

DECLARATION OF COVENANTS, RESTRICTIONS, RESERVATIONS  
EQUITABLE SERVITUDES, GRANTS AND EASEMENTS

THIS DECLARATION is made this 3rd day of July, 2002, by First Midwest Trust Company, as Trustee under the provisions of a Trust agreement dated the 9th day of September, 1985, and known as Trust No. 807, hereinafter referred to as Declarant.

PREAMBLES:

A. Declarant owns fee simple title to a certain parcel of real estate in the County of Will, State of Illinois, legally described in Exhibit "A" attached hereto and made a part hereof (the "Property"); and

B. Declarant and Developer desire to develop a single family residential development on the Property to be known as Quarry Planned Unit Development(the "Development"); and

C. Declarant is desirous of submitting the Property to the provisions of this Declaration.

NOW, THEREFORE, Declarant hereby declares that the Property is, and shall be held, transferred, sold, conveyed and occupied, subject to the covenants, conditions, restrictions, equitable servitudes, reservations, grants and easements hereinafter set forth.

ARTICLE I

Definitions

When used in this Declaration, the following words and terms shall have the following meanings:

1.1 "Association" shall mean and refer to the Quarry PUD Homeowner's Association, an Illinois Not for Profit Corporation, its successors and assigns.

1.2 "Board" shall mean and refer to the Board of Directors of the Association.

1.3 "By-Laws" shall mean those By-Laws duly enacted by the Association in the form attached hereto as Exhibit B.

1.4 "Declarant" shall mean and refer to First Midwest Trust Company, as Trustee under the provisions of a Trust Agreement dated September 9, 1985, and known as Trust No. 807, its successors and assigns. Any such successor or assignee shall be deemed a Declarant and entitled to exercise all or any rights of the Declarant provided herein if designated as such by Declarant in any instrument recorded for such purposes as provided in Section 5.10.

1.5 "Developer" shall mean and refer to Barbara Brieser and Steven Brieser.

1.6 "Dwelling" shall mean any building located on a Lot and intended for the shelter and housing of a single family.

1.7 "Improvement" or "Improvements" shall mean and include Dwellings, any and all buildings, dwelling accessory building, driveways, pedestrian walkways, fences, decks, patios, hedges, lawns, sidewalks, planted trees, shrubs and all other structures or landscaping improvements of every kind and description.

1.8 "Living Area" shall mean that portion of a Dwelling which is enclosed and customarily used for dwelling purposes, and having not less than 6 feet of headroom, but shall not include porches, terraces, breeze ways, attached garage, carports, dwelling accessory buildings, or any portion below ground level at any point, except such portion below ground level as contained in a multi-level, split-level, bi-level, and tri-level home. A dwelling accessory building shall mean a subordinate building or a portion of a dwelling, the use of which is incidental to the dwelling and customary in connection with that use.

1.9 "Lot" shall mean each part of the property, the size and dimension of which shall be established by the legal description in the Lot Deed conveying such Lot. A Lot may also be established pursuant to the Plat of Subdivision or by an instrument in writing executed, acknowledged and recorded by Declarant which designates a part of the property as a Lot for the purposes of the Declaration.

1.10 "Lot Deed" shall mean the deed of Declarant conveying a Lot to an Owner.

1.11 "Member" shall mean and refer to every person who holds membership in the Association and "Members" shall mean and refer to all persons who hold membership in the Association.

1.12 "Owner" shall mean and refer to the record owner, whether one or more persons, of fee simple title to any Lot, including Contract Sellers, but excluding those having such interest merely as security for the performance of an obligation. The term "Owner" shall include the Developer to the extent Declarant owns any Lot and also includes the interest of Developer or Declarant as a Contract Seller of a Lot.

1.13 "Person" or "Persons" shall mean all natural individuals, corporations, partnerships, trustees, or other legal entities capable of holding title to the real property.

1.14 "Plan Review Fee" shall have the meaning set forth in Section 4.2.

1.15 "Plans and Specifications" shall have the meaning set forth in Section 4.2.

1.16 "Property" shall mean and refer to the real estate legally described in Exhibit "A" attached hereto and made a part hereof.

1.17 "Single Family" shall mean one or more persons, each related to the other by blood, marriage or adoption, or a group of not more than three persons not all so related, together with his or their domestic servants, maintaining a common household in a dwelling.

1.18 "Story" shall mean that portion of a dwelling included between the surface of any floor and the surface of the floor next above, or if there is no floor above, the space between the floor and the ceiling next above.

## ARTICLE II

### DECLARATION PURPOSES AND PROPERTY SUBJECTED TO DECLARATION

2.1 The Declarant desires to create on the Property a single-family development for future owners of Lots for the following general purposes:

(a) The Declarant desires to provide upon the Property, through its planning and layout, the harmonious development of a single-family community by the imposition of the covenants, conditions, restrictions and easements as hereinafter set forth, for the benefit of the Property and the Owners.

(b) By the imposition of covenants, conditions and restrictions set forth herein and the reservation of certain powers as herein contained, Declarant intends to provide a plan for development of the Property which is intended to enhance and protect the values of Declarant's single-family residential community.

(c) The Declarant desires to (i) prevent improper use of Lots which may depreciate the value of each Owner's property; (ii) prevent the construction of buildings containing improper or unsuitable materials; (iii) ensure adequate and reasonable development of the Property; (iv) encourage the construction of attractive improvements on the Property; (v) prevent haphazard and inharmonious development; and (vi) in general, provide for the highest quality environment for the Development.

2.2 To further the general purposes herein expressed, the Declarant, for itself, its successors and assigns, hereby declares that the Property at all times is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, reservations, grants, equitable servitudes, and easements set forth in this Declaration.

## ARTICLE III

## GENERAL RESTRICTIONS

3.1 Except for Lots 3, 11, 24 and 25, all Lots, and any structure on any lot or any part or portion thereof shall be used or occupied for single family, private residential purposes principally and shall never be used or occupied for multi-family, trade, commercial, home occupation, business, or agricultural purposes of any kind or nature. The non-permissive uses prohibited above shall include, but shall not be limited to, the use of the premises for apartment buildings, hospitals, sanitariums, rest homes, nursing homes, hotels, beauty shops, motels, and boarding houses, for the storing of commercial equipment or materials. However, home occupations and other related office uses may be established as incidental to the principal use of the structure for a single family residence. Home occupation is an occupation or profession practiced by a member of the family residing on the premises in connection with which there is no indication from the exterior, that the Dwelling is being utilized in part for any purpose other than that of a Dwelling. No exterior signs shall be allowed. No commodity may be sold upon the premises and no commodity intended for sale or use elsewhere may be stored on the premises. No one may be employed on the premises other than family members. A professional person may use his residence for consultation and as an office for his profession. No accessory building or garage shall be used for such home occupation. Such home occupation shall not utilize more than twenty-five (25%) of the total floor area of any one (1) story. Each Owner shall (i) maintain his Lot and all Improvements located thereon in a clean, sightly and safe conditions, (ii) cause the prompt removal of all papers, debris and refuse therefrom and the removal of snow and ice from all sidewalks, driveways and similar areas serving said Lot and (iii) comply with all applicable government codes, laws, ordinances, orders, decrees, rules and regulations.

3.2 All Improvements shall be constructed in accordance with the Plans and Specifications approved in accordance with the terms and conditions in Article IV and in accordance with all applicable governmental building and zoning codes, laws, ordinances, orders, decrees, rules and regulations. If, and to the extent any conflict exists between the terms and the conditions of this Declaration and the provisions of any such codes, laws, ordinances, orders, decrees, rules and regulations, then such conflict shall be resolved by the application of the more stringent provision providing the higher or better quality result.

3.3 No noxious or offensive activity shall be carried on, in or upon the Property, nor shall anything be done thereon which may constitute or become an annoyance or nuisance to the Owners. No plants or seeds or other conditions, harboring or breeding infectious plant diseases or noxious insects shall be introduced or suffered to exist upon any part of a Lot.

3.4 No temporary building, trailer, mobile home, recreational vehicle, tent, shack or other similar Improvement shall be located upon the Lots.

3.5 No Person shall accumulate on his Lot any derelict vehicles, litter, refuse or other unsightly materials. Garbage shall be placed in receptacles and all garbage receptacles shall be property screened.

3.6 Trucks, boats, recreational vehicles, trailers or other vehicles (other than automobiles, SUV's and 3/4 ton pick-up trucks) shall at all times be parked in the garage of the Dwelling and their repair or maintenance shall not be permitted except within the confines of the garage.

3.7 No animals (other than inoffensive common domestic household pets such as dogs and cats) shall be kept on any Lot or within the confines of any Improvement thereon. The breeding or keeping of dogs or cats for sale or profit is expressly prohibited.

3.8 The operation of "ham" or other amateur radio stations or the erection of any communication antennae or similar devices (other than simple mast antennae or television reception discs) shall not be allowed unless completely screened from view from all streets and approved in writing in advance by the Developer. No communications discs shall be permitted on any Lot.

3.9 Each Owner shall keep all areas of the Lots designed or intended for the proper drainage or detention of water, including swale lines, storm water detention ponds, and ditches, unobstructed and mowed regularly. No trees, plantings, shrubbery, fencing, patios, structures, landscaping treatment or other obstructions shall be planted, placed or allowed to remain in any such areas, and no Owner shall alter the rate or direction of flow of water from any Lot by impounding water, changing grade, blocking or redirecting swales, ditches or drainage areas or otherwise. Each Owner acknowledges, by acceptance of a deed to a Lot, that any and all such drainage or detention areas are for the benefit of the entire Property.

As a part of the Subdivision approval process, Developer submitted to the Village of Channahon a grading plan. In order to assure compliance with the grading plan, the Village of Channahon will require the Owner to submit to the Village a detailed grading plan before the Village will issue a building permit. Any Owner during construction period must present to the Developer and the Village the following surveys at the following times:

- A. Upon completion of the foundation walls, the Owner must present a survey showing the elevation of the top of the foundation to be no higher than the grading plan.
- B. Upon completion of final grading and landscaping, a survey must be submitted showing the elevations of the lot corners and such other relevant points as shown on the grading plan to verify that said corners and relevant points are at the elevations required by the grading plans.

Any deviations of the top of foundation elevation or from the final grading plan must be approved by the Developer before constructed.

3.10 Only one Dwelling shall be erected or allowed to exist on any of the Lots. None of the Lots shall be divided or subdivided, except for the purpose of combining portions thereof with an adjoining Lot or Lots provided that no additional building site is created thereby. Any single ownership or single holding by any person or persons which comprise the whole of one Lot and a part or parts of one or more adjoining Lots shall, for all purposes of this Declaration, be deemed to constitute a single Lot upon which only one Dwelling may be erected, constructed or allowed to exist.

3.11 No room or rooms in any Dwelling or part thereof may be rented or leased and no paying guests shall be quartered in any Dwelling. Nothing contained in this paragraph, however, shall be construed as preventing the renting or leasing of an entire Dwelling as a single unit to a Single Family.

3.12 All Dwellings must be placed on a Lot in a location which will comply with the requirements of the Village of Channahon Zoning Ordinances or as such may have been modified by the terms of the planned unit development..

3.13 No snowmobiles, mini-bikes, motorized bicycles, mopeds, motorcycles or all terrain vehicles of any kind shall be operated, maintained, stored or parked on any of the Lots, streets, roadways or easements in the subdivision at any time except they may be maintained, stored, or parked in an enclosed garage.

3.14 No advertising or signs of any type or character shall be erected, placed, permitted or maintained on any Lot, other than a name plate of the occupant and a street number not exceeding two feet by one foot in size and except for "For Sale" or "For Rent" signs not exceeding three feet by three feet in size. These provisions shall not apply to any sign which Declarant or Developer may erect identifying and/or advertising the Property which may be deemed necessary by the Developer for the operation and sale of the Lots.

3.15 No implements, machinery, lumber or building material shall be permitted to remain exposed upon any Lot so they are visible from the street or any neighboring Lot, except as necessary during the period of construction of Improvements thereon.

3.16 In the event any Improvement is destroyed, either wholly or partially, by fire or other casualty, said Improvement shall be promptly rebuilt, repaired, or remodeled. All portions of the Improvement which are so destroyed and all debris shall be removed within sixty days from the date of the fire or other casualty. In the event the Owner elects not to rebuild, the remaining portion of any Improvements shall be removed and any excavations shall be promptly filled with dirt, stone or other suitable non-organic fill material.

3.17 No elevated tanks of any kind shall be erected, placed or permitted to exist. All air conditioning, condensing units or other refrigeration, cooling or heating apparatus which are to be placed outside of the Dwelling shall be located only in the side yards of any Dwelling and shall be maintained and painted. The installation of solar equipment shall not be allowed without the prior written approval of the Developer.

3.18 All public utility cable, television and radio, pipes, mains, tiles, conduits, wires, cables, lines, service lines and other appurtenances constructed, laid or installed on any Lot, must to the extent possible, be buried beneath the ground, except for the necessary pedestals and transformers required to serve the underground facilities.

3.19 All garages shall be attached to the Dwelling, except that variations shall be permitted by the Developer in cases where peculiar architectural considerations require a space separation between Dwelling and garage. In such cases, the Developer shall have the right to specify the location of any garage detached from the Dwelling. All the garages must be of such size that the garage will be able to house two standard size American automobiles as a minimum.

3.20 The work of constructing, altering or remodeling any Improvements on any said Lot shall be prosecuted diligently from its commencement and until the completion thereof. The complete exterior structure or shell, not including finished exterior wall material, must be completed and erected within ninety days after construction on any Dwelling shall have commenced. The complete shell (including roof and all exterior walls and all exterior masonry and all other wall covering) on every Dwelling shall be completed within six months after the date of commencement. The effect of this provision shall be to require that each such Dwelling shall appear to be completed within said six months. Upon request to the Developer, an extension of time may be granted upon such terms and conditions as required by the Developer.

3.21 Access driveways and other paved areas for vehicular use on a Lot shall have a base of compacted gravel, crushed stone or other approved base material, and shall have a wearing surface of concrete or other decorative surface approved by Developer. Plans and specifications for driveways, culverts, pavement edging or markers shall be approved in writing by the Developer. No vehicles, including off road vehicles, may be raced or operated on any Lot.

3.22 Each Dwelling shall have a brick, masonry, drivet or stone siding on the front side, including the garage, up to an elevation of at least one story in height, and the remainder of the Dwelling must be sided with either aluminum, vinyl coated steel, cedar, brick, drivet, masonry, or stone. Materials used in the soffits, fascia, and gutters may be aluminum. The windows may be wrapped in vinyl. The Developer may, in its discretion, waive compliance with all or part of the provisions of this paragraph.

3.23 No fences or dog runs or enclosure shall be erected on any Lot without the approval of the Developer.

3.24 No above ground swimming pools will be allowed. All swimming pools must be in-ground.

3.25 Fences will only be allowed along the top of the retaining wall next to the marina and around swimming pools. All fencing must be approved by the Developer and will of a standard and uniform design.

3.26 Within 60 days after the dwelling is occupied or such additional time as the developer may allow due to seasonal requirements, the Owner of the lot shall establish a lawn and complete the landscaping in accordance with the plans approved by the Developer.

3.27 No outside light erected on any lot which is 10 foot high or greater may remain illuminated past 10:00 P.M..

#### ARTICLE IV

##### ARCHITECTURAL CONTROLS

4.1 Except for Improvements constructed by Developer, no Improvement, whether original or replacement, temporary or permanent, shall be constructed, placed or permitted on any Lot without the prior written approval of Developer obtained in the manner hereinafter set forth. Approvals under this Article IV shall not be arbitrarily or capriciously withheld.

4.2 In order to secure Developer's approval of any proposed Improvement or Improvements, the Owner shall submit to Developer three (3) complete sets of the following:

(a) The Lot site plan, as prepared by the Owner's architect, surveyor or engineer, showing, among other things, the location and dimension of all intended Improvements;

(b) Drawings, plans and specifications, as prepared by the Owner's architect, of all exterior surfaces, showing elevations and grade, and including without limitation the color, quality and type of exterior construction materials;

(c) Landscape plans showing the location where trees and bushes are to be planted; and

(d) All such other information Developer may reasonably require to determine the location, scale, design, character, style and exterior appearance of Owner's intended improvements.

All of the foregoing (hereinafter collectively referred to as the "Plans and Specifications") shall conform to the applicable provisions of this Declaration. In addition, the Owner shall deliver to Developer concurrently with the Plans and Specifications a non-refundable plan review fee (the

"Plan Review Fee") in the amount of Two Hundred and No/100ths Dollars (\$200.00) for each Lot owned by such Owner for which plan approval is then sought.

4.3 Within forty-five (45) days after Developer's receipt of the Plans and Specifications and Plan Review Fee, Developer shall notify Owner in writing whether such Plans and Specifications are approved or disapproved. Any such disapproval shall set forth the reason or reasons for such disapproval and shall list the changes required by the Developer. If Developer fails to so approve or disapprove the Plans and Specifications within said forty-five (45) day period, then Developer's approval shall be conclusively presumed.

4.4 If Developer shall disapprove all or any portion of the Plans and Specifications submitted as aforesaid, the Owner shall revise the Plans and Specifications to incorporate the changes required by the Developer and shall deliver three (3) complete sets of revised Plans and Specifications to Developer. Developer shall have thirty (30) days after its receipt of said revised Plans and Specifications to determine whether Owner has complied with Developer's requested changes. If Developer fails within said thirty (30) day period to advise the Owner in writing whether Developer approves or disapproves any such revised Plans and Specifications, then Developer's approval shall be conclusively presumed. If Developer shall disapprove all or any portion of said revised Plans and Specifications, Owner shall revise the Plans and Specifications in the manner set forth in this Section 4.4 until such time as Developer shall approve or be deemed to have approved said Plans and Specifications.

4.5 The Owner shall secure the approval of Developer with respect to any material change or revision in any Plans and Specifications approved in accordance with this Article IV in the manner provided in this Article for the approval of Plans and Specifications.

4.6 Neither Developer, nor any of its agents, employees, successors and assigns, shall be liable in damages to any Owner or to any other person submitting Plans and Specifications to any one or more of them for approval by reason of the withholding of consent or by reason of a mistake in judgment, negligence or nonfeasance arising out of or occurring in connection with the approval or disapproval or failure to approve or disapprove any such Plans and Specifications.

4.7 The provisions of Articles III and IV of this Declaration shall not apply to any Improvements installed or completed by the Developer or any affiliate or subsidiary of or other entity controlled by or in common control with the Developer.

4.8 In addition to all other requirements in this Declaration, the Dwellings shall be of the minimum size specified as follows, and no Dwelling shall be erected or allowed to exist upon any Lot which does not conform to the following requirements:

(a) A one story Dwelling shall contain at least 2,000 square feet of Living Area.

(b) A one and one-half story Dwelling shall contain at least 1,200 square feet of Living Area on the first floor and a total of no less than 2,000 square feet. For all purposes of this Declaration, a one and one-half story Dwelling shall be defined as a dwelling with a second floor above the first floor which second floor is smaller in living area than the first floor but does not include those Dwellings commonly described as multi-level, split-level, bi-level or tri-level.

(c) A two story Dwelling shall contain at least 1,200 square feet of Living Area on the first floor and a total of not less than 2,000 square feet.

(d) A multi-level, split-level, bi-level, tri-level, or staggered level Dwelling must contain at least 2,000 square feet of living area, including any lower level which is partially above ground level.

(e) No Dwelling shall be erected, altered or placed on any Lot which exceeds the height restrictions of the Will County Zoning Code.

(f) It is specifically declared that although a Dwelling may conform to or exceed the minimum square foot living area requirements set out in this paragraph, such Dwelling may not conform to all the requirements otherwise contained in this Declaration and the Developer may otherwise disapprove of such construction plans based upon the provisions of this Declaration.

## ARTICLE V

### GENERAL PROVISIONS

5.1 The covenants and restrictions of this Declaration shall run with the land, and shall inure to the benefit of and be enforceable by the Declarant, Developer or the Owner of any Lot, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded in the Office of the Recorder of Deeds of Will County, Illinois, after which time said covenants shall be automatically extended for successive periods of ten (10) years, subject to amendment as herein above provided.

5.2 If and to the extent that any of the covenants would otherwise be unlawful or void for violation of (1) the rule against perpetuities, (b) the rule restricting restraints on alienation, or (c) any other applicable statute or common law rule analogous thereto or otherwise imposing limitations upon the time during which such covenants may be valid, then said covenant shall continue and endure only until the expiration of twenty-one (21) years after the death of the last to survive of the class of person consisting of all of the lawful descendants of George W. Bush, President of the United States, living at the date of this Declaration.

5.3 Each grantee of Declarant by taking title to a Lot, and each purchaser under any contract for a deed of conveyance pursuant to which said grantee will take title, accepts said title subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any 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, or in any mortgage or trust deed or other evidence of obligation, and the rights described in this Section or described in any other part of this Declaration shall be sufficient to create and reserve such rights to the respective grantees, mortgagees and trustees of such Lot as fully and completely as though such rights were recited fully and set forth in their entirety in any such documents.

5.4 Developer and each Owner from time to time shall have the right jointly and separately to sue for and obtain a prohibitive or mandatory injunction to prevent the breach of, or to enforce the observance of, the covenants and obligations above set forth, or any of them, in addition to the right to bring a legal action for damages. Whenever there shall have been built (or whenever there is being built) on any Lot any Improvement which is and remains in violation of the covenants above set forth, or any of them, for a period of thirty (30) days after delivery of written notice thereof (in the manner provided herein) from Developer or other Owner to the Owner of such Lot, then Developer or such other Owners shall have, in addition to the foregoing rights, the right to enter upon the property where such violation exists and summarily to abate or remove it at the expense of the Owner, and such entry and abatement or removal shall not be deemed a trespass. In no event shall the failure of Developer or the Owners to enforce any of the covenants or obligations herein provided due to a particular violation be deemed to be a waiver of the right to do so respecting any such violation or any subsequent violation.

5.5 The Owners may revoke, modify, amend or supplement in whole or in part any or all of the covenants, obligations and conditions contained in this Declaration and may release all or any part of the Property from all or any part of this Declaration. All such revocations, modifications, amendments or supplements may be made effective at any time if the Owners of at least two-thirds (2/3) of the Lots and the Developer consent thereto. The consent of Developer shall be necessary until released by Developer. Any such revocations, modifications, amendments or supplements shall be effective only if expressed in a written instrument or instruments executed and acknowledged by each of the consenting Owners, and Declarant, and Developer, and recorded in the Office of the Recorder of Deeds of Will County, Illinois.

5.6 Declarant retains the right to amend these Covenants at any time without the approval of the Owners. Any such revocation, modification, amendment or supplement made by the Declarant shall be effective only if expressed in a written instrument executed and acknowledged by the Declarant and recorded in the office of the Recorder of Deeds of Will County, Illinois. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to make such amendments. Said power shall be

irrevocable until such power is relinquished by Declarant. Each deed, mortgage, trust deed, or other evidence of obligation, or other instrument affecting the Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation, the power of the Declarant to make such amendments.

5.7 The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan for development for the property.

5.8 In the event title to any Lot is conveyed to a title holding trust, under the terms of which all powers of management, operation and control of the Lot remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all obligations, liens or indebtedness and for the performance of all agreements, covenants, obligations and undertakings chargeable or created under this Declaration against any such Lot. 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 said Lot and the beneficiaries of such trust, notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to any such Lot.

5.9 All headings set forth herein are intended for convenience only and shall not be given or construed to have any substantive effect on the provisions of this Declaration. The singular shall include the plural wherever the Declaration so requires, and the masculine the feminine and neuter and vice versa.

5.10 If a court of competent jurisdiction shall hold invalid or unenforceable any part of this Declaration, such holding shall not impair, invalidate or otherwise affect the remainder of this Declaration which shall remain in full force and effect.

5.11 Notwithstanding anything herein to the contrary, either or both of Declarant and Developer, as Declarant and Developer in their sole discretion may determine, hereby reserve the right to transfer, assign, mortgage or pledge any and all of either's respective privileges, rights, title and interest hereunder, or in the Property, by means of recording an assignment of such with the Office of the Recorder of Deeds of Will County, Illinois. Upon such assignment, either or both of Declarant and Developer, as the case may be, shall be relieved from any liability arising from the performance or non-performance of such rights and obligations accruing from and after the recording of such assignment. No such successor assignee of the rights of either or both of Declarant and Developer, as the case may be, shall have or incur any liability for the obligations or acts of any predecessor in interest.

## ARTICLE VI

## Homeowner's Association

6.1 Developer shall form an Illinois Not for Profit Corporation to be known as the Quarry PUD Homeowner's Association which shall provide for maintenance and operation of any water detention ponds, drainage easement and storm sewers as constructed in the drainage easement areas shown on the Plat of PUD, private streets, sidewalks, street lights, sidewalk footlights, entrance gate, mailboxes, Lots 3 and 25, and other property, real or personal, owned or controlled by the Association. Maintenance includes the cost of dredging Lot 24 from time to time.

6.2 (a) The Association shall have a Board of not less than three (3) directors who shall be elected by the Members of the Association at such intervals as the articles of incorporation and By-Laws of the Association shall provide, except (i) that vacancies in the Board occurring between regularly scheduled meetings of the Members may be filled by the Board if so provided by the articles of incorporation or By-Laws and (ii) that the first Board and subsequent Boards (until the Turnover Date) shall be appointed by Developer. Except for directors of the Board appointed by Developer, all directors shall be Members of the Association. Developer may, from time to time, by written notice to the Association, elect to relinquish its right to appoint the directors of the Board until the Turnover Date.

(b) The Association shall have such officers as shall be appropriate from time to time, who shall be elected by the Board and who shall manage and conduct the affairs of the Association under the direction of the Board. Except as expressly provided otherwise by the corporate charter or By-Laws, all power and authority to act on behalf of the Association, both pursuant to this Declaration and otherwise, shall be vested in the Board from time to time and its officers under the direction of the Board, and shall not be subject to the approval of the Members. The directors and officers of the Association shall not be liable to the Owners or any others for any mistake of judgment or any acts or omissions made in good faith as such directors or officers.

6.3 Developer shall, through the Board appointed by it in accordance with Section 6.1, exercise control over all Association matters, until the first to occur of the following: (a) the date which is ten (10) years from the date of this Declaration, (b) the date of the sale and conveyance of legal title to all of the Lots to Owners other than Declarant, or (c) the date Developer elects voluntarily to turn over to the Members the authority to appoint the Board, which election shall be made by directing the Declarant to execute and record in the Office of the Recorder of Deeds of Will County, Illinois an instrument setting forth its intention to so turn over its authority hereunder. The date upon which the authority to appoint the Board passes to the Members is hereafter referred to as the "Turnover Date."

6.4 (a) Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Nothing herein contained

shall be interpreted to exclude Declarant from membership while it or any of its successors in interest owns one or more Lots.

(b) From and after the Turnover Date, each Member shall be entitled to one (1) vote for each Lot owned by him on each matter submitted to a vote of Members; provided, however, that where there is more than one Owner of a Lot, such co-owners of a Lot shall only be entitled to one vote.

6.5 The Association, through the Board, shall have the power and duty to:

- (a) Own, maintain and otherwise manage the items listed in paragraph 6.1;
- (b) Employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association;
- (c) Establish and maintain a Contingency and Replacement Reserve in an amount to be determined by the Board;
- (d) Maintain, at the expense of the defaulting Owner, all drainage areas and facilities located in the Subdivision in accordance with the reasonable and acceptable engineering requirements of the County of Will;
- (e) At its option, mow, care for, maintain and remove rubbish from any vacant or unimproved portions of the Subdivision and to do any other things necessary or desirable in the judgment of the Board to keep any vacant or unimproved portions of the Subdivision neat in appearance and in good order. The foregoing rights shall not apply to any Lot or other portion of the Subdivision owned by Declarant;
- (f) Make such improvements to and provide such other facilities and services as may be authorized from time to time by the affirmative vote of two-thirds (2/3) of the Members of the Association acting in accordance with its articles of incorporation and By-Laws, provided, however, that any such action so authorized shall always be for the express purpose of keeping the Quarry Planned Unit Development a highly desirable residential community; and
- (g) Exercise all other powers and duties vested in or delegated to the Association, and not specifically reserved to the Members by this Declaration, the articles of incorporation or the By-Laws.

6.6 The Board shall also have the authority and responsibility to obtain and maintain comprehensive public liability insurance, including liability for injuries to and death of persons, and property damage, in such limits as it shall deem desirable, and workers' compensation insurance, and other liability insurance as it may deem desirable, insuring each Owner, each

member, the Association, its officers, the Board, the Declarant, and their respective employees and agents from liability and insuring the officers of the Association and the Board from liability for any good faith actions taken beyond the scope of their respective authority. Such insurance coverage shall include cross liability claims of one or more insured parties against other insured parties by having a severability of interests endorsement. The premiums for such insurance shall be common expenses payable out of proceeds of the assessments required by and collected in accordance with this Article. The Association shall also have the authority and responsibility to obtain and maintain insurance policies covering against loss or damage by fire and such other hazards contained in customary fire and extended coverage, vandalism and malicious mischief endorsements as the Association may deem desirable. The Association shall also have the authority to obtain such other kinds of insurance as the Association shall from time to time deem prudent.

6.7 The Board, officers of the Association and the employees and agents of any of them shall not be liable to the Owners or any other person for any mistake of judgment or for any acts or omissions of any nature whatsoever in their respective positions, except for such acts or omissions found by a court of competent jurisdiction to constitute willful misfeasance, gross negligence or fraud. The Owners shall indemnify, hold harmless, protect and defend the foregoing parties against all claims, suits, losses, damages, costs and expenses, including without limitation, reasonable attorney's fees and amounts paid in reasonable settlement or compromise incurred in connection therewith. The burden of the foregoing indemnity shall be borne by the Owners at the time such loss, damage, cost or expense is incurred in the same proportion as assessments are borne by the Owners as provided herein. To the extent possible, the Board's and Association's liability hereunder and the Owner's indemnification obligation shall be insured by means of appropriate contractual endorsements to the comprehensive general liability insurance policies held from time to time by the Association.

6.8 (a) Until the Turnover Date, Developer shall have all the rights and powers herein granted to the Association and shall be authorized and empowered to exercise all power and authority of the Board.

(b) Developer shall be entitled at all times to conduct sales of Lots from the Property and shall have the right, for itself and its agents, employees, guests and invitees, to utilize roads, streets, and all other portions of the Property, excluding sold Lots, for such purposes until all Lots are sold. Developer may at all times utilize signage, lighting and establish sales offices and model homes as required to conduct its sales and marketing of the Property.

## ARTICLE VII

### Assessments

7.1 The assessments levied by the Association shall be used for the purpose of maintaining the storm water detention pond, the drainage easements, storm sewers, the private

streets, sidewalks, street lights, sidewalk footlights, the entrance gate, the mailboxes, Lots 3 and 25, other property, real or personal, owned by the Association, and such other expenses of the Association as incurred by the Board in carrying out the purposes hereof.

7.2 The assessments levied by the Association shall be used exclusively for the purpose of specified in 7.1 and such other expenses of the Association as incurred by the Board to carry out the purposes hereof. The Board shall determine what amounts are necessary or desirable to meet the purposes of the Association including without limitation the establishment and maintenance of a contingency in the replacement reserve. The annual assessments provided for herein shall commence for each Lot on the first day of the month following delivery of a Lot Deed to an Owner. The estimated cash requirement shall be assessed equally among all the Owners excluding the Declarant.

7.3 Each year on or before November 1, the Board will estimate the total amount of maintenance expenses necessary to pay the cost of wages, materials, taxes, insurance, services, supplies and any other necessary or desirable items which will be required during the ensuing calendar year (January 1-December 31) for services authorized by the Board, together with a reasonable amount necessary to fund the Contingency and Replacement Reserve, and shall, on or before December 1, notify each Owner in writing of the amount of such estimate ("Estimated Cash Requirement"). Such Estimated Cash Requirement shall be prepared on a line-item basis. The Estimated Cash Requirement shall be assessed equally among all of the Owners excluding the Declarant. On or before January 1 of the ensuing fiscal year, each Owner shall be obligated to pay to the Board, or as it may direct, the annual assessment made pursuant to this Section. On or before the date of the annual meeting of each calendar year, the Board shall furnish to all Owners an itemized accounting of the maintenance expenses for the preceding fiscal year actually incurred and paid, together with a tabulation of the amounts collected from the Owners pursuant to assessments made during such year and showing the net amount over or short of the actual expenditures, plus reserves. The Board shall upon demand at any time furnish a certificate in writing signed by an officer or agent of the Association, setting forth whether the assessments on a specified Lot have been paid. Such certificates shall be conclusive evidence of payment or nonpayment of any assessment thereon.

7.4 (a) The Board shall build up and maintain a reserve for the replacement of capital improvements, other authorized capital expenditures, and for unforeseen expenditures (the "Contingency and Replacement Reserve"). Capital improvements and expenditures which may become necessary during the year shall be charged first against the Contingency and Replacement Reserve. Any expenditure from the Contingency and Replacement Reserve having a cost in excess of FIVE HUNDRED AND NO/100THS (\$500.00) DOLLARS shall require the prior approval of the Members holding two-thirds (2/3) of the votes of the Association.

(b) If the Contingency and Replacement Reserve proves inadequate for any reason, including nonpayment of any Owner's assessment, the Board may, at any time, levy a special assessment which shall be assessed equally among the Owners, excluding the Declarant. The Board shall serve notice of any such special assessment on all such Owners by a statement in

writing giving the amount and reasons therefor, and such special assessment shall become effective and fully payable ten (10) days after the delivery or mailing of any such notice of assessment.

(c) Developer shall collect, from each initial purchaser of a Lot at the closing of the sale of any such Lot, the sum of TWO HUNDRED AND NO/100THS (\$200.00) DOLLARS which amount shall be deposited in the Contingency and Replacement Reserve. On the Turnover Date, Developer shall transfer all funds in the Contingency and Replacement Reserve account to the Association and the Association shall hold and apply such funds for the purposes set forth herein. The Declarant and Developer shall have no right to utilize any portion of such funds prior to the Turnover Date, except for the purposes allowed herein.

7.5 When the first Board elected by the Members hereunder takes office, it shall determine the Estimated Cash Requirement for the period commencing on the first day of the month following the Turnover Date and ending on December 31 of the calendar year in which the Turnover Date occurs. The initial Estimated Cash Requirement shall be assessed equally among the Owners, excluding the Declarant.

7.6 The failure or delay of the Board to prepare or serve the Estimated Cash Requirement on any Owner shall not constitute a waiver or release in any manner of any Owner's obligation to pay his share of such Estimated Cash Requirement as herein provided, as and when the Estimated Cash Requirement shall be determined, and, in the absence of the preparation of the Estimated Cash Requirement, the Owner shall continue to pay his share of such Estimated Cash Requirement at the then existing annual rate established for the previous calendar year, subject to adjustment at such time as the Estimated Cash Requirement has been prepared and the Owners have been notified thereof.

7.7 The Board shall keep full and correct books of account in chronological order of the receipts and expenditures specifying and itemizing the maintenance and repair expenses and any other expenses so incurred. Such records and the vouchers authorizing the payments described therein shall be available for inspection by any Owner or any representative of an Owner duly authorized in writing, or any holder of a Mortgage at such reasonable time or times during normal business hours when requested by an Owner or by the holder of a Mortgage. Upon five (5) days' prior written notice to the Board, any Owner shall be furnished a statement of his account, which statement shall set forth the amount of any unpaid assessments or other charges due and owing from such Owner.

7.8 All funds collected hereunder shall be held and expended for the purposes designated herein, and are hereby held in trust for the benefit, use and account of all Owners. All funds not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may select.

7.9 Any assessments or other charges which are not paid when due shall be delinquent. If the assessment or charge is not paid within thirty (30) days after the due date, the

assessment shall bear interest from and after the due date at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Owner's Lot, and interest, costs and reasonable attorneys' fees incurred in any such action shall be added to the amount of any such overdue assessment. 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 Lot of any such Owner when payable and may be foreclosed by an action brought in the name of the Board as in the case for foreclosure of mortgage liens against real estate. The directors of the Board and their successors in office, acting in behalf of the other Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire and hold, lease, mortgage and convey any interest so acquired. To the fullest extent permitted by law, any court shall be authorized to restrain the defaulting Owner from reacquiring his interest at such foreclosure sale.

7.10 In addition to the rights and remedies set forth herein, if any Owner shall default in the payment, when same shall be due, of the aforesaid charges or assessments and said default shall continue for thirty (30) days after written notice to said Owner by the Board, of the amount of unpaid charges or assessments and a demand for payment thereof, the Board shall have the right to declare said default a forcible detainer of the Dwelling and shall have the right, on behalf of the other Owners, to enter and take possession of the Dwelling from any defaulting Owner, to put out said Owner, or any occupant or tenant claiming by, through or under said Owner, using such reasonable force as the Board shall deem necessary under the circumstances and, in addition, to exercise any other rights or remedies provided in the Forcible Entry and Detainer Act as contained in the Illinois Compiled Statutes.

7.11 The lien of assessments provided for herein shall be subordinate to the lien of any Mortgage now or hereafter placed on the Lots. In the event of the issuance of a deed pursuant to the foreclosure of such prior Mortgage or in lieu of such foreclosure, the grantee of such deed shall take title free and clear of any lien for assessment authorized by this Declaration so long as any such lien shall have arisen prior to the date of recording of any such deed.

## ARTICLE VIII

### Access Easements

8.1 The access easement on Lot 11 is hereby declared to be null and void. No Owner shall have any right to use the easement other than the Owner of Lot 11 and those who are given permission to use the easement by the Owner of Lot 11.

8.2 The access easement shown over Lot 20 and shown as bordering the West line of Lot 20 and the East line of Lot 24 is hereby granted to all Owners of Lots in the subdivision for the purpose of gaining access to the marina parking and the marina built on Lot 24.

This instrument is executed by First Midwest Trust Company, not personally but solely as Trustee, as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee. All the terms, provisions, stipulations, covenants and conditions to be performed by First Midwest Trust Company are undertaken by it solely as Trustee, as aforesaid, and not individually, and all statements herein made are made on information and belief and are to be construed accordingly, and no personal liability shall be asserted or be enforceable against First Midwest Trust Company by reason of any of the terms, provisions, stipulations, covenants and/or statements contained in this instrument.

IN WITNESS WHEREOF, the foregoing instrument has been executed on the day and year first above written.

First Midwest Trust Company,  
Trustee under Trust No. 807

BY: \_\_\_\_\_

ATTEST: \_\_\_\_\_

PREPARED BY:

DAVIS, DYSTRUP, HOSTER, `  
OSTERBERGER, & JAROT, P.C.  
181 North Hammes Avenue  
Joliet, Illinois 60435

MAIL TO:

DAVIS, DYSTRUP HOSTER  
OSTERBERGER, & JAROT, P.C.  
181 North Hammes Avenue  
Joliet, Illinois 60435

P.I.N. Part of 10-31-300-005

EXHIBIT A  
LEGAL DESCRIPTION OF  
QUARRY PLANNED UNIT DEVELOPMENT

LOTS 1 THROUGH 24 IN QUARRY PLANNED UNIT DEVELOPMENT, A SUBDIVISION OF PART OF THE WEST FRACTIONAL HALF OF SECTION 31, TOWNSHIP 34 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, CHANNAHON TOWNSHIP, ACCORDING TO THE PLAT THEREOF RECORDED ON DECEMBER 26, 2001 AS DOCUMENT NO. R2001179697, IN WILL COUNTY, ILLINOIS.

EXHIBIT B  
BY-LAWS OF  
QUARRY PUD HOMEOWNERS ASSOCIATION

ARTICLE I

Purposes and Powers

The Association shall be responsible for the general management and supervision of the Property and the ownership thereof and shall have all of the powers to perform, and shall be responsible to perform, all of the obligations provided in the Declaration. Further, the Association shall have all the powers now or hereafter granted by the General Not-For-Profit Corporation Act of the State of Illinois which shall be consistent with the purposes specified herein and in the Declaration. Any defined terms used in these By-Laws shall have the same meaning as set forth in the Declaration, except as otherwise provided herein.

ARTICLE II

Offices

2.1 The Association shall have and continuously maintain in the State of Illinois a registered office and a registered agent whose office shall be identical with such registered office. The Association may have other offices within or without the State of Illinois as the Board of Directors may from time to time determine.

2.2 The principal office of the Association shall be maintained in Wilmington, Illinois.

## ARTICLE III

## Membership

3.1 (a) Every Owner shall be a Member of the Association. Membership shall be appurtenant to any may not be separated from ownership of any Lot. Nothing herein contained shall be interpreted to exclude Declarant from membership while it or any of its successors in interest owns one or more Lots.

(b) From and after the Turnover Date, each Member shall be entitled to one (1) vote for each Lot owned by him on each matter submitted to a vote of Members; provided, however, that where there is more than one Owner of a Lot, such co-owners of a Lot shall only be entitled to one vote.

3.2 (a) Meetings of the Members shall be held at the principal office of the Association or at such other place in Will County, Illinois, as may be designated in any notice of a meeting. The presence at any meeting, in person or by proxy, of a majority of the total votes determined pursuant to Section 3.1 above shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Members at which a quorum is present upon the affirmative vote of the Members having a majority of the total votes present at such meeting. Any Member in writing may waive notice of a meeting, or consent to any action of the Association without a meeting.

(b) The initial meeting of the Members shall be held at such time as may be designated upon not less than ten (10) days' written notice given by the Declarant or Developer, provided that such initial meeting shall be held no later than sixty (60) days after the Turnover Date. Thereafter, there shall be an annual meeting of the Members on the third Tuesday of November of each succeeding year, at 7:30 o'clock P.M. If the date for the annual meeting of Members is a legal holiday, the meeting will be held at the same hour on the first day next succeeding such date which is not a legal holiday.

(c) Special meetings of the Members may be called at any time for the purpose of considering matters which, by the terms of the Declaration of these By-Laws, require the approval of all or some of the Members, or for any other reasonable purposes. Said meetings shall be called by written notice, authorized by a majority of the Board or by the Members having one-fourth (1/4) of the total votes and delivered not less than five (5) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered.

3.3 Notices of meetings required to be given herein may be delivered either personally or by mail to the persons entitled to vote thereat, 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 Dwelling of the Owner with respect to which such voting right appertains, if no address has been given to the Board.

3.4 At any meeting of the Members, a Member entitled to vote may either vote in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy.

## ARTICLE IV

### Board of Directors

4.1 The directions and administration of the Property in accordance with the provisions of the Declaration shall be vested in the Board consisting of five (5) persons who shall be elected in the manner hereinafter provided, except that until the Turnover Date the first and each subsequent Board shall be appointed by Developer and may be less than 5 but no less than 3. From and after the Turnover Date, the Members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease the number and term of the office of the Board members at any annual meeting, provided that such number shall not be less than five (5), and the terms of at least two-fifths (2/5) of the persons on the Board shall expire annually. Each member of the Board, with the exception of the Board members initially appointed by Developer shall be an Owner; provided, however, that in the event an Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any director or officer of such corporation, partner of such partnership, individual trustee or beneficiary of such trust or agent or employee of a beneficiary of such trust, or manager of such legal entity, shall be eligible to serve as a member of the Board.

4.2 All matters of dispute or disagreement between Owners or with respect to interpretation or application of the provisions of the Declaration or these By-Laws shall be determined by the Board as hereinafter provided, which determination shall be final and binding on the Association and on all Owners.

4.3 At the initial meeting of the Members as provided in Section 3.2(b) hereof, and at all subsequent annual meetings of the members there shall be elected members of the Board. In all elections for members of the Board, each 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. Five (5) Board members shall be elected at the initial meeting and shall serve until the first annual meeting. The three (3) persons receiving the highest number of votes at the first annual meeting shall be elected to the Board for a term of two (2) years and the two (2) persons receiving the next highest number of votes at the first annual meeting shall be elected to the Board for a term of one (1) year. In the event of tie votes, the members of the Board shall determine which members shall have the two (2) year terms and which members shall have the one (1) year terms. Upon the expiration of the terms of office of the Board members so elected at the first annual meeting and thereafter, successors shall be elected for a term of two (2) years each. Notwithstanding the aforesaid election procedure Developer may appoint a Board which shall have the same powers and authority as given to the Board generally, as provided hereinafter, and such appointed Board shall function until such time as the initial meeting of the Members is held.

4.4 Members of the Board shall receive no compensation for their services, unless expressly allowed by the Board at the direction of the Members having two-thirds (2/3) of the total votes. However, any director may be reimbursed for reasonable expenses incurred in the performance of his duties.

4.5 Vacancies in the Board, other than as a result of removal pursuant to Paragraph 4.7, including vacancies due to any increase in the number of persons on the Board, shall be filled by majority vote of the remaining members of the Board or of the Members present at the next annual meeting or at a special meeting of the Members called for such purpose.

4.6 The Board shall elect from among its members: (i) a President who shall preside over both its meetings and those of the Members, and who shall be the chief executive officer of the Board and Association, (ii) a Secretary who will keep the minutes of all meetings of the Members and of the Board and who shall, in general, perform all the duties incident to the office of Secretary, and (iii) a Treasurer to keep the financial records and books of accounts, and such additional officers as the Board shall see fit to elect. All officers shall be elected at each annual meeting of the Board and shall hold office at the pleasure of the Board.

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

4.8 The initial meeting of the Board shall be held immediately following the initial meeting of the Members and at the same place. At such meeting the Board shall elect its officers to serve until the first annual meeting which shall be held immediately following the first annual meeting of the Members, and at the same place. All subsequent annual meetings of the Board shall be held immediately after, and at the same place as, the annual meeting of the Members. Special meetings of the Board shall be held upon call by the President or by a majority of the Board on not less than forty-eight (48) hours notice in writing to each member of the Board, delivered personally or by mail or telegram. Any member of the Board, may in writing waive notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action of the Board without a meeting. A majority of the number of Board members shall constitute a quorum for the transaction of business. Unless otherwise expressly provided herein, any action may be taken by the Board upon the affirmative vote of those present at its meetings when a quorum is present.

4.9 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 and countersigned by the Secretary.

## ARTICLE V

## Powers of the Board

5.1 Without limiting the general powers which may be provided by law, the Declaration or these By-Laws, the Board shall have the power and duty to:

(a) Maintain and operate the street lights contained within the subdivision, including the payment of all electric bills associated with the street lights, and maintain the storm sewer which shall serve both as collector for storm water runoff and shall serve as a common discharge line for the individual mechanical sewage treatment facilities located on each lot in the subdivision;

(b) Have the authority to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association.

(c) Establish and maintain a Contingency and Replacement Reserve in an amount to be determined by the Board;

(d) Maintain, at the expense of the defaulting Owner, all drainage areas and facilities located on the Property in accordance with the reasonable and acceptable engineering requirements of the County and Village in the event that one or more Owners fail to do so;

(e) Provide such other facilities and services as may be authorized from time to time by the affirmative vote of two-thirds (2/3) of the Members of the Association acting in accordance with its articles of incorporation and these By-Laws, provided, however, that any such action so authorized shall always be for the express purpose of keeping Quarry PUD a highly desirable residential community; and

(f) Exercise all other powers and duties vested in or delegated to the Association, and not specifically reserved to the Members by the Declaration, the articles of incorporation or these By-Laws.

## ARTICLE VI

## Assessments - Maintenance Fund

6.1 Each year on or before November 1, the Board will estimate the total amount of maintenance expenses necessary to pay the cost of wages, materials, taxes, insurance, services, supplies and any other necessary or desirable items which will be required during the ensuing calendar year (January 1 - December 31) for services authorized by the Board, together with a reasonable amount necessary to fund the Contingency and Replacement Reserve, and shall, on or before December 1, notify each Owner in writing of the amount of such estimate ("Estimated Cash Requirement"). Such Estimated Cash Requirement shall be prepared on a line-item basis. The Estimated Cash Requirement shall be assessed equally among all of the Owners, excluding the Declarant. On or before January 1 of the ensuing fiscal year, each Owner shall be obligated to pay to the Board, or as it may direct, the annual assessment made pursuant to this Section 6.1.

On or before the date of the annual meeting of each calendar year, the Board shall furnish to all Owners an itemized accounting of the maintenance expenses of the preceding fiscal year actually incurred and paid, together with a tabulation of the amounts collected from the Owners pursuant to assessments made during such year and showing the net amount over or short of the actual expenditures, plus reserves. The Board shall, upon demand at any time, furnish a certificate in writing signed by an officer or agent of the Association, setting forth whether the assessments on a specified Lot have been paid. Such certificates shall be conclusive evidence of payment or nonpayment of any assessment thereon.

6.2 (a) The Board shall build up and maintain a reserve for the replacement of capital improvements, other authorized capital expenditures and for unforeseen expenditures (the "Contingency and Replacement Reserve"). Capital improvements and expenditures which may become necessary during the year shall be charged first against the Contingency and Replacement Reserve. Any expenditure from the Contingency and Replacement Reserve having a cost in excess of Five Hundred and no/100's Dollars (\$500.00) shall require the prior approval of the Members holding two-thirds (2/3) of the votes of the Association.

(b) If the Contingency and Replacement Reserve proves inadequate for any reason, including nonpayment of any Owner's assessment, the Board may, at any time, levy a special assessment, which shall be assessed equally among the Owners, excluding the Declarant. The Board shall serve notice of any such special assessment on all such Owners by a statement in writing giving the amount and reasons therefor, and such special assessment shall become effective and fully payable ten (10) days after the delivery or mailing of any such notice of assessment.

6.3 When the first Board elected by the Members hereunder takes office, it shall determine the Estimated Cash Requirement for the period commencing on the first day of the month following the Turnover Date and ending on December 31 of the calendar year in which the Turnover Date occurs. The initial Estimated Cash Requirement shall be assessed equally among the Owners, excluding the Declarant.

6.4 The failure or delay of the Board to prepare or serve the Estimated Cash Requirement or any Owner shall not constitute a waiver or release in any manner of any Owner's obligation to pay his share of such Estimated Cash requirement as herein provided, as and when the Estimated Cash Requirement shall be determined, and, in the absence of the preparation of the Estimated Cash Requirement, the Owner shall continued to pay his share of such Estimated Cash Requirement at the then existing annual rate established for the previous calendar year, subject to adjustment at such time as the Estimated Cash Requirements has been prepared and the Owners have been notified thereof.

6.5 The Board shall keep full and correct books of account in chronological order of the receipts and expenditures specifying and itemizing the maintenance and repair expenses and any other expense so incurred. Such records and the vouchers authorizing the payments described therein shall be available for inspection by any Owner or any representative of an Owner duly authorized in writing, or any holder of a Mortgage at such reasonable time or times during normal business hours when requested by an Owner or by the holder of a Mortgage. Upon five (5) days' prior written notice to the Board, any Owner shall be furnished a statement

of his account, which statement shall set forth the amount of any unpaid assessments or other charges due and owing from such Owner.

6.6 All funds collected hereunder shall be held and expended for the purposes designated herein, and are hereby held in trust for the benefit and use of all Owners. All funds not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may select.

6.7 Any assessments or other charges which are not paid when due shall be delinquent. If the assessment or charge is not paid within thirty (30) days after the due date, the assessment shall bear interest from and after the due date at the rate of twelve percent (12%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Owner's Lot, and interest, costs and reasonably attorneys' fees incurred in any such action shall be added to the amount of any such overdue assessment. 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 Lot of any such Owner when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of mortgage liens against real estate. The directors of the Board and their successors in office, acting on behalf of the other Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire and hold, lease, mortgage and convey any interest so acquired. To the fullest extent permitted by law, any court shall be authorized to restrain the defaulting Owner from reacquiring his interest at such foreclosure sale.

6.8 In addition to the rights and remedies set forth in Section 6.7 of these By-Laws, if any Owner shall default in the payment, when same shall be due, of the aforesaid charges or assessments and said default shall continue for thirty (30) days after written notice to said Owner by the Board, of the amount of unpaid charges or assessments and a demand for payment thereof, the Board shall have the right to declare said default a forcible detainer of the Dwelling and shall have the right, on behalf of the other Owners, to enter and take possession of the Dwelling from any defaulting Owner, to put out said Owner, or any occupant or tenant claiming by, through or under said Owner, using such reasonable force as the Board shall deem necessary under the circumstances and, in addition, to exercise any other rights or remedies provided in the Forcible Entry and Detainer Act, Chapter 110, Illinois Revised Statutes.

## ARTICLE VII

### Covenants and Restrictions as to Use and Occupancy

All Owners shall maintain, occupy and use their Dwelling only in accordance with the terms of the Declaration and any additional rules and regulations adopted by the Board or by the Members. The Board shall have full authority to enforce all such rules and regulations by taking all action as may be necessary.

ARTICLE VIII

Interim Procedure

Until the initial meeting of the Members as provided in Section 3.2(b) hereof, the Declarant or Developer may appoint the Board which shall have the same powers and authority as given to the Board generally.

ARTICLE IX

Amendments

These By-Laws may be amended or modified from time to time by action or approval of the Members entitled to cast two-thirds (2/3) of the total votes computed as provided in Section 3.2 and 100% so long as the Declarant owns any of the Lots other than Lots 11 and 24. Such amendments shall be recorded in the Office of the Recorder of Deed of Will, Illinois.

ARTICLE X

In the case of any conflict between the articles of incorporation of the Association and these By-Laws, the articles of incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.