, and the fair market value, as determined by a majority of the three (3) so selected, shall control. If either party shall fail to select an appraiser, then the one designated by the other party shall make the appraisal.

ARTICLE XVII Maintenance, Repairs, and Replacements

(a) By the Association. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of those portions, if any, of each Unit which contribute to the support of the Building excluding, however, interior wall, ceiling and floor surfaces. Maintenance of the exterior of the Building, including all painting thereof, shall be provided by the Association as part of the Common Expenses. In addition, the Association shall maintain, repair and replace all conduits, ducts, plumbing, wiring and other facilities for the furnishings of utility services which may be located within the Unit boundaries, 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 (except as otherwise specifically provided herein) shall be furnished by the Association as part of the Common Expenses, subject to the By-Laws or rules and regulations of the Association. The Association shall furnish, as part of the Common Expenses, all landscaping and snow removal in connection with the Common Elements, including the Limited Common Elements assigned to

the respective Units. Each Unit Owner shall cooperate with the Association in the performance of the landscaping and snow removal of the limited Common Elements and shall not make, place, or install on said Limited Common Elements any impediments or obstructions thereto. Scavenger service shall be provided by the Association as part of the Common Expenses.

Notwithstanding anything to the contrary contained in Paragraph (b) of this Article XVII, any maintenance, repair, or replacement of driveways which are assigned as Limited Common Elements hereunder shall be deemed a Common Expense; provided, however, that if the Board, in its sole and exclusive discretion, determines that any maintenance, repair or replacement is necessitated by the misfeasance, culpable nonfeasance or extraordinary use of a Unit Owner benefitted thereby, the Board may direct such Unit Owner to perform and maintenance, repair or replacement and to pay the cost thereof and to otherwise comply with the duties imposed by Paragraph (b) of this Article XVII.

(b) By the Unit Owner. Except as otherwise provided in Paragraph (a) above, 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 and of the doors adjacent to his Unit, including the repair, maintenance and replacement of all door and window locks and hardware, and the maintenance repair and replacement of windows and frames and screens appurtenant thereto, and all internal installations of such Unit such as refrigerators, ranges, and other kitchen appliances, lighting fixtures and other electrical fixtures and plumbing fixtures or installations, and any portion of any other utility service facilities located within the Unit boundaries and individual heating, cooling, and ventilating system or equipment situated entirely within the Unit and servicing only such Unit; provided, however, that such maintenance, repairs and replacements as may be required for the bringing of water, gas and electricity to the Units shall be furnished by the Association as part of the Common Expenses, and provided further that the Board or the Association may provide, by its rules and regulations as may be imposed from time to time, for ordinary maintenance and minor repairs and replacements to be furnished to Units and appliances therein by Building personnel as a Common Expense or as user charges pursuant to Article XI hereof.

(2) Except as otherwise provided in Paragraph (a) of this Article XVII, all of the maintenance, repair and replacements of the Limited Common Elements benefiting his Unit, in whole or in part, to the extent determined by the Board shall be performed by the respective Unit Owner. At the direction of the Board, the Association 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 the Unit Owners benefitted thereby, and further, at the discretion of the Board, the Association 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 Owners, 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 materialmen's lien claims that may arise therefrom.

(c) Nature of Obligations. Nothing herein contained shall be construed to impose a contractual liability upon the Association's liability shall be limited to damage 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 (such as repair of the Common Elements) 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.

(d) Negligence of Unit Owner. If, due to the 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 the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be at the Common Expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements as may be determined by the Board.

(e) 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 Owners shall be subject to the rules and regulations so of the Association as may be imposed from time to time. The authorized representatives of the Association or the Board or of the manager or managing agent of the Property, if any, shall be entitled to reasonable access to the individual Units as may be required in connection with 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.

(f) Master Television Antenna System. Each Unit has been equipped with at least one outlet activated for connection to the master television antenna system serving the Building, which outlet and systems are integral parts of the Common Elements. Additional outlets for connection to the master television antenna system are obtainable only from the Association and may be installed only by the firm or individual authorized by the Board or Association to make such installation, with the prior approval of the Board or the Association and the payment of any required additional fees. Unit Owners are prohibited from making any modifications to or tampering with said outlet and from making any connections to the master television antenna system. The Board or the Association may charge any Unit Owner with the cost of locating and removing any unauthorized connections thereto and of repairing any modifications thereto.

ARTICLE XVIII Alterations, Additions or Improvements

No alterations of any Common Elements, or any additions or improvements thereto, shall be made by a Unit Owner without the prior written approval of the Board. The Board may authorize and charge the Unit Owner(s) benefited thereby alterations and improvements of, and

additions to the Common Elements; provided, however, that all capital expenditures shall be subject to the limitations herein contained. A Unit Owner may make alterations, additions or improvements within his Unit which do not affect the Common Elements without the prior written approval of the Board, but the Unit Owner shall be responsible for any damage to the other Units, the Common Elements or the Property resulting therefrom.

ARTICLE XXIX Decorating and Furnishings

Each Unit Owner, at his own expense, shall furnish and be responsible for all decorating and furnishings within his Unit, including painting, wallpapering or other wall covering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, light fixtures and other furnishings and interior decorating. Each Unit Owner shall be responsible for the maintenance of the interior surfaces of all perimeter walls of his Unit and the surfaces of all floors, ceilings and stairways therein. Window coverings, whether by draperies, shades or other items visible on the exterior of the Building, shall be subject to the rules and regulations of the Board. Decorating of the Common Elements and any redecorating of units to the extent made necessary by any damage caused by maintenance, repair or replacement of the Common Elements shall be furnished by the Board as part of the Common Expenses. The interior and exterior surfaces of all windows forming part of a perimeter wall of a Unit shall be cleaned or washed at the expense of the Unit Owner.

ARTICLE XX Encroachments & Easements

(a) In the event that by reason of the construction, reconstruction, settlement, or shifting of any Building or the design or construction of any Unit, any part of the Common Elements encroaches or shall hereafter encroach upon any part of the Common Elements or any portion of a Unit encroaches upon any part of the Common Elements or any portion of a Unit encroaches upon any part of any other Unit, valid easements for the maintenance of such encroachments are hereby established and shall exist for the benefit of such Unit or Common Elements so encroaching so long as all or any part of the Building containing such Unit or Common Elements so encroaching shall remain standing; provided, however, that in no event shall a valid easement for any encroachment be created in favor of any, Unit Owner or in favor of the owners of the Common Elements if such encroachment occurred due to the willful or negligent conduct of said Unit Owner or Unit Owners or their agents, servants or employees.

(b) Easements are hereby declared and granted for utility purposes, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, and electrical conduits, wires and equipment over, under, along and on any part of the Common Elements, as they exist on the date of the Recording hereof.

(c) Easements are hereby declared and granted for the benefit of Declarant, its employees, servants and agents, for ingress and egress over and upon the Common Elements (including the Limited Common Elements) described hereunder for the purposes of laying foundation and otherwise constructing the Units and for the landscaping of the Common

Elements and the Limited Common Elements appurtenant to the Units; provided, however, that the easements herein described shall terminate no later than sixty (60) days after completion by the Declarant of the construction of all Units within the Property and any property added to the Property pursuant to Article XXII hereof and all landscaping of the Common Elements and the Limited Common Elements appurtenance to the Units now or hereafter constructed pursuant to this Declaration.

(d) Easements are hereby declared and granted for the benefit of Lake County, Illinois, or other governmental body, for ingress and egress over and upon the Common Elements, including the Limited Common Elements, described hereunder for (i) the purposes set forth in Article IX hereof and (ii) the furnishing of governmental services to the Property and the Unit Owners, including, but not limited to, fire, police, medical and water and sewer services.

(e) All easements and rights described herein are easements appurtenant, running with the land, and shall inure to the benefit of and be binding on the Declarant, its successors and assigns, and any Unit Owner, purchaser, mortgagee or other person having an interest in said land, or any part or portion thereof.

(f) Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence or obligation, to the easements and rights described in this Declaration, shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of such parcels as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

ARTICLE XXI

Covenants and Restrictions as to Use and Occupancy

The Units and Common Element shall be owned, occupied and used subject to the following covenants and restriction:

(1) General Use. No part of the Property shall be used for other than housing and related common purposes for which the Property was designed. Each Unit or any two or more adjoining Units used together shall be used as a residence for a single family and for associated parking purposes or such other uses permitted by this Declaration and for no other purpose. That part of the Common Elements separating any two or more adjoining Units used together as aforesaid may be altered to afford ingress and egress to and from such adjoining Units in such manner and upon such conditions as shall be determined by the Board in writing.

(2) Obstruction of Common Elements and Unit Maintenance. There shall be no obstruction of Common Elements nor shall anything be stored in the Common Elements without prior consent of the Board except as herein expressly provided. Each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit.

(3) Prohibited Use. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Building or contents thereof, applicable for residential use, without the prior written consent of the Board. 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. No waste shall be committed in the Common Elements. No Unit Owner shall overload the electric wiring in the Building, or operate any 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.

(4) Unit Owner's Insurance. Each Unit Owner shall be responsible for his own insurance on his personal property in his own Unit, his personal property stored elsewhere on the Property and his personal liability to the extent not covered by the liability insurance for all the Unit Owners obtained by the Board as hereinbefore provided.

(5) Exterior Attachments. Unit Owners shall not cause or permit anything to be placed on the outside walls of the Building and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior written consent of the Board.

(6) Window Treatment. The use and the covering of the interior surfaces of the glass windows or doors appurtenant to the Units of the Building, whether by draperies, shades or other items visible from the exterior of the Building shall be subject to the rules and regulations of the Board and in any event may not be done without the prior written consent of the Board.

(7) Pets. No animals, reptiles, rabbits, livestock, fowl, or poultry of any kind shall be raised, bred or kept in any Unit or in the Common Elements, except that dogs, cats, or other household pets may be kept in Units, subject to rules and regulations adopted by the Board, provided that they are not kept, bred or maintained for any commercial purpose, and provided further that any such 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. Notwithstanding anything to the contrary contained herein, no more than two (2) pets of the same species may be kept in a Unit and provided further that not more than three (3) pets in all may be kept in a Unit.

(8) Nuisances. No noxious 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.

(9) Unsightliness. No clothes, sheets, blankets, laundry or any kind of other articles shall be hung out or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(10) Personal Effects. There shall be no playing, lounging, parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches or chairs on any part of the

Common Elements except the Limited Common Elements or such portions of the Common Elements as are designated from time to time by the Board.

(11) Commercial Activities. Except as otherwise provided herein, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designated for profit, altruism, exploration, or otherwise, shall be conducted, maintained or permitted in any Unit.

(12) For Sale and for Rent Signs. No “For Sale” or “For Rent” signs, advertising or other displays shall be maintained or permitted on any part of the Property except at such location and in such form as shall be determined by the Board; together with the right of ingress, egress and transient parking therefore through the Common Elements.

(13) Common Elements. Nothing shall be altered on constructed in or removed from the Common Elements, without the prior written consent of the Board.

(14) Exceptions. Nothing herein contained shall be construed in such a manner as to prohibit a Unit Owner from: (i) maintaining his professional library therein; (ii) keeping his personal business or professional records or accounts therein; or (iii) handling his personal business or professional declared customarily incident to the principal residential use and not in violation thereof.

(15) Leases of Units. If a Unit Owner leases a Unit, a copy of such lease shall be furnished to the Board within ten (10) days after execution or prior to occupancy by the Tenant. The Lessee under each such Lease shall be bound by and shall be subject to all of the non-monetary obligations of the Unit-Owner-Lessor under the Condominium Instruments and each such lease shall expressly so provide. The Unit Owner-Lessor shall not be relieved thereby from any of said obligations. No Unit Owner may lease his Unit for a period of less than 6 months or for hotel or transient purposes. The Board may impose reasonable rules upon the leasing of Units.

(16) Satellite Dishes. In order to keep the aesthetic appearance of the Park East Townhome Condominium Association in a good and orderly manner, the Board has adopted the following Rules and Regulations:

(A) Any owner interested in installing a satellite dish one meter or less in diameter should notify the Board and obtain instructions for installation within seven (7) days from the date of installation. Satellite dishes greater than one (1) meter in diameter are prohibited.

(B) Satellite dishes may only be installed on portions of property within the owner’s exclusive use or control. Any deviations must be approved by the Board of Directors prior to the installation of the satellite dish.

(C) No more than one (1) antenna of each provider may be installed.

(17) Flags. Unit Owners are permitted to display American Flags and Military Flags on their Unit or the Common Elements immediately adjacent to their unit subject to the Rules and Regulations of the Board. An American Flag shall be defined as a flag made of fabric, cloth, or paper displayed from a staff or flagpole or in a window. An American Flag shall not include a depiction or emblem of the American flag made of lights, paint, or roofing, siding, or paving material, flora or balloons, or any other similar building, landscaping, or decorative component.

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

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

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

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

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

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

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

ARTICLE XXII Records of the Association

(a) The Board shall keep and maintain the following records or true and complete copies of these records, at the association's principal office:

(1) The Association's Declaration, Bylaws, and plats of survey, and all amendments of these;

(2) The rules and regulations of the Association, if any;

(3) 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 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 members entitled to vote;

(8) Ballots and proxies related to ballots for all matters voted on by the members of the Association during the immediately preceding twelve (12) months, including but not limited to the election of members of the Board; 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 member of the Association shall have the right to inspect, examine, and make copies of the records described in subparagraphs (1), (2), (3), (4), and (5) of Paragraph (a) above, in person or by agent, at any reasonable time or times, at the Association's principal office. In order to exercise this right, a member must submit a written request to the Association's Board or its authorized agent, stating with particularity the records sought to be examined.

(c) Except as otherwise provided in this Article, any member of an association shall have the right to inspect, examine, and make copies of the records described in subparagraphs (6), (7), (8), and (9) of Paragraph (a) above, in person or by agent, at any reasonable time or times but only for a proper purpose, at the Association's principal office. In order to exercise this right, a member must submit a written request, to the Association's Board or its authorized agent, stating with particularity the records sought to be examined and a proper purpose for the request.

(d) The actual cost to the Association of retrieving and making requested records available for inspection and examination under this Article shall be charged by the Association to the requesting member. If a member 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 member.

(e) Notwithstanding the provisions of this Article, unless otherwise directed by court order, the following records are not available to inspection, examination, or copying by members:

(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 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 in a court or administrative tribunal;

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

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

ARTICLE XXII

Remedies

(a) Abatement and Enjoyment. The violation of any restriction or condition or regulation adopted by the Board, or the breach of any covenant or provision herein contained, shall give the Board the right, upon not less than then (10) days notice:

(1) To enter upon that part of the Property where such violation or breach exists and summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, 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 appropriate legal proceedings, either at law or in equity, the continuance of any breach.

All expenses of the Board in connection with such actions or proceedings, including court costs and attorneys' fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the maximum rate permitted by the laws of the State of Illinois until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the Common Expenses, and the Board shall have a lien for all of the same upon the Unit Ownership of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property. Any and all of such rights and remedies may be exercised at any time and from time to time cumulatively or otherwise, by the Board. In addition, any aggrieved Unit Owner shall have the same rights and remedies as the Board hereunder in connection with any such violation.

(b) Involuntary Sale. If any Unit Owner (either by his own conduct or any other occupant of his Unit) shall violate any of the covenants or restrictions or provisions of this

Declaration or the regulations adopted by the Board, and such violation shall continue thirty (30) days after notice in writing from the Board, or shall reoccur more than once after such notice, then 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 and thereupon an action in equity may be filed by the members of the Board against the defaulting Unit Owner for a decree of mandatory injunction against the Unit Owner or occupant, or in the alternative, a decree declaring the termination of the defaulting Unit Owner's right to occupy, use or control the Unit owned by him on account of the breach of any covenant therein contained and ordering that the right, title and interest of the Unit Owner in the Property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and terms as the court shall establish, except that the occur shall enjoin and restrain the defaulting Unit Owner from reacquiring his interest in the Property at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sake, 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 hereunder or any liens, shall be paid to the Unit Owner. Upon confirmation of such sale, the Purchaser thereof shall thereupon 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 possession, and it shall be a condition of any sale, and the decree shall provide, that the Purchaser shall take the interest in the Property sold subject to this Declaration.

ARTICLE XXIV Notices

(a) Notice to Mortgagees. Upon written request to the Board, the holder of any duly recorded mortgage or trust deed against a Unit Ownership shall be given a copy of any and all notices permitted or required by this Declaration to be given to a Unit Owner.

(b) Manner of Giving Notices. Notices provided for in this Declaration and in the Act shall be in writing and shall be addressed to the Board or Association, or any Unit Owner, as the case may be, or at such other address as herein provided. 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 or at the door of his Unit.

(c) 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.

ARTICLE XXVI
Conveyance

Each owner and each subsequent grantee by the acceptance of a deed of conveyance, and each purchaser under Articles of Agreement for Deed and each tenant under a lease for a Unit, 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.

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.

ARTICLE XXVII
Change, Modification or Rescission

The provisions of this Declaration may be changed, modification or rescission, signed and acknowledged by the Board and the Unit Owners having at least seventy-five (75%) of the total vote. The change, modification or rescission shall be effective upon Recordation of such instrument, provided, however, that no such change, modification or rescission shall change the boundaries of any Unit, the allocation of percentages of ownership in the Common Elements and votes in the association, quorum and voting requirements for action by the Association, or liability for Common Expenses assessed against any Unit, except to the extent authorized by other provisions of this Declaration and the Act.

Any such amendment shall not affect or impair any warranties made by a first mortgagee of a Unit to any governmental agency to purchase or insure the first mortgage on a Unit.

ARTICLE XXVIII
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 (i) the rule against perpetuities or some analogous statutory provisions, (ii) the rule restricting restraints on alienation, or (iii) 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 James Earl Carter, Jr., President of the United States and James R. Thompson, Governor of the State of Illinois.

ARTICLE XXIX
General Provisions

(a) Liberal Construction. 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 community.

(b) Ownership by Land Trustee. In the event title to any Unit Ownership is conveyed to a land title hold 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 and shall be deemed to be the Unit Owner as that term is used herein. No claim shall be made 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.

(c) Gender. In construing the Condominium Instruments, the singular shall be taken to include the plural, and the masculine to denote the feminine wherever appropriate.

(d) Covenants Running With the Land. All covenants described herein are covenants running with the land, and so long as the Property is subject to the provisions of the Declaration, shall remain in full force and effect.

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

(f) A Unit Owner may not assign, delegate, transfer, surrender, or avoid the duties, responsibilities, and liabilities of a Unit Owner under the Act, the condominium instruments, or rules and regulations of the Association; and such an attempted assignment, delegation, transfer, surrender, or avoidance shall be deemed void."

(g) The provisions of the Condominium Property Act, the Declaration, By-Laws, other condominium instruments 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 and shall be deemed to be incorporated in any lease executed or renewed on or after August 30, 1984. With regard to any lease entered into subsequent to August 10, 1990, the Unit Owner leasing the Unit shall deliver a copy of the signed lease to the Board or if the lease is oral, a memorandum of the lease, not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first. In addition to any other remedies, by filing an action jointly against the tenant and the Unit Owner, the Association may seek to enjoin a tenant from occupying a Unit or seek to

evict a tenant under the provisions of Article IX of the Code of Civil Procedure for failure of the lessor-owner to comply with the leasing requirements prescribed by the Act or by the Declaration, Bylaws, and rules and regulations. 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 other breach by a tenant of any covenants, rules, regulations or By-Laws."

(h) In the event of any default by any Unit Owner, his tenant, invitee or guest in the performance of his obligations under the Illinois Condominium Property Act or under the Declaration, By-Laws, or the Rules and Regulations of the Board, the Board or its agents shall have such rights and remedies as provided in the Illinois Condominium Property Act or Declaration or By-Laws including the right to maintain an action for possession against such defaulting Unit Owner or his tenant for the benefit of all the Unit Owners in the manner prescribed by Article IX of the Code of Civil Procedure. Any attorneys' fees incurred by the Association arising out of a default by any Unit Owner, his tenant, invitee or guest in the performance of any of the provisions of the Declaration, By-Laws, rules and regulations or any applicable statute or ordinance shall be added to, and deemed a part of, his respective share of the Common Expense.

(i) Any notice required to be sent or received or signature, vote, consent, or approval required to be obtained under any condominium instrument or any provision of the Act may be accomplished using Acceptable Technological Means. The Association, Unit Owners, and other persons entitled to occupy a Unit may perform any obligation or exercise any right under any condominium instrument or any provision of the Act by use of Acceptable Technological Means. A signature transmitted by Acceptable Technological Means satisfies any requirement for a signature under any condominium instrument or any provision of the Act. Voting on, consent to, and approval of any matter under any condominium instrument or any provision of the Act may be accomplished by any Acceptable Technological Means, provided that a record is created as evidence thereof and maintained as long as the record would be required to be maintained in non-electronic form. Subject to other provisions of law, no action required or permitted by any condominium instrument or any provision of the Act need be acknowledged before a notary public if the identity and signature of the signatory can otherwise be authenticated to the satisfaction of the Board of Directors or Board. If any person does not provide written authorization to conduct business using Acceptable Technological Means, the Association shall, at its expense, conduct business with the person without the use of Acceptable Technological Means.

ARTICLE XXX Rights of the Notices to First Mortgagees

(a) Any provisions of the within Declaration or of the By-Laws to the contrary notwithstanding, the following provisions are hereinafter set forth which require, in certain circumstances, the consent or approval of the Department of Housing and Urban Development, which includes the Federal Housing Administration (FHA) or the Veterans Administration (VA). Such provisions have been incorporated to meet the requirements of said agencies in the event mortgage financing assistance from either or both of the said agencies is sought by the Declarant or a Unit Owner. Each such provision shall be applicable and effective only with respect to

whichever of the said agencies (if either) has conditionally committed to insure or guarantee mortgages or provide mortgage financing with respect to any Units, and then only with respect to such Units covered by such commitment or financing.

(1) FHA/VA Approval. If any prospective Unit Owner applies for FHA or VA mortgage financing and receives a commitment therefore, the following actions will require approval of the FHA and/or the VA as applicable: Addition of the Add-On Property or any portion thereof, dedication of Common Elements and amendment of this Declaration.

(2) The following actions will require notice to all institutional holders of first mortgage liens: (i) abandonment or termination of the Association; (ii) material amendment to the Declaration, or Articles of Incorporation; and (iii) termination by the Association of professional management and assumption of self-management by the Association.

(3) Upon the request of any first mortgagee of a Unit, the Association shall furnish to the mortgagee a written notice of any default by the Unit Owner of such Unit in the performance of the Unit Owner's obligations under the within Declaration or the By-Laws or Association rules or regulations which is not cured within thirty (30) days. Any first mortgagee of a Unit who comes into possession of a Unit pursuant to the remedies provided in the mortgage, a foreclosure of the mortgage, or deed (or assignment) in lieu of foreclosure, shall take such property free of any claims for unpaid assessments or charges in favor of the Association against the mortgaged dwelling which accrued prior to the time such holder comes into possession of the Unit.

(4) Unless at least seventy-five (75%) of the first mortgagees (based upon one vote for each mortgage) have given their prior written approval, neither the Association nor the Owners shall be entitled to:

(A) By the act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements or any portion thereof or interest therein; (the granting of easements for public utilities or other public purposes consistent with the intended use of such property shall not be deemed a transfer within the meaning of this clause).

(B) Change the method of determining the obligations, assessments, dues or other charges which may be levied against a Unit Owner by the Association;

(C) By act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design of the exterior appearance of the Units or maintenance of the Units;

(D) Fail to maintain fire and extended coverage insurance on insurable property comprising a part of the Common Elements on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement costs);

(E) Use hazard insurance proceeds for losses to any improvements comprising a part of the Common Elements for other than the repair, replacement or reconstruction of such improvements.

If a mortgage on a Unit is then held by either Federal National Mortgage Association (FNMA) or Federal Home Loan Mortgage Corporation (FHLMC), notwithstanding the approval of other mortgagees, each of the foregoing acts as set forth in subparagraphs (1) through (4) (e) above shall require the approval of whichever of the said FNMA and FHLMC is a mortgagee.

(5) Each first mortgagee of a Unit shall have the right to examine the books and records of the Association during normal business hours. The first mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Elements or any portion thereof, and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such property, and first mortgagees making such payments shall be owed immediate reimbursement therefore from the Association. The Association shall have the authority to enter into an agreement reflecting the provisions of the within subparagraph in such form as may reasonably be required by such mortgagees, and in the absence of any such agreement, the provisions of the within subparagraph shall be deemed to be the agreement of the Association and binding upon it in favor of all such mortgagees.

(6) Institutional holders of first mortgages shall, in addition, upon request have the right: (i) to receive an annual financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association; and (ii) to receive written notice of all meetings of the Association and to designate a representative to attend all such meetings. Any right given by a Unit Owner to any third person to purchase a Unit before it is offered for sale or sold to any other person (commonly known as right of first refusal) shall not be binding upon or enforceable against any institutional holder of a first mortgage acquiring such Unit pursuant to the exercise of remedies provided for in the mortgage.

(7) In the event of: (i) damage or destruction of any Common Elements or facilities, the cost of repair of which exceeds Ten Thousand and No/100 Dollars (\$10,000.00); or (ii) the Common Elements or facilities becoming the subject of any condemnation or eminent domain proceeding, the Association shall give timely written notice of same to all institutional holders of first mortgage liens.

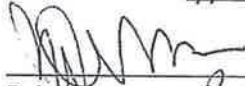
(8) No provision of the within Declaration or Articles of Incorporation of the Association, or any similar instrument pertaining to the Property or the Units shall be deemed to give a Unit Owner or any other party priority over any rights of bona fide first mortgagees of Units pursuant to their mortgages in the case of a distribution to Unit Owners of insurance proceeds condemnation awards for losses to or taking of the Common Elements or any portion thereof or interest therein.

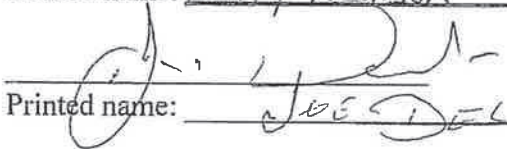
(9) There shall be included in each annual assessment levied by the Association an amount sufficient to establish an adequate reserve fund for the replacement of the improvements comprising a part of the Common Elements.

BOARD MEMBER SIGNATURE PAGE

We, the undersigned, constitute at least two-thirds (2/3) of the members of the Board of the Park East Townhome Condominium Association established by the aforesaid Declaration of Condominium Ownership. By our signatures below, we hereby approve of and consent to the amendment to the Declaration pursuant to Section 27(b)(1) of the Illinois Condominium Property Act. In witness whereof, we have cast our votes and signed this document in favor of this Amendment at a duly called meeting of the Board of the Park East Townhome Condominium Association held on Feb. 24, 2025


Printed name: RON MOSKAL


Printed name: Barry Aronson


Printed name: JOE DELBIANCO

BOARD OF THE
PARK EAST TOWNHOME CONDOMINIUM
ASSOCIATION

AFFIDAVIT OF SECRETARY

STATE OF ILLINOIS)

) SS

COUNTY OF LAKE)

I, Teresa Yoo, being first duly sworn on oath, depose and state that I am the Secretary of the Board for the Park East Townhome Condominium Association and as such Secretary and keeper of the books and records of said condominium. I further state that the foregoing amendment was approved by at least two-thirds (2/3) of the members of the Board of said condominium, at a meeting of the Board duly noticed and convened and held for that purpose on February 24, 2025 at which a quorum was present throughout, and such approval has not been altered, modified, or rescinded in any manner but remains in full force and effect. I further state the unit owners did not file a petition with the Board, pursuant to the requirements of Section 27(b)(3) of the Illinois Condominium Property Act, objecting to the adoption of this Amendment to the Declaration.

Teresa Yoo

Secretary of the Park East Townhome
Condominium Association

SUBSCRIBED AND SWORN to

before me this 19th day
of August, 2025

Jamie Catherine Falconer
Notary Public



Exhibit “A”

Park East Townhome Condominium Association

Legal Description: Units 1-1 through 25-6 in Park East Townhome Condominium, together with its undivided percentage interest in the common elements, as defined and delineated in the declaration of Condominium recorded as Document No. 2052005, as amended from time to time, in the Northwest quarter of Section 35, Township 43 North, Range 11 East of the Third Principal Meridian, in Lake County, Illinois.

Unit	Pin	Commonly known as (for informational purposes only)
1-1	15-35-100-127	301 Redwing Dr Deerfield, IL 60015
1-2	15-35-100-128	303 Redwing Dr Deerfield, IL 60015
1-3	15-35-100-129	305 Redwing Dr Deerfield, IL 60015
1-4	15-35-100-130	307 Redwing Dr Deerfield, IL 60015
1-5	15-35-100-131	309 Redwing Dr Deerfield, IL 60015
1-6	15-35-100-132	311 Redwing Dr Deerfield, IL 60015
2-1	15-35-100-133	313 Redwing Dr Deerfield, IL 60015
2-2	15-35-100-134	315 Redwing Dr Deerfield, IL 60015
2-3	15-35-100-135	317 Redwing Dr Deerfield, IL 60015
2-4	15-35-100-136	319 Redwing Dr Deerfield, IL 60015
12-1	15-35-100-137	308 Redwing Dr Deerfield, IL 60015
12-2	15-35-100-138	306 Redwing Dr Deerfield, IL 60015
12-3	15-35-100-139	304 Redwing Dr Deerfield, IL 60015
12-4	15-35-100-140	302 Redwing Dr Deerfield, IL 60015
15-1	15-35-100-141	411 Catbird Ln Deerfield, IL 60015
15-2	15-35-100-142	409 Catbird Ln Deerfield, IL 60015
15-3	15-35-100-143	407 Catbird Ln Deerfield, IL 60015
15-4	15-35-100-144	405 Catbird Ln Deerfield, IL 60015
15-5	15-35-100-145	403 Catbird Ln Deerfield, IL 60015
15-6	15-35-100-146	401 Catbird Ln Deerfield, IL 60015
7-1	15-35-100-150	353 Kildeer Ln Deerfield, IL 60015
7-2	15-35-100-151	355 Kildeer Ln Deerfield, IL 60015
7-3	15-35-100-152	357 Kildeer Ln Deerfield, IL 60015
7-4	15-35-100-153	359 Kildeer Ln Deerfield, IL 60015
8-1	15-35-100-154	384 Kildeer Ln Deerfield, IL 60015
8-2	15-35-100-155	386 Kildeer Ln Deerfield, IL 60015
8-3	15-35-100-156	388 Kildeer Ln Deerfield, IL 60015
8-4	15-35-100-157	390 Kildeer Ln Deerfield, IL 60015
10-1	15-35-100-158	328 Redwing Dr Deerfield, IL 60015
10-2	15-35-100-159	326 Redwing Dr Deerfield, IL 60015
10-3	15-35-100-160	324 Redwing Dr Deerfield, IL 60015
10-4	15-35-100-161	322 Redwing Dr Deerfield, IL 60015
10-5	15-35-100-162	320 Redwing Dr Deerfield, IL 60015

Unit	Pin	Commonly known as (for informational purposes only)
10-6	15-35-100-163	318 Redwing Dr Deerfield, IL 60015
9-1	15-35-100-169	392 Kildeer Ln Deerfield, IL 60015
9-2	15-35-100-170	394 Kildeer Ln Deerfield, IL 60015
9-3	15-35-100-171	396 Kildeer Ln Deerfield, IL 60015
9-4	15-35-100-172	398 Kildeer Ln Deerfield, IL 60015
6-1	15-35-100-173	345 Kildeer Ln Deerfield, IL 60015
6-2	15-35-100-174	347 Kildeer Ln Deerfield, IL 60015
6-3	15-35-100-175	349 Kildeer Ln Deerfield, IL 60015
6-4	15-35-100-176	351 Kildeer Ln Deerfield, IL 60015
5-1	15-35-100-177	337 Redwing Dr Deerfield, IL 60015
5-2	15-35-100-178	339 Redwing Dr Deerfield, IL 60015
5-3	15-35-100-179	341 Redwing Dr Deerfield, IL 60015
5-4	15-35-100-180	343 Redwing Dr Deerfield, IL 60015
11-1	15-35-100-181	316 Redwing Dr Deerfield, IL 60015
11-2	15-35-100-182	314 Redwing Dr Deerfield, IL 60015
11-3	15-35-100-183	312 Redwing Dr Deerfield, IL 60015
11-4	15-35-100-184	310 Redwing Dr Deerfield, IL 60015
14-1	15-35-100-185	389 Catbird Ln Deerfield, IL 60015
14-2	15-35-100-186	391 Catbird Ln Deerfield, IL 60015
14-3	15-35-100-187	393 Catbird Ln Deerfield, IL 60015
14-4	15-35-100-188	395 Catbird Ln Deerfield, IL 60015
14-5	15-35-100-189	397 Catbird Ln Deerfield, IL 60015
14-6	15-35-100-190	399 Catbird Ln Deerfield, IL 60015
3-1	15-35-100-191	321 Redwing Dr Deerfield, IL 60015
3-2	15-35-100-192	323 Redwing Dr Deerfield, IL 60015
3-3	15-35-100-193	325 Redwing Dr Deerfield, IL 60015
3-4	15-35-100-194	327 Redwing Dr Deerfield, IL 60015
4-1	15-35-100-195	329 Redwing Dr Deerfield, IL 60015
4-2	15-35-100-196	331 Redwing Dr Deerfield, IL 60015
4-3	15-35-100-197	333 Redwing Dr Deerfield, IL 60015
4-4	15-35-100-198	335 Redwing Dr Deerfield, IL 60015
13-1	15-35-100-199	402 Catbird Ln Deerfield, IL 60015
13-2	15-35-100-200	400 Catbird Ln Deerfield, IL 60015
18-1	15-35-100-201	340 Redwing Dr Deerfield, IL 60015
18-2	15-35-100-202	338 Redwing Dr Deerfield, IL 60015
18-3	15-35-100-203	336 Redwing Dr Deerfield, IL 60015
18-4	15-35-100-204	334 Redwing Dr Deerfield, IL 60015
18-5	15-35-100-205	332 Redwing Dr Deerfield, IL 60015
18-6	15-35-100-206	330 Redwing Dr Deerfield, IL 60015
17-1	15-35-100-207	348 Redwing Dr Deerfield, IL 60015
17-2	15-35-100-208	346 Redwing Dr Deerfield, IL 60015
17-3	15-35-100-209	344 Redwing Dr Deerfield, IL 60015
17-4	15-35-100-210	342 Redwing Dr Deerfield, IL 60015
24-1	15-35-100-211	298 Tanager Ct Deerfield, IL 60015

Unit	Pin	Commonly known as (for informational purposes only)
24-2	15-35-100-212	296 Tanager Ct Deerfield, IL 60015
24-3	15-35-100-213	294 Tanager Ct Deerfield, IL 60015
24-4	15-35-100-214	292 Tanager Ct Deerfield, IL 60015
25-1	15-35-100-215	289 Tanager Ct Deerfield, IL 60015
25-2	15-35-100-216	291 Tanager Ct Deerfield, IL 60015
25-3	15-35-100-217	293 Tanager Ct Deerfield, IL 60015
25-4	15-35-100-218	295 Tanager Ct Deerfield, IL 60015
25-5	15-35-100-219	297 Tanager Ct Deerfield, IL 60015
25-6	15-35-100-220	299 Tanager Ct Deerfield, IL 60015
16-1	15-35-100-221	356 Redwing Dr Deerfield, IL 60015
16-2	15-35-100-222	354 Redwing Dr Deerfield, IL 60015
16-3	15-35-100-223	352 Redwing Dr Deerfield, IL 60015
16-4	15-35-100-224	350 Redwing Dr Deerfield, IL 60015
19-1	15-35-100-227	361 Goshawk Ln Deerfield, IL 60015
19-2	15-35-100-228	363 Goshawk Ln Deerfield, IL 60015
19-3	15-35-100-229	365 Goshawk Ln Deerfield, IL 60015
19-4	15-35-100-230	367 Goshawk Ln Deerfield, IL 60015
20-1	15-35-100-231	369 Goshawk Ln Deerfield, IL 60015
20-2	15-35-100-232	371 Goshawk Ln Deerfield, IL 60015
20-3	15-35-100-233	373 Goshawk Ln Deerfield, IL 60015
20-4	15-35-100-234	375 Goshawk Ln Deerfield, IL 60015
21-1	15-35-100-235	372 Goshawk Ln Deerfield, IL 60015
21-2	15-35-100-236	374 Goshawk Ln Deerfield, IL 60015
21-3	15-35-100-237	376 Goshawk Ln Deerfield, IL 60015
21-4	15-35-100-238	378 Goshawk Ln Deerfield, IL 60015
21-5	15-35-100-239	380 Goshawk Ln Deerfield, IL 60015
21-6	15-35-100-240	382 Goshawk Ln Deerfield, IL 60015
22-1	15-35-100-241	290 Bunting Ct Deerfield, IL 60015
22-2	15-35-100-242	288 Bunting Ct Deerfield, IL 60015
22-3	15-35-100-243	286 Bunting Ct Deerfield, IL 60015
22-4	15-35-100-244	284 Bunting Ct Deerfield, IL 60015
23-1	15-35-100-245	281 Bunting Ct Deerfield, IL 60015
23-2	15-35-100-246	283 Bunting Ct Deerfield, IL 60015
23-3	15-35-100-247	285 Bunting Ct Deerfield, IL 60015
23-4	15-35-100-248	287 Bunting Ct Deerfield, IL 60015

EXHIBIT B

PLAT OF SURVEY

The Plat of Survey for Park East Townhome Association, attached only to the Original Declaration and recorded as Document Number 2052005, in the Office of the Recorder of Deeds of Lake County, Illinois on March 11, 1980.

EXHIBIT C

PERCENTAGE OF UNIT OWNERSHIP IN COMMON ELEMENTS

<u>UNIT</u>	<u>% OF OWNERSHIP</u>
1 – 1	5.142337
1 – 2	5.021199
1 – 3	4.900061
1 – 4	4.900061
1 – 5	4.900061
1 – 6	5.021199
2 – 1	5.021199
2 – 2	4.900061
2 – 3	4.718354
2 – 4	4.839492
12 – 1	5.021199
12 – 2	4.900061
12 – 3	4.900061
12 – 4	5.021199
15 – 1	5.354330
15 – 2	5.233192
15 – 3	5.112053
15 – 4	5.112053
15 – 5	4.930345
15 – 6	5.051483
	<u>100.000000</u>