

**STEEPLE RUN DECLARATION OF COVENANTS, CONDITIONS,  
EASEMENTS AND RESTRICTIONS**

REALTY COMPANY OF AMERICA, INC. ("REALCOA"), the "Developer" of Steeple Run in Du Page County, Illinois, hereby makes this Declaration of Rights and Obligations as part of its program to:

- ... Create a suburban residential community with abundant living space to serve family desires and needs;
- Create a permanent community with pride of ownership more truly representative of the life style which you and your family have been seeking;
- ... Create a total community with permanent parks and a wide variety of recreational facilities, all for the benefit of the residents of this private community;  
Create a balance in housing that will induce harmonious living among the owners and occupants of the different types of dwelling units;
- Blend different types of dwellings to reflect a total, rounded-out community;
- . . . Create a private community which will be controlled by the dwelling unit owners;
- . . . Further a general plan to preserve the cooperative aspect of the total community, thus enhancing its value, desirability and attractiveness;

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Encourage the participation of the residents of the community to utilize the open space and all the facilities;

Offer every possible avenue for establishing community roots in an area where churches, schools, recreation and shopping are readily available, and where the school and police systems are among the finest;

Conserve the common scheme of development through the effective administration of the covenants to be recorded herewith, including architectural control after final completion of the total development;

Encourage the good health and well-being of the persons who will live in this total community, and to make it possible for them to find a haven from their daily tensions .

Maintain, where desirable, private ownership of streets, utilities, and other facilities with design prerequisites that minimize cost and establish a high level of environmental quality, which permits maximum design flexibility;

Offer the best possible form of resident Real Estate Investment.

To insure the success of the purposes described above, the Developer has set forth detailed provisions which are known as the "Appendant Provisions." The "Appendant Provisions" consist of eight major Articles. The following is a brief summary of each Article of the Appendant Provisions.

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-3- *ARTICLE 1-*

**DECLARATIONS:**

This Declaration of Rights and Obligations is being made to protect the right, title and interest of each and every person who participates in this Development. Upon the recording of this document, everything contained in it

automatically inures to the benefit of any person who thereafter becomes a participant in the Development. By this Declaration there is created the covenants, conditions, easements and restrictions which thereupon run with the land and are binding upon each and every Owner. All rights and obligations are as more specifically set forth in the corresponding article of the "Appendant Provisions."

*ARTICLE II - DEFINITIONS:*

Inasmuch as words may be used in a particular context, definitions pertaining to this Declaration are set forth in the corresponding article in the "Appendant Provisions."

*ARTICLE III - PREMISES SUBJECT TO DECLARATIONS:*

The Developer hereby designates certain land in the County of Du Page, Illinois, over which it presently has control, as the "Proposed Development Area."

Those portions of the "Proposed Development Area" which have already been platted, namely Units Nos. 1 and 2, are hereby declared to be subject to these Declarations, and the property so subject to these Declarations is referred to as the "Premises."

As additional portions of the "Proposed Development Area" are platted, the Developer may subject the same to these Declarations. Thereupon, each shall become part of the "Premises."

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Likewise, the Developer may increase the "Proposed Development Area" by additions thereto.

The legal description of the "Proposed Development Area," as well as the legal description of the "Premises," and the manner and method of making additions to either the "Proposed Development Area" or the "Premises" are all as more specifically set forth in the corresponding Article of the "Appendant Provisions."

*ARTICLE IV - COUNCIL MEMBERSHIP:*

The Developer has incorporated the STEEPLE RUN COMMUNITY COUNCIL as a not-for-profit corporation under the Illinois General Not-For-Profit Corporation Act. As part of the Development, the "Common Area" will be created, and various "Community Facilities" will be installed thereon. Upon the completion of the Development of the "Proposed Development Area," those portions of the same constituting the "Common Area" will be conveyed to the STEEPLE RUN COMMUNITY COUNCIL. Every Owner of a dwelling unit in the Development automatically becomes a member of the Council. Membership carries with it voting rights. There are two classes of voting rights; the Owners are one class, and the Developer is the second class. Voting rights are based on the number of bedrooms contained in each dwelling unit. A four bedroom unit has one full vote; a three-bedroom unit has three-fourths (¾) of a vote; a two-bedroom unit has one-half (½) of a vote; and a one-bedroom unit, or less, has one-fourth (¼) of a vote. The corresponding article in the "Appendant Provisions" sets forth in detail all matters relating to membership, voting rights, etc.

- 5 - *ARTICLE V -*

*ASSESSMENTS:*

Assessments will be made to support the operations of the Council. The basis therefore will correspond to the voting rights granted to each Owner.

The corresponding article in the "Appendant Provisions" sets forth in detail all matters relating to the assessments, the manner and method of making levies, the method of collection, etc.

*ARTICLE VI - PROPERTY RIGHTS:*

The "Common Area" is being created by the Developer and will be conveyed to the Council upon completion of the Development. Likewise, the Developer will construct and pay for all of the Community Facilities that are by it installed upon any part of said "Common Area."

Each participant in the Development has an equal right to enjoy the "Common Area" and all of the Community Facilities installed thereon, subject, of course, both to the right of the Council to control the use thereof and to the rights reserved to the Developer.

It is not intended that any part of the "Common Area" or of any of the Community Facilities installed thereon, shall at any time be dedicated for any public use, but rather, on the contrary, it is intended that the same shall be reserved for the persons covered by this Declaration.

All rights are as more specifically set forth in the corresponding article in the "Appendant Provisions."

*ARTICLE VII - RESTRICTIONS ON USE OF 'COMMON AREA':*

While the right of enjoyment of the "Common Area" and the Community Facilities contained thereon are guaranteed, there are restrictions on the use that may be made

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of said space and facilities. There are, likewise, restrictions on what an Owner may do in his dwelling unit. A dwelling unit may not be used other than for residential purposes; neither may industry be conducted in the "Common Area". At the same time, the Council may charge for different kinds of services that may be offered. Above all, the Council has the authority to adopt rules and regulations governing the use and enjoyment of the "Common Area" and of the Community Facilities contained thereon.

All restrictions are set forth in detail in the corresponding article of the "Appendant Provisions."

*ARTICLE VIII - GENERAL PROVISIONS:*

General matters relating both to the Development and to the operation of the Council are contained in the corresponding article in the "Appendant Provisions." The membership has the right to amend this Declaration and the "Appendant Provisions." The Developer has the right, likewise, to unilaterally and without the consent of the membership or of the Council, to amend this Declaration and the "Appendant Provisions" for a period of five (5) years or more from the date hereof. Each Owner, likewise, has an undivided interest in both the "Common Area" and in the Community Facilities contained thereon. Further, authority is given to institute legal proceedings in order to enforce the terms and conditions contained in this Declaration. Also, matters relating to utilities, severability, amendment, notices, costs of litigation, private roads and streets, conveyances, easements, etc., to the County in connection with the creation of a water supply system, are likewise set forth in detail in the corresponding article in the "Appendant Provisions."

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THE PROVISIONS OF THIS DECLARATION DESCRIBING THE VARIOUS CORRESPONDING ARTICLES OF THE "APPENDANT PROVISIONS" ARE SHORT SUMMARIES OF THE MORE DETAILED AND MORE TECHNICAL PROVISIONS CONTAINED IN SAID "APPENDANT PROVISIONS," AND WERE COMPOSED TO SUPPLY INTENDED PARTICIPANTS WITH A BRIEF SYNOPSIS OF THAT WHICH IS CONTAINED IN THE TECHNICAL, LEGAL "APPENDANT PROVISIONS." THE "APPENDANT PROVISIONS" ARE A PART OF THIS DECLARATION AND MUST BE EXAMINED, CONSIDERED AND REVIEWED FOR A FULL AND COMPLETE UNDERSTANDING OF ALL OF THE RIGHTS, AS WELL AS ALL OF THE OBLIGATIONS, OF ANY PERSON, INCLUDING THE DEVELOPER, HAVING ANY RIGHT, TITLE AND/OR INTEREST IN OR TO ANY PART OF THE PROPERTY COVERED BY THESE DECLARATIONS. THIS DECLARATION AND THE "APPENDANT PROVISIONS" HAVE BEEN COMPILED AFTER EXTENSIVE RESEARCH BY THE DEVELOPER, AND THEIR SOLE PURPOSE IS TO GUARANTEE THAT THE STEEPLE RUN DEVELOPMENT BECOMES A SELF-CONTAINED, LASTING AND STABLE COMMUNITY.

**STEEPLE RUN DECLARATIONS OF COVENANT, CONDITIONS,  
EASEMENTS AND RESTRICTIONS**

**APPENDANT PROVISIONS**

*ARTICLE I - DECLARATIONS:*

1.01 The Developer hereby declares that the Covenants, Conditions, Easements and Restrictions of this Declaration shall:

- (1) Exist at all times hereafter among all parties having or acquiring any right, title or interest in any portions of the Premises;
- (2) Be binding upon and inure to the benefit of each Owner of a Dwelling Unit; and
- (3) Run with the land subjected to this Declaration, to be held, sold and conveyed subject thereto.

1.02 The Developer hereby declares that the property known as the "Premises," is and shall be transferred, held, sold, conveyed subject to this Declaration of Covenants, Conditions, Easements and Restrictions.

*ARTICLE II - DEFINITIONS:*

2.01 *Act:* The Condominium Property Act of the State of Illinois, as amended from time to time.

2.02 *Board:* The Board of Directors of the Council, as constituted at any time or from time to time pursuant to the provisions of Article IV of this Declaration.

2.03 *Common Area:* That part of the "Premises," including all improvements and structures constructed

thereon as shall be declared by the Developer, in writing, to the Council to be part of the "Common Area." The "Common Area" shall include any and all additions, easements or interests in other real property, as may be granted or conveyed to the Council pursuant to the provisions of this Declaration, or otherwise.

*2.04 Community Facilities:* The recreation facilities and other improvements or structures from time to time located or constructed in the Common Area, including, without limitation, walks, roads, streets, playgrounds, landscaping, etc.

*2.05 Condominium Association:* Any Condominium Association other than the STEEPLE RUN COMMUNITY COUNCIL, formed pursuant to a Declaration of Condominium Ownership and under which a portion of the Premises is effectively submitted to the provisions of the Act.

*2.06 Council:* The STEEPLE RUN COMMUNITY COUNCIL, an Illinois Not-For-Profit Corporation, its successors and assigns.

*2.07 Declaration:* This Declaration of Covenants, Conditions, Easements and Restrictions recorded with the Recorder of Deeds of Du Page County, Illinois, and any additions, corrections or amendments thereto.

*2.08 Developer:* REALTY COMPANY OF AMERICA, INC., a Delaware corporation ("REALCOA"), and land trusts Nos. 40796 and 44085, with LA SALLE NATIONAL BANK OF CmCAGO, as Trustee.

*2.09 Dwelling Unit:* A residential housing unit constructed on the "Premises," consisting of a group of rooms which are designed or intended by the Developer for use as living quarters for one family. One family

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may occupy more than one Dwelling Unit and one Owner may own more than one Dwelling Unit. However, for the purposes of determining membership in the Council, each Dwelling Unit shall be considered separate and apart from all other Dwelling Units.

*2.10 Family:* One or more persons (each related to the other by blood, marriage or law, and including foster children), living together in a single Dwelling Unit and maintaining a common household; or up to and including three persons not so related, provided that such unrelated persons maintain a common household in a single Dwelling.

*2.11 Member, .:* "Member" shall mean every person or entity who owns a Dwelling Unit.

*2.12 Other« Association:* An Association, other than the STEEPLE RUN COMMUNITY COUNCIL, whether or not incorporated, consisting of Owners of Dwelling Units constructed on the "Premises," which are not subject to any Declaration of Condominium Ownership effectively submitted

to the provisions of the Act.

2.13 *Owner*: "Owner" shall mean the person, persons, entity or entities whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Dwelling Unit.

2.14 *Premises*: That part of the "Proposed Development Area" which is subjected to this Declaration and any additional real property as may be rendered subject hereto pursuant to the provisions of this Declaration.

2.15 *Proposed Development Area*: The real property in Du Page County over which the Developer has control, as described in 3.04,

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2.16 *Rental Dwelling Unit*: A Rental Dwelling Unit is a Dwelling Unit which is occupied through an agreement with the Developer or its successor, assigns or agents. Rental Dwelling Unit does not include any "Dwelling Unit" intended for use exclusively by the Owner to whom title was conveyed.

*ARTICLE III - ADDITIONS TO THE PREMISES:*

3.01 Notwithstanding anything contained to the contrary in this Declaration, the Developer may, at its sole discretion, from time to time hereafter:

- (1) Add additional property to the "Proposed Development Area", and/or
- (2) Subject further portions of the "Proposed Development Area," including any additions thereto, to this Declaration, whereupon the same shall become part of the "Premises."

By these provisions, the Developer is not obligated, in any manner, either to make additions to the "Proposed Development Area" or to make any other portions of the "Proposed Development Area", either as originally constituted or as additions are made thereto, to be subject to this Declaration.

3.02 *Supplementary Declarations*: Where Developer elects, as above, to either make additions to the "Proposed Development Area" or to subject other portions of the "Proposed Development Area" to this Declaration as additions to the "Premises," the same shall be accomplished by the recording of a Supplementary Declaration. Said Supplementary Declaration shall state what action is being taken and shall contain a legal description of the property which is the subject of such Supplementary Declaration.

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3.03 *Recording of Supplementary Declaration*: Upon the execution and recording of the Supplementary Declaration, the property covered therein shall be subject to the covenants, conditions, easements and restrictions of this Declaration, including but not limited to the following:

(a) The covenants, conditions, easements and restrictions set forth herein shall run with and bind the land of the Supplementary Declaration and shall inure to the benefit of and be the personal obligation of the Owners of the Dwelling Units thereon, in the same manner, to the same extent and with the same force and effect as this Declaration;

(b) Every person or entity who is an Owner of any Dwelling Unit shall be a member of the Council on the same terms and subject to the same qualifications and limitations as those Members under the original provisions of this Declaration;

(c) In all respects, all of the provisions of this Declaration shall apply to the portions of the Premises or such other real estate designated in any Supplementary Declaration, and to the Owners, Mortgagees and Lessees thereof, with equal meaning and of like force and effect.

3;04 (A) Whereas, the Developer either owns or controls certain real estate in the County of Du Page, Illinois; Now, therefore, the Developer hereby designates the property legally described in Exhibit "A" hereto attached as the "Proposed Development Area".

(B) Whereas, certain portions of the "Proposed Development Area" have been platted and have been designated as "STEEPLE RUN, UNITS 1 and 2"; Now, therefore, the Developer hereby designates said Units 1

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and 2, legally described in Exhibits "B-1", "B-1 (a) ", "B-2" and "B-2(a)", as the "Premises," which said property is hereby declared to be subject to this Declaration.

ARTICLE IV - MEMBERSHIP, ME M B E R S HIP CLASSES, BOARD OF DIRECTORS AND VOTING RIGHTS:

*4.01 Membership:* Every Owner of a Dwelling Unit is automatically a member of the STEEPLE RUN COMMUNITY COUNCIL. Membership is appurtenant to and shall not be separated from the ownership of a Dwelling Unit. Each Owner by acceptance of a deed or other conveyance of a Dwelling Unit shall thereby become a member regardless of the inclusion or exclusion or the incorporation by reference or any specific expression, or lack thereof, in said deed or conveyance.

*4.02 Designation of Member:* There shall be one membership per Dwelling Unit. 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 attributable thereto shall be designated by said Owner or Owners to the Council. Upon failure to so designate, the Council may, but need not, so designate. In the absence of any designation, no rights of enjoyment shall inure to the Owner of such Dwelling Unit. The obligations shall, however, continue.

*4.03 Membership Classes - Voting:* The Membership of the Council shall be divided into two classes:

(a) *Class A:* Class A members shall be all Owners of Dwelling Units, with the exception of the Developer, and shall be entitled to the vote as

delineated in Paragraph 4.06(a) below.

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(b) *Class B*: The Class B member shall be the Developer and shall be entitled to the number of votes delineated in Paragraph 4.06(b) below.

*4.04 Termination of Class B Membership*: The Class B Membership shall cease and terminate when the Developer elects to convert its Class B membership to Class A membership. Said election shall be accomplished by a written notice of such action from the Developer to the Council. The Developer may, however, revoke or withdraw, without cause, any such election and thereupon the Class B Membership shall be reinstated on the same basis as would have existed if no election had been made.

*4.05 Board of Directors*: The affairs of the Council shall be managed by the Board of Directors. The members of the Board shall be elected by the members pursuant to the By-Laws of the Corporation. The Board of Directors shall be elected at the Annual Meetings or at Special Meetings of the members called for that purpose and shall serve for the duration of the term as described in the By-Laws.

*4.06 Voting Rights - Election of Board of Directors*:  
The Directors shall be elected upon the following basis:

(a) *Class A - Voting Rights*: Class A members shall have the right to cast the following weighted votes based upon the number of bedrooms in the Member's Dwelling Unit:

Four bedrooms	One full vote
Three bedrooms	Three-quarters of a vote
Two bedrooms	One-half of a vote
One bedroom, or less	One-quarter of a vote

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The number of bedrooms as delineated in the Developer's Plans shall be conclusive as determining the number of bedrooms attributable to any particular Dwelling Unit. Every single-family Dwelling Unit on a separate single-family lot of 6,000 square feet or more, irrespective of the number of bedrooms, shall be counted both for voting, assessments and otherwise, as having one full weighted vote.

(b) *Class B - Voting Rights*: Until such time as all of the Dwelling Units projected for the "Proposed Development Area" have been constructed and either sold or occupied through an agreement with the Developer or its successors, assigns and/or agents, the Developer shall have votes as follows:

(1) To the extent that portions of the "Proposed Development Area" have been subjected to this Declaration and have become part of the "Premises," then in any such event, the Developer shall be entitled to five (5) full votes for each single-family lot, and, further, to five (5) full votes for each unconstructed or unoccupied Dwelling Unit, regardless of the number of bedrooms contained or projected to be contained in any such Dwelling Unit,



at the rate of seventeen (17) Dwelling Units per acre of all acreage proposed for development with residential units and not platted for single-family lots j and

(2) For the remainder of the "Proposed Development Area," the Developer shall have five (5) full votes for each proposed Dwelling Unit, regardless of the number of bedrooms projected therefore, computed on the basis of 10 Dwelling Units per acre.

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*4.07 Notice-Election of Board of Directors:* Where an Annual Meeting or a Special Meeting of the members is to be held for the purpose of electing members of the Board of Directors, each member shall be given a written notice describing the date, time, place and purpose of the meeting. Said notice shall be mailed or delivered to each member not less than fourteen (14) nor more than thirty (30) days prior to the date of said meeting.

*4.08 Cumulative Voting:* Every member entitled to vote shall have the right to cumulate his vote and to give one candidate a number of votes equal to his vote multiplied by the number of Directors to be elected, or to distribute such votes on the same principle among as many candidates as he shall think fit.

*4.09 Board Liability:* The Directors from time to time constituting the Board of Directors shall not be liable to the Members for any mistake of judgment or for any acts made, or omissions to act committed in good faith as such Directors.

*4.10 Governing Law:* In all respects, the Council, its Board of Directors, officers and members shall be governed by the laws of the State of Illinois and the Not-For-profit Corporation Act of the State of Illinois.

#### ARTICLE V - MEMBERSHIP ASSESSMENTS:

*5.01 Assessment Obligation:* Each Owner of a Dwelling Unit by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be and is deemed to covenant and hereby agrees to pay the STEEPLE RUN COMMUNITY COUNCIL such assessments as are levied pursuant to this Declaration.

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*5.02 Assessment Lien - Land:* Each assessment, whether special or annual, together with interest thereon, costs of collection and reasonable attorneys' fees, shall be a charge upon the land and a continuing lien against the Dwelling Unit from the date the assessment is levied.

*5.03 Assessment Lien- Personal Obligation:* Each assessment, whether special or annual, together with the costs of collection and reasonable attorneys' fees, in addition to Paragraph 5.02 above, shall be the personal obligation of the person, persons or entities holding title to the Dwelling Unit on the date the assessment was levied.

*5.04 Assessment Lien -Illinois Condominium Property Act:* To the extent that

any Condominium Association or Other Association by reason of the Illinois Condominium Property Act or other statute has a lien upon any Dwelling Unit owned by a member of that Association or Not-For-Profit Corporation who is also a member of the STEEPLE RUN COMMUNITY COUNCIL, then said Lien shall inure to and be for the benefit of this Council, for the collection of assessments due the Council from the Owner of said Dwelling Unit, together with interest thereon, costs of collection and reasonable attorneys' fees.

*5.05 Commencement of Assessment - Dwelling Units:*

No assessments, special or annual, may be assessed against any Dwelling Unit until the same has been both constructed and has been either sold or is occupied thru an agreement with the Developer, or its successors, assigns, and/or agents.

*5.06 Annual Assessments:* Annual Assessments to pay the cost of operating, maintaining and administering the "Common Area" and "Community Facilities" shall be

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from time to time assessed against the Dwelling Unit Owners. The amount of assessment and the terms of payment shall be determined by the Council. The assessments approved by the Council shall be sufficient to meet the costs of operation as projected by the Budget for the succeeding fiscal year of operation.

*5.07 Budget:* Prior to the termination of a current fiscal year, the Council shall compile a Budget for the next fiscal year of operation. The Council shall cause a copy of said Budget, in reasonable detail, to be mailed to each Dwelling Unit Owner.

*5.08 Initial Costs of Operation:* The Developer shall pay the cost of maintaining and operating the "Common Area" and the "Community Facilities" until such time as the Developer shall, in writing, turn the same over to the Council, after which time the Council shall pay all costs and expenses attributable to the operation of the "Common Area" and the "Community Facilities," provided, however, that contributions to the cost of operation shall be made as set forth in Paragraph 5.09 hereof.

*5.09 Initial Assessment:* Commencing with the first day of the next succeeding month following the date of the recording of any deed of conveyance, the Owner of each Dwelling Unit covered by said deed shall pay a monthly assessment of \$5.00 per month for the first year and his proportionate share thereafter, computed on the basis of the total number of Dwelling Units completed as of the beginning of each year. Until such time as the Developer has turned over the "Common Area" and the "Community Facilities" to the Council, the contributions of the individual Owners shall be made to the Developer.

*5.10 Special Assessments:* In addition to any Annual assessments authorized pursuant to Paragraph 5.06

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above, the Council may levy a special assessment against the Dwelling Unit Owners. Notwithstanding the above, the Special

Assessment shall not be valid until it has been ratified by a resolution approved by a two-thirds (%) affirmative vote of both Classes of Membership at a meeting specifically called by the Council for that purpose.

*5.11 Special Assessment Meetings-Notice and Quorum Requirements:* A written notice of any meeting called for the purpose of taking any action authorized under Paragraph 5.10 above, shall be mailed to all members not less than thirty (30) days nor more than sixty (60) days prior to the date of the meeting. Said notice shall specify the reasons for the proposed special assessment and the amount of said assessment attributable to a four-bedroom, three-bedroom, two-bedroom and one-bedroom or less Dwelling Unit, respectively. At the first such meeting called, the presence of members or of proxies entitled to cast seventy-five (75) percent of all the votes of each class of membership shall 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 at the subsequent meeting shall be the presence of fifty (50) percent of the members or of parties of each class of membership.

*5.12 Certificate Of Payment:* Upon the request of an Owner, the Council shall furnish said Owner with a written certificate signed by a designated officer of the Council, setting forth any unpaid annual or special assessments levied against said Owner's Dwelling Unit. The Certificate shall be conclusive evidence of payment of any annual or special assessments not stated therein as

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unpaid. Said Certificate shall be dated and shall be conclusive evidence up to and through the date so shown.

*5.13 Payment of Assessments:* All Assessments against Owners who are Members of the Council, but are not either Members of any subsidiary "Condominium Association" or any "Other Association," shall be paid directly to the Council. Assessments against Members of either a subsidiary "Condominium Association" or any "Other Association" shall, as the Council may direct, be paid in either of the following manners:

(a) The total amount of the combined assessments of both the Council and of such other "Condominium Association" or "Other Association" may be paid to the latter. In such event, the portion of the combined assessment due the Council shall be forthwith, without demand and without any charge therefore, remitted to the Council or

(b) The "Condominium Association" or the "Other Association" may make a separate assessment against its own Members, in which event payment shall be made separately to the Council and to such other "Condominium Association" or "Other Association."

*5.14 Statements and Collection of Assessments:* The Council

may, at its discretion, issue statements to individual Dwelling Unit Owners on a timely basis for annual or special assessments due. Both annual and special assessments may be collected on a monthly basis.

*5.15 Delinquent Assessments:* Assessments which are not paid when due shall be deemed delinquent. Delinquent assessments shall bear interest from the date of delinquency at the rate of one and one-half percent (1112%) per month. The Council may bring an action at law or in

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equity against the Dwelling Unit Owner to pay same. The Council, in addition thereto, may enforce and foreclose any lien it has or which may exist for its benefit. No Owner may waive or otherwise escape liability for any assessments provided for herein by non-use of the "Common Area," "Community Facilities" or abandonment of his Dwelling Unit.

*5.16 Subordination of Lien to Mortgage:* The Lien of the Council provided for herein shall be subordinate to the Lien of any first mortgage. Sale or transfer of any Dwelling Unit shall not affect the assessment lien. However, the sale or transfer of any Dwelling Unit pursuant to a mortgage foreclosure decree or any proceeding in lieu thereof, shall extinguish the lien of said assessment as to payments which became due prior to the date possession was taken in behalf of the mortgagee, or its successors, assigns or agents. No other sale or transfer shall relieve a Dwelling Unit from liability for any assessments thereafter becoming due or from the lien thereof. Notwithstanding the above, nothing herein contained shall be construed to waive or extinguish the personal obligation to pay the assessment of the Owner holding title on the date of the assessment.

*5.17 Allocation« of Assessment:* Assessments against Dwelling Units shall be computed in the following manner:

- (1) Four bedrooms-one full increment of assessment.
- (2) Three bedrooms-three-quarters (%) of a full increment of assessment.
- (3) Two bedrooms-one-half (1/2) of a full increment of assessment.
- (4) One bedroom, or less-one-quarter (1A.) of a **full** increment of assessment.

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Regardless of any computation by the Council, the three bedroom Dwelling Unit shall pay twenty-five percent (25%) less than the four-bedroom Dwelling Unit. The two-bedroom Dwelling Unit shall pay fifty percent (50%) less than the four-bedroom Dwelling Unit. The one-bedroom or less Dwelling Unit shall pay seventy-five percent (75%) less than the four-bedroom Dwelling Unit.

*5.18 Assessments-Rental Dwelling Units:* Where the Developer elects to erect Rental Dwelling Units on any part of the "Premises" which shall be occupied through an agreement with the Developer or his successor or assignee, and the

Developer elects to construct on or adjacent to said rental Dwelling Units a separate swimming pool facility and/or recreational building facility, which is not conveyed to the Councilor maintained by the Council, then the Developer, at its sole discretion, may exercise one of the following options:

(a) The tenants occupying the rental Dwelling Units shall have no right to use either the "Common Area" or the "Community Facilities," and no charge shall be made by the Councilor any "Other Association" against any such rental Dwelling Unit;

(b) The tenants occupying the rental Dwelling Units shall have the right to use both the "Common Area" and the "Community Facilities" and shall be assessed therefore a sum equal to one-half (%) provided for in the assessment schedule for the respective types of Dwelling Units as set forth in Paragraph 5.17 above; or

(c) The tenants of the rental Dwelling Units may be allowed the use of the "Common Area" and the "Community Facilities," with the consent of the Council, on a voluntary basis, provided that in any such event

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the assessment shall be against the occupant of such rental Dwelling Unit and not against the Owner of such rental Dwelling Unit, and any such assessment shall be the personal obligation of the occupant of such rental Dwelling Unit, but shall not become a lien claim against such rental Dwelling Unit. The assessment attributable to any such occupant of any rental Dwelling Unit shall be as agreed upon in writing between the occupant and the Council. Payment of any such assessment shall be made directly to the Council by the tenant occupying such rental Dwelling Unit.

*ARTICLE VI-PROPERTY RIGHTS:*

*6.01 Intention of Declarations:* The covenants, conditions, easements and restrictions created by this Declaration shall run with and bind the land for a period of forty (40) years from the date of its recording. After the expiration of forty (40) years, said covenants, conditions, easements and restrictions shall continue to run with and bind the land for successive periods of ten (10) years each unless revoked, changed or amended in whole or in part by an instrument which is executed by the Owners of not less than two-thirds (%) of the Dwelling Units of each class of membership, as it then exists. Said executed document shall not be valid until recorded with the Recorder of Deeds for Du Page County, Illinois.

*6.02 Members' Right of Enjoyment:* Every member shall have an easement of enjoyment in and to the "Common Area" and "Community Facilities." Said easement shall include but not be limited to easements for vehicle parking, pedestrian ingress and egress and general use of all "Common Areas" and "Community Facilities." All

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rights of the members granted under this Declaration shall be subject to the following:

(a) The right of the Council to pass rules and regulations;

(b) The right of the Council to limit the number of guests of Members;

(c) The right of the Council to levy assessments, as elsewhere herein provided for;

(d) The right of the Council to charge fees for the use of any "Community Facility" situated in the "Common Area";

(e) Any and all rights reserved to the Council under this Declaration, including but not limited to Paragraph 6.03;

(f) Any and all rights reserved to the Developer under this Declaration, including but not limited to Paragraph 6.04.

*6.03 Council's Reserved Rights:* The Council shall have, including any other rights reserved under this Declaration, the following specifically reserved rights:

(a) The right to build, construct, re-construct, repair, insure and maintain the "Common Area" and the "Community Facilities";

(b) The right of ingress and egress over and upon the Premises for any and all purposes directly or indirectly needed for the implementation of the rights described in Paragraph (a) above;

(c) The right to adopt rules and regulations governing the use, maintenance and administration of the "Common Area" and the "Community Facilities"; (d) The right to suspend the use of the "Community Facilities" by a Member, other than the Developer, for

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the period during which any assessment against his Dwelling Unit remains delinquent;

(e) The Council shall have the right to suspend the use of the "Community Facilities" by a Member, other than the Developer, for any reasonable period due to an infraction of the rules and regulations adopted by the Council.

(f) The Council shall have the right to dedicate or transfer or grant easements with reference to any part of the "Common Area" or "Community Facilities" to a public agency, authority or utility, or the County of Du Page, Illinois, for such purposes and subject to any conditions as may be approved and agreed upon at a special meeting of the Members called for that purpose. Any transfer or dedication pursuant to this paragraph shall not be consummated nor valid until such time as a resolution ratifying said action has been *executed* by not less than eighty-five percent (85%) of both Class A and Class B Members. Said resolution shall be presented to the Members at a special meeting called for that purpose subject to the notice and quorum provisions. In addition, the notice shall describe the subject property or facility to be dedicated and/or transferred. Failure to fulfill the Notice, Quorum or Execution requirements shall invalidate the transfer or dedication. However, the execution of the resolution by the individual members need not occur at the special meeting, but may be consummated at a later date. Members not present at the meeting may execute such resolution;

(g) Any and all rights reserved or granted to the Council under this Declaration or this Paragraph shall be subject to and subservient to any rights reserved or granted to the Developer under this

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Declaration, including, but not limited to, Paragraph 6.04.

*6.04 Developer's Reserved Rights:* Notwithstanding any provisions contained herein to the contrary, all covenants, conditions, easements and restrictions created under this Declaration, including but not limited Paragraph 6.03 and 6.02,

shall be subject to the following:

(a) Easements of record on the date hereof and any easements which may hereafter be granted by the Developer;

(b) The Developer shall have the right to build, construct, re-construct, repair, insure and maintain the "Common Area" and the "Community Facilities";

(c) The Developer shall have the right of ingress and egress over and upon the Premises for any and all purposes directly or indirectly needed for the implementation of the rights described in Paragraph (b) above;

(d) The Developer shall have the right to adopt rules and regulations governing the use, maintenance and administration of the "Common Area" and the "Community Facilities," to suspend the use by any member for an infraction of said rules and regulations, and to suspend the use of any member for the period during which any assessment against his Dwelling Unit remains delinquent.

(e) The Developer shall have the right to improve the "Common Area," pursuant to such plans and specifications as it deems appropriate. The obligation of the Developer to construct the "Community Facilities" in the "Common Area" is self-imposed and neither the Council nor any Owner nor anyone else

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may dictate to the Developer in this area. The Developer shall be the sole judge as to what facilities shall be installed, when the facilities shall be installed, etc. The Developer shall have the right to mortgage any part of the "Common Area" or the "Community Facilities," provided that such indebtedness shall be discharged prior to the conveyance of title to the Council as elsewhere herein provided for;

(f) The Developer's officers, agents, employees, guests, assignees and designees, shall have the right to access, use and enjoyment of the "Common Area" and the "Community Facilities." Said rights may not be infringed, suspended or terminated by the council;

(g) The Developer shall have the right to execute all documents or undertake any actions affecting the "Common Area" and "Community Facilities" which in the Developer's sole opinion are either desirable or necessary to fulfill or implement, either directly or indirectly, any of the Developer's Rights granted or reserved in this Declaration;

(h) The Developer shall have the right to designate and/or grant any and all easements which in its sole discretion are deemed necessary for the development of the "Common Area," the "Community Facilities," the "Premises" or the "Proposed Development Area." Said easements shall include but not be limited to easements over, above or under any part of either the "Premises" or the "Proposed Development Area" or the "Common Area" which may be granted to either any public utility, any private utility, or any governmental body for the installation of electrical service, of telephone conduit lines, of gas pipes, of sewer pipes, of a water supply system, or any other form of utility serving any Dwelling Unit or any "Community Facility";

(i) The Developer shall have the right to convey any portion of the "Proposed Development Area," the "Premises" or the "Common Area" to the County of Du Page or any public or private utility for development of a water system, or of a sewer system. Said Du Page County or public or private utility shall be entitled to receive title to such portions of the "Proposed Development Area", of the "Premises" or of the "Common Area" from either the Developer or such other person or entity as may be in title, provided that the facilities to be constructed on any such part of the real property described above shall, among other things, service either the "Proposed Development Area", the "Premises," the "Common Area" or the "Community Facilities."

*6.05 Access Easement:* Every Owner shall have an easement for ingress and egress to his Dwelling Unit over and across the "Common Area."

*6.06 Easement for Unintentional Encroachment:* Notwithstanding anything herein contained to the contrary, in the event that any Dwelling Unit or any structure containing one or more Dwelling Units or any improvements to any Dwelling Unit or structure containing one or more Dwelling Units or any facilities servicing one or more Dwelling Units, constructed by Developer, encroaches upon any of the "Common Area," then a perpetual easement appurtenant to such Dwelling Unit, structure or facility shall exist thereafter, permitting such encroachment.

*6.07 Incorporation of Easements IJY Reference:* Reference in the respective deeds of conveyance, or in any mortgage or trust deeds or other evidence of obligation, to the easements and covenants herein described shall be sufficient to create and reserve such easements and

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covenants to the respective grantees, mortgagees or trustees. of said parcels as fully and completely as though said easements and covenants were fully recited and set forth in their entirety in such documents.

*6.08 No Dedication to Public Use:* Nothing contained in this Declaration shall be construed or be deemed to constitute a dedication, express or implied, of any part of the "Common Area", to or for any public use or purpose whatsoever.

*6.09 Dwelling Units (Legal Description):* The legal description of a Dwelling Unit or of the site upon which it exists, may, at the election of the Developer, consist of an identifying number, symbol or designation of such Dwelling Unit or site as shown upon a Plat of Subdivision pertaining to that parcel of property upon which the Dwelling Unit is located. Every deed, lease, mortgage or other instrument may legally describe a Dwelling Unit by its identifying number, symbol or designation as shown on the Plat heretofore described, and every such description



shall be deemed good and sufficient for all purposes, as provided in the Act.

*ARTICLE VII-RESTRICTIONS OF USE OF COMMON AREA, COMMUNITY FACILITIES AND DWELLING UNITS:*

*7.01 Dwelling Unit Use Restrictions:* A Dwelling Unit may not be used for any other purpose other than that as a residence, nor shall any Dwelling Unit be constructed in the "Common Area."

*7.02 Common Area Restrictions:* No industry, business, trade, occupation or profession of any kind shall be conducted, maintained or permitted on any part of the "Common Area," nor shall any "For Sale" or "For Rent"

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signs or any window display advertising be maintained or permitted on any part thereof. Notwithstanding the above, the Developer reserves the right for itself, or its agents, to place "For Sale," "For Rent" or any other signs on any part of either the "Proposed Development Area," the "Premises," the "Common Area" or the "Community Facilities," and to use any of the same for sale or display purposes.

*7.03 Obstructions:* There shall be no obstruction of the "Common Area," except as either provided above or as otherwise specifically provided herein, nor shall anything be stored in the "Common Area" without the prior consent of the Council; provided, however, that Developer may store construction material on the "Common Area" when either desired or necessary in connection with the activities of the Developer, without any consent.

*7.04 Pets:* No animals of any kind shall be raised, bred or kept in the "Common Area." Any pet causing or creating a nuisance or unreasonable disturbance or undesirable condition shall be permanently removed and barred from the "Common Area" upon written notice from the Council to the Owner of the Dwelling Unit containing such pet.

*7.05 Prescribed Activities:* No nuisance, noxious or offensive activity shall be carried on in the "Common Area," nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the Owners or occupants of the Dwelling Units.

*7.06 Structural Impairment:* Nothing shall be done in, on or to the "Common Area" which would impair the structural integrity of any building or structure located thereon.

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*7.07 No Unsightly Uses:* No clothes, sheets, blankets, and laundry of any kind or other articles shall be hung out on any portion of the "Common Area." The "Common Area" shall be kept free and clear of all rubbish, debris and other unsightly materials and no waste shall be committed therein.

*7.08 Removals:* Nothing shall be altered or constructed in, or removed from the "Common Area," except upon the written consent of the Council.

*7.09 Alteration of Dwelling Units:* No Dwelling Unit Owner shall relocate, heighten, lower or otherwise move, change or construct any fence, wall or patio adjoining or adjacent to the "Common Area" unless consented thereto by the Board of Directors at a Special Meeting called for that purpose. A resolution passed by said Board and signed by the presiding officer shall be procured prior to the commencement of any construction, alteration or

change.

*7.10 Rules and Regulations:* The Council shall adopt such other rules and regulations from time to time governing the use and enjoyment of the "Common Areas" and the "Community Facilities" constructed thereon as the Council in its sole discretion deems appropriate and necessary.

7.11 Nothing contained in this Article shall be interpreted in such a manner as to either interfere with, inhibit, preclude or deter any action of the Developer under any right either granted **or** reserved to the Developer.

*ARTICLE VIII-GENERAL PROVISIONS:*

*8.01 Utility Usage:* The Developer and the Council are hereby given the right to take and use reasonable

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amounts of electricity, water and other utilities from either the "Community Facilities" or from other buildings or improvements constructed in the "Common Area" for the use of the "Common Area."

*8.02 Severability:* The invalidation of any portion of this Declaration of covenants, conditions, easements and restrictions by a judgment or court order shall not affect the validity of any other provisions of this Declaration and said remaining provisions shall remain in full force and effect.

*8.03 Allumndment:* The provisions of this Declaration, except for those portions of this Declaration relating to the rights of the Developer, may be amended by an instrument executed by not less than seventy-five percent (75%) of the Dwelling Unit Owners of each of Class A and Class B. In the event the Class B membership has been terminated as herein provided for, there shall be no need for an execution of same on behalf of Class B membership. Notwithstanding the above, the Developer, for a period of five years from the date of the recording of this document, or thereafter until such time as ninety percent (900/0) of the Dwelling Units proposed by the Developer for the "Proposed Development Area" have been both constructed and either sold or occupied through an agreement with the Developer, shall have the right to amend this Declaration by executing a copy of said Amendment to this Declaration and having same recorded with the Recorder of Deeds of Du Page County, Illinois. This right of amendment shall include, without limitation, the right of modification, adding to, subtracting from, enlarging or restricting, eliminating and/or creating or declaring, as it relates to each and every provision of this Declaration.

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*8.04 Enforcement:* Enforcement of the covenants, conditions, easements and restrictions created by this Declaration may be by proceedings at either law or in equity against any person or persons violating or attempting to violate any such covenants, conditions, easements or restrictions, either to restrain the violation thereof and/or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Council, any mortgagee, any Owner, or anyone else to enforce any covenants, conditions, easements or restrictions shall in

no event be deemed a waiver of the right to do so at any time thereafter.

8.05 *Notices*: Any notices required under the provisions of this Declaration shall be deemed to have been properly served when mailed, postage pre-paid, certified mail or registered mail, return receipt requested, to the last known address of the addressee.

8.06 *Captions*: The Article and Paragraph headings are intended for convenience only and shall not be construed with any substantive effect in this Declaration.

8.07 *Percentage of Common Area Ownership*: The percentage of ownership interest of the Owner of each Dwelling Unit in and to the "Common Area" and the "Community Facilities" shall be as determined by the Council. The criteria to be used is the relationship of the number of bedrooms in the particular Dwelling Unit as it relates to the total number of bedrooms in the total Development upon completion thereof, provided that Dwelling Units on separate single-family lots of 6,000 square feet or more, irrespective of the number of bedrooms, shall be counted as four bedrooms. Once the relationship has been set by the Council, the same may not be changed except with the consent of the Assessor,

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8.08 *Litigation and Costs*: Proceedings may be instituted by either the Council, by the Developer, by the County of Du Page, or by the Owner of any Dwelling Unit, against any other Owner of any Dwelling Unit to enforce the covenants, conditions, easements and/or restrictions set forth herein. Any such proceedings shall be brought in the name of the Council and the Council shall be deemed to be acting in behalf of all parties in interest. In the event of a judgment against the Defendant, the court shall include therein court costs and a sum as and for reasonable attorney's fees for services rendered to the Plaintiff. By these presents, no assessment is authorized against the Council, the Developer or the County of Du Page, Illinois.

In the event there is in existence any subsidiary "Condominium Association" or "Other Association", litigation may similarly be instituted in the name of such subsidiary "Condominium Association" or "Other Association", as the case may be.

The above in no way modifies the right of the Council to recover costs of collection and reasonable attorney's fees which may be granted by any court of competent jurisdiction pursuant to an action to collect a delinquent assessment.

The laws of the State of Illinois shall govern in all issues arising by reason of this Declaration.

8.09 *Declaration and Appendant Provisions*: The "Declaration" and the "Appendant Provisions" are together one total document. The provisions contained in the "Declaration," exclusive of the "Appendant Provisions," are for description and information only. Where any conflict of interpretation or description arises between

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the "Declaration" and the "Appendant Provisions," the "Appendant Provisions" shall supersede, prevail and control.

8.10 *Exhibits*: All exhibits hereto attached are hereby incorporated herein as fully as though herein set forth in full.

8.11 *Terminology*: Wherever appropriate, the singular includes the plural. The word "he" wherever used in this instrument shall be used as synonymous with the words "she,"

"it" and "they," and the word "his" synonymous with the words "her," "its" and "their." The word "person" may refer to an individual, corporation, partnership, land trust or other legal entity.

*8.12 Private Roads and Streets:* Private roads and streets constructed on any part of the "Premises" are not limited to the use by the Members of the STEEPLE RUN COMMUNITY COUNCIL or by anyone living in the "Proposed Development Area." Mutual permitted uses shall be allowed by all Owners of all lots at the sole discretion and option of the Developer.

*8.13 Title In Land, Trust:* In the event title to any Dwelling Unit is conveyed to a land trust holding title, under the terms of which all powers of management, operation and control of the Dwelling Unit are vested in the trust beneficiary or beneficiaries, then such beneficiary or beneficiaries shall be liable for the payment of all obligations, assessments, liens or indebtedness, and for the performance of all of the covenants, conditions, easements and/or restrictions created by this Declaration. This shall in no way affect the lien claims which attach to the realty. No assignment of any beneficial interest under any such trust shall result in the release of any personal liability created hereby.

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*8.14 Delegation of Use:* My Owner subject to the By-Laws of the Council may delegate his rights of enjoyment of the "Common Area" and the "Community Facilities" to members of his family residing in the Dwelling Unit and/or his tenants, and/or contract purchasers, who may likewise be residing in his Dwelling Unit.

This Declaration is executed by LA SALLE NATIONAL BANK, as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee (and LA SALLE NATIONAL BANK hereby warrants that it possesses full power and authority to execute this instrument). It is expressly understood and agreed by every person, firm or corporation hereafter claiming any interest under this Declaration that LA SALLE NATIONAL BANK, as Trustee as aforesaid, and not personally, has joined in the execution of this Declaration for the sole purpose of subjecting the title holding interest and the trust estate under said Trusts Nos. 40796 and 44085 to the terms of the Declaration; that any and all obligations, duties, covenants and agreements of every nature herein set forth by LA SALLE National Bank, as Trustee as aforesaid, to be kept or performed, are intended to be kept, performed and discharged by the beneficiaries under said Trusts Nos. 40796 and 44085, or their successors, and not by LA SALLE NATIONAL BANK personally; and further, that no duty shall rest upon LA SALLE NATIONAL BANK, either personally or as such Trustee, to sequester trust assets, rentals, avails or proceeds of any kind, or otherwise to see to the fulfillment or discharge of any obligation, express or implied, arising under the terms of this Declaration, except where said Trustee is acting pursuant to direction as provided by the terms of said Trusts Nos. 40796 and

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44085, and after the Trustee has first been supplied with funds required by the purpose. In the event of conflict between the terms of this paragraph and of the remainder of the Declaration on any question of apparent liability or obligation resting upon said Trustee, the exculpatory provision hereof shall be controlling.

Dated at Chicago, Ill.: August 17, 1972

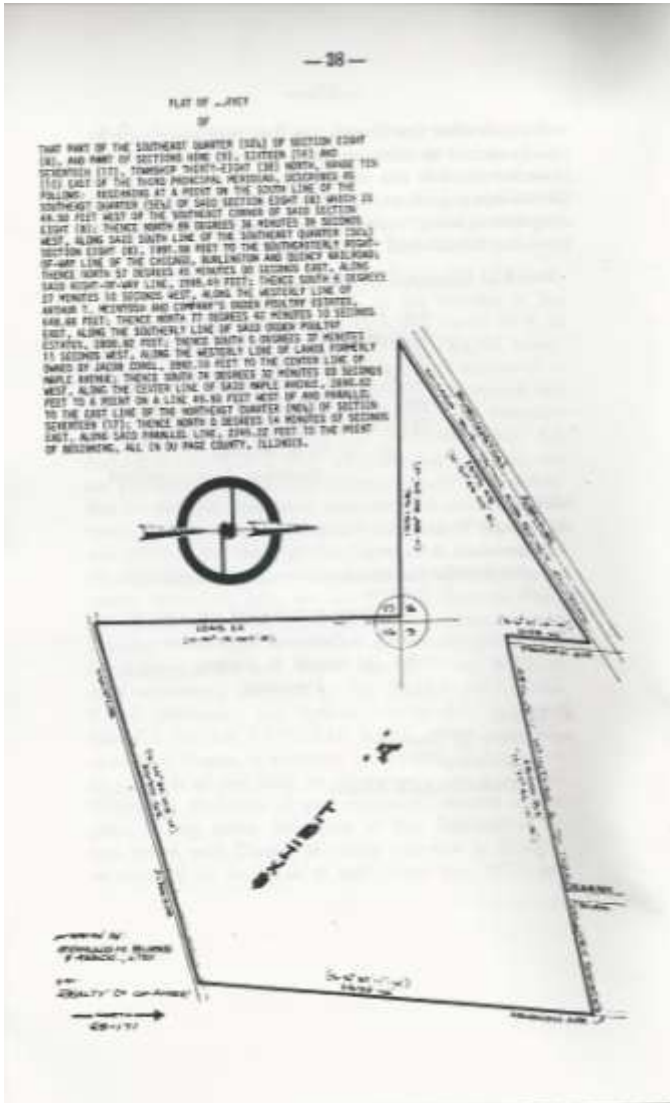
LA SALLE NATIONAL BANK, as Trustee under Trust Agreement dated May 10, 1970 and known as Trust No. 40796, and as Trustee under Trust Agreement dated May 31, 1972 and known as Trust No. 44085, and not personally

By /s/ G. B. Maxwell  
Assistant Vice President

ATTEST:  
/s/ Joseph W. Lang Assistant Secretary  
(CORPORATE SEAL)

REALTY COMPANY OF AMERICA, INC., a Delaware corporation  
By /s/ Harold M. Palmer  
President

ATTEST:  
/s/ Harvey M. Rawson Secretary (CORPORATE SEAL)



BY LAWS  
OF THE  
STEEPLE RUN COMMUNITY COUNCIL

ARTICLE I

Purposes and Definitions

Section 1. Purposes: The purposes of this Corporation are as follows:

(a) The administration and operation of the Community Area and Community Facilities belonging to the Steeple Run Community Council in the development known as Steeple Run in the County of DuPage, Illinois.

(b) To create a total community with permanent parks and recreational facilities to be used for the benefit of the residents of the development.

(c) To create a balance in housing that will induce harmonious living among the owners and occupants of the different types of dwelling units.

(d) To blend different types of dwelling units to reflect a total community.

(e) To conserve the common scheme of development as presented by the developer through effective administration of the Declarations.

(f) The Corporation shall have those powers which are now or may hereinafter be granted or enumerated by the General Not For Profit Corporation Act of the State of Illinois. No part of the moneys received by the Corporation shall inure to the benefit of any private individual, except in accordance with the provisions of the aforesaid Act.

Section 2: Definitions:

(a) Board: The Board of Directors of the Council, as constituted at any time or from time to time pursuant to the provisions of the Declaration and these By-Laws.

(b) Common Area: That part of the premises, including all improvements and structures constructed thereon as shall be de-

clared by the Developer, in writing, to the Council for the part of the Common Area. The Common Area shall include any and all additions, easements or interests in other real property as may be granted or conveyed to the Council pursuant to the provisions of the Declaration.

(c) Community Facilities: The recreation facilities and other improvements or structures from time to time located are constructed in the Common Area.

(d) Council: The Steeple Run Community Council, an Illinois Not For Profit Corporation, its successors and assigns.

(e) Declaration: The Declaration of Covenants, Conditions, Easements and Restrictions recorded with the Recorder of Deeds of DuPage County, Illinois as Document No. R72-49134 and any and all additions, corrections or amendments thereto.

(f) Developer: Realty Company of America, Inc., a Delaware corporation ("Realcoa"), and Land Trust Nos. 40796 and 44085, with La Salle National Bank of Chicago, as Trustee.

(g) Dwelling Unit: A residential housing area constructed on the premises, consisting of a group of rooms which is designed or intended by the Developer for use as living quarters for one family. One family may occupy more than one Dwelling Unit and one Owner may own more than one Dwelling Unit. However, for the purposes of determining membership in the Council, each Dwelling Unit shall be considered separate and apart from all other Dwelling Units.

(h) Member: Member shall mean every person or entity who owns a Dwelling Unit.

(i) Owner: Owner shall mean the person, persons, entity or entities whose estates or interests, individually or collectively aggregate fee simple absolute ownership of a Dwelling Unit.

(j) Other Definitions: All other definitions for the purposes of interpretation of these By-Laws shall be those definitions as set forth in the Declaration or any amendments or corrections thereto.

## ARTICLE II

### Membership and Assessments

Section 1. Definition of Membership: Membership shall be that as is defined and set forth in the Declaration.

Section 2. Rights of Membership: The rights of membership in the Council shall be subject to the Declaration. Said rights are subject to, by way of illustration but not limitation, the payment of annual assessments, the payment of special assessments, rules and regulations promulgated by the Board of Directors and other charges, covenants and conditions as set forth in the Declaration and these By-Laws.

Section 3. Acceptance of Assessment Obligations: Each owner of a Dwelling Unit by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be and is deemed to covenant and agree to pay the Steeple Run Community Council such assessments, whether annual or special which are levied pursuant to the Declaration.

Section 4. Assessment Lien - Land: Each assessment, whether special or annual, together with interest thereon, costs of collection and reasonable attorneys fees, is, pursuant to the Declaration a charge upon the land and a continuing lien against the Dwelling Unit from the date the assessment is levied.

Section 5. Assessment Lien - Personal Obligation: Each assessment, whether special or annual, together with costs of collection and reasonable attorneys fees, in addition to Section 4 above, is the personal obligation of the person, persons or entities holding title to the Dwelling Unit on the date the assessment was levied.

Section 6. Commencement of Assessments; Dwelling Units: No assessments, special or annual, shall be levied by the Council against any Dwelling Unit until same has been both constructed and has been either sold or is occupied through an agreement with the Developer, or its successors, assigns, and/or agents.

Section 7. Annual Assessment Reserve: Annual assessments to pay the costs of operating, maintaining and administering the "Common Area" and "Community Facilities" shall be from time to time assessed against the Dwelling Unit Owners. An adequate reserve fund for replacement of the "Common Area" and "Community Facilities" shall be established and funded by regular monthly assessment payments rather than by special assessments. Any disbursements from the Reserve Fund must be approved by a minimum of seventy-five per cent (75%) of the Board of Directors.

Section 8. Membership suspension under Rules and Regulations of the Council: If the Board of Directors pursuant to the Declaration and these By-Laws shall have adopted and published Rules and Regulation concerning the Common Area and Community Facilities, the Board of Directors acting on behalf of the Council shall have the right to suspend the right of use and access of any Dwelling Unit Owner to any of the Common Areas and Community Facilities for a period not to exceed thirty (30) days from the date of any infraction of the rules and regulations. Notwithstanding the above, the Council shall not have the right to suspend the use and access of the Developer or anyone holding or occupying through, from or under him unless said Developer at his sole discretion elects to have said parties holding or occupying through him subject to the power of suspension hereinabove given to the Council Said election shall be valid only for such time as specified by the Developer.

### ARTICLE III

#### Voting Rights of Members



Section 1. Voting Rights - Election of Board of Directors:  
The voting rights of the members for election of directors and other elections shall be as set forth in Article IV of the Declaration.

(a) Class A (Unit Owners other than the Developer):  
Class A members shall have the right to cast the following weighted votes based upon a number of bedrooms in the Members' Dwelling Unit.

<u>Number of Bedrooms</u>	<u>Description of Votes</u>
4	one full vote
3	3/4 of a vote
2	1/2 of a vote
1 or less	1/4 of a vote

The number of bedrooms as delineated in the Developer's Plans shall be conclusive as determining the number of bedrooms attributable to any particular Dwelling Unit. Every single-family Dwelling Unit on a separate single-family lot of 6,000 square feet or more, irrespective of the number of bedrooms, shall be counted both for voting assessments and otherwise, as having one full weighted vote. Every single-family Dwelling Unit on a separate single family lot of 3,500 square feet or more but less than 6,000 square feet, irrespective of the number of bedrooms shall be counted for voting, assessments or otherwise as having three-quarters of a vote.

(b) Class B - Voting Rights: Until such time as all of the Dwelling Units projected for the "Proposed Development Area" have been constructed and either sold or occupied through an agreement with the Developer or its successors, assigns and/or agents, the Developer shall have votes as follows:

(1) To the extent that portions of the "Proposed Development Are" have been subjected to this Declaration and have become part of the "Premises", then in any such event, the Developer shall be entitled to five (5) full votes for each single-family lot, and, further, to five (5) full votes for each unconstructed or unoccupied Dwelling Unit, irregardless of the number of bedrooms contained or projected to be contained in any such Dwelling Unit, at the rate of seventeen (17) Dwelling Units per acre of all acreage proposed for development with residential units and not platted for single-family lots; and

(2) For the remainder of the "Proposed Development Are", the Developer shall have five (5) full votes for each proposed Dwelling Unit, irregardless of the number of bedrooms projected therefor, computed on the basis of 10 Dwelling Units per acre.

#### ARTICLE IV

Property Rights and Rights of Enjoyment of the Recreational Area

Section 1. Use of Common Area and Community Facilities: Each Dwelling Unit Owner shall be entitled to the use and enjoyment of the Common Area and Community Facilities as defined and restricted in the Declaration.

Section 2. Delegation of Use: Any Dwelling Unit Owner may delegate his rights of enjoyment to the Common Area and Community Facilities to the members of his family who reside upon the Premises or through any of his tenants who reside thereon under a leasehold interest. Said Dwelling Unit Owners shall notify the Secretary of the Association in writing of the name of any such person and of the relationship of the Dwelling Unit Owner to such person. The rights and privileges of said person or persons to whom the use is so delegated are subject to all of the rules and regulations adopted by the Council and all rights and restrictions set forth in the Declaration. Notwithstanding, the above, the Council may, at its discretion, charge reasonable fees for the use of said facilities.

## ARTICLE V

### Amendments to By-Laws

Section 1. Basis of Amendment: The By-Laws of this corporation may only be amended on the following basis:

(a) During the term of the first Board of eleven (11) Directors appointed by the Developer at the first annual meeting after the date of incorporation, these By-Laws may be amended by an affirmative vote of a majority of the Board of Directors. Where, pursuant to Article VI, Section 2 of these By-Laws, the term of the Board of Directors appointed by the Developer is extended for an additional three (3) years, during the term of said extension the By-Laws may likewise be amended by a majority vote of the Directors.

(b) Upon the termination of office of the initial Board of eleven (11) Directors appointed by the Developer, these By-Laws may only be amended by an affirmative vote, either in person or by proxy, of seventy-five per cent (75%) of both the Class A and Class B membership. Notice of any meeting of the members at which an amendment to the By-Laws will be proposed must be given to all members of the Council of either class on or before thirty (30) days prior to the date of said meeting. Said notice shall be in writing and shall be delivered postage prepaid to the last known address of said members.

## ARTICLE VI

### Board of Directors

Section 1. Initial Board of Directors: The affairs of the corporation shall be managed by a Board of eleven (11) Directors who need not be members of the corporation.

Section 2. Term of Office: The first Board of Directors of

eleven (11) Directors appointed by the Developer at the first Annual Meeting of the corporation shall serve for a term of five (5) years. Notwithstanding the above, if at the termination of the five year period described above, there remains undeveloped, constructed or occupied through an agreement with the Developer an amount in excess of ten (10) acres of the Proposed Development Area, the first Board of eleven (11) Directors, may elect, at their discretion, to extend their term of office for an additional three (3) years. However, where such an election is made pursuant to this paragraph, and the undeveloped acreage diminished to an amount less than ten (10) acres, the term of the Board of Directors shall automatically terminate at the commencement of the next Fiscal Year of the corporation.

Upon the termination of the first Board of eleven (11) Directors appointed by the Developer, the succeeding members of the Board shall be elected at the first Annual Meeting of the members following the date of termination of the preceding Board. Of the first eleven (11) members elected to the Board by the members of the Association, five (5) members shall serve for two (2) years and six (6) members shall serve for four (4) years. Thereafter, every member elected to the Board of Directors shall serve for a term of two (2) years. It is the intention herein to provide for staggered terms and elections of the members to the Board of Directors.

Section 3. Vacancies: Vacancies of the first Board of eleven (11) Directors appointed by the Developer shall be filled by appointment by the Developer. Following the term of office of the first Board of eleven (11) Directors, the vacancies shall be filled at a special meeting of the members called for that purpose. A Director elected or appointed, as the case may be, to fill a vacancy shall be elected or appointed for the unexpired term of his predecessor in office.

## ARTICLE VII

### Election of Members to the Board of Directors

Section 1. Time of Election: The election of the members to the Board of Directors may be held at the Annual Meeting of the Members or at a special meeting of the Members called for that purpose. Elections to fill vacancies on the Board of Directors where called for under these By-Laws, may be held at a special meeting of the members called for that purpose. However, a special meeting called for this purpose must conform to the notice requirements for the passage of special assessments pursuant to Article V, paragraph 5.11 of the Declaration.

Section 2. Nominations for Candidates: The Board of Directors may appoint a Nominating Committee made up of members of the Board, to compile a list of candidates for the election of members to the Board of Directors. The candidates so submitted by the Nominating Committee shall be presented to the members at the election. The Board of Directors shall also present to the membership any name of any member of the Council who wishes to be a candidate and who submits a petition to the Board signed by not less than twenty-five per cent (25%) of the Owners eligible to vote at any election held for the

vacancy for which the name has been submitted.

Section 3. Method of Voting: In any election described in Section 1 above, the members of Class A and Class B shall be entitled to cumulate their vote and give one candidate any number of votes equal to his vote multiplied by the number of directors to be elected, or to distribute such funds on the same principal among as many candidates as he shall think fit.

Section 4. Class B Member - Presence at Elections: Where an election was held pursuant to these By-Laws and the Class B Member was not present at said election, said Class B Member may, at his sole discretion, declare said elections to be invalid and void. Where such a declaration is made, a subsequent meeting shall be held for new elections and the Class B Member shall be given notice of the time, place and date of said meeting by Registered Mail. Said Notice shall not be valid unless delivered not less than twenty-one (21) days prior to the date of the meeting. Where said election is continued, postponed or cancelled, a new notice must be given pursuant to the same restrictions described above.

Section 5. Ballots: All elections of members to the Board of Directors shall be done by written ballot.

Section 6. Where any conflict appears between the provisions of Article VI and this Article, the provisions of Article VI shall take precedence and prevail.

## ARTICLE VIII

### Powers and Duties of the Board of Directors

Section 1. Special Meetings: The Board shall have the authority to call special meetings of the members whenever deemed necessary. The Board shall call a special meeting of the members upon the written request of one-third (1/3) of the voting membership of both Classes A and B. Where Class B represents less than ten per cent (10%) of the votes eligible to be cast at any meeting, the written request from one-third (1/3) of Class B shall be waived.

Section 2. Appointment of Officers of the Corporation: The Board of Directors shall have the power to appoint and remove at pleasure all officers, agents and employees of the Association. The Board shall have the power to prescribe their duties, fix their compensation and require of them such security or fidelity bonds as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit employment of any member, officer or director of the Association in any capacity whatsoever.

Section 3. Assessments: The Board shall have the power to levy, assess and collect the assessments or charges delineated and described in the Declaration or these By-Laws.

Section 4. Rules and Regulations: The Board shall have the power to adopt and publish rules and regulations covering the personal conduct of the members and their guests, and the use of the Common Area and Community Facilities and other properties, whether real or personal, belonging to the Council.

Section 5. Books and Records: It shall be the duty of the Board to cause to be kept a complete set of books and records of all its acts and corporate affairs, collections, assets, liabilities, and expenses. Said books and records shall be available for examination by any Unit Owner or his representative during any business hours. Said books and records shall also be available for examination by the representative of any First Mortgagee of any Unit.

Section 6. Supervision: It shall be the duty of the Board to supervise all officers, agents and employees of the Association, and to see that the duties of all are properly performed.

Section 7. Fix Assessments Against Units: It shall be the duty of the Board to fix the amount of assessments against each Unit for each assessment period as determined pursuant to Article V, paragraph 5.07, at least thirty (30) days in advance of such date or period.

Section 8. Roster of Properties: It shall be the duty of the Board to prepare and keep, on a current basis, a roster of the following:

- (a) All properties and assessments applicable thereto.
- (b) All First Mortgagees and their addresses.
- (c) A current mailing address for each Dwelling Unit Owner.

The roster as described above shall be kept with the books and records in the office of the Council and shall be open to inspection by any member or representative of any First Mortgagee.

Section 9. Notice of Assessments: It shall be the duty of the Board to send written notice of each assessment to either owner subject thereto.

Section 10. Certificate of Paid Assessment: It shall be the duty of the Board to issue, or to cause the appropriate officer to issue, upon the demand of any member a certificate setting forth whether any assessment or assessments have been paid as set forth in Article V, paragraph 5.12. Said certificate shall be conclusive evidence of any assessment therein stated to have been paid.

Section 11. Additional Duties and Powers: The Board shall have, in addition to those powers and duties, specifically described, such additional powers and duties as delegated to it by the Declaration, other provisions of these By-Laws, the Articles of Incorporation and the provisions of the Illinois General Not For Profit Corporation Act.

## ARTICLE IX

### Insurance

Section 1. Acquisition of Insurance: The Council shall secure and maintain insurance on the Common Area and Community Facilities and all other property whether real or personal belonging to the Council. The Board of Directors shall procure for the Association the following classifications of insurance:

- (a) Hazard Insurance.
- (b) Fire and Extended Coverage.
- (c) Owners Liability and Title Insurance.
- (d) Workmen's Compensation.

Section 2. Fire and Extended Coverage: Fire and Extended Coverage insurance on the common property, including but not limited to, swimming pools and recreational buildings, shall be placed on a current replacement cost basis in an amount not less than one hundred per cent (100%) of the insurable value (based upon current replacement cost).

Section 3. Use of Insurance Proceeds: Any insurance proceeds for losses to any property belonging to the Council shall only be applied to the repair, replacement or reconstruction of said improvements so damaged or destroyed.

Section 4. First Mortgagees Rights as to Defaulted Insurance Policies: The first mortgagees of any Units may, jointly or singly, pay any overdue premiums on insurance policies or secure new insurance coverage for the lapse of a pre-existing policy for the property of the Council and upon making such payments, said first mortgagees shall be entitled to immediate reimbursement thereof from the Council.

## ARTICLE X

### Directors' Meetings

Section 1. Annual Meetings: The annual meeting of the Board of Directors may be held without other notice than this By-Law, immediately after, and at the same place of the annual meeting of the 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 2. Special Meeting: The Board of Directors may from time to time hold special meetings. Said special meetings may be called by any officer of the corporation or any three directors. Upon the calling of said meeting, the party or parties calling the meeting must give written and timely notice to the other directors. A special meeting shall not be valid unless said notice shall have been given not less than five days prior to the date of the meeting. Said notice shall be deemed duly given if mailed to the last known address of the director not more than fifteen and not less than seven days before the date of the meeting.



Section 3. Waiver of Notice - Approval: The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present, and, if either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

Section 4. Quorum - Board of Directors: In no event shall a quorum consist of less than six (6) Directors.

## ARTICLE XI

### Officers

Section 1. Officers of the Council: The officers of the Council shall be a President, a Vice-President, a Secretary, a Treasurer, and any other officers which the Board of Directors deems necessary. The President, Vice President and Treasurer shall be members of the Board of Directors.

Section 2. Election by Board: The officers shall be chosen by majority vote of the directors.

Section 3. Duration of Office: All officers shall hold office at the pleasure of the Board of Directors.

Section 4. Duties of President: The President shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, checks, leases, mortgages, deeds and other written instruments.

Section 5. Duties of Vice President: The Vice President shall perform all the duties of the President in his absence.

Section 6. Duties of Secretary: The Secretary shall be ex-officio the Secretary of the Board of Directors, shall record the votes and keep the minutes of all proceedings in a book to be kept for the purpose. He shall sign all certificates of membership. He shall keep the records of the Council. He shall record in a book kept for that purpose the names of all members (Unit Owners) of the Council, together with their addresses as registered by such members.

Section 7. Duties of Treasurer: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Council and shall disburse such funds as directed by resolution of the Board of Directors, provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of the budget adopted by the Board of Directors. The Treasurer shall sign all checks and notes of the Council, provided that such checks and notes shall also be signed by the President or the Vice President.

Section 8. Treasurer - Annual Audit: The Treasurer shall keep proper books of the account and cause an annual audit of the Council books to be made by a Certified Public Accountant at the completion of each fiscal year. He shall prepare an annual budget and an annual balance sheet statement and the budget and balance sheet statement shall be presented to the membership at its regular annual meeting.

## ARTICLE XII

### Meetings of Members

Section 1. Annual Meeting: The date, time and place of the annual meeting of the members shall be set by the Board of Directors. In lieu of a designation of said time and date, the annual meeting of the members shall be held on the second Friday of the month of January, at the hour of 7:00 p.m. If the day of the annual meeting of the members shall fall on a holiday, the meeting shall be held at the same hour on the first following day which is not a holiday.

Section 2. Special Meetings: Special meetings of the members may be called at any time by the President, Vice President, or by any three (3) or more members of the Board of Directors or upon the combined written request of one-third (1/3) of the Class A members and one-third (1/3) of the Class B members. Written request of the Class B members shall not be needed after any one of the following events has occurred:

- (a) Less than ten (10) acres of the Proposed Development Area of the Declarations remains to be developed by the Developer
- (b) The Developer voluntarily waives his participation as the Class B member and converts his membership to Class A status.

Section 3. Notices of Meetings: Notice of any meeting shall be given to the members (Unit Owners) by the Secretary. Notice may be given to the member (Unit Owner) either personally, or by sending a copy of the notice through the mail, postage thereon fully prepaid to his address appearing on the books of the corporation. Each member (Unit Owner) shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed at least fourteen (14) days in advance of the meeting and shall set forth in general the nature of the business to be transacted, provided, however, that if the business of any meeting shall involve any area or action specifically governed by the Declarations, notice of such meetings shall be given or sent as therein provided.

## ARTICLE XIII

### Proxies

Section 1. Members' Proxies: At any meeting of the members, a member may vote by proxy executed in writing by the member or by his duly authorized attorney in fact. Unless otherwise



provided in the proxy, said proxy shall not be valid for a period in excess of eleven (11) months from the date of its execution.

Section 2. Directors' Proxies: Members of the Board of Directors may vote by proxy duly executed in writing by the Director or by his duly authorized attorney in fact.

Section 3. Termination by Sale: All proxies shall be in writing and filed with the Secretary of the corporation. Notwithstanding any provisions contained in Section 1 and 2 above, every proxy shall automatically cease and terminate upon the sale by a member of his own or other interest in the Properties covered under the Declarations.

#### ARTICLE XIV

##### General Provisions

Section 1. Fiscal Year of the Corporation: The fiscal year of the corporation shall be from the first day of January to the thirty-first day of December.

Section 2. Corporate Seal: The Council shall have a seal in circular form denoting the name of the Steeple Run Community Council

Section 3. Offices and Location: The Council shall have and continuously maintain in the State of Illinois the registered office and registered agent whose office shall be the same as the registered office. The Council may have other offices within or without the State of Illinois as the Board of Directors may from time to time determine. The designation of the offices of the Council shall be at the sole discretion of the Board of Directors.

IN WITNESS WHEREOF, we being the Directors of the Steeple Run Community Council have hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 1972.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
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_____	_____

Indemnification of Officers and Directors

Section 1. The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil criminal administrative or investigative by reason of the fact that he is or was a director, officer, employee or agent of the corporation, against expenses (including attorneys' fees), judgements, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment or settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the corporation, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Section 3. To the extent that a director, officer, of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in sections 1 and 2, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 4. Any indemnification under sections 1 and 2 (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, is proper in the circumstances because he has met the applicable standard of conduct set forth in sections 1 and 2.

Such determination shall be made (a) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or, even if obtainable, or quorum of disinterested directors directs, by independent legal counsel in a written opinion.

Section 5. The indemnification provided by this article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any contract, agreement, or disinterested director or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer, and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 6. The corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, or officer, of the corporation, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this article.