

EXHIBIT A TO
DECLARATION OF CONDOMINIUM OWNERSHIP FOR
HEATHERFIELD CONDOMINIUMS OF CORTLAND

The Parcel

Lot 1 of Kostia's Resubdivision, a resubdivision of Lot 77 of Heatherfield Unit 2, being a subdivision of part of the South half of the Southwest Quarter of Section 17, Township 40 North, Range 5 East of the Third Principal Meridian, Cortland Township, DeKalb County, Illinois.

**EXHIBIT B TO
DECLARATION OF CONDOMINIUM OWNERSHIP FOR
HEATHERFIELD CONDOMINIUMS OF CORTLAND**

Plat of Survey
(attached hereto and made a part hereof)

EXHIBIT C TO
DECLARATION OF CONDOMINIUM OWNERSHIP FOR
HEATHERFIELD CONDOMINIUMS OF CORTLAND

<u>Unit No.</u>	<u>Percentage Interest in Common Elements</u>
1	8-1/3%
2	8-1/3%
3	8-1/3%
4	8-1/3%
5	8-1/3%
6	8-1/3%
7	8-1/3%
8	8-1/3%
9	8-1/3%
10	8-1/3%
11	8-1/3%
<u>12</u>	<u>8-1/3%</u>
TOTAL	100%

EXHIBIT D TO
DECLARATION OF CONDOMINIUM OWNERSHIP FOR
HEATHERFIELD CONDOMINIUMS OF CORTLAND

BY-LAWS

ARTICLE I
Board of Managers

1. Board of Managers (Board of Directors). (a) The direction and administration of the Property shall be vested in a Board of Managers, consisting of three (3) persons who shall be appointed or elected in the manner herein provided. Each member of the Board shall be one of the owners; 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 officer, director or other designated agent of such corporation, partner of such partnership, beneficiary or other designated agent of such trust or manager of such other legal entity, shall be eligible to serve as a member of the Board.

(b) At the initial meeting, the Voting Members shall elect three (3) Board Members. In all elections for members of the Board, each Voting Member shall be entitled to cumulate his votes in the manner provided by law 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. Members of the Board elected at the initial meeting shall serve until the first annual meeting. Three (3) Board Members shall be elected at the first annual meeting. The two (2) 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 one (1) person receiving the next highest number of votes shall be elected to the Board for a term of one (1) year. In the event of a tie vote, 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. A candidate for election to the Board, or such candidate's representative, shall have the right to be present at the counting of ballots at such election. The Voting Members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease such number of persons on the Board or may increase or decrease the term of office of Board Members at any annual or special meeting, provided that (1) such number shall not be less than three (3), (2) the terms of at least one-third (1/3) of the persons on the Board shall expire annually, and (3) no Board Member shall be elected to a term in excess of two (2) years. Any Board Member may be reelected at the expiration of his term. members of the Board shall receive no compensation for their services, unless expressly authorized by the Board with the approval of Voting Members having two-thirds (2/3) of the total votes. Vacancies in the Board, including vacancies due to any increase in the number of persons on the Board, shall be filled by the remaining members of the Board by two-thirds (2/3) vote (1) until the next meeting of Unit Owners or (2) for a period terminating no later than thirty (30) days following the filing of a petition signed by Unit Owners holding twenty percent (20%) of the votes of the Association requesting a meeting of the Unit Owners to fill the vacancy for the balance of the term, whereupon a meeting of the Unit Owners shall be called for purposes of filling any such vacancy no later than thirty (30) days following the filing of a petition signed by Unit owners holding twenty percent (20%) of the votes of the Association requesting such a meeting. Except as otherwise provided in this Declaration, the Property shall be managed by the Board and the Board shall act by majority vote of those present at its meeting when a quorum exists. A majority of the total number of

the members of the Board shall constitute a quorum. Meetings of the Board may be called, held and conducted in accordance with such resolutions as the Board may adopt.

In the event of a resale of a Unit, pursuant to an installment contract for purchase, the purchaser, during such times as he or she resides in the Unit, shall be counted toward a quorum for purposes of election of members of the Board at any meeting of the Unit Owners called for purposes of electing members of the Board, shall have the right to vote for the election of members of the Board and to be elected to and serve on the Board, unless the seller expressly retains in writing any or all of such rights. In no event may the seller and purchaser both be counted toward a quorum, be permitted to vote for a particular office or be elected and serve on the Board. Satisfactory evidence of the installment contract shall be made available to the Association or its agents. For purposes of this subsection, "installment contract" shall have the same meaning as set forth in Section i(e) of "An Act relating to installment contracts to sell dwelling structures," approved August 11, 1967, as amended.

(c) The Board shall elect from among its members: (1) 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 and the Association and who shall execute amendments to the condominium instruments; (2) a Secretary who shall keep the minutes of all meetings of the Board and the Voting Members, who shall mail and receive all notices, and who shall, in general, perform all the duties incident to the office of Secretary; (3) a Treasurer to keep the financial records and books of account; and (4) such additional officers as the Board shall see fit to elect. Vacancies in such offices shall be filled by the Board at the next regularly scheduled meeting of the Board or at a special meeting of the Board called for such purpose.

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

(e) The Board shall meet at least four (4) times annually, on the first Monday of February, May, August and November and at such other times as the Board deems necessary. Meetings of the Board shall be open to any Unit Owner, except for the portion of any meeting held (i) to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Board finds that such an action is probable or imminent, (ii) to consider information regarding appointment, employment or dismissal of an employee, or (iii) to discuss violations of rules and regulations of the Association or a Unit Owner's unpaid share of common expenses. Notice of any such meeting shall be mailed at least forty-eight (48) hours prior thereto, unless a written waiver of such notice is signed by the person or persons entitled to such notice pursuant to the Declaration, By-Laws, other condominium instrument, or provision of law other than Subsection 18(a)(9) of the Act, before such meeting is convened. Copies of notices of meetings of the Board shall be posted in entranceways, elevators and other conspicuous places in the condominium at least forty-eight (48) hours prior to the meeting or portion thereof open to any Unit Owner. Any Unit Owner may record the proceedings at meetings required to be open by the Act by tape, film or other means, subject to reasonable rules and regulations governing the right to make such recordings prescribed by the Board.

2. General Powers of the Board. The powers and duties of the Board of Managers shall

include, but shall not be limited to, the following matters:

- (a) operation, care, upkeep, maintenance, replacement and improvement of the Common Elements;
- (b) Preparation, adoption and distribution of the annual budget for the Property, which shall indicate which portions, if any, are intended for capital expenditures or repairs or payment of real estate taxes;
- (c) Levying of assessments;
- (d) collection of assessments from Owners;
- (e) Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common Elements;
- (f) Obtaining adequate and appropriate kinds of insurance;
- (g) Owning, conveying, encumbering, leasing and otherwise dealing with Units conveyed to or purchased by it;
- (h) Adoption and amendment of rules and regulations covering the details of the operation and use of the Property;
- (i) Keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property and providing annual itemized accountings of common expenses for the preceding year actually incurred or paid, together with an indication of which portions, if any, were for capital expenditures or repairs or payment of real estate taxes;
- (j) To have access to each Unit from time to time as may be necessary for the maintenance, repair or replacement of any Common Elements therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Elements or to other Unit or Units;
- (k) To pay for water, waste removal, other operating expenses, electricity, telephone and other necessary utility service for the Common Elements;
- (l) To pay for landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the windows and glass doors appurtenant to the Unit, if any, and the interior surfaces of the Units and of the hallway doors appurtenant thereto, which the Owners shall paint, clean, decorate, maintain and repair, except if necessitated by repairs to the Common Elements) and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same for the Common Elements;
- (m) To pay for any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations or assessments which the Board is required to secure or pay for pursuant to the terms of the Declaration or By-Laws which in its opinion shall be necessary or proper for the

maintenance and operation of the Property, as a first class condominium residential building or for the enforcement of these restrictions;

(n) To pay any amount necessary to discharge any mechanic's lien or other encumbrance against the entire Property or any part thereof which may in the opinion of the Board constitute a lien against the Property or against the Common Elements, rather than merely against the interests therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Board by reason of said lien or liens shall be specially assessed to said Owners;

(o) To maintain and repair any Unit if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Elements or any other portion of the Building, and an owner of any Unit who has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair mailed or delivered by the Board to said owner, provided that the Board shall levy a special assessment against such Owner for the cost of said maintenance or repair;

(p) The Board or its agent upon reasonable notice may enter any Unit when necessary in connection with any maintenance or construction for which the Board is responsible. Such entry shall be made with as little inconvenience to the Owner as practicable, and any damage caused thereby shall be repaired by the Board as a common expense;

(q) The Board's powers hereinabove enumerated and described in the Declaration shall be limited in that the Board shall have no authority to acquire and pay for any structural alterations, additions to, or improvements of the Common Elements (other than for purposes of replacing or restoring portions of the Common Elements, subject to all the provisions of these By-Laws) requiring an expenditure in excess of Five Thousand Dollars (\$5,000), without in each case the prior approval of Voting Members having two-thirds (2/3) of the total votes;

(r) All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the Treasurer and countersigned by the President of the Board;

(s) The Board may adopt such reasonable rules and regulations, not inconsistent herewith, as it may deem advisable for the maintenance, administration, management, operation, use, conservation and beautification of the Property, and for the health, comfort, safety and general welfare of the Owners and occupants of the Property. Written notice of such rules and regulations shall be given to all owners and occupants and the entire Property shall at all times be maintained subject to such rules and regulations;

(t) The Board may engage the services of an agent to manage the Property to the extent deemed advisable by the Board;

(u) Nothing hereinabove contained shall be construed to give the Board, the Residential Association, or Owners authority to conduct an active business for profit on behalf of all the owners or any of them; and

(v) Upon authorization by the affirmative vote of not less than a majority of the Voting Members at a meeting duly called for such purposes, the Board, acting on behalf of all owners, shall have the power to seek relief from or in connection with the assessment or levy of any real property taxes, special assessments and any other special taxes or charges of the State of Illinois or any political subdivision thereof, or any other lawful taxing or assessing body, which are authorized by law to be assessed and levied on real property and to charge and collect all expenses incurred in connection therewith as common expenses.

ARTICLE II

MEMBERS (OWNERS)

1. Voting Rights. There shall be one (1) person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such Voting Member shall be the owner, or one of the group composed of all the Owners of a Unit ownership, or may be some person designated by such owners to act as proxy on his or their behalf and who need not be an owner. Each such designation shall (a) be made in writing to the Board, (b) bear the date of its execution, (c) be invalid after eleven (11) months from the date of its execution, unless otherwise provided therein, and (d) 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. Anything herein to the contrary notwithstanding, if more than one of multiple Unit Owners of a Unit Ownership are present at a meeting of the Association, the votes allocated to that Unit Ownership may be cast only in accordance with the agreement of a majority in interest of the multiple Unit Owners; such majority agreement exists if any one of the multiple Unit Owners casts the votes allocated to the Unit Ownership without protest being made promptly to the person presiding over the meeting by any of the Unit Owners. Any or all Owners of a Unit ownership, and their designee, if any, may be present at any meeting of the Voting Members, but only the Voting Member of the Unit ownership 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 Unit Owner or group of Unit 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 C attached to the Declaration. The Developer shall designate the Voting Member with respect to any Unit Ownership owned by the Developer.

2. Meetings. (a) Meetings of the Voting Members shall be held at the Property, or at such other place in DeKalb County, Illinois, as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the Voting Members of at least a majority of the Voting Members and Voting Members having at least 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 represented at such meeting.

(b) The initial meeting of the Voting Members shall be held upon written notice, not less than or more than thirty (30) days after notice given by the Developer. Such written notice may be given at any time after at least seventy-five percent (75%) of the Units are occupied but must be given not later than the earlier of thirty (30) days after all of the units are occupied or thirty-six (36) months

from the date of recording the Declaration. Thereafter, there shall be an annual meeting of the Voting Members on the first Wednesday of November following such initial meeting and on the first Wednesday of each succeeding November thereafter at 7:30 P.M., or at such other reasonable time or date (not more than thirty (30) days before or after such date) as may be designated by written notice of the Board delivered to the Voting Members not less than ten (10) days or more than thirty (30) days prior to the date fixed for said meeting.

(c) 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, 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 the President of the Board, a majority of the Board, or by the Voting Members having twenty percent (20%) of the total votes and delivered not less than ten (10) days or more than thirty (30) 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. Matters to be submitted at special meetings of the Voting Members shall first be submitted to the Board of Managers, at least ten (10) days prior to the special meeting, who shall then submit the matters to the Voting Members.

3. Notices of Meetings. Notices of meetings required to be given herein may be delivered either personally or by mail to the person 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 Unit of the Owner with respect to which such voting right appertains, if no address has been given to the Board.

4. Miscellaneous. No merger or consolidation of the Association, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the Property and assets of the Association and the purchase or sale of land or of Units on behalf of all owners, shall be effectuated unless there is an affirmative vote of two-thirds (2/3) of the votes of Owners, except as otherwise provided for in the Declaration.

SCHOOL DISTRICT CERTIFICATE

THIS IS TO CERTIFY THAT I, JOHN F. PAPPAS AS MANAGER OF HEATHERFIELD CONDO DEVELOPMENT, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY, THE OWNER OF THE PROPERTY HERBIN DESCRIBED IN THE SURVEYOR'S CERTIFICATE, WHICH WILL BE KNOWN AS HEATHERFIELD CONDOMINIUMS OF CORTLAND, TO THE BEST OF MY KNOWLEDGE IS LOCATED WITHIN THE BOUNDARIES OF COMMUNITY UNIT SCHOOL DISTRICT NO. 428 IN DEKALB COUNTY, ILLINOIS.

DATED THIS 14th DAY OF NOVEMBER, 2006

HEATHERFIELD CONDO DEVELOPMENT, LLC

By: 
John F. Pappas, Manager

STATE OF ILLINOIS)
)
COUNTY OF DEKALB)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that John F. Pappas, the Manager for Heatherfield Condo Development, LLC, an Illinois limited liability company, is personally known to me to be the same person whose name is subscribed to the foregoing owner's statement, appeared before me, this day, in person and acknowledged the execution of this statement as his free and voluntary act and as the free and voluntary act of said company.

Given under my hand and notarial seal this 14 day of November, 2006.




Notary Public