

**STEEPLE RUN ESTATES DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS AND BY-LAWS**

WHEREAS, a Declaration was made on January 3, 1988 by Steeple Run Development which in part have elapsed, and which in part have been amended, and which in part remains and is incorporated into this document; and

WHEREAS, it is the intention of the Steeple Run Homeowners' Association to preserve and enhance the property values as well as protect the safety of its inhabitants, and accordingly, in furtherance of this intention, continues and establishes certain covenants, conditions and restrictions with respect thereto and hereby further does declare a grant and reservation of certain easements, covenants, conditions, restrictions and rights as hereinafter set forth; and

WHEREAS, this Declaration of Covenants, Conditions and Restrictions and By-Laws supercedes all previous Declarations of Covenants, Conditions and Restrictions and By-Laws.

ARTICLE ONE

DEFINITIONS

1.01 "Lot" shall mean and refer to any portion of any of the plots of land shown on any plat of subdivision for any portion of the Premises (Exhibit A) officially subjected to this Declaration of Covenants, Conditions and Restrictions.

1.02 "Member" shall mean every person or entity who owns a lot or dwelling unit constructed on a lot.

1.03 "Dwelling Unit." A residential dwelling unit constructed on that portion of the Premises submitted to the Declaration consisting of a single family detached residential home designed or intended for use as living quarters for one family. One family may own more than one dwelling unit and one purchaser may own more than one dwelling unit.

ARTICLE TWO

MEMBERSHIP, CLASSES, ELECTED OFFICIALS & VOTING RIGHTS

2.01 Every owner of a dwelling unit is automatically a member of the Steeple Run Homeowners' Association. Membership is appurtenant to and shall not be separated from the ownership of the Dwelling Unit. Every owner, by acceptance of a deed or other conveyance of a lot, or a lot and a dwelling unit, shall thereby become a member irregardless of the inclusion or exclusion or the incorporation by reference of any specific expression or lack thereof in said deed or conveyance.

2.02 Designation of Member. There shall be one membership per dwelling unit or lot. If the record owner shall be more than one person, or if the owner is a trustee, corporation, partnership or other legal entity, then the individual who shall enjoy the membership attributes thereof shall be designated by said owner or owners to the Steeple Run Homeowner's Association. Upon any failure to designate, the Association may, but need not recognize or designate a voting member of the owner.

2.03 Elected Officials and Volunteer Committees. The affairs of the Association shall be managed by the Elected Officials and Volunteer Committees as directed by the elected officials. Officials shall be elected by members pursuant to the bylaws of the Association. The officials shall be elected at the annual meeting or at a special meeting of the members called for that purpose and shall serve for the duration of the term as described by the bylaws.

ARTICLE THREE

DURATION

3.01 Until January 1, 2010, each and every "Lot" shall be subject to the following restrictions, which shall each be construed as a covenant running with the land; and for and during an additional period of twenty-one (21) years from and after such first mentioned date.

3.02 Each lot shall continue to be subject to such restrictions until and unless the owner or owners of three-fourth (3/4) in number of such lots in the subdivision shall file in the office of the Recorder of Deeds of McHenry County, Illinois, a written statement, signed and acknowledged by such owner or owners, stating that such restrictions, or a portion thereof, shall become ineffective prior to the end of such additional period, in which event such restrictions, or those specified in such written statement, shall become ineffective on the date stated in such written statement.

ARTICLE FOUR

USE RESTRICTIONS

4.01 All lots shall be used exclusively for residential purposes and no buildings shall be erected, altered, placed or permitted to remain on any Lot other than one detached single family dwelling.

4.02 None of the Lots, after purchase from Seller, shall be resubdivided in any fashion except that any person owning two or more adjoining Lots may consolidate such Lots for the purpose of building one single family residential dwelling upon consolidated Lots. If two or more adjoining Lots are consolidated for the purpose of construction of one residence, all provisions of this Declaration shall be applied to the consolidated Lots as if they were one original platted Lot.

- 4.03 No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats, or other domestic household pets may be kept, provided that they are not kept, bred, or maintained for any commercial purpose.
- 4.04 No structure of a temporary character, trailer, mobile home, tent, shack, garage or other outbuilding shall be used on any Lot at any time as a residence. No part of a residence shall be occupied or used prior to completion of the entire residence.
- 4.05 No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. Burning of yard waste shall only be pursuant to the rules of McHenry County.
- 4.06 No manufacturing, industrial or business use will be allowed on any Lot.
- 4.07 No Lot shall be maintained as a dumping ground for rubbish or trash; and no garbage or other waste shall be kept except in sanitary containers.
- 4.08 No signs of any character shall be allowed on any Lot except one sign of not more than five square feet advertising the property for sale or rent.
- 4.09 No truck, bus, trailer or camper shall be left parked in the street in front of any Lot except for construction and repair equipment while a residence or residences are being built or repaired in the immediate vicinity. No truck, bus, trailer, boat, camper or similar articles shall be parked or stored, either temporarily or permanently, on any Lot unless it is under a permanent roof.
- 4.10 No visible oil or gas tank for fuel or any other purpose shall be erected on any Lot.
- 4.11 No above ground swimming pool shall be erected on any Lot, however, inground pools are permitted. Determination of classification of above ground or inground pools shall be left to the sole discretion of the Architectural Committee.
- 4.12 No excavation, building or landscaping shall be installed or performed upon Lots on which detention basins are located in such manner as to interfere with such detention basins.
- 4.13 Owner shall be responsible for the maintenance of the surface area of any detention basin located on his Lot. Owner shall also be responsible for the maintenance of the detention basin directly or indirectly caused due to his failure to maintain the surface area or his improper use of the surface area for that portion of the detention basin located on his Lot. The drainage and storm water easements shall be adequately maintained by the removal of accumulation of vegetation, silt, debris or other material which may interfere with the flow characteristic of drainage ways or the central features

of the detention facilities. No construction of structures, dams, embankments or channel (except as indicated on the engineering drawings) and no plantings of vegetation which inhibit the intended purpose, shall be allowed within any storm water detention easements. In the event the Purchaser or his successor, fails to maintain the detention basin, as required under these Declarations, then the Steeple Run Homeowner's Association (its designated agents or appointees), may, at its election assume the performance of such maintenance and pursuant to same are hereby granted easements for such purpose. In the event any of the above shall assume the performance maintenance of the detention basin which is the obligation of the Owner, said Owner may be assessed for the expenses incurred for such maintenance.

4.14 No satellite dish having a diameter in excess of 30 inches may be installed on any Lot or residence or other building constructed thereon in the subdivision.

4.15 Each Lot shall be properly landscaped within nine (9) months of completion of the residence and such landscaping must be maintained by the Purchaser or current lot owner. In the event the Purchaser or current lot owner, fails to maintain the landscaping and grounds and lets the grass grow over 8", then the Steeple Run Homeowners' Association (its designated agents or appointees), may, at its election assume the performance of such maintenance and pursuant to same are hereby granted easements for such purpose, especially in the case of unoccupied dwellings. In the event any of the above shall assume the performance maintenance of the landscaping and grounds which is the obligation of the Owner, said Owner may be assessed for the expenses incurred for such maintenance.

ARTICLE FIVE

AMENDMENTS

5.01 This Declaration may be amended by an affirmative vote of 80 percent of the lot owners. Notice shall be made pursuant to Section 7.08.

ARTICLE SIX

ARCHITECTURAL CONTROL

6.01 Architectural Committee. The Architectural Committee shall be appointed by the Elected Officials of the Steeple Run Homeowners' Association.

a) Members. The Architectural Committee shall consist of three (3) members. They shall serve for a term of one (1) year. Vacancies on the Committee shall be filled by the Elected Officials. Notwithstanding, the decisions of the Architectural Committee are advisory to the Board, and the Board reserves the right of final approval. Final approval shall be by unanimous vote of the full Board of Directors.

b) Voting. Approval by the Architectural Committee shall be had by vote. The vote of the Architectural Committee shall pass with a simple majority of non-conflicted votes.

6.02 Notwithstanding that it may comply with the Covenants, Conditions and Restrictions herein, no building, fence, wall or other structure shall be constructed or erected nor any exterior addition, change or alteration costing in excess of \$5,000 shall be made nor shall any terraces, walks, driveway, septic system or yard lights be installed on any Lot until and unless all plans and specifications for same showing the nature, shape, size, architectural design, materials, color, location and proposed landscaping thereof shall be submitted and approved in writing by the Architectural Committee. Cumulative changes to a single item in excess of \$5000.00 must be approved by the Architectural Committee. Additionally, any increase in the square footage of a structure requires notice be given to all homeowners.

6.03 Submissions to the Architectural Committee. Before submitting completed plans and specifications, Purchaser shall submit preliminary sketches for approval. Sketches should include the plot plan showing building setback provisions, basic floor plan, the four (4) building elevations, the exterior materials and colors. Said colors shall be carefully chosen, not only for each individual home, but with due care to the surrounding residences.

6.04 General Architectural Minimum Standards.

a) Garage Size. A garage having a capacity of no less than three (3) cars with a maximum capacity of four (4) shall be erected with each residence. Expansion of garages is subject to the Architectural Committee approval as per 6.01(a).

b) Minimum Residential Square Footage. No residence shall be constructed having a minimum square footage of less than 2800 square feet of living area excluding the garage and basement.

c) Minimum Setback. No residence shall be set back less than 40 feet from the front lot line.

d) Private Driveways and Culverts. Each residence shall have a private drive equipped with proper culverts where necessary. A gravel driveway shall only be permitted for one year from the date of occupancy. Thereafter, the driveway must be completed with asphalt, concrete or other permanent driveway finish material.

e) Yard Light. A minimum of one (1) Yard Light shall be installed on each Lot in a location such as to be near the approximate intersection of the private driveway of the Lot with the public road right-of-way. The Yard Light shall be installed within one (1) year from the date of the initial occupancy.

f) Minimum Siding Standards. The minimum siding to be allowed on a residential unit shall be that constructed of cedar. Aluminum siding shall not be allowed for exterior elevations of dwelling units.

g) No Fencing shall be used in the Steeple Run Estates Subdivision except (i) FOR WAIVERS DULY GRANTED AND (ii) as follows:

Fencing around in-ground pools

Fencing around in-ground pools shall be allowed, as it is mandated by McHenry County Ordinance. However, pool fencing is restricted to brick/stone (only the same color and type of brick/stone as the exterior of the home), decorative iron fencing or faux iron (aluminum) fencing. No wood, chain-link, vinyl, split rail, chicken wire or mesh products shall be used in the construction of such fences. Prior to the fencing being installed, all fencing materials are subject to approval/disapproval by the Architectural Control Committee.

Dog Runs

The number of Dog Runs shall not exceed one Dog Run per household. Dog Runs are to be constructed with the same material restrictions applying to pool fencing with the exception of wood. If wood materials are used to construct a Dog Run, the wood shall be sealed or stained with a color that matches an exterior color of the home or decking to which it is attached, so as not to stand out. Dog Runs must be attached to the home and shall not exceed 150 square feet; approximately a 12 foot by 12 foot area. Dog Runs shall not have roofs. If the Dog Run is visible from the street, the visible portion of the Dog Run shall have landscaping (bushes) around the base of it. Prior to a Dog Run being installed, the Dog Run and its building materials shall be subject to approval/disapproval by the Architectural Control Committee.

Fences and Dog Runs that are already in existence

Fences and Dog Runs that are already in place shall be allowed to remain until the home is sold to a new owner. Prior to the transfer of homeownership, perimeter fencing or fencing materials not meeting the current Covenant restrictions shall be required to be removed by the current homeowner prior to the home sale becoming final.

6.05 Variations of Architectural Committee. Upon the proper presentation, the Architectural Committee may waive any requirements set forth in this Article. The waiver of said requirements shall not be deemed as a waiver for the subdivision, but shall be deemed as a waiver only on a case by case basis and shall not constitute precedent for any future actions. Any party requesting a waiver shall state completely the reason for said waiver with any other supporting documentation required by the Architectural Committee.

ARTICLE SEVEN

ASSESSMENTS

7.01 No Initial or Existing Assessments. There are no initial or existing assessments for the Steeple Run Subdivision. However, there is nothing to preclude the homeowners from passing assessments for maintenance or improvements necessary for the safety and value of the Association and its development.

7.02 Assessment Obligation. Each owner of a dwelling unit or Lot, by acceptance of a deed thereof, whether or not it shall be so expressed in any deed or other conveyance, shall be and is deemed to covenant and agree to pay Steeple Run Homeowners' Association such assessments which are levied pursuant to this Declaration.

7.03 Assessments Lien – Land. Each assessment, whether special or annual, together with interest thereon, the cost of collection and reasonable attorneys' fees, shall be charged upon the land and a continuing lien upon the dwelling unit or Lot from the date the assessment is levied.

7.04 Assessment Lien – Personal Obligation. Each assessment, whether special or annual, together with the cost of collection and reasonable attorneys' fees, shall be the personal obligation of the person or persons or entities holding title to the dwelling unit on the date the assessment was levied.

7.05 Annual Assessments. The Steeple Run Homeowners' Association may pass annual assessments to pay the cost of operating, maintaining and administering the common areas of the Association facilities and that assessment shall be from time to time assessed against any Lot owners. The amount of the assessment and the term of payment shall be determined by the Steeple Run Homeowners' Association.

7.06 Initial Cost of Operation. The Steeple Run Homeowners' Association shall pay all costs and expenses attributable to the operation of the common areas and the facilities, if any.

7.07 Annual and Special Assessments. The Steeple Run Homeowners' Association may levy annual and special assessments against the dwelling units or Lots in the subdivision notwithstanding the above, said annual or special assessments shall not be valid until it has been ratified by a resolution approved by sixty percent (60%) of the affirmative vote of all Lot owners in the subdivision at a meeting specifically called for that purpose. The consideration for an increase in annual dues assessment will be a range based on a minimum of \$5.00 (five) per year since the last increase to a maximum amount sufficient to maintain a general contingency reserve of \$5,000.00. In no event will the cumulative increases exceed \$30.00 (thirty) in any three year period. In the event of unanticipated expenses which may exceed this range a special assessment may be considered as required.

7.08 Notice of Special or Annual Meetings. A written notice of any meeting called for the purpose of passing an annual or special assessment authorized under these Declarations shall be mailed to all members not less than thirty (30) nor more than sixty (60) days prior to the date of the meeting. Said notice shall specify the reasons for the proposed special or annual assessment and the amount of said assessment attributable to the individual Lot. At the first such meeting called, presence of the members or proxies entitled to cast at least 2/3rds of all votes of the Lot owners call constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements and the required quorum for the subsequent meetings shall be the presence of fifty percent (50%) of the members entitled to vote.

7.09 Certificate of Payment. Upon the request of a member, the Steeple Run Homeowners' Association, by the Secretary or other officers, shall furnish said member with a written certificate signed by a designated officer of the Association setting forth any unpaid annual or special assessment levied against the dwelling unit or Lot. The certificate shall be conclusive evidence of payment of any annual or special assessments not stated therein as unpaid. Said certificates shall be dated and shall be conclusive evidence up and through the date shown.

7.10 Delinquent Assessments. Delinquent assessments shall bear interest from the date of the delinquency at the rate of one and one-half percent (1-1/2%) per month. The Steeple Run Homeowners' Association may bring an action at law or in equity against the member to pay same. The Steeple Run Homeowners' Association, in addition thereto, may enforce and foreclose any lien which it has or which may exist for its benefit. No member may waiver or otherwise escape liability for any assessment provided herein by non-use of the common area or abandonment of his dwelling unit.

7.11 Subordination of Lien to Mortgage. The lien of the Steeple Run Homeowners' Association provided herein shall be subordinate to the lien of the first mortgage and nothing created herein shall be construed or waived or extinguish the personal obligation to pay the assessment of the owner holding title on the date of assessment.

ARTICLE EIGHT

EASEMENTS

8.01 Easements. An easement is hereby reserved for and granted to The Northern Illinois Gas Company, Commonwealth Edison Company, Illinois Bell Telephone Company and any Cable TV Franchisee approved by the county, township, or applicable municipality and their successors and assigns, to install, lay, construct, renew, operate and maintain conduits, cables, poles and underground wires, either overhead or underground, with all necessary braces, guys, anchors and other appurtenances for the purpose of serving the subdivision, residences and owners of property therein or adjoining property with electric, telephone and other services as may be shown by dotted lines on plats recorded or to be recorded and marked "utility easement", including the right to use the streets and public places therein for such purposes where necessary,

together with the right of ingress and egress upon the Lots at all times to install, lay, construct, renew, operate and maintain said conduit, cables, poles, wires, braces, guys, anchors and other appurtenances on said utility easements, and also the right to cut and remove such trees, bushes and saplings that interfere or may interfere with said public utility equipment. No permanent buildings shall be placed on said easements, but same may be used for gardens, shrubs, landscaping and other purposes that do not interfere with said easements for public utility purposes.

8.02 Entrance Monument Easements. An easement is hereby granted over and under any Lot on which an entrance monument exists to the Steeple Run Homeowners' Association and its successors or assigns for the purposes of installation, construction, renewing, operating, refinishing, and maintenance of the entrance monument itself, any landscaping appurtenant thereto, and any conduits, cables, lights, poles, and wires, either overhead or underground, with all necessary braces and other appurtenances applicable to said monuments. The Lot owners shall not interfere with said monuments or their appearance as constructed by the subdivision without the prior written approval of the Steeple Run Homeowners' Association. The maintenance, upkeep, repainting and other expenses regarding said monument shall be the obligation of the Steeple Run Homeowners' Association and not the obligation of the Lot owner on which the monument is constructed. Furthermore, the Steeple Run Homeowners' Association shall reimburse the Lot owner and hold him harmless for any damages indirectly or directly caused by the Steeple Run Homeowners' Association in conjunction with its use of the easement granted under the terms and conditions of this Declaration.

ARTICLE NINE

ALGONQUIN TOWNSHIP ROAD MAINTENANCE

Until such time as the subdivision is annexed to an applicable municipality, roads constructed in the subdivision will be maintained by Algonquin Township under the jurisdiction of the Algonquin Township Road Commissioner.

Algonquin Township shall not be responsible for any damage to any improvement, landscaping or other, installed by a purchaser, member or a Lot owner in the township right-of way, if said damage occurs during the normal course of maintenance or services rendered for the maintenance of the road or the right-of-way by the Algonquin Township Road Commissioner.

The Algonquin Township Road Commissioner may, at his sole discretion, elect from time to time to reimburse, repair or reinstall any improvement damaged in the ordinary course of the above-described maintenance, but said election of the road commissioner shall not bind the Algonquin Township Road Commissioner to any other improvements or repairs nor constitute a waiver of the provisions of this paragraph.

The terms and conditions of this paragraph shall not supercede nor conflict with any provisions promulgated by the Township Highway Commissioner or any public,

municipal, county, or town Highway Commissioner or any public, municipal, county, or township body having jurisdiction on the subdivision. Wherein any conflict exists, said township, municipal, or county provisions shall supercede and prevail.

ARTICLE TEN

GENERAL PROVISIONS

10.01 The Steeple Run Homeowners' Association, or any member, shall have the right to enforce, by any proceeding at law or in equity, all of the covenants, conditions, restrictions and easements now or hereinafter imposed by the provisions of the Steeple Run Estates declaration of Covenants, Conditions and Restrictions and By-Laws or any amendments thereto. In any action brought for the enforcement of these Declarations, the prevailing party shall be entitled to recover his costs and reasonable attorney fees. Failure to enforce any covenant herein contained shall in no event be deemed a waiver of the right to do so thereafter no matter how many violations or breaches occur.

10.02 Each owner by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, covenants, easements and reservations and the jurisdiction, rights and powers created or reserved by this Declaration or by plat or deed restrictions heretofore recorded, and all easements, rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall run with the land and bind every owner of any interest therein and inure to the benefit of such owner in like manner, as though the provisions of this Declaration were recited and set forth at length in each and every such deed of conveyance. Enforcement of the provisions hereof by any such owner, as aforesaid, shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any thereof either to restrain violation, to remove such violation or to recover damages.

10.03 The invalidity of any restriction hereby imposed, or of any provision hereof, or of any part of such restriction or provision, shall not impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration.

BYLAWS OF THE

STEEPLE RUN HOMEOWNERS' ASSOCIATION

ARTICLE I

Address

The Association shall maintain its address in McHenry County, State of Illinois as required by the laws of the State of Illinois.

ARTICLE II

Conflicts with Declarations

Wherein any portion of the Bylaws or any amendments of the Bylaws conflict with the Declaration of Covenants, Conditions and Restrictions or any amendments thereto, the Declaration of Covenants, Conditions and Restrictions, and any amendment thereto, shall supersede and prevail over any terms, conditions, or provisions of these Bylaws.

ARTICLE III

Members

SECTION 1. CLASSES OF MEMBERS. The Association shall have one class of members being those parties as described in the Steeple Run Declaration of Covenants, Conditions and Restrictions.

SECTION 2. VOTING RIGHTS. Each member shall be entitled to one vote on each matter submitted to a vote of the members as described in the Declaration of Covenants, Conditions and Restrictions.

SECTION 3. TERMS OF MEMBERSHIP. Membership in the Association shall be determined by the Declaration of Covenants, Conditions and Restrictions for the Steeple Run subdivision.

SECTION 4. TRANSFER OF MEMBERSHIP. Membership in the Association is not transferable or assignable except by sale of a lot owned in the Steeple Run subdivision pursuant to which membership has been assigned.

ARTICLE IV

Meetings of Members

SECTION 1. ANNUAL MEETING. An annual meeting of the members shall be held in January of each year for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If such day be a Sunday or a legal holiday, the meeting shall be held at the same hour on the next succeeding business day.

SECTION 2. SPECIAL MEETING. Special meetings of the members may be called either by the president, the board of directors, or not less than fifty-one percent (51 %) of the members having voting rights.

SECTION 3. PLACE OF MEETING. The board of directors may designate any place in McHenry County, State of Illinois, as the place of meeting for any annual meeting or for any special meeting called by the board of directors.

SECTION 4. NOTICE OF MEETINGS. Written notice stating the place, date, and hour of any meeting of the members and shall be delivered to each member entitled to vote at

such meeting not less than five nor more than forty days before the date of such meeting. In the case of a special meeting or when required by these Bylaws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Association, with postage thereon prepaid. Notice shall be made pursuant to Section 7.08.

SECTION 5. INFORMAL ACTION BY MEMBERS. Any action required to be taken at a meeting of the members of the Association, or any other action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

SECTION 6 . PROXIES. Each member entitled to vote at a meeting of members or to express consent or dissent to Association action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after eleven months from its date, unless the proxy provided for a longer period.

ARTICLE V

Board of Directors

SECTION 1. GENERAL POWERS. The affairs of the Association shall be managed by its board of directors.

SECTION 2. TERM OF OFFICE. Each director shall serve for two years. The board of members shall be staggered and the Board shall be made of at least 5 but no more than 9 of those elected at the annual meeting.

SECTION 3. NUMBER, TENURE AND QUALIFICATIONS .The number of directors shall be at least five but no more than nine. Each director shall hold office until the next annual meeting of the members and until his successors shall have been elected. Directors must be residents of Steeple Run or members of the Association.

SECTION 4. REGULAR MEETINGS. A regular annual meeting of the board of directors shall be held no less than quarterly without other notice than these Bylaws, and immediately after and at the same place as the annual meeting of members. The board of directors may provide, by resolution, the time and place for the holding of additional regular meetings of the board without other notice than such resolution.

SECTION 5. SPECIAL MEETINGS. Special meetings of the board of directors may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the board may fix any place in McHenry County, State of Illinois, as the place for holding any special meeting of the board called by them.

SECTION 6. NOTICE. Notice of any special meeting of the board of directors shall be given at least two days previously thereto by written notice to each director at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by email, such notice shall be deemed to be delivered when the email is delivered to the receiving internet provider. Notice of any special meeting of the board of directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws. All meetings of the Board are open to all homeowners, and notice of all Board meetings must be given to all homeowners.

SECTION 7. QUORUM. A majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board, provided that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting to another time without further notice.

SECTION 8. MANNER OF ACTING. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors unless the act of a greater number is required by these Covenants and Bylaws. Directors shall be expected to avoid any conflict of interest in the conduct of such business and any related activity.

SECTION 9. VACANCIES. Any vacancy occurring on the Board of Directors, or any directorship to be filled by an increase in the number of directors, shall be filled by the Board of Directors. Any member of the Board can make a nomination to fill a vacancy, but the approval is made by a vote of the full Board. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

SECTION 10. COMPENSATION. Directors shall not receive any stated salaries for their services.

ARTICLE VI

Officers

SECTION 1. OFFICERS. The officers of the Association shall be a president, one or more vice presidents (the number thereof to be determined by the board of directors), a treasurer, a secretary, and such assistant treasurers, assistant secretaries or other officers as may be elected by the board of directors. Officers whose authority and duties are not prescribed in these Bylaws shall have the authority and perform the duties prescribed, from time to time, by the board of directors. Any two or more offices may be held by the same person, except the offices of president and secretary.

SECTION 2. REMOVAL. Any officer elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 3. PRESIDENT .The president shall be the principal executive officer of the Association. Subject to the direction and control of the board of directors, he shall be in charge of the business and affairs of the Association; he shall see that the resolutions and directives of the board of directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the board of directors; and, in general, he shall discharge all duties incident to the office of president and such other duties as may be prescribed by the board of directors. He shall preside at all meetings of the members and of the board of directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Association or a different mode of execution is expressly prescribed by the board of directors or these Bylaws, he may execute for the Association any contracts, deeds, bonds, or other instruments which the board of directors has authorized to be executed, and he may accomplish such execution either under or without the seal of the Association and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the board of directors, according to the requirements of the form of the instrument. He may vote all securities which the Association is entitled to vote except as and to the extent such authority shall be vested in a different officer or agent of the Association by the board of directors.

SECTION 4. VICE PRESIDENT .The vice president (or in the event there be more than one vice president, each of the vice presidents) shall assist the president in the discharge of his duties as the president may direct and shall perform such other duties as from time to time may be assigned to him by the president or by the board of directors. In the absence of the president or in the event of his inability or refusal to act, the vice president (or in the event there be more than one vice president, the vice presidents, in the order designated by the board of directors, or by the president if the board of directors has not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure) shall perform the duties of the president and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Association or a different mode of execution is expressly prescribed by the board of directors or these Bylaws, the vice president (or any of them if there are more than one) may execute for the Association any contracts, deeds, bonds or other instruments which the board of directors has authorized to be executed, and he may accomplish such execution either under or without the seal of the Association and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the board of directors, according to the requirements of the form of the instrument.

SECTION 5. TREASURER. The treasurer shall be the principal accounting and financial officer of the Association. He shall: (a) have charge of and be responsible for the maintenance of adequate books of account for the Association; (b) have charge and custody of all funds and securities of the Association, and be responsible therefore, and for the receipt and disbursement thereof; and (c) perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the board of directors. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the board of directors shall determine.

SECTION 6. SECRETARY .The secretary shall record the minutes of the meetings of the members and of the board of directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the Association; keep a register of the post office address of each member which shall be furnished to the secretary by such member; and perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the board of directors.

SECTION 7. ASSISTANT TREASURERS AND ASSISTANT SECRETARIES. The assistant treasurers and assistant secretaries shall perform such duties as shall be assigned to them by the treasurer or the secretary, respectively, or by the president or the board of directors. If required by the board of directors, the assistant treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the board of directors shall determine.

ARTICLE VII

Committees

SECTION 1. COMMITTEES OF DIRECTORS. The board of directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority of the board of directors in the management of the Association; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed upon it or him by law.

SECTION 2. OTHER COMMITTEES. Other committees not having and exercising the authority of the board of directors in the Association may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Association, and the president of the Association shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal.

SECTION 3. TERM OF OFFICE. Each member of a committee shall continue as such until the next annual meeting of the members of the Association and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 4. CHAIRMAN. One member of each committee shall be appointed chairman.

SECTION 5. VACANCIES. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 6. QUORUM. Unless otherwise provided in the resolution of the board of directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 7. RULES. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the board of directors.

ARTICLE VIII

Contracts, Checks, Deposits and Funds

SECTION 1. CONTRACTS. The board of directors may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances. Any contract for goods or services that could result in an expenditure of five hundred dollars (\$500.00) or more must have written bids from a minimum of three independent suppliers/ providers of such goods or services before such contract is finalized. In the event that bids cannot be obtained from at least three suppliers, the board may decide the appropriate course of action.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the Association.

SECTION 3. DEPOSITS. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the board of directors may select.

SECTION 4. GIFTS. The board of directors may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association.

ARTICLE IX

Books and Records

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE X

Fiscal Year

The fiscal year of the Association shall be fixed by resolution of the board of directors.

ARTICLE XI

Amendments

The power to alter, amend or repeal the Bylaws or adopt new Bylaws shall be vest in the Board of Directors unless otherwise provided in the Declarations or the Bylaws. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given to the members. The Bylaws may contain any provisions for the regulation and management of the affairs of the Association as long as said provisions and regulations are not inconsistent nor in conflict with the Declaration of Covenants, Conditions and Restrictions, or the laws of the State of Illinois.

1-30-2007