

RECORDED ON

05/26/2005 02:35:23PM

CHAMPAIGN COUNTY
RECORDER
BARBARA A. FRASCA

REC FEE: 97.00

REV FEE:

PAGES: 35

PLAT ACT:

PLAT PAGE: 1

This instrument was
prepared by, and
after recording, return to:

Kelly E. Ford
LIETZ BANNER FORD LLP
1605 S. State St., Suite 103
Champaign, IL 61820

Property Address:
The Courtyards Condominiums
Savoy, Illinois

Permanent Real Estate
Tax Index No.: 03-20-36-400-037
(Lot 1100, Courtyards Phase One);
Part of :03-20-36-400-024 (5 acre parcel)

**DECLARATION OF
CONDOMINIUM OWNERSHIP OF
THE COURTYARDS CONDOMINIUMS
PHASE ONE**

THIS DECLARATION is made and entered into as of this 23rd day of May, 2005, by Signature Construction, Inc., an Illinois corporation, hereinafter referred to as the "Declarant."

WITNESSETH:

WHEREAS, Declarant owns certain real property legally described on the plat of survey of The Courtyards Condominiums, Phase One, which is attached hereto as Exhibit A, and incorporated herein by reference; and,

WHEREAS, said Declarant has improved said real estate by constructing thereon one ten-unit multifamily structure to be known as The Courtyards Condominiums, Phase One, in the area delineated on the plat of survey referenced in Exhibit A; and,

WHEREAS, said Declarant hereby establishes by this Declaration a plan for the individual ownership of real estate, consisting of the area of space indicated as a "Unit" in said multifamily structure, and the co-ownership by the individual and separate owners thereof, as tenants in common, of all of the remaining real property which is hereinafter defined and referred to herein as the "Common Elements"; said plan of ownership being permitted under, and to be governed by the provisions of the Condominium Property Act as enacted in the State of Illinois, as now in effect or hereafter amended;

WHEREAS, Declarant further desires to establish for its own benefit and for the mutual benefit of all owners or occupants of the property or any part thereof, certain rights in, over, and upon said property and certain mutual beneficial restrictions and obligations with respect to the property use, conduct and maintenance thereof;

WHEREAS, Declarant desires to reserve unto itself the right to add additional portions or the entirety of the balance of Lot 1100 of Courtyards Phase 1 Subdivision, Village of Savoy, as per plat recorded as Document No. 2004R37946 in the office of the recorder of Champaign County, Illinois, and an adjacent, unplatted 5 acre parcel of real estate described herein, also located in Champaign County, Illinois, and to submit such additional real estate to the Condominium Property Act of the State of Illinois, subject to and in accordance with the terms of this Declaration.

NOW, THEREFORE, Declarant, being the fee owner of the described real estate, and for the purposes set forth above, here declares as follows:

1. **Definitions.** Definitions as used herein, unless the context otherwise requires, are as follows:
 - a) **"Act"** means the Condominium Property Act of the State of Illinois.
 - b) **"Declaration"** means this instrument by which the property is submitted to the provisions of the Act, as hereinafter provided, and such Declaration as is from time to time amended.
 - c) **"Parcel"** means the lot or lots, tract or tracts of land, described in this Declaration, submitted to the provisions of the Act.
 - d) **"Property"** means all the land, property, and space comprising the Parcel, all improvements and structures erected, constructed, or contained therein or thereon, including the building and all easements, rights, and appurtenances belonging thereto, and all fixtures and equipment intended for the mutual use, benefit, or enjoyment of the Unit Owners, submitted to the provisions of the Act.
 - e) **"Unit"** means a part of the Property designed and intended for any type of independent use as a single family dwelling, as set forth on the plat attached hereto as Exhibit A, which plat is being recorded simultaneously with the recording of this Declaration. Each Unit shall consist of the space enclosed and shown on the plat, including the designated garage, stairway, structural components of the building, pipes, wires, conduits, ducts, flues, shafts, and mechanical systems which exclusively serve the Unit, as well as the air conditioner located outside the boundary of the Unit, which

exclusively serves the Unit. Notwithstanding the foregoing, any structural component of the building, pipes, wires, conduits, ducts, flues, shafts, mechanicals, or public utility lines situated within a Unit or any part thereof which serve more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements.

- f) **"Common Elements"** means all portions of the property, except the Units, including Limited Common Elements unless otherwise specified.
- g) **"Limited Common Elements"** means a portion of the Common Elements contiguous to and exclusively serving a certain Unit to the exclusion of other Units, including specifically, paved driveways, walkways, entrances, exits, concrete patios, decks, balconies, and outside lighting for each Unit, and such portions of the perimeters, floors, ceilings, doors, vestibules, windows, entryways and of all associated fixtures and structures therein as lie outside the Unit boundaries. The Board of Managers as hereinafter defined may from time to time designate other portions of the Common Elements as Limited Common Elements.
- h) **"Person"** means a natural individual, corporation, partnership, trustee, limited liability company, or other legal entity capable of holding title to real property.
- i) **"Unit Owner"** means the person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit.
- j) **"Majority" or "Majority of the Unit Owners"** means the owners of more than 50% in the aggregate in interest of the undivided ownership of the Common Elements. Any specified percentage of the Unit Owners means such percentage in the aggregate in interest of such undivided ownership of the Common Elements.
- k) **"Unit Ownership"** means a part of the Property consisting of one Unit and undivided interest in the Common Elements.
- l) **"Building"** means the building or buildings located on the Parcel described herein, and forming part of the Property and containing the Units, as shown by the Plat attached hereto as Exhibit A.

- m) **"Occupant"** means a person, or persons, other than an owner, in possession of one or more Units.
- n) **"Developer"** means Signature Construction, Inc.
- o) **"Association"** means the association of all Unit Owners, acting pursuant to the Bylaws.

2. Submission of Property to the Act. Declarant, as owner in fee simple of the Property, expressly intends to and, by recording this Declaration, does hereby submit the Property to the provisions of the Condominium Property Act of the State of Illinois.

3. Plat. The Plat attached hereto as Exhibit "A", and by this reference made a part hereof, sets forth the measurements, elevations, locations and other data, as required by the Act.

4. Unit Identification. Each Unit is identified on the Plat by a distinguishing number or other symbol. The legal description of each Unit shall refer to such identifying number or symbol.

5. Administration and Operation of the Property. The governing body of all of the Unit Owners for the administration and operation of the Property, as provided in the Act and in this Declaration and in the Bylaws, shall be the Board of Managers who shall be elected in the manner provided in the Bylaws. The Board of Managers, when authorized by a majority of the Unit Owners, shall cause to be formed a not-for-profit corporation as provided by the Act, and in such event, such corporation (the Association) shall be the governing body of all of the Unit Owners for the administration and operation of the Property as provided in the Act and in this Declaration and in the Bylaws. The Board of Directors of such Association shall constitute the Board of Managers provided for in the Act, and all rights, titles, powers, privileges and obligations vested in or imposed upon the Board of Managers in the Act and in this Declaration and in the Bylaws shall be held or performed by the Association or by the duly elected members of the Board of Directors thereof and their successors in office. The Bylaws for the governing body shall be the Bylaws appended hereto as Exhibit "C" and made a part hereof.

Whenever the word "Board" is used in this Declaration or in the Bylaws, it shall mean and refer to the Board of Managers if there is no Association, or if there is an Association, it shall mean and refer to said Association acting through its Board of Directors. The Board shall be elected by the Unit Owners in accordance with the Bylaws. Neither the Board, the Association nor the Unit Owners shall be deemed to be conducting a business of any kind. All funds collected by the Board shall be held and expended for the purposes designated in the Declaration and Bylaws and (except for such adjustments as the Board may require to reflect delinquent, prepaid and special assessments) shall be deemed to be held for the benefit, use and account of all the Unit Owners in the percentages set forth in Exhibit "B" and shall be administered in accordance with the provisions of the Declaration and Bylaws. Each Unit Owner shall be a member of the Association so long as he or she shall be a Unit Owner, and such membership shall automatically terminate when he or she ceases to

be a Unit Owner, and upon transfer of his or her ownership interest, the new Unit Owner succeeding to such ownership interest shall likewise succeed to such membership in the Association.

6. Indemnity. The members of the Board and the officers thereof shall not be liable to the Unit Owners for any mistake of judgment, or any acts or omissions made in good faith as such members or officers on behalf of the Unit Owners or the Association unless any such contract shall have been made in bad faith or contrary to the provisions of this Declaration. The liability of any Unit Owner arising out of any contract made by such members or officers or out of the aforesaid indemnity shall be limited to such proportion of the total liability thereunder as his or her percentage interest in the Common Elements bears to the total percentage interest of all the Unit Owners in the Common Elements. Each agreement made by such members or officers or by the managing agent on behalf of the Unit Owners or the Association shall be executed by such members or officers or the managing agent, as the case may be, as agents for the Unit Owners or for the Association.

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

8. Ownership of the Common Elements. Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, as shown in the schedule attached hereto as Exhibit "B" and by this reference made a part hereof as though fully set forth herein. The aforesaid percentages of ownership interest have been computed and determined in accordance with the Act, and shall remain constant unless hereafter changed by recorded Amendment to this Declaration pursuant to the provisions contained in this Declaration. Said ownership interests in the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with their respective percentages of ownership as set forth in Exhibit "B". The ownership of each Unit and the Unit Owner's corresponding percentage of ownership in the Common Elements shall not be separated.

9. Use of Common Elements. Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements) in common with all other Unit Owners as may be required for the purposes of access and ingress and egress to and use and occupancy and enjoyment of the respective Unit owned by such Unit Owner. Such right to use the Common Elements shall extend to each Unit Owner, and the agents, servants, tenants, family members and invitees of each Unit Owner. Each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements serving exclusively his or her Unit. Such rights to use and possess the Common Elements including the Limited Common Elements, shall be subject to and governed by the provisions of the Act and of this Declaration and the Bylaws herein and the rules and regulations of the Board. The Board shall have the exclusive authority from time to time to adopt or amend administrative rules and regulations governing the use, occupancy and control of the Common Elements as more particularly provided in the Bylaws.

10. Common Expenses. It shall be the duty of each Unit Owner to pay his or her proportionate share of the common expenses, including the expenses of administration, maintenance and repair of the Common Elements and any other expenses incurred in conformance with the Declaration and Bylaws or otherwise lawfully agreed upon (which expenses are herein sometimes referred to as "common expenses"). Such proportionate share of the common expenses for each Unit Owner shall be in the same ratio as his or her percentage of ownership in the Common Elements. The Board, or Developer before election of the board, shall prepare and distribute to all Unit Owners a detailed proposed annual budget, setting forth with particularity all anticipated common expenses by category as well as all anticipated assessments and other income. The initial budget and common expense assessment based thereon, shall be prepared and furnished prior to the conveyance of any Unit. The budget shall also set forth each Unit Owner's proposed common expenses assessment. Any non-recurring common expense, any common expense not set forth in the budget, and any increase in assessment shall be separately assessed against all Unit Owners. Payment thereof shall be in such amounts and at such times as determined in the manner provided in the Bylaws.

If any Unit Owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof shall constitute a lien on the interest of such Unit Owner in the Property as provided in the Act. Such lien for common expenses shall be in favor of the members of the Board and their successors in office and shall be for the benefit of all other Unit Owners, and may be foreclosed by an action brought in the name of the Board in like manner as a mortgage of real property. The members of the Board and their successors in office, for the benefit of all other Unit Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire, hold, lease, mortgage and convey the same.

11. Separate Mortgages. Each Unit Owner shall have the right, subject to the provisions herein, to make a separate mortgage or encumbrance on his or her respective Unit together with his or her respective ownership interest in the Common Elements and Limited Common Elements. No Unit Owner shall have the right or authority to make or create or cause to be made or created any mortgage or encumbrance or other lien on or affecting the Property or any part thereof, except only to the extent of his or her Unit and his or her respective ownership interest in the Common Elements and Limited Common Elements.

12. Separate Real Estate Taxes. It is understood that real estate taxes are to be separately taxed to each Unit Owner for his or her Unit and his or her corresponding percentage of ownership in the Common Elements as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each Unit Owner shall pay his or her proportionate share thereof in accordance with his or her respective percentage of ownership interest in the Common Elements.

13. Insurance.

- a) The Board shall have the authority to and shall obtain insurance for the Property against loss or damage by fire and such other hazards as the Board may deem desirable, for the full insurable replacement cost of the Common Elements, Limited Common Elements and the Units. Units shall be insured by the Association for the full replacement value to the same standard of quality of the original items of construction at the date of the first sale of the Unit by the Declarant. Additions, alterations, or improvements to Units shall be insured by Unit Owners as set forth hereafter. Premiums for such insurance shall be common expenses. Such insurance coverage shall be written in the name of, losses under such policies shall be adjusted by, and the proceeds of such insurance shall be payable to, the Board as trustee for each of the Unit Owners in their respective percentages of ownership interest in the Common Elements as established in the Declaration.

The Board may engage the services of any bank or trust company authorized to do trust business in Illinois to act as trustee, agent or depository on behalf of the Board for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms as the Board shall determine consistent with the Provisions of the Act and this Declaration. The fees of such corporate trustee shall be a common expense. In the event of any loss in excess of \$50,000, in the aggregate, the Board shall engage a corporate trustee as aforesaid, or in the event of any loss resulting in the destruction of a major portion of one or more Units, the Board shall engage a corporate trustee as aforesaid upon the written demand of the mortgagee or owner of any Unit so destroyed.

The proceeds of such insurance shall be applied by the Board or by the corporate trustee on behalf of the Board for the reconstruction of the Building, or shall be otherwise disposed of, in accordance with the provisions of this Declaration and the Act; and the rights of the mortgagee of any Unit under any standard mortgage clause endorsement to such policies shall, notwithstanding anything to the contrary therein contained, at all times be subject to the provisions in the Act with respect to the application of insurance proceeds to reconstruction of the Building. Payment by an insurance company to the Board or to such corporate trustee of the proceeds of any policy, and the receipt of release from the Board of the company's liability under such policy, shall constitute a full discharge of such insurance

company, and such company shall be under no obligation to inquire into the terms of any trust under which proceeds may be held pursuant hereto, or to take notice of any standard mortgage clause endorsement inconsistent with the provisions hereof, or see to the application of any payments of the proceeds of any policy by the Board or the corporate trustee. Premiums for such insurance and other expenses in connection therewith shall be common expenses.

- b) The Board shall also have the authority to and shall obtain comprehensive liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Common Elements in amounts deemed sufficient in the judgment of the Board, insuring the Developer and Unit Owners individually and severally, the Board, the Association, the Declarant, the managing agent, if any, and their respective employees, agents and all persons acting as agents. The insurance shall cover claims of one or more insured parties against other insured parties. Such insurance shall contain a waiver of rights to subrogation by the insuring company against any of the above named insured persons. The Board shall notify insured persons concerning the cancellation of such insurance. Premiums for such insurance shall be common expenses.
- c) Each Unit Owner shall be responsible for his own insurance on the contents of his own Unit and furnishings and personal property therein, and his personal property stored elsewhere on the Property, and his personal liability to the extent not covered by the liability insurance for all of the Unit Owners obtained as part of the common expenses as above provided.

The Board shall not be responsible for obtaining insurance on any additions, alterations or improvements made by any Unit Owner to his Unit; each Unit Owner shall be responsible for obtaining insurance on any additions, alterations or improvements made by such Unit Owner to his Unit. The Board shall not be obligated to apply any insurance proceeds to restore the affected Unit to a condition better than the condition existing prior to the making of such additions, alterations or improvements.

- d) Each Unit Owner hereby waives and releases any and all claims which he or she may have against any other Unit Owner, the Association, its officers, members of the Board, the Declarant, the manager and managing agent of the Building, if any, and their

respective employees and agents, for damage to the Common Elements, the Units, or to any personal property located in the Units or Common Elements, caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance.

- e) In case of fire or other disaster, if the insurance proceeds are insufficient to reconstruct or in case of a taking of a portion of property in connection with eminent domain proceedings, then those rights, including withdrawal of a portion of the property, as provided for in the Act shall be applicable.

14. Maintenance, Repairs and Replacements. Each Unit Owner shall furnish and be responsible for, at his own expense, all maintenance, repairs and replacements within his own Unit. Maintenance, repairs and replacements of the Common Elements including roofs and outside walls, shall be furnished by Unit Owners in accordance with the respective percentages of ownership as set forth in Exhibit "B" until election of the Board and thereafter shall be furnished by the Board as a part of the common expenses, subject to the rules and regulations of the Board; provided, that at the discretion of the Board, maintenance, repairs and replacements of the Limited Common Elements may be assessed in whole or in part to Unit Owners benefitted thereby and further, at the discretion of the Board, it may direct such Unit Owners in the name and for the account of such Unit Owners to arrange for such maintenance, repairs and replacements, to pay the cost thereof, and to procure and deliver to the Board such lien waivers and contractor's and subcontractor's sworn statements as may be required to protect the Property from all mechanical or materialmen's lien claims that may arise therefrom.

The Board may cause to be discharged any mechanic's lien or other lien or encumbrance, including any lien for sewer service charges imposed by the Urbana-Champaign Sanitary District related to one or more Units, which, in the opinion of the board may constitute a lien against the Property or Common Elements, rather than against a particular Unit and its corresponding percentage of ownership in the Common Elements. When less than all the Unit Owners are responsible for the existence of any such lien, the Unit Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same and for all costs and expenses, including attorney's fees incurred by reason of such lien.

Whenever the Board shall determine, in its discretion, that any maintenance or repair of any Unit is necessary to protect the Common Elements or any other portion of the Building, the Board may cause a written notice of the necessity for such maintenance or repair to be served upon such Unit Owner, which notice may be served by delivering a copy thereof to any occupant of such Unit, or by mailing the same by certified or registered mail addressed to the owner at the Unit. If such Unit Owner fails or refuses to perform any such maintenance or repair within a reasonable time stated in the notice (or any extension thereof approved by the Board), the Board may cause such maintenance and repair to be performed at the expense of such Unit Owner.

If, due to the act or neglect of a Unit Owner, or of a member of his family or household pet or of a guest or other authorized occupant or visitor of such Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be at the common expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Board, to the extent not covered by insurance.

The Board shall have exclusive authority to take, or refrain from taking, any action pursuant to this Paragraph 14. All expenses which, pursuant to this Paragraph 14, are chargeable to any Unit Owner, may be specifically assessed to such Unit Owner and shall be payable by such Unit Owner as prescribed by the Board.

15. Alterations, Additions or Improvements. Except as constructed or altered by or with the permission of the Developer at any time prior to the election of the first Board, nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board. The Board may authorize and charge as common expenses (or in the case of Limited Common Elements may charge to the Unit Owner benefitted thereby) alterations and improvements of, and additions to, the Common Elements; provided, however, that in the event the costs thereof are to be charged as common expenses the Board shall not approve such alterations, improvements or additions requiring an expenditure in excess of \$1,000 without the approval of Unit Owners owning not less than 75% in the aggregate in interest of the undivided ownership of the Common Elements. Any Unit Owner may make alterations, additions or improvements within his Unit without the prior written approval of the Board, but in any event such Unit Owner shall be responsible for any damage to other Units, the Common Elements, or the Property as a result of such alterations, additions or improvements.

16. Decorating. Each Unit Owner shall furnish and be responsible for, at his own expense, all of the decorating within his own Unit from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lamps and other furnishings and interior decorating. In the event the boundaries of any Unit, as shown on the Plat, are the finished undecorated interior surfaces of the perimeter walls, floors and ceilings thereof, the owner of such Unit shall be entitled to the exclusive use of such surfaces, and such Unit Owner shall maintain such surfaces in good condition at his sole expense as may be required from time to time, which said maintenance and use shall be subject to the rules and regulations of the Board, and each such Unit Owner shall have the right to decorate such surfaces from time to time in such manner as he or she may see fit and at his sole expense. The use of and the covering of the interior surfaces of windows, whether by draperies, shades or other items visible to the exterior of the Building, shall be white and subject to the rules and regulations of the Board. Decorating of the Common Elements (other than interior surfaces within the Units as above provided), and any redecorating of Units to the extent made necessary by any damage to existing decorating of such Units caused by maintenance, repair or replacement work on the Common Elements by the Board, shall be furnished by the Board as part of the common expenses.

17. Encroachments and Easements

- a) In the event that by reason of the construction, reconstruction, settlement, or shifting of any building, or the design or construction of any Unit, any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements, or any portion of any Unit encroaches upon any part of any other Unit, valid easements for the maintenance of such encroachment are hereby established and shall exist for the benefit of such Unit or Common Elements so encroaching so long as all of any part of the Building containing such Unit or Common Elements so encroaching shall remain standing or in place; provided, however, that in no event shall a valid easement for any encroachment be created in favor of the owner of any Unit or in favor of the owners of the Common Elements if such encroachment occurred due to the intentional, wilful or negligent conduct of any owner.
- b) Easements are hereby declared and granted for utility purposes, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone wires and equipment, cable television wires and equipment over, under, along and on any part of the Common Elements as they exist on the date of the recording hereof.
- c) All easements and rights described herein are easements appurtenant, running with the land, and shall inure to the benefit of and be binding on the undersigned, his successors and assigns, and any owner, purchaser, mortgagee and other person having an interest in said land, or any part or portion thereof.
- d) Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and right described in this Declaration, shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of such parcels as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

18. Sale or Lease by a Unit Owner -- Right of First Refusal to Declarant or Board. If any Unit Owner, other than Declarant or Developer, shall desire at any time to sell or lease his Unit Ownership, other than to a co-owner of the same Unit, he or she shall first give the Board, or

Declarant or Developer, if the first Board has not at said time been elected, at least thirty (30) days' prior written notice of the proposed sale or lease, which notice shall state the name, address, and financial and character references of the proposed purchaser or lessee and the terms of the proposed sale or lease. During the period of thirty (30) days following the receipt by the Board of such written notice, the Board shall have the exclusive right to purchase or lease such Unit Ownership upon the same terms as the proposed sale or lease described in such notice.

If the Board shall give written notice to such Unit Owner within said thirty (30) day period that it has elected not to exercise such right, or if the Board shall fail to give written notice to such Unit Owner within said thirty (30) day period that it does or does not elect to purchase or lease such Unit Ownership upon the same terms as herein provided, then such Unit Owner may proceed to consummate said proposed sale or lease transaction at any time within the next ninety (90) days thereafter; and if he or she or she fails to consummate said proposed sale or lease transaction within said ninety (90) days, his Unit Ownership shall again become subject to the Board's right of first refusal as herein provided.

If the Board shall give written notice to such Unit Owner within said thirty (30) day period of its election to purchase or lease such Unit Ownership upon the same terms as the proposed sale or lease described in said written notice to it, then such purchase or lease by the Board shall be closed upon the same terms as such proposed sale or lease.

The Board shall have the authority to elect not to exercise such right of first refusal and to give written notice of such election. A certificate executed and acknowledged by the president or secretary of the Board, certifying that the Board has elected not to exercise its right to purchase or lease the Unit Ownership upon the terms of such proposed sale or lease, shall be conclusive evidence of an election by the Board and of the compliance with the provisions hereof by the Unit Owner proposing to make such proposed sale or lease. A certificate shall be furnished to the Unit Owner upon his or her compliance with the provisions hereof.

If the Board shall adopt a resolution recommending that it shall exercise its right of first refusal to purchase or lease the Unit Ownership upon the terms of the proposed sale or lease, the Board shall promptly call a meeting of all of the Unit Owners for the purpose of voting upon its right, which meeting shall be held within said thirty (30) day period. If all Unit Owners, excluding the owner or owners of the Unit subject to the right, authorize the Board to exercise its right to make such purchase or lease, then the Board shall promptly give written notice of the election as herein provided. In such event, the purchase or lease by the Board shall be closed and consummated, and, for this purpose, the board shall have the authority to make such mortgage or other financing arrangements, and to make necessary assessments proportionately among all the respective Unit Owners, and to make such other arrangements, as the Board may deem desirable in order to close and consummate the purchase or lease of such Unit Ownership by the Board.

If the Board shall make any such purchase or lease of a Unit Ownership as herein provided, the Board or its nominee shall hold the same for the benefit of the remaining Unit Owners and shall

have the authority at any time thereafter to sell or sublease the Unit Ownership upon such terms as the Board shall deem desirable, and all of the net proceeds or deficit therefrom shall be applied among, or charged to, the remaining Unit Owners in proportion to their respective interests in such Unit Ownership.

If a proposed lease of any Unit Ownership is made by a Unit Owner, after compliance with the foregoing provisions, a copy of the lease as and when executed shall be furnished by such Unit Owner to the Board, and the lessee thereunder shall be bound by and be subject to all of the obligations of such Unit Owner with respect to such Unit Ownership as provided in this Declaration and the Bylaws, and the lease shall expressly so provide. The Unit Owner making any such lease shall not be relieved thereby from any of his or her obligations. Upon the expiration or termination of such lease, or in the event of any attempted subleasing thereunder, the provisions hereof with respect to the Board's right of first refusal shall apply to the Unit Ownership.

If any sale or lease of a Unit Ownership is made or attempted by any Unit Owner without complying with the foregoing provisions, such sale or lease shall be subject to each and all of the rights of the Board hereunder, and each and all of the remedies and actions available to the Board hereunder or at law or in equity in connection therewith.

The foregoing provisions with respect to the Board's right of first refusal as to any proposed sale or lease shall be and remain in full force and effect until the property as a whole shall be sold or removed from the provisions of the Act, as provided in the Act, unless sooner rescinded or amended by the Unit Owners in the manner herein provided for amendments of this Declaration. The Board may adopt rules and regulations from time to time not inconsistent with the foregoing provisions, for the purpose of implementing and effectuating the foregoing provisions. In the event the first Board has not yet been elected, the foregoing procedures shall apply to Declarant and Developer.

For the purposes of this Paragraph 18, the word "Owner" shall include any beneficiary of a trust, shareholder of a corporation, or partner of a partnership holding legal title to a Unit, and the term "Unit Ownership" shall include the beneficial interest, shares or partnership interest, as the case may be, held by such Owner.

19. Use and Occupancy Restrictions. The Units and Common Elements shall be occupied and used as follows:

- a) No part of the Property shall be used for other than housing and the related common purposes for which the Property was designed. Each Unit or any two adjoining Units used together shall be used as a residence for a single family or such other uses permitted by this Declaration and for no other purposes.
- b) No industry, business, trade, occupation or profession of any kind, whether commercial, religious, educational, for profit or not for

profit, shall be conducted, maintained, or permitted on any part of the Property. No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the Property except at such location and in such form as shall be determined by the Board. The right is reserved by Declarant or Developer or their agents, to place "For Sale" or "For Rent" signs on any unsold or unoccupied Units, and on any part of the Common Elements. Until all Units are sold, the Declarant and Developer shall be entitled to access, ingress and egress to the Property as is necessary in connection with the sale or leasing of any Unit. The Declarant and Developer shall have the right to use any unsold Unit or Units as models for display purposes and to maintain on the Property advertising signs in connection therewith.

- c) There shall be no obstruction of the Common Elements, including but not limited to fences or other structures, nor shall anything be stored in the Common Elements without the prior consent of the Board, except as herein expressly provided. Each Unit Owner shall be obligated to maintain and keep his or her own Unit and its interior surfaces, windows and doors in good, clean order and repair. The use of and the covering of the interior surfaces of windows, whether by draperies, shades or other items visible to the exterior of the building, shall be white and subject to the rules and regulations of the Board.
- d) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Buildings, or contents thereof, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Buildings, or contents thereof, or which would be in violation of any law. No waste shall be permitted in the Common Elements.
- e) Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the Building. No sign, awning, canopy, shutter, radio or television antenna (except as exists on the date of the recording hereof, or otherwise constructed by the Developer) shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior consent of the Board.
- f) No animals of any kind shall be raised, bred, or kept in any Unit or in the Common Elements, except that no more than two (2) dogs, two

(2) cats, or one dog and one cat may be kept in a Unit subject to rules and regulations adopted by the Board, provided that such household pets shall not be kept, bred, or maintained for any commercial purpose; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon seven (7) days' written notice from the Board.

- g) No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or Occupants.
- h) Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity of the Building or which would structurally change the Building except as otherwise provided herein.
- i) No clothes, sheets, blankets, laundry of any kind or articles shall be hung out or exposed on any part of the Common Elements. The Common elements shall be kept free and clear of rubbish, debris and other unsightly materials; all rubbish and garbage containers shall be kept free stored inside Unit garages.
- j) There shall be no playing, lounging, parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches, chairs or other personal property on any part of the Common Elements without the prior consent of, and subject to any regulations of, the Board.
- k) No campers, motor homes, boats, trailers or trucks shall be parked or stored outside on the property and no more than two automobiles shall be kept or stored on the Property by the Owner or Occupant of each Unit.
- l) Each Unit Owner and the Board hereby waives and releases any and all claims which he or she may have against any other Unit Owner, the Officers and members of the Board, the Developer, the Trustee, and the beneficiaries of the Trustee, and their respective employees and agents, for damage to the Common Elements, the Units, or to any personal property located in the Units or Common Elements, caused by fire or other casualty or any act or neglect referred to in Paragraph 19 (m), to the extent that such damage is covered by fire or other form of hazard insurance.

- m) If, due to the act or neglect of a Unit Owner, or of a member of his family or household pet or of a guest or other authorized occupant or visitor of such Unit Owner, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs or replacements shall be required which would otherwise be a common expense, then such Unit Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Board, to the extent such payment is not waived or released under the provisions of Paragraph 19 (1).
- n) Any release or waiver referred to in Paragraph 19 (1) and 19 (m) hereof shall be valid only if such release or waiver does not affect any right of the insured under the applicable insurance policy to recover thereunder.
- o) No Unit Owner shall overload the electric wiring in any Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating system or plumbing system, without the prior written consent of the Board.

20. Remedies. In the event of any default by any Unit Owner under the provisions of the Act, Declaration, Bylaws or rules and regulations of the Board, the Board or its agents shall have each and all of the rights and remedies which may be provided for in the Act, Declaration, Bylaws or said rules and regulations, or which may be available at law or in equity, and may prosecute any action or other proceedings against such defaulting Unit Owner and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for damages or injunction or specific performance, or for judgment for payment of money and collection thereof, or the right to take possession of the Unit and to sell the same, or for any combination of remedies, or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorneys' fees, late charges, and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate of nine percent (9%) per annum until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of the same, as well as for non-payment of his respective share of the common expenses, upon the Unit and ownership interest in the Common Elements of such defaulting Unit Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property. In the event of any default by a Unit Owner, the Board and the manager or managing agent of the Board, if so authorized by the Board, shall have the authority to correct such default and to do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against the

defaulting Unit Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board.

The violation of any restriction or condition or regulations adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to any other rights provided for in this Declaration:

- a) to enter upon the Unit, or any portion of the Property as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or,
- b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or,
- c) to take possession of such Unit Owner's interest in the Property and to maintain an action for possession of such Unit in the manner provided by law.

If any Unit Owner (either by his or her own conduct or by the conduct of any other Occupant of his or her Unit) shall violate any covenant, restriction or provision of this Declaration or the regulations adopted by the Board, and such violation shall not be cured within thirty (30) days after notice in writing from the Board, or shall re-occur more than once thereafter, then the Board shall have the power to issue to said defaulting Owner a 10-day notice in writing to terminate the rights of the said defaulting Owner to continue as a Unit Owner and to continue to occupy, use or control his Unit, and thereupon an action in equity may be filed by the Board against said defaulting Owner for a decree of mandatory injunction against said defaulting Owner or Occupant (subject to the prior consent in writing of any mortgagee having a security interest in the Unit Ownership of said defaulting Owner, which consent shall not be unreasonably withheld), or in the alternative, for a decree declaring the termination of said defaulting Owner's right to occupy, use or control the Unit owned by him or account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the said defaulting Owner from re-acquiring his interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorney fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder or any lien, shall be paid to said defaulting Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and the Unit Owner's corresponding percentage of ownership in the Common

Elements, and to immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Unit Ownership sold subject to this Declaration.

21. Amendment. Except as provided in paragraph 26 herein, the provisions of this Declaration may be changed, modified or rescinded by an instrument in writing setting forth such change, modification or rescission, signed by a three-quarters majority of Unit Owners; provided, however, that all lien holders of record have been notified by certified mail of such change, modification or rescission, and an affidavit by said secretary certifying to such mailing is a part of such instrument.

Notwithstanding the provisions of the foregoing paragraph, if the Act, or this Declaration, or the Bylaws, requires the consent or agreement of all Unit Owners or of all lien holders for any action specified in the Act or in this Declaration, then any instrument changing, modifying or rescinding any provision of this Declaration with respect to such action shall be signed by all the Unit Owners or all lien holders or both as required by the Act or this Declaration.

Any change, modification or rescission, shall be effective upon recording of such instrument in the Office of the Recorder of Deeds of Champaign County, Illinois; provided, however, that no provisions in this Declaration may be changed, modified or rescinded so as to conflict with the provisions of the Condominium Property Act.

No change, modification or amendment which affects the rights, privileges or obligations of the Declarant or Developer shall be effective without the prior written consent of the Declarant or Developer.

22. Notices. Notices provided for in the Act, Declaration or Bylaws shall be in writing, and shall be addressed to the Board or any Unit Owner, as the case may be, at their Unit address (indicating thereon the number or symbol of the respective Unit). The Board may designate a different address for notices to it by giving written notice of such change of address to all Unit Owners at such time. Any Unit Owner may also designate a different address or addresses for notice to him by giving written notice of his or her change of address to the Board. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail or when delivered in person with written acknowledgment of the receipt thereof.

Upon written request to the Board, the holder of any recorded mortgage or trust deed encumbering any Unit shall be given a copy of all notices permitted or required by this Declaration to be given to the Unit Owner or Owners whose Unit is subject to such mortgage or trust deed.

23. Severability. If any provision of the Declaration or Bylaws or any section, sentence, clause, phrase or word, or the application thereof in any circumstances, is held invalid, the validity of

the remainder of the Declaration and Bylaws and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

24. Rights and Obligations. Each grantee of Declarant by the acceptance of a deed of conveyance, and each purchaser under any contract for such deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every kind hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any Person having at any time an interest or estate in said land, and shall inure to the benefit of such Person in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the rights described in this paragraph or described in any other part of this Declaration or the Bylaws shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of each Unit Ownership as fully and completely as though such rights were recited fully and set forth in their entirety in such documents.

25. General Provisions.

- a) Until such time as the Board provided for in this Declaration is formed, the Developer shall exercise any of the powers, rights, duties and functions of the Board.
- b) No covenants, restrictions, conditions, obligations, or provisions contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.
- c) The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation of a first class condominium community.
- d) In the event title to any Unit Ownership is conveyed to a title holding trust, the terms of which provide that all powers of management, operation and control of the Unit Ownership remain vested in the trust beneficiary or beneficiaries, such beneficiary or beneficiaries thereunder from time to time shall be responsible for payment of all obligations, liens, or indebtedness and for the performance of all agreements, covenants, and undertakings chargeable or created under this Declaration against such Unit Ownership. No claim shall be made against any such title holding trustee personally for payment of any lien or obligation hereunder created and the trustee shall not be

obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation . The amount of such lien or obligation shall continue to be a charge or lien upon the Unit Ownership and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Unit Ownership.

26. Declarant/Developer Right to Add-On; Amendments. The Developer, or its successor or assigns, hereby reserves the right to add additional portions or the entirety of the balance of Lot 1100 of Courtyards Phase 1 Subdivision, Village of Savoy, as per plat recorded as Document No. 2004R37946 in the office of the recorder of Champaign County, Illinois, and an adjacent, unplatted 5 acre parcel of real estate, also located in Champaign County, Illinois, which is legally described as follows: Part of the Southwest Quarter of Section 36, Township 19 North, Range 8 East of the Third Principal Meridian, Champaign County, Illinois more particularly described as follows: Beginning at the Southwest Corner of The Courtyards Phase 1, recorded as Document No. 2004R37946 in the Office of the Champaign County Recorder. From said Point of Beginning, thence north 88°-56'-50" west 315.04 feet along the South Line of said Southwest Quarter of Section 36; thence north 00°-20'-15" east 656.38 feet; thence north 89°-00'-04" west 51.00 feet; thence north 00°-20'-15" east 18.49 feet; thence south 89°-19'-39" east 369.98 feet to the Northwest Corner of said The Courtyards Phase 1; thence south 00°-40'-21" west 677.24 feet along the West Line of said The Courtyards Phase 1 to the Point of Beginning, containing 4.94 acres, more or less, situated in Champaign County, Illinois; to be submitted to the provisions of this Act, to reallocate percentage interest in the Common Elements in accordance with provisions of the Act and to amend this Declaration. The Developer may do so by recording an amended plat in accordance with section 5 of the Act, together with an amendment to this Declaration in accordance with section 6 of the Act, which Declaration may be signed by the Developer, or its successors and assigns. No approval of the Unit Owners shall be required. The Developer may elect to add some, all, or none of the property and improvements, or to change the time or order of addition of any or all the property referenced above, without the consent or approval of all or any of the Unit Owners.

Upon addition of Units to this Declaration and the Property, the percentage interests of each Unit Owner in the Common Elements for purposes of Unit Ownership, assessments, and voting, shall be readjusted based on the proportionate value that each original or additional Unit bears to the total value of all Units, both original and additional. The value of each original or additional Unit for purposes of this determination shall be its value on the effective date of the amendment to this Declaration referencing the addition. Units that are substantially identical in size, location, and other amenities shall be considered to be of equal value for purposes of this paragraph, without regard to the date the Units were completed or the price at which they were offered or sold by the Declarant or Developer.

Developer hereby reserves the right to redesignate as Limited Common Elements and facilities such portions of the Common Elements and facilities as are deemed necessary to provide the additional Units with facilities substantially similar to those designated for the use of the Units

described herein, including, but not limited to, parking spaces and patio areas. Further, the Developer reserves the right to add patios to Units already added to this Declaration, provided the Developer does so prior to the first sale of such Unit. Developer may designate Common Elements and facilities in such additional land and improvements and may redesignate such areas and facilities as Limited Common Elements and facilities.

Developer reserves the right to create easements within the original portion of the Property for the benefit of land or Units to be added thereto. Developer hereby reserves an easement in the original portion of the Property for access to said additional land during construction of the improvements described herein, and for performance of such activities in the original portion of the Property as shall be reasonably necessary in connection with such construction, including, but not limited to, the installation of drains, sewers, and utilities, and the modification or alteration of streets, sidewalks, fences, and natural features.

The Developer's ability to "add-on" shall run for a period beginning with the date of recording of this Declaration and continuing ten years from the date of recording, after which time the Developer's ability to add additional property shall no longer be in effect.

This space intentionally left blank.

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the date set forth herein above.

DECLARANT:


Signature Construction, Inc.,
an Illinois corporation

By:



William Peifer, Vice-President

Attest:



Kelly E. Ford, Assistant Secretary

State of Illinois)
) SS
County of Champaign)

I, the undersigned, a Notary Public in and for the County and State written above, DO HEREBY CERTIFY that William Peifer and Kelly E. Ford, personally known to me to be the Vice-President and Assistant Secretary of Signature Construction, Inc., an Illinois corporation, and also known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed and delivered this instrument as their free and voluntary act of the corporation, for the uses and purposes shown in the document and they were authorized to execute this document by the board of directors of the corporation.

IN WITNESS executed WHEREOF, this instrument has been executed on this 23rd day of May, 2005.

Dated: May 23, 2005.



Notary Public



J:\Data\KEF\CLIENT\PEIFER\S&I Villas LLC\DECLAR1.wpd

EXHIBIT "B "

PERCENTAGE OF OWNERSHIP
IN THE COMMON ELEMENTS

Units	Street Address	Unit Value	Percentage Ownership
1	103 Yorkminster, Unit 1	\$139,900.00	10%
2	103 Yorkminster, Unit 2	\$130,900.00	10%
3	103 Yorkminster, Unit 3	\$139,900.00	10%
4	103 Yorkminster, Unit 4	\$131,900.00	10%
5	103 Yorkminster, Unit 5	\$141,900.00	10%
6	103 Yorkminster, Unit 6	\$141,900.00	10%
7	103 Yorkminster, Unit 7	\$131,900.00	10%
8	103 Yorkminster, Unit 8	\$139,900.00	10%
9	103 Yorkminster, Unit 9	\$130,900.00	10%
10	103 Yorkminster, Unit 10	\$139,900.00	10%

EXHIBIT "C"

BYLAWS

ARTICLE I

Members

Section 1. The direction and administration of the Property shall be vested in a Board of Managers (hereinafter referred to as the "Board"), consisting of three (3) Persons who shall be elected in the manner hereinafter provided. Each member of the Board shall be one of the Unit Owners or a spouse of a Unit Owner; provided, however, that in the event a Unit Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any officer or director of such corporation, partner or such partnership, beneficiary of such trust, or manager of such other legal entity, shall be eligible to serve as a member of the Board.

Section 2. There shall be one person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known and hereinafter referred to as a "voting member". Such voting member may be the Owner or one of the group composed of all the Owners of a Unit Ownership, or for a regular or special meeting of the Board may be some person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be an Owner. Such designation shall be made in writing to the Board and shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any designator, or by written notice to the Board by the Owner or Owners. Any or all of such Owners may be present at any meeting of the voting members and (those constituting a group acting unanimously) may vote or take any other action as a voting member either in person or by proxy. The total number of votes of all voting members shall be 100, and each Owner or group of Owners shall be entitled to the number of votes equal to the total of the percentage of ownership in the Common Elements applicable to his or their Unit Ownership as set forth in Exhibit "B". Declarant shall be the voting member with respect to any Unit Ownership owned by the Declarant."

Section 3. Meetings of the voting members shall be held at the Property or at such other place in the county wherein the Property is situated, as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the voting members having a majority of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the voting members at which a quorum is present upon the affirmative vote of the voting members having a majority of the total votes present at such meeting. Such meetings shall be subject to open meeting law requirements.

- a) The first annual meeting of the Unit Owners shall be called by Declarant upon ten (10) days' written notice. Such meeting shall take place on the first business day which is sixty (60) days from the date when seventy-five percent of the Units have been

the date when three (3) of the Units have been conveyed by Declarant, or such earlier time as selected by Declarant.

- b) Special meetings of the voting members may be called at any time for the purpose of considering matters which, by the terms of the Declaration, or the Illinois Condominium Property Act, require the approval of all or some of the voting members, or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by a majority of the Board, or by the Owners of three (3) Units, and delivered not less than ten (10) days prior to the date fixed for said meeting. The notices shall specify the date, time, and place of the meeting. The notices shall specify the date, time, and place of the meeting and the matters to be considered.
- c) Notices of meetings required to be given herein may be delivered either personally or by mail to the persons entitled to vote at such meetings, addressed to each such person at the address given by him to the Board for the purpose of service of such notice, or to the Unit of the Owner with respect to which such voting right appertains, if no address has been given to the Board.

ARTICLE II

Board of Managers

Section 1. At the initial meeting the voting members shall elect a Board. In all elections for members of the Board, each voting member shall be entitled to vote on a cumulative voting basis, and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. A majority of the members on the Board shall constitute a quorum. Members of the board elected at the initial meeting shall serve until the first annual meeting. At the first annual meeting, and at each successive annual meeting thereafter, members of the Board shall be elected for a term of one (1) year. The voting members having at least seventy-five percent (75%) of the total votes may increase the term of office of Board members at any annual or special meeting. The terms of at least one-third (1/3) of the persons on the Board shall expire annually. Board members are eligible for re-election at all times. Members of the Board shall receive no compensation for their services, unless expressly allowed by the Board at the direction of the voting members having seventy-five percent (75%) of the total votes. Vacancies in the Board shall be filled by election by the voting members present at the next annual meeting or at a special Meeting of the voting members called for such purpose. Except as otherwise provided in the Bylaws, the Property shall be managed by the Board and the Board shall act by majority vote of those present at its meetings when a quorum exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt.

Section 2. The Board shall elect from among its members a president who shall preside over both its meetings and those of the voting members, and who shall be the chief executive officer of the Board, a Vice President who shall serve in the absence of the President, a Secretary who shall keep the minutes of all meetings of the Board and of the voting members and who shall, in general, perform all the duties incident to the office of Secretary, and a Treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect. All offices, except the office of president, may be combined. Non-board members may be designated by the Board to act as Secretary or Treasurer of both.

Section 3. For failure to carry out the duties and responsibilities of office, any Board member may be removed from office by affirmative vote of the voting members having at least seventy-five percent (75%) of the total votes, at any special meeting called for the purpose. A successor to fill the unexpired term of a Board member removed may be elected by the voting members at the same meeting or any subsequent meeting called for that purpose.

Section 4. All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President or any Vice-President and countersigned by the Secretary or any Assistant Secretary of the Board.

Section 5. The Board shall have the following additional powers and duties:

- a) to engage the services of a manager or managing agent who shall manage and operate the Property for all the Unit Owners upon such terms and with such authority as the Board may approve;
- b) to formulate policies for the administration, management and operation of the Property;
- c) to adopt administrative rules and regulations, after a membership meeting, with written notice thereof to all Unit Owners, governing the administration, management, maintenance, operation, use, conservation and beautification of the Property and for the health, comfort, safety and general welfare of the Unit Owners, and to amend such rules and regulations from time to time after a membership meeting;
- d) to provide for any construction, alteration, installation, maintenance, repair, painting, and replacement for which the Board is responsible under the Declaration and Bylaws and for such purposes to enter and to authorize entry into any Unit and/or Limited Common Elements, causing as little inconvenience to the

Unit Owners as practicable and repairing any damage caused by any such entry at the expense of the maintenance fund;

- e) to provide for the designation, hiring and removal of employees and other personnel, including lawyers and accountants, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the property and to delegate any such powers to the manager or managing agent (and any such employees or other personnel as may be employees of the managing agent);
- f) to estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Unit Owners their respective shares of such estimated expenses as hereinafter provided;
- g) to pay out of the maintenance fund hereinafter provided the following:
 - i) The services of a manager or managing agent or any other person or firm employed by the Board.
 - ii) Payment for the maintenance, repair and replacement of the Common Elements.
- h) to bid for and purchase any Unit Ownership at a sale pursuant to a mortgage foreclosure, or a foreclosure of the lien for common expenses under the Act, or at a sale pursuant to an order or direction of a court, or other involuntary sale, upon the consent or approval of all Unit Owners, excluding the Owner or Owners of the Unit being purchased;
- i) to comply with the instructions of a majority of the Unit Owners, as expressed in a resolution duly adopted at any annual or special meeting of the Unit Owners;
- j) to exercise all other powers and duties of the Board of Managers or Unit Owners as a group referred to in the

Declaration, these Bylaws or the Condominium Property Act of the State of Illinois.

ARTICLE III

Assessments

Section 1. Each year on or before December 1st, the Board shall estimate the total amount necessary to pay the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements, and shall on or before December 15th notify each Unit Owner in writing as to the amount of such estimate, with reasonable itemization thereof. The annual budget shall also take into account the estimated net available cash income for the year from the operation or use of the Common Elements. Said "estimated cash requirement" shall be assessed to the Unit Owners according to each Unit Owner's percentage of ownership in the Common Elements as set forth in Exhibit "B" attached to the Declaration. On or before January 1st of the ensuing year, and the 1st of each and every month of said year, each Unit Owner shall be obligated to pay to the Board or as it may direct, one-twelfth (1/12) of the assessment made pursuant to this paragraph. On or before the date of the annual meeting of each calendar year, the Board shall supply to all Unit Owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall be credited according to each Unit Owner's percentage of ownership in the Common Elements to the next monthly installments due from Unit Owners under the current year's estimate, until exhausted, and any net shortage shall be added according to each Unit Owner's percentage of ownership in the Common Elements to the installments due in the succeeding six months after rendering of the accounting.

Section 2. The Board shall build up and maintain a reasonable reserve for contingencies and replacements. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year shall be charged first against such reserve. If said "estimated cash requirement" proves inadequate for any reason, including non-payment of any Unit Owner's assessment, the Board may at any time levy a further assessment, which shall be assessed to the Unit Owners according to each Unit Owner's percentage ownership in the Common Elements. The Board shall serve notice of such further assessment on all Unit Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the next monthly maintenance payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Unit owners shall be obligated to pay the adjusted monthly amount.

Section 3. When the first Board elected hereunder takes office, it shall determine the "estimated cash requirement", as hereinabove defined, for the period commencing thirty (30)

days after said election and ending on December 31 of the calendar year in which said election occurs. Assessments shall be levied against the Unit Owners during said period as provided in Section 1 of this Article.

Section 4. The failure or delay of the Board to prepare or serve the annual or adjusted estimate on the Unit Owner shall not constitute a waiver or release in any manner of such Unit Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Unit Owner shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the next monthly maintenance payment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

Section 5. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the common Elements and any other expenses incurred. Such records and vouchers authorizing the payments shall be available for inspection by any Unit Owner, at such reasonable time or times during normal business hours as may be requested by the Unit Owner. Upon ten (10) days' notice to the Board, any Unit Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

Section 6. If a Unit Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the members of the Board may bring suit for and on behalf of themselves and as representatives of all Unit Owners, to enforce collection thereof or to foreclose the lien as hereinafter provided. The Board may add to the amount due the costs of said Unit, all other fees and expenses together with interest and reasonable attorney fees to be fixed by the Court. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided shall be and become a lien or charge against the Unit Ownership of the Unit Owner involved when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of liens against real estate. Said lien shall take effect and be in force when and as provided in the Condominium Property Act of Illinois. Any encumbrancer may from time to time request in writing a written statement from the Board setting forth the unpaid common expenses with respect to the Unit Ownership covered by such encumbrance and unless the request shall be complied with within twenty (20) days, all unpaid common expenses which become due prior to the date of the making of such request shall be subordinate to the lien of such encumbrance.

Section 7. No Unit Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his Unit.

Section 8. Until such time as the first Board provided for herein is elected, the Declarant may assess each Unit Owner, including Declarant, a maintenance fee. Such maintenance fee, as assessed by the Declarant, shall not include a reserve for contingencies or replacements. All of the rights, duties and functions of the Board set forth in these Bylaws shall be exercised by Declarant for a period ending thirty (30) days after the date on which the first annual meeting of the Unit Owners is called pursuant to the terms of these Bylaws.

Section 9. Any first mortgage or first trust deed made, owned or held by a bank, savings and loan association or insurance company, and recorded prior to the recording or mailing of a notice by the Board of the amount owing by a Unit Owner who has refused or failed to pay his share of the monthly assessment when due shall be superior to the lien of such unpaid common expenses set forth in said notice and to all assessments for common expenses which become due and are unpaid subsequent to the date of recording of such first mortgage or first trust deed; provided, however, that after written notice to the holder of any such mortgage or trust deed, such mortgage or trust deed shall be subject to the lien of unpaid common expenses which are due and payable subsequent to the date when such holder takes possession of the Unit, accepts a conveyance of such Unit, or has a receiver appointed in a suit to foreclose the lien of such mortgage or trust deed.

ARTICLE IV Amendments

The Bylaws may be amended or modified from time to time by action or approval of the voting members having at least seventy-five percent (75%) of the total votes; provided, however, that no provision in these Bylaws may be amended or modified or interpreted so as to conflict with the provisions of the Condominium Property Act. Such amendments shall be recorded in the Office of the Recorder of Deeds of Champaign County, Illinois.

SURVEYOR'S STATEMENT TO RECORDER OF DEEDS

I, Chad E. Wallace, Illinois Professional Land Surveyor No. 3521, hereby state that I have prepared a plat of "The Courtyards Condominium, Phase One" in Savoy, Illinois. I authorize Chicago Title Insurance Company to act as my agent in presenting this plat to the Champaign County Recorder for recording.



Chad E. Wallace
FARNSWORTH GROUP, INC.
Illinois Professional Land Surveyor No. 3521
April 28, 2005

