

DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
FOR
HINSDALE MEADOWS

HINSDALE MEADOWS, LLC DEVELOPER

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DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
FOR
HINSDALE MEADOWS SUBDIVISION

THIS DECLARATION, made on the date hereinafter set forth by **HINSDALE MEADOWS, LLC**, hereinafter referred to as "Developer" or "Declarant";

W I T N E S S E T H:

WHEREAS, HINSDALE MEADOWS, LLC is developing a residential community on the Real Estate, situated in the Village of Hinsdale, County of Cook, and State of Illinois, at the southeast corner of the intersection of County Line Road and 55th Street and is legally described in Exhibit "A" hereto which is incorporated herein by reference; and

WHEREAS, the title to the Real Estate to be developed is held by **HINSDALE MEADOWS, LLC** and the development area will be known as **HINSDALE MEADOWS SUBDIVISION**; and

WHEREAS, Declarant/Developer intends to subdivide, develop and improve the Real Estate from time to time for Single Family and Single Family attached (Duplex Villa) dwelling units with attached garages for the benefit of the Occupants and Owners; and

WHEREAS, in order to preserve and enhance the values of the Real Estate, including certain Common Property and the Lots subject to this Declaration, Declarant has or will form an Illinois not-for-profit corporation known as **HINSDALE MEADOWS HOMEOWNERS ASSOCIATION** ("Association") which will own and have

the responsibility for the maintenance and administration of the Common Property and enforcement of the covenants, conditions, easements and restrictions as herein provided; and

WHEREAS, the Declarant is desirous of establishing for the benefit of all future Owners or Occupants of all, or any part, of the Units and Lots in **HINSDALE MEADOWS SUBDIVISION**, certain easements and rights, in, over, under, and to the said Common Property, and certain restrictions with respect to the use, maintenance, upkeep and repairs to both the Common Property and the Units, and fix the obligations and duties of each Owner or Occupant and the reciprocal obligations and duties of each Owner or Occupant of the Units to the other.

NOW, THEREFORE, Declarant hereby declares that all of the Common Property, Units and Lots as herein defined, in addition to such covenants, conditions, easements and restrictions as may appear on any recorded plat of subdivision of the Project, shall be held, subject to this Declaration of Covenants, Conditions, Easements and Restrictions ("Declaration"), recorded in the office of the Cook County Recorder of Deeds which covenants, conditions, easements and restrictions are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Common Property and the Lots. These covenants, conditions, easements and restrictions shall run with the land and shall be binding on all parties who become Members of **HINSDALE MEADOWS HOMEOWNERS ASSOCIATION**, and their successors, assigns and grantees.

ARTICLE I

DEFINITIONS

For the purposes of brevity and clarity, certain words and terms used in this Declaration are defined as follows:

1) **LOT:** The area shown on the Plat designated by a number and/or letter, designating the location of a single family dwelling unit or a Duplex Villa building. As used herein, the term "Lot" shall refer to the portion of the subdivision conveyed to an Owner on a separate plat of survey for a Unit, including the front, rear and side yards, if any, on which is or is to be constructed a Single Family or a Duplex Villa dwelling unit designed and intended for use and occupancy as a residence for a single family.

2) **PROJECT:** The entire Real Estate described as **HINSDALE MEADOWS SUBDIVISION, a Planned Development** of 64 Units, consisting of 22 Single Family dwelling Units, including an existing Single-Family home on Lot 1, and 42 Duplex Villa Units to be constructed thereon.

3) **PLAT:** Plat of Subdivision for **HINSDALE MEADOWS SUBDIVISION, a Planned Development**, recorded and filed with the Recorder of Deeds of Cook County, Illinois.

4) **UNIT:** An attached or detached single family dwelling unit with an attached garage constructed in the Project on any of the Lots. When applicable the word "Unit" shall be used interchangeably with the word "Lot" and vice versa.

5) **OWNER:** The record owner, whether one or more persons, individuals or entities, of title to any Unit and Lot which is a

part of the Project, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. Where title to a Unit is conveyed to more than one person, or there is more than one beneficiary of a land trust holding legal title to a Unit, such persons are collectively known as "Owner".

6) **OCCUPANT:** Person or persons, other than an Owner, in possession of a Unit.

7) **BOARD:** Board of Directors of **HINSDALE MEADOWS HOMEOWNERS ASSOCIATION (HOA)**, an Illinois not-for-profit corporation.

8) **MANAGING AGENT:** Any person, company, or corporation appointed or employed by the Developer or Association to perform management services.

9) **COMMON PROPERTY:** Those areas of land, together with any and all improvements that are now or may hereafter be constructed thereon, designated as "Lot A" through "Lot H", or as "Common Property", "Out Lots", "Common Elements", or "Common Areas" on any recorded Plat of Subdivision of the Real Estate to be devoted to the common use and enjoyment of the Members of the Association and to be conveyed to the Association by the Declarant, its successors and assigns, and which area shall be maintained by **HINSDALE MEADOWS HOMEOWNERS ASSOCIATION** as provided below unless subsequently provided otherwise by Declarant. Such designation shall not be construed as a public dedication. Common Property shall also include the fence located on an easement on Lot 7 through Lot 12, as further described in Article VI below.

10) **DEVELOPER:** **HINSDALE MEADOWS, LLC**, its successors, assigns and licensees. The Developer may be referred to herein as the "Declarant" where applicable.

11) **MEMBER:** Every person, individual or entity holding membership in the Association by virtue of ownership of any Unit as herein defined.

12) **REAL ESTATE:** The real property legally described in Exhibit "A" hereto.

13) **BUILDING:** A separate single family dwelling Unit or the structure in which two attached single family dwelling units are contained.

14) **PARTY WALLS:** A common wall located on a lot line which separates one attached dwelling Unit from an adjacent attached dwelling Unit.

ARTICLE II

ASSOCIATION AND BOARD OF DIRECTORS

1) Prior to the sale of any one of the Units in **HINSDALE MEADOWS SUBDIVISION**, there shall be incorporated under the laws of the State of Illinois a not-for-profit corporation to be called "**HINSDALE MEADOWS HOMEOWNERS ASSOCIATION**".

2) Every Owner of a Unit in **HINSDALE MEADOWS** shall be a Member of the Association without the right of withdrawal. Membership shall be appurtenant to and shall not be separated from ownership of any Unit. Ownership of such Unit shall be the sole qualification for membership.

3) The Association shall have two classes of voting membership:

- A) The Class A Members shall be all Owners with the exception of the Developer. Class A Members shall be entitled to one (1) vote for each Unit owned. When more than one person holds such interest in any Unit, all such persons shall be Members. The vote for each Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Unit. If more than one (1) vote is cast for a Unit and the votes cast are inconsistent the vote is nullified.

- B) The Class B Member shall be the Developer, and shall be entitled to 192 votes less three votes for each Unit conveyed, provided that Class B membership shall cease and be converted to Class A membership on or before December 31, 2022

4) The powers of the Association shall be vested in the Board consisting initially of three (3) directors appointed by the Developer. Said directors (or their successors who may also be appointed by the Developer) shall serve until such time as the Board shall be transferred to the Owners. At the first annual meeting of the Members of the Association as provided in the By-Laws of the Association, five (5) directors shall be elected by the Owners comprising the Association. The Developer shall transfer control of the Association to the Owners no later than December 31, 2022 or one hundred twenty (120) days after seventy-five (75%) percent of the Units in the Project have been conveyed, whichever first occurs.

5) At the first annual meeting of Members of the Association five (5) directors shall be elected by the Members comprising the Association. At the election and at each election thereafter, each Unit type, Single Family and Single Family attached (Duplex Villa) shall nominate at least two (2)

candidates for directors who are Unit Owners in their Unit type. Homeowners from each Unit type may vote for two (2) nominees, one (1) of whom must be an Owner representing their Unit type and the other from either Unit type. The nominee from each Unit type who receives the most votes (between the candidates for each Unit type) shall be elected as a director to represent that Unit type for a two (2) year term. After the initial two (2) winners (one (1) from each Unit type) have been determined, from the remaining candidates who were not elected, then the three (3) nominees with the highest number of votes (regardless of Unit type) shall fill the other three (3) director positions and shall be elected to serve for one (1) year terms. After the first annual meeting, all directors shall be elected for two (2) year terms. Upon completion of the election of directors at any annual meeting, each Unit type in **HINSDALE MEADOWS** shall be represented by at least one (1) director who is the Owner of a Unit in each Unit type.

6) Vacancies in the Board occurring between regularly scheduled meetings of the Members may be filled by the Board as provided by the Articles of Incorporation or By-Laws. The vacancy shall be filled by a representative from the same Unit type of the vacating director for the remainder of his or her term. The Association shall have such officers as shall be determined by the Board 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.

7) The Board shall exercise all the powers and privileges and perform all of the duties and obligations of the Association

as required by this Declaration, as it may be amended from time to time, and shall provide for, collect and shall pay for its obligations out of the assessment fund as is herein provided.

8) The Association shall adopt such reasonable rules and regulations as it may deem advisable for the maintenance, conservation, repair and beautification of the Property, and for the health, comfort, safety and general welfare of the Owners and Occupants of **HINSDALE MEADOWS**. The entire Project shall at all times be maintained subject to such rules and regulations and amendments thereto as are from time to time enacted by the Board.

9) The Board shall represent the Owners in any negotiation or other proceeding relating to termination of the Project, or condemnation or damage to the Common Property, and shall equitably and reasonably allocate to the Owners or apply to its accounts or reserves any awards or settlements it receives.

10) The Board may appoint an Architectural Control Committee and Landscape Committee to assist and advise the Board to assure the maintenance of the Project and improvements therein in substantially the same style, manner and quality as created by the Developer and as may be required under the Village's Code requirements. The Board may appoint such additional committees as it may deem necessary to advise and assist it.

ARTICLE III

OPERATING BUDGET, MAINTENANCE FUND AND ASSESSMENTS

1) The Association shall maintain a fund to be known as the "Maintenance Fund". This fund shall be held in a federally insured bank account bearing the Association's name. The Board shall prepare an annual budget setting forth the estimated cost of all maintenance, taxes, and operation charges payable by the Association in accordance with this Declaration in its present form, or as it might be from time to time amended or changed. Each Owner shall then be assessed a percentage share of such budget, as set forth in the assessment allocation per Exhibit "C", attached hereto. Prior to the time all Units in the subdivision have been completed, the assessment shall be only among those Units for which a certificate of occupancy has been issued by the Village of Hinsdale, Illinois, and the annual budget shall include the real estate taxes, if any, attributable to those portions of the Common Property, shown on the Plat.

2) Each Owner or Beneficial Owner of any Unit by acceptance of a deed, therefore, whether from the Declarant or any Owner, and whether or not it shall be so expressed in any such deed or other conveyance for each such Unit owned by each Owner, hereby covenants and agrees and shall be deemed to covenant and agree to pay to the Association:

- A) Annual assessments or charges to be paid in monthly installments due on the first day of each month of the year hereinafter called "monthly payment dates" or in such other installments as the Board shall elect; and
- B) Special assessments to be fixed, established and collected from time to time as hereinafter

provided.

The annual and special assessments, together with the interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Unit against which each such assessment is made. Each such assessment, together with the interest thereon and costs of collection thereof as hereinafter provided, shall also be the continuing personal obligation of the person or entity who was the Owner of the Unit at the time when the assessment fell due.

3) The assessments levied by the Association and retained in the Maintenance Fund shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Project and directly related to the ownership, use and enjoyment of the Common Property, including, but not limited to landscaping as set forth in Article X hereof; real estate taxes and any other liability, and insurance in connection with the Common Property; the maintenance, repair and replacement of fences constructed on or about the Common Property by the Developer or the Association which the Association is obligated to maintain; the maintenance, repair, replacement and additions thereto including gates, entry walls and other structures, signage, irrigation, water wells, aeration systems and landscaping located in Common Property or Outlots owned or leased by the Association; for paying the costs of all labor, equipment (including the expenses of leasing any equipment) and materials required for the management, supervision and operation of the Common Property including

electric and water use fees; and for otherwise performing the duties and obligations of the Board as stated herein and in its Articles of Incorporation and By-Laws. For Duplex Villa Unit Owners, the assessments shall also include the cost of fire and casualty extended coverage insurance policies for the Duplex Villa Buildings, and reserves for Duplex Villa building roof repairs or building roof replacements at the end of their useful lives, along with the costs of regular and periodic exterior building maintenance or repairs including painting, staining, tuck-pointing, exterior caulking and siding and trim repairs or replacements. In the event that roof repairs or exterior building maintenance is caused by an act, intentional or otherwise, by a Unit Owner or guest of a Unit Owner, the cost of such repair or maintenance shall be borne by the Owner at fault. Additionally, the cost of any damage to Duplex Villa party walls shall be shared by the two Unit Owners in the affected Duplex Villa Building in accordance with the provisions of Article V. No reserves shall be established for maintenance, repair, and/or replacements of patios, decks, windows, exterior doors, garage doors, and all other exterior and interior components of each Unit, the cost of which shall be the responsibility of the individual Unit Owners.

4) A contribution to the Association for start-up costs and the operating reserves of the Association, in an amount equal to three (3) times the first monthly assessment for the Unit, shall be collected from the purchaser at the initial closing on the sale of each Unit by the Developer, and the purchaser shall pay his or her pro rata share of the monthly

assessment beginning on the closing date and thereafter.

5) The Developer shall pay no assessment on any unsold Unit but shall pay the pro-rata share of landscape maintenance and snow removal expenses on finished but unsold Units, if any, incurred during the period in which a Unit receives such services and is not sold.

6) In addition to the annual assessments, the Board may levy, in any assessment year, a special assessment applicable to that year for common operating expenses, or for capital improvements agreed to by a two-thirds (2/3rds) majority of the voting members of the Association.

7) Annual and special assessments shall be allocated in a manner consistent with the following: (i) SINGLE FAMILY UNITS represent 41.73% of the total square footage of the LOTS in HINSDALE MEADOWS, and the SINGLE FAMILY ATTACHED, DUPLEX VILLA LOTS represent 58.27% of the lot area in HINSDALE MEADOWS, and (ii) the SINGLE FAMILY ATTACHED, DUPLEX VILLA LOTS' assessments will also include fire, casualty and extended insurance coverage for insured structural and exterior building repairs or replacement for the Duplex Villa Units, the cost of which shall be assessed only to the Duplex Villa Unit Owners as further described in Article VII of this Declaration. The Duplex Villa Owners shall be required to carry their own insurance HO6 policy on contents and betterments and improvements, the definition of which is described in Article VII. The Assessment Allocation schedule, including the insurance coverage for the HOA and Duplex Villas is set forth in Exhibit "C" attached hereto.

8) The annual assessments for the first Owner of a Unit,

as provided for herein, shall commence on the date of conveyance of the Unit by the Developer to the Owner. Annual assessments shall be collected monthly or as determined by the Board. The payment date or dates of any special assessments shall be fixed in the resolution authorizing such assessment.

9) The duties of the Board of Directors with respect to assessments shall be as follows:

- A) The Board by majority vote shall fix the amount of the annual assessment applicable to each Unit for each annual assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Units and assessments applicable thereto, which shall be kept in the office of the Association and be open to inspection by any Owner.
- B) Written notice of the assessment shall thereupon be delivered or mailed to every Owner subject thereto showing the amount or amounts and the due date or dates, if the assessment is to be paid in installments.
- C) The Board shall, upon written demand, furnish to any Owner liable for said assessment, a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificate.
- D) If the Board fails to fix the amount of an assessment as provided in (A) above, each Owner shall be responsible for the payment of an amount equal to the assessment for the previous year.

10) The Due date for regular assessments shall be the first of every month. If any assessment or part thereof is not paid within thirty (30) days after the due date, the total unpaid amount of all installments of such assessment shall

immediately become due and payable and shall bear interest from the date of delinquency at two (2) points over the prime rate of interest charged by J.P. Morgan Chase Bank in Chicago, Illinois on the date the payment was due, or the highest legal rate if the rate of prime plus two (2) points is usurious. The total unpaid amount of all such installments and interest thereon shall constitute a lien on the interest in the Unit of the Owner personally obligated to pay the same and upon the recording of notice thereof by the Board shall be a lien upon such Owner's interest in the Unit. The Association may, at its election, bring an action at law for eviction or other remedy or in equity against the Owner personally obligated to pay the same in order to enforce payment and/or to foreclose the lien against the Lot and Unit subject thereto and there shall be added to the amount of such assessment the costs of preparing and filing the complaint (including reasonable attorneys' fees) in such action, and in the event a judgment is obtained, such judgment shall include the interest on the assessment and the reasonable attorneys' fees, together with the costs of the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Property or his Unit. Notwithstanding the foregoing, the first mortgage encumbrance owned or held by a bank, insurance company, or savings and loan association, or other person or entity engaged in the business of making real estate loans, recorded against the interest of such Owner prior to the date such notice is recorded, which by law would be a lien thereon prior to subsequently recorded encumbrances, shall have priority, except

as to the amount of assessments which become due and payable from and after the date on which the said mortgage owner or holder either takes up possession of the Unit, accepts a conveyance of any interest therein (other than as security) or files a suit to foreclose its mortgage.

11) The sale or transfer of any Unit shall not discharge the assessment lien, which shall remain in full force and effect until paid in full.

12) The following real estate subject to this Declaration shall be exempt from the assessments created herein:

- A) All of the real estate dedicated to and accepted by a local public authority.
- B) The Common Property.
- C) All of the real estate owned by Declarant or Developer, except as stated above in Article III, Section 5.

13) In the event the Directors of the Association consider the funds on deposit in **HINSDALE MEADOWS HOMEOWNERS ASSOCIATION** account sufficient to fulfill the purposes of the Association, they may from time to time forebear the collection of the assessments provided for in this Article III for any one or more monthly or quarterly period; however, any such forbearance shall not be a waiver of the right to collect future assessments. In the event that an assessment is not sufficient to cover the necessary expenditures as provided herein, the Board may from time to time increase that assessment to cover such expenditures.

14) The Board shall not expend in excess of \$25,000.00

over and above the annual budget in any calendar year without the approval at a special meeting of a majority of the Units represented at said meeting.

15) A special assessment for any expenditure not otherwise budgeted or capable of being paid from existing Common Area reserves may be classified as either: a) Capital replacements; b) Capital repairs; or c) Capital improvements, each defined as set forth in the table below:

CAPITAL REPAIRS / Assessment Amount	Prior Written Notice Before Due Date	Board Majority Required	Vote of unit Owners % Required
Less Than or Equal to One Month's Regular Assessment	60 Days	Simple Majority	None
More than One Month's Regular Assessment	90 Days	Simple Majority	None
CAPITAL REPLACEMENTS Less than or Equal to One Month's Regular Assessment	Prior Written Notice Before Due Date	Board Majority Required	Vote of Unit % owners required
Less than or Equal to One Month's Regular Assessment	60 Days	Simple Majority	None
More Than One Month's Regular Assessment	90 Days	Simple Majority	None
CAPITAL IMPROVEMENTS /Assessment Amount	Prior Written Notice Before Due Date	Board Majority Required	Vote of Unit % Owners Required*
Less Than or Equal to One Month's Regular Assessment	120 days	Simple Majority	Simple Majority
More than One Month's Regular Assessment	180 Days Prior to Special Meeting	Simple Majority	2/3 Majority

16) For those special assessments requiring a vote, Unit Owners may vote by mailing a signed ballot, which the Board shall mail to each Owner not more than thirty (30) days and not less than fifteen (15) days in advance of the due date.

17) All votes shall be binding on the Board, so long as at least fifty (50%) percent of the Unit Owners cast a ballot.

18) The required percentage to pass a special assessment shall be based on the total number of votes cast, and not the

entire number of Unit Owners, as long as at least fifty (50) percent of Unit Owners cast a ballot.

19) The Board shall record the results of the vote in the Association records.

ARTICLE IV

TAXES

1) Each Owner shall be assessed, and shall pay, the real estate taxes allocated to his or her Unit.

2) All taxes, if any, on the Common Property shall be paid by the Association from the Maintenance Fund in accordance with Article III of this Declaration.

ARTICLE V

PARTY WALLS

1) Each Party Wall for the Duplex Villa Units shall be used as a dividing wall between the respective Units it separates, and shall be used by the Owner of each adjacent Unit equally for all purposes as an exterior wall, the ownership or equity of each adjacent Owner in said wall being subject to a cross-easement in favor of the other party. However, the surface of each Party Wall shall be used exclusively by the Unit in which said surface is located.

2) In the event it shall become necessary to repair or rebuild any portion of any Party Wall, the expense of such repairing or rebuilding shall be borne equally by the Owners of the Units adjacent to such Party Wall, unless the damage to the Party Wall was caused by an act, intentional or otherwise, by one of the adjacent Owners, in which event the cost shall be borne solely by the Owner at fault. If damage to the Party Wall

shall affect only one side, then the cost of repair shall be borne by the Owner on whose side the damage has occurred.

3) The easements or cross-easements hereby created shall not terminate in the event any Party Wall shall be destroyed by fire or other cause and either Owner adjacent to the wall shall have the right to rebuild it if the other will not cooperate in such rebuilding, in which event the Owner of the Unit adjacent to such wall who rebuilt the wall shall be entitled to receive from the Owner of the adjacent Unit, and the non-cooperating Owner of the adjacent Unit shall be liable to pay upon demand to the Owner who rebuilt the wall, an amount equal to one-half (1/2) of the cost of such rebuilding, including the costs of foundations and supports necessarily installed, but excluding the amount of cost paid by insurance proceeds, and except as provided in paragraph 2 of this Article V when the damage is caused by only one of the Owners.

4) Whenever any Party Wall, or portion thereof, shall be repaired or rebuilt, it shall be erected on the same line and be of the same size and the same or similar materials and of like quality as the wall being repaired or rebuilt, and it shall in all respects conform to the applicable laws and ordinances regulating the construction of buildings in force at the time.

ARTICLE VI

EASEMENTS

1) Every Member shall have a right and easement of use and enjoyment and a right of access for ingress and egress, to their Unit, including driveways, on, over, across, in, upon, and

to the Common Property, such area shown as streets alleys, roadway, and access easements upon the Plat for Hinsdale Meadows Subdivision, and such right and easement shall be appurtenant to and shall pass with the title to every Unit subject to the following provisions:

- A) The right of the Association, in accordance with its By-Laws, to adopt rules and regulations governing the use, operation and maintenance of the Common Property; and
- B) The right of the Association to dedicate or transfer all or any part of the Common Property to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon by the Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by Members entitled to cast two-thirds (2/3rds) of the votes of the combined Class A and Class B membership has been recorded.

2) Any Member may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Property and facilities, to the members of his family, his tenants or contract purchasers who reside in his Unit.

3) The Declarant hereby covenants for itself, its successors and assigns, that it will convey title to the Common Property to the Association on or before December 31, 2022.

4) The Declarant reserves the right to grant to SBC/Ameritech, Commonwealth Edison Company, Northern Illinois Gas Company, the applicable local cable company, and all other public and quasi-public utilities serving the Project, easements, in addition to those appearing on any recorded plat of subdivision for the Project, to install, lay, construct,

renew, operate and maintain pipes, conduits, cables, wires, transformers, switching apparatus and other equipment over, under and across the Common Property and Lots for the purpose of providing utility services to the Project and Units.

5) An easement is hereby granted to the Developer, without charge, for the purpose of erecting, maintaining, repairing and replacing permitted billboards, banners and exterior lighting and other permitted advertising and promotional displays over and across the Common Property and the exterior of any structure or any Lot and Unit being used as a model for so long as the Developer, its successors, assigns and licensees, are engaged in the construction, sale or leasing of Units on any portion of the Project.

6) In the event that following the initial recordation of any Plat or site plan, the Declarant, or its successors or assigns, determines that inaccuracies exist or additional utility easements are required in the Plat or site plan, Declarant hereby reserves to itself, its successors and assigns, the right to re-record the Plat or site plan for the purpose of correcting any such inaccuracies and/or additions.

7) A nonexclusive easement is hereby declared, reserved and granted in perpetuity over the Common Property and Lots for the benefit of duly authorized agents and employees of any governmental unit exercising jurisdiction over the subject premises for ingress and egress to and from the public right-of-way to and over any portion of the Common Property and Lots for the purpose of providing municipal services to all portions of the Common Property and Lots.

8) The Common Property shall be subject to a perpetual easement in gross to the Board and the Association for the purpose of enabling and permitting the Board and the Association to properly perform their duties and responsibilities. The Board and the Association further have a perpetual easement in gross to enter upon a Lot where reasonably necessary in the judgment of the Board and the Association for the purpose of properly performing or executing a duty or responsibility of the Board and the Association in respect of other Owners, or of the Owners generally, or of the Common Property. Developer also has an easement in gross for the purpose of enabling and permitting Developer properly to perform its duties and responsibilities as Developer. Developer further has an easement in gross to enter upon a Lot where reasonably necessary, in the judgment of Developer, for the purpose of properly performing or executing a duty or responsibility of Developer in respect of other Owners, or of the Owners generally, or of the Common Property.

9) In the event a Unit is constructed on a Lot in such a manner that a common wall or structure encroaches and/or overhangs (above, beneath, and/or at grade level) on adjoining Lots or the Common Area, the Owners of each Lot or Common Area hereby take title subject to a perpetual easement for any such overhang and/or encroachment, which easement is hereby reserved for Declarant and all Owners, and shall include the reasonable right of access thereto for inspection, maintenance, repair and/or replacement of all or a portion thereof. In the event of a fire or other casualty that results in a total or partial destruction of a building, each building is entitled to be

repaired or rebuilt in such a fashion to permit such overhangs or encroachments to be reestablished.

10) Easements have been granted on the Plat of Subdivision on Lots 1 and 3, along with common area Lots E, G, and H, for the purpose of allowing subdivision entry monument signs and associated landscaping, lighting and irrigation.

11) Easements are hereby granted on Lots 7, 8, 9, 10, 11, and 12 along with common area Lots E and G, for the purpose of allowing an eight-foot fence along 55th Street.

12) Lot A is located on the eastern boundary of the property and includes the storm water detention pond. Lot A includes three land access strips to the storm water detention pond from Barton Lane, including between Lots 18 and 19, between Lots 21 and 22, and between Lots 27 and 28. No alteration or obstructions shall be placed in these areas, and no change shall be made in the finished grade of these areas.

13) Lot D is located in the central area of the property and includes storm water management and utilities. There are two access strips from the adjacent roadways located on Lot D, including between Lots 36 and 37, and between Lots 41 and 42. No alteration or obstructions shall be placed in these areas, and no change shall be made in the finished grade of these areas.

14) An emergency access easement has been granted on the Plat of Subdivision to the Village of Hinsdale to allow for emergency access over "Lot C" on the Plat to the adjacent property commonly known as 5601 County Line Road.

ARTICLE VII

INSURANCE AND FIRE SUPPRESSION SPRINKLER SYSTEMS

1) The Association shall procure insurance for the Hinsdale Meadows Homeowners Association and the Duplex Villa Buildings in accordance with Exhibit "D" attached and made a part hereof.

2) Duplex Villa Units: The Duplex Villa Building insurance coverage provided by the Association will include fire, casualty and extended coverage for all Duplex Villa Buildings in the Development in an amount equivalent to one hundred (100%) percent of the full replacement cost of the Unit, based only on the Developer's original standard plans and specifications pursuant to the Unit sales contracts, but except as described below, not including any upgrades to the Unit installed by either the Developer or the Unit Owner. The coverage shall include, without limitation, the building structure, the roof, exterior building materials, windows, interior and exterior doors, plumbing and sprinkler systems and fixtures, heating, air conditioning, and ventilation systems, painted walls, insulation, electrical systems and fixtures, floor finishes including carpet and tile, appliances, cabinets, countertops, mirrors, shower doors, closets, insulation, stairs, and garage doors originally installed by Developer pursuant to the standard specifications shown in the Unit sale contract. The Association coverage shall also include any decks, patios, screen porches, sunrooms originally installed by the Developer. The premiums for such coverage shall be charged to the Duplex Villa Unit Owners as part of their regular assessments. The

individual Unit Owner is responsible for and shall purchase his or her own HO6 insurance policy which shall cover, without limitation, finished basements, appliances not originally installed by Developer, hanging light fixtures, the Unit Owner's contents, including personal property such as furniture and other furnishings, wallpaper, rugs, personal property, and all Betterments and Improvements to the Unit. "Betterments and Improvements" means all upgrades and/or revisions to a Unit (except for sunrooms or screen porches which shall be included in the Association policy coverage) that are different than the original basic Developer specifications for the Unit outlined in the Unit sale contract, including any upgrades installed by the Developer or by Unit Owners, and any other additions, alterations, or upgrades installed or purchased by any Unit Owner.

3) No Owner of a Duplex Villa Unit will be charged for any fire and casualty coverage for any Single Family Unit. Single Family Unit Owners shall procure their own insurance policy for their entire Unit.

4) No Owner of a Single Family Unit will be charged for any fire and casualty insurance coverage for any Duplex Villa Unit.

5) The method of allocation of insurance premium for a Duplex Villa Building shall be based on the square footage of each Unit in the Building as a percentage of the total square footage in the Building, as originally designed.

6) The costs of completing the restoration of a Duplex Villa Unit or total building resulting from an insured loss

shall be funded from insurance proceeds and any deductibles pertaining to such loss shall be a Homeowners Association expense, allocated only to the Duplex Villa Unit Owners assessments.

7) Single Family Units: Each Single Family Unit Owner or beneficial Owner shall at his or her sole expense, insure his or her Unit for an amount equal to One Hundred (100%) percent of the replacement cost of such Unit to the Developers as built plans and specifications.

8) All new Single Family and Duplex Villa Units constructed after the date of this Declaration in Hinsdale Meadows will include a Sprinkler Fire Suppression System. Each individual Owner is responsible for its maintenance and an annual inspection of the system. The annual inspection, by a licensed plumber, will include a signed inspection form by the plumber which must be filed with the Village of Hinsdale.

9) Except as indicated in Article III, Paragraph 3, the Association shall not be obligated to maintain reserves for the maintenance, repair or replacement of a Duplex Villa Unit. The individual Duplex Villa Unit Owner shall be responsible for such maintenance, repairs or replacement as forth in the above-referenced paragraph.

ARTICLE VIII

BUILDING MAINTENANCE, ALTERATIONS AND ADDITIONS

1) Future alterations to the improvements and provisions shown in the Village's Planned Development Ordinance shall require specific Village approval of an amendment to such

ordinance. In the event of a conflict in the provisions of such Ordinance and the Declaration, the Ordinance shall prevail.

2) The Association's responsibility for maintenance and replacement for the exteriors of the Duplex Villa Units shall be limited to (1) roof repairs or roof replacements at the end of their useful lives, to the extent the repair or replacement is not covered as an insurable loss under the Association's Duplex Villa Building insurance policy and (2) the costs of regular and periodic exterior building maintenance or repairs including painting, staining, tuck-pointing, caulking and siding and trim repairs or replacements, in such colors and at such times as the Developer or the Association shall determine, and the cost thereof shall be assessed to the Duplex Villa Owners by the Association in accordance with provisions set forth Exhibit "C" hereto. In the event that such roof repairs or exterior building maintenance is caused by an act, intentional or otherwise, by a Unit Owner or guest of a Unit Owner, the cost of such repair or maintenance shall be borne by the Owner at fault. Maintenance, repair, and/or replacements of patios, decks, windows, exterior doors, garage doors, and all other exterior and interior components of each Unit shall be the responsibility of the individual Unit Owners. The Association may choose to offer group programs for maintenance, repair and/or replacements of these excluded items, the cost of which would be subject to special assessments to the Unit Owners that participate in such programs.

3) Driveways for all Single Family and Duplex Villa Units shall be seal coated and/or repaired or replaced at such time as

the Association shall determine. The cost of such work shall be assessed to each Unit Owner equally divided on the basis of 1/64 to each Unit Owner, and reserves for such work will be collected as part of the Annual Assessment against the Unit Owners.

4) No Owner shall make any exterior color or architectural changes, changes in load bearing walls, or additions to any Unit except as may be authorized in writing by the Developer or the Association, and if required, by the Village of Hinsdale.

5) The Single Family Units shall be owned fee simple and costs of maintaining, repairing and /or replacing any portion of these Single Family Units, including insurance shall be borne by the individual Owner for each Unit. The Annual Budget and Assessments allocated to each Single Family Unit shall not include the costs associated with any repairs or replacements to the Duplex Villa Units. However, as noted in Par. 4 above, the cost for the periodic sealcoating of driveways shall be included as part of the assessments for all Units.

6) The Association may use all means available under the law (at law or in equity), and the provisions of this Declaration and the By-Laws to collect assessments from Unit Owners pursuant to the allocation schedule in Exhibit "C" hereto.

7) All costs or maintenance charges in connection with a Unit not specifically allocated by this instrument to the Association shall be the responsibility of the Owner of the Unit or Units affected. If the Owners of the affected Units are unable to agree on the allocation of such costs the Association

shall make such allocation, and its determination shall be final.

8) Except for perimeter fences originally installed by the Developer, including the wood fence along 55th Street as referenced in paragraph 11 of Article VI, no Owner or Occupant shall construct or erect a fence of any kind, except as may be authorized by the Association in writing; however, until the last Unit is conveyed the Association shall not approve a fence without the prior written approval of the Developer. Maintenance of these perimeter fences shall be the responsibility of the Association. Maintenance of any other fences constructed by the Developer or Unit Owner, if any, shall be the responsibility of the Owner or Owners of the Units utilizing the fence. If the Owners of the affected Units are unable to agree on the scope of any required repair or maintenance with respect to such fence or the allocation of the cost of such maintenance or repair, the Board of Directors of the Association shall determine the scope of repairs and the allocation of the costs between the Owners, and its determination shall be final. Invisible underground pet restraining fences may not be installed unless approved in writing by the Association. Any fence constructed along the perimeter property lines of the Development, including the wood fence along 55th Street, shall be owned, repaired and maintained by the Association. No above ground fence shall be constructed in the front or rear yard of a Duplex Villa Unit.

9) Except as noted above, the Board of the Association may consider a request for approval of an above ground fence, in the rear yard only, of a Single Family home that does not extend

beyond either outside wall of the Unit, nor more than twenty-five (25') feet beyond the rear wall of the Unit, nor into any Common Area or past any setback line. Approved fences shall be constructed of wrought iron or simulated aluminum wrought iron, as prescribed by the Association, and no fence shall exceed four (4') feet in height. Any fenced enclosure in the yard of a Unit shall have at least one (1) gate which is four (4') feet in width to allow ingress and egress by the Association's Landscape Maintenance Contractor.

10) Upon written application by a Unit Owner, the Board may at its sole discretion allow the installation of an invisible electronic fence in the rear yards only of Single Family and Duplex Villa homes. An invisible fence installed for a Single Family home must comply with the applicable requirements for an above ground fence as set forth above. An invisible fence for a Duplex Villa home shall be constructed only in the rear yard and may not extend beyond twenty-five (25') feet from the rear wall of the Unit or beyond the outside wall of the Unit. The portion of the invisible fence between the attached Duplex Villa yards must be at least three (3') feet inside the boundary line between the two yards. No invisible fence may extend into the Common Area, beyond any set back line, or nearer than 5' from any other yard except the yard of the attached Duplex Villa Unit. The Board may immediately terminate the use of an invisible fence if it fails to restrain a pet. The Board's decision with respect to installation and termination of all types of fences shall be final.

11) No Owner or Occupant shall install exterior storm

sashes, canopies or awnings on any Unit, nor build enclosures for the front or rear entrances nor expand existing decks, patios or construct new decks or patios, except as authorized in writing by the Developer or the Association and the Village.

12) No Owner of Occupant shall be permitted to erect a permanent porch on a Unit except as authorized by the Association and the Village in writing. However, until the last Unit is conveyed the Association shall not approve a porch without the additional prior written approval of the Developer.

13) Except as set forth herein, no permanent attachments or other structure of any kind or character whatsoever shall be made, erected, permitted or maintained upon the exterior or roof of any Unit except when such attachments shall have been first submitted to and approved in writing by the Association and the Village when applicable.

14) No grade modification in a Lot which adversely affects drainage in the Development, and no modifications, changes or additions to Buildings, structures, fences or walls shall be initiated without, in each instance, the written approval of the Developer or the Association, and the Village.

15) In the event a Single Family Unit Owner desires to change the color or elevation style of the Unit, he or she must obtain the approval of the Association with respect to the color, and the Association and the Village for a change in the elevation style. The Unit Owner must also obtain the Developer's approval until the last Single Family Unit is conveyed.

16) Any alteration or addition to any Unit must comply with all applicable laws, ordinances, codes and regulations and

be approved by the Association and the Village if required. Alterations to any Unit or Lot which require a building permit from the Village must first be approved by the Association, prior to submittal of the building permit application. In connection with the storm water management requirements of the Project, the Association shall not approve any change to a Unit or Lot that increases the amount of impervious surface coverage on a Lot by more than 50 square feet. The Village shall be entitled to deny any building permit application for which more than 60 feet of impervious coverage is being requested. The Village shall also have the right to assess an additional charge for any additional impervious coverage approved in connection with a building permit application, to be calculated in accordance with guidelines established by any applicable DuPage County Stormwater Management Ordinances.

17) The Duplex Villa Units shall be owned fee simple and uninsured losses, repairs or replacements shall be paid for by the affected Units as provided in paragraph 3 of Article III and paragraph 2 of Article VIII.

18) The method of allocating any shared costs amongst Owners within the Duplex Villa Building shall be the square footage of each Unit in the Building as a percentage of the total square footage in the original Building.

19) The provisions of Paragraph 18 above apply solely to the Duplex Villa Units themselves and do not apply to Common Areas, or structures that are Common Property, the costs of which shall be shared by both the Single Family and Duplex Villa

Units in accordance with the Allocation Schedule.

20) The Association may use all means available under the law (at law or in equity) and the provisions of this Declaration and the By-Laws to collect assessments from the Unit Owner(s) pursuant to the allocations in Exhibit "C" hereto.

ARTICLE IX

USE OF LOTS AND COMMON PROPERTY

1) No animals of any kind, except dogs, cats or common household pets, (pigs, livestock, poultry and reptiles shall not be considered common household pets) shall be kept, raised or maintained, in any part of a Unit or Lot or on the Common Property. The Association reserves the right to adopt reasonable rules and regulations governing the keeping within any Unit of domestic dogs, cats and other household pets to prevent pets from becoming a nuisance to the Owners or Occupants of **HINSDALE MEADOWS SUBDIVISION**.

2) No clothes, sheets, blankets, or other articles of laundry shall be hung or exposed on any part of any Unit or Lot.

3) The Owners or Occupants of Units shall keep their premises free and clear of rubbish, trash, garbage debris or other unsightly materials, or waste. Any such materials or waste must be kept in covered sanitary containers hidden from public view until removed from the premises.

4) There shall be no recreational devices, defined as a structure or outdoor facility and intended principally for recreational use, such as, but not limited to, above ground pools, playhouses, swing sets, trampolines, sandboxes, courts,

or playfields on any of the Common Property, without the authorization of the Association and the written approval of the Village.

5) If any Owner or Occupant fails to maintain the Unit owned or occupied by him as herein provided, the Association may, after fourteen (14) days written notice to such defaulting Owner or Occupant, have such work done as may in the opinion of the Board, be necessary to keep such Unit in a condition conforming to the general quality of upkeep of all Units in the Project, and the amount paid plus interest thereon shall be a charge against the Owner of the Unit on which said work was performed, and a lien of the Association against the Unit until paid in full.

6) Each Unit shall be used exclusively for private single family residential purposes.

7) There shall be no alteration of the Common Property and nothing shall be kept, stored, constructed, planted on, or removed therefrom, without the written consent of the Board, consistent with the preservation of the Project as a distinguished and superior residential community as represented by the Developer to the Village of Hinsdale, to preserve the unique environmental character of the **HINSDALE MEADOWS SUBDIVISION**. However, this provision should not be construed to limit or preclude residents of the community from seeking to implement improvements or changes, with Board permission, subject to the normal code and permitting requirements uniformly enforced by the Village.

8) No Owner shall permit anything to be done or kept in his

or her Unit or Lot or in the Common Property which will result in injury or damage to the trees, bushes, or other planted vegetation on Common Property or other Lots or which will result in an increase in the rate charged or in the cancellation of any insurance carried by the Association or which would be in violation of any law.

9) No sign of any kind shall be displayed to the public view on or from any part of the Project, without the prior consent of the Board, except by Developer, as hereinbefore provided in Article VI provided that the Board's consent shall not be unreasonably withheld as to "For Sale" signs by Owners on their own Lot relating to the sale of their Unit.

10) No activity which, in the judgment of the Board, may be or become an unreasonable annoyance or nuisance to the other Owners or Occupants or may interfere with the use and enjoyment of the other Owners and Occupants or their Units on the Common Property, shall be allowed on any Lot subject to the Declaration, provided however, the provisions of this Section shall not be applicable to the Developer when Developer is acting in accordance with its rights hereunder.

11) All Owners, Occupants and guests shall abide by the By-Laws of **HINSDALE MEADOWS HOMEOWNERS ASSOCIATION** and any rules and regulations adopted by the Board. If any Owner (either by his own conduct or by the conduct of any Occupant or guest), shall violate any of the covenants, restrictions or provisions of this Declaration or any rules or regulations adopted by the Board, and such violation shall continue after written notice or request to cure such violation from the Board, the Board may

pursue any available remedy at law or in equity to eliminate such violation.

12) No truck, van, trailer, airplane, snowmobile, commercial vehicle, recreational vehicle, boat or other similar vehicle or water-borne vehicle may be maintained, stored or kept in the Project unless enclosed within a garage. Conventional passenger vehicles of the Owners, Occupants and their guests may be permitted to park on the Owner's driveway or other designated parking area. The term "commercial vehicle" shall include any vehicle which has a commercial message printed or otherwise displayed on it.

13) No trailer, basement of an uncompleted Building, tent, shack, garage, barn, and no temporary building or structure of any kind, shall be used at any time for a residence either temporary or permanent, nor shall any of the above be parked or placed on a Lot except by Developer during construction. Trailers, temporary buildings or structures may be located in the Project by the Developer and used during construction but shall be removed upon the completion thereof.

14) No Unit shall be leased by a Unit Owner for a period more or less than one (1) year without the prior written approval of the Association. Any lease must be in writing and a signed copy delivered to the Association within seven (7) days after its execution and prior to occupancy of the Unit. No Owner shall be permitted to lease a Unit to a second or subsequent lessee prior to the expiration of the one (1) year term of the previous lease unless a written request is submitted to and approved by the Board, setting forth a hardship to the

Owner. In the event a hardship is granted the Board may grant an extension of lease rights within its discretion. Any lessee of a Unit leased in accordance with this Declaration shall comply with the rules and regulations of the Association. No Unit shall be leased by an Owner for hotel or transient purposes and no portion of a Unit which is less than the entire Unit shall be leased. This Declaration, the By-Laws and rules and regulations that relate to the use of the individual Unit or the Common Property shall be applicable to any person leasing a Unit and shall be deemed to be incorporated in any lease executed in connection with a Unit. The Association may prohibit a tenant from occupying a Unit until the Owner complies with the leasing requirements prescribed by this Article.

15) Except for television satellite dishes not exceeding twenty-four (24") inches in diameter which may be placed at locations approved in writing by the Association, no other exterior radio or television antennae, poles, rods, wires or other devices for reception of television, radio or other electrical transmissions or signals may be installed in the Project, except inside of a Unit.

16) There shall be no burning of refuse, leaves or other materials in the Project, nor shall unsightly plants or underbrush or plants breeding infectious plant diseases or noxious insects be allowed to remain in the Project.

17) There shall be no swimming or boating of any nature permitted in any lake, retention pond or waterway within the Project. Notwithstanding this provision, the Association may hire contractors to maintain the pond and such contractor shall

be permitted to use a boat if necessary for maintenance purposes.

18) There shall be no recreational devices, defined as a structure or outdoor facility, attached or unattached to the principal structure on a Lot, and intended principally for recreational use, such as, but not limited to, above ground pools, playhouses, swing sets, trampolines, sandboxes or basketball hoops, on any Lot, including the front, rear and side yards.

19) In the event any activity in or about a Unit, Lot or the Common Property shall cause a disturbance which adversely affects any Owner or Occupant, such activity may be examined by the Board, even if not addressed in the Association documents. If the Board, in its sole discretion, determines that such activity presents a nuisance, the Board may declare the activity to be a nuisance and exclude the activity from continuing in the Development. The decision of the Board shall be the final determination with respect to such activities. If necessary, the Board may take such legal action as it deems appropriate at law or in equity to restrain the continuation of the activity causing the nuisance.

20) Neither the Developer nor the Owner may construct a bedroom or full bathroom in the basement of any Unit. This restriction shall not, however, apply to the existing Single Family home on Lot 1, nor shall it bar or restrict the construction of a basement bathroom that includes only a toilet and sink, commonly referred to as a half-bath or powder room. The creation of other rooms in the basement for other purposes is not restricted.

21) The Association cannot amend the provisions of Article VIII, Sections 1,5,9,10,11,12,13,14,15,16,and 17, Article IX Sections 4,6,7,12,13,14,15,16,17,18,19, and 20, this Article IX, Section 21, or Article XII Sections 23,26, and 27 without the prior written approval of the Village, as these provisions constitute an integral element of the Planned Development concept pursuant to which the Project zoning is granted.

22) Nothing in the provisions of this Declaration shall require the removal or limit the use by the Developer of any structure existing on the Project on the date hereof.

ARTICLE X

UTILITIES, LANDSCAPING, LAWN MAINTENANCE, AND SNOW REMOVAL

1) Except as set forth below, all landscaping, lawn, tree and shrubbery maintenance in the Project shall be performed by the Association and no changes nor shall alterations be made therein except by approval of the Association. Maintenance of any landscaping or plantings within fenced or designated private areas of a Lot, (such as potted plants or annuals planted by the Unit Owner) shall be provided by the Owner of the Lot at the Owner's sole expense. However, lawn maintenance and landscape maintenance for any items originally planted by the Developer within fenced areas of a Lot shall be provided by the Association. All areas including the front, rear and side yards, if any, shall be landscaped and planted initially by the Developer and thereafter maintenance, including shrubbery trimming and lawn mowing, shall be performed by the Association. Irrespective of the date of closing or receipt of possession of

a Unit by the initial Owner, the Owner shall be responsible for the removal and replacement of any dead or damaged trees and shrubbery planted on the individual Lot by the Developer's landscape contractor after the expiration of the landscape contractor's warranty of one (1) year from date of planting. Unless expressly stated otherwise by the Board, all costs of installation and maintenance of additional landscaping, trees or shrubbery approved by the Association for installation by an individual Owner on that Owner's Lot, shall be the sole responsibility of the Owner and such landscaping, trees or shrubbery shall be maintained in a manner consistent with the quality of maintenance provided by the Association. The cost of removal and replacement of such additional trees and shrubbery planted by the Owner on his Lot, with the approval of the Board, shall be the responsibility of the Owner of the Lot. In the event an Owner fails to remove and replace such dead or damaged trees or shrubbery when necessary, the Association may, after thirty (30) days prior written notice, cause the appropriate removal and/or replacement to be performed and assess the cost thereof to the individual Lot Owner.

2) The Developer will install an automatic irrigation system to irrigate the Lots and the Common Area. The Association shall pay for the water and shall maintain the irrigation lines. The Association shall pay for any hand watering of trees, shrubs and other plant materials not covered by the automatic irrigation system on an as needed basis to properly care for and protect the plant material. The automatic irrigation system will include quick coupling devices to allow the Developer,

Association or its Landscape Maintenance Contractor to connect a hose for the purpose of hand watering. If necessary for hand watering purposes, the Developer, Association or its Landscape Maintenance Contractor may also use the exterior water spigot of a Unit in order to hand water plant materials in the vicinity of the Unit, and shall not be obligated to repay the Unit Owner for the cost of the water.

3) The Association, through a private contract or otherwise, shall provide for cultivating, trimming and feeding evergreens, trees and shrubs; re-seeding, fertilizing, weed-control programs, spraying, feeding and trimming of trees, and planting of vegetation on the Common Property. The cost of such services shall be paid from the Maintenance Fund. If any trees in the Common Property must be removed or replaced, such work shall be done by the Association and paid from the Maintenance Fund.

4) The responsibility of the Association for landscape maintenance, and snow removal services of the private walks and driveways, shall commence upon the closing on the Unit. The Developer or Association may enter into an agreement with a third party to provide landscape maintenance and snow removal for all Units and the Developer shall pay the pro rata share of such expenses for the then completed but unsold Units receiving such services.

5) If an Owner fails to pay any cost assessed by the Association pursuant to this Article X, the Association may proceed against the Owner as prescribed in Article III Section 10 hereof and shall have all remedies against the Owner as set

forth therein.

6) The Association will provide for snow removal for all public and private sidewalks, entry walks and/or driveways.

7) The public streets and sidewalks have been constructed by the Developer. Upon their acceptance by the Village of Hinsdale, the Village will own operate and maintain them.

8) The Developer has constructed all storm sewers, water mains and sanitary sewers, and upon their acceptance by the Village of Hinsdale, the Village will own, operate and maintain them except as follows:

- A. The Lot Owner shall be responsible for all repair, maintenance and replacement of storm sewer lines (up to ten ("10") inches in diameter) which connect the Unit on the Lot to the storm sewer main, including the junction box; and
- B. The Lot Owner shall be responsible for all repair, maintenance and replacement of water lines which connect the Unit on the Lot to the "buffalo box," which will normally be located in the parkway adjacent to the Lot; and
- C. The Lot Owner shall be responsible for all repair, maintenance, and replacement of sanitary sewer lines which connect the Unit on the Lot to the sanitary sewer main, including the connection to the sewer main.

9) The perimeter fencing, including any cloth fabric on the existing black aluminum fence shall be owned and maintained by the Homeowners Association. Nothing shall be attached to any perimeter fencing or screen wall without written permission of

the Board of Directors, in writing. The monument walls at the entrances and at the corner of 55th and County Line shall be lighted and maintained by the Homeowners Association, and the associated costs shall be paid from the Maintenance Fund, including the electrical charges.

10) The maintenance and repair of the emergency gate in the fence along the property line between the RML Hospital and Hinsdale Meadows shall be shared equally between RML Hospital and Hinsdale Meadows. Each party will be responsible for the road surface of the fire lane emergency access connection and the landscaping on its respective side of the fence/gate. Attached as Exhibit "E" is the cost sharing agreement regarding the gate, perimeter fence with RML Hospital and the parking lot light fixtures.

11) The Association shall be responsible for the cost of maintaining the detention pond located in the Project and the overland swales. No changes shall be made or restrictions imposed on the natural overland flow of water over the surface of the land. The detention pond shall be treated to control weed and algae growth on a regular basis and such expense will be included in the maintenance expense of the Association.

ARTICLE XI

INGRESS AND EGRESS

Upon their acceptance by the Village, the streets, sidewalks and street lights shall be dedicated to and maintained by the Village. The Village shall provide snow removal from the streets, but not from sidewalks. The Village shall pay for the

electricity to operate the street lights. The sidewalk extending to KLM Park is a public sidewalk. The right of ingress and egress over and along the streets, sidewalks and paths, and all areas designated on the Plat as Common Property, is hereby declared a perpetual easement for the benefit of all Owners and Occupants of Units in **HINSDALE MEADOWS SUBDIVISION** and for the benefit of their invitees. Said easement shall not terminate in the event any portion of said sidewalks and paths are destroyed, removed or damaged.

ARTICLE XII

MISCELLANEOUS PROVISIONS

1) Each Unit and Lot shall be used exclusively as a single family residence of the Owner or Occupant and for no other purpose. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designated for profit, altruism, exploration, or otherwise, shall be conducted, maintained or permitted on any part of the Project, nor shall window displays or advertising be maintained or permitted on any part of the Project or any Unit or Lot therein, nor shall any structure be erected on any portion of the Project by any Owner or Occupant.

2) Any violation of the rules and regulations adopted by the Association shall be deemed a violation of this Declaration and may be enforced or enjoined as provided in such rules and regulations, By-Laws or applicable provisions of this Declaration, or other applicable laws or ordinances.

3) The rights, privileges and powers herein granted to or

retained by the Declarant shall be assignable to, and inure to the benefit of, any successor Declarant, or the Association.

4) Each Lot, in addition to any other lien granted herein, may be subject to a lien under the Mechanics Lien Law, made and provided by the statutes of the State of Illinois, for services rendered or materials furnished by the Association in connection with improvements or repairs on such Lot.

5) In the event title to any Unit shall be conveyed to a title holding land trust, under which all powers of management, operation and control of the premises remain vested in the trust beneficiary or beneficiaries, then the trust estate under such trust, and the beneficiaries thereunder from time to time, shall be liable for payment of any obligation, lien or indebtedness chargeable or created under this Declaration against such Unit. No claim shall be made against any such title holding trustee personally for payment of any claim, lien or obligation hereby created, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against any such lien or obligation, but the amount thereof shall continue to be a charge or lien upon the Unit and proceeds of sale of the Unit notwithstanding any transfers of beneficial interest or in the title to such Unit. The Trustee of any Trust owning a Unit shall, upon written request from the Association, supply the Association with the name or names of the beneficiary of the Trust.

6) The Association shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter

imposed by the provisions of this Declaration. Failure by the Association or by an Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

7) Invalidation of any one of these covenants, conditions, easements or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

8) All grantees of the Declarant by the acceptance of a deed of conveyance, and each Purchaser under articles of agreement for deed, accept the same subject to all restrictions, conditions, covenants, reservations, easements, and the jurisdiction, rights and powers of the Declarant, and the Association, created by this Declaration or by the Plat or deed restrictions hereto recorded; and all easements, rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land and shall inure to the benefit of and be enforceable by the Association, or the Owner of any Unit subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, henceforth.

9) At any time and from time to time while these covenants, conditions, restrictions, reservations, equitable servitudes, grants, easements and set back lines are in effect,

this Declaration may be amended or revoked, with the approval of the Village, by the recording in the Office of the Recorder of Deeds of Cook County, Illinois, of an instrument declaring and setting forth such amendment or revocation, which instrument shall be signed by the undersigned or its successors and assigns or by the then Owners of not less than two-thirds (2/3) of the Units in the Project. Such instrument shall be effective from and after the date of its recording, provided however, that if the Developer or its successors and assigns shall hold legal title to any Unit in the Project, then an amendment or revocation signed by not less than two-thirds (2/3) of the Owners of such Units must also be signed by the undersigned, its successors or assigns, and if not so signed such amendment or revocation shall not be valid. A certificate signed and acknowledged by the Office of the Recorder of Deeds of Cook County, Illinois or by an abstract or title company doing business in Cook County, Illinois that such instrument or amendment or revocation has been signed by the then Owners of not less than two-third (2/3rds) of such Units, and the undersigned Declarant, its successors and assigns, if applicable, shall be deemed prima facie evidence that such instrument has been signed by the Owners of the required number of Units. A certificate confirming such amendment or revocation signed by the Board or the undersigned Declarant or its successors or assigns shall likewise be prima facie evidence that the amendment or revocation has been signed by the Owners of the required number of Units. In the voting provided for herein and in making amendments and revocations to this

Declaration, each of said platted Lots shall be deemed a Unit and the Owner or Owners thereof shall be entitled to one (1) vote and shall count as one Owner in determining the number of votes and Owners. This Section is subject to the provisions of Article II, Sections 3A and 3B hereof. Prior to the sale of all Units in the Project, Developer reserves the right to authorize such amendments to this Declaration and other Project instruments and surveys as are not materially detrimental to the Unit Owners, and such amendments shall be effective when recorded in the Office of the Recorder of Deeds of Cook County, Illinois.

10) Developer hereby reserves for itself, successors, assigns and licensees, the right to engage in the construction of Units and sale of Lots which are or shall become the subject matter of this Declaration and shall be entitled to erect model Units, sales and production offices, including all appurtenant structures and lighting which, in the sole discretion of the Developer, shall assist it in the conduct of its business.

11) Until the first Board shall have been elected and qualified, all of the rights powers and obligations which by this Declaration are to be vested in the Association and its Board shall be deemed vested in and possessed by the Developer. Until the Developer's transfer and assignment of its rights, powers and obligations to the Association, all of the lien rights and other rights herein provided for in favor of the Association and its Board shall be possessed by the Developer as fully and effectively in every respect, without diminution of any kind, as said lien rights are to be possessed by the

Association and its Board. All rights of the Developer shall be exercised without the consent of the Owners or the Association.

12) The Board shall have the authority and shall obtain a policy or policies of insurance insuring the Association against any liability to the public or to the Owners (and/or invitees or tenants), incident to the operation of the Association, in an amount not less than \$1,000,000.00 for any one occurrence alleging bodily injury or property damage. The Board shall also provide statutory workers' compensation insurance, fidelity bond, if appropriate, and errors and omissions insurance for directors and officers, which policy or policies shall contain an endorsement providing that the rights of the named insureds shall not be prejudiced with respect to actions against other named insureds.

13) If any of the options, privileges, covenants or rights created by this Declaration or By-Laws would otherwise violate (a) the rule against perpetuities or some analogous statutory provision, or (b) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of the incumbent Governor of the State of Illinois on the date of execution hereof.

14) Neither the Developer/Declarant, nor the Members of the Owner, nor their respective partners, representatives or designees, shall be liable for any claim whatsoever arising out of or by reason of any actions performed pursuant to any authorities reserved, granted or delegated to it by, or pursuant to, this Declaration, or in the Declarant's (or the Owner's

Members or their respective partners, representative's or designee's) capacity as Developer, contractor, Owner, manager or Seller of the Real Estate whether or not such claim (a) shall be asserted by any Owner, Occupant, the Board, the Association, or by any person or entity claiming through any of them; or (b) shall be on account of injury to person or damage to or loss of property wherever located and however caused; or (c) shall arise out of a contract, either express or implied. Without limitation to the generality of the foregoing, the foregoing enumeration includes all claims for, or arising by reason of, the Buildings or improvements in the Project or any part thereof being or becoming out of repair or containing any patent or latent defects, or by reason of any act or failure to act of any Owner, Occupant, the Board, the Association, and their respective agents, employees, guests and invitees, or by reason of any neighboring property or personal property located on or about the Project, or by reason of the failure to function, or the disrepair of, any utility service (heat, air conditioning, electricity, gas, water, cable television, sewage, etc.)

15) Notwithstanding any other provision herein, the Board may engage the services of a Managing Agent to manage the Project to the extent deemed advisable by the Board; provided, however, that it is expressly understood and agreed that the Declarant or the beneficiaries of the Declarant expressly reserve the right to designate an initial Managing Agent for a period not to exceed two (2) years from the date of the closing of the sale of the last Unit in the Project with right to terminate the initial management agreement upon ninety (90) days

written notice without penalty. The rights of the Board to designate a different Managing Agent shall be in all respects subject to any and all contractual rights resulting from such initial designation of Managing Agent by the Declarant.

16) The Board shall promulgate Rules and Regulations, including architectural and landscape controls from time to time, and the Owners agree to be bound and observe such rules and regulations, as well as the Articles of Incorporation and By-Laws of the Association.

17) Upon written request to the Board, the holder of any duly recorded mortgage or trust deed against any Unit shall be given a copy of any and all notices permitted or required by this Declaration to be given to the Owner or Owners whose ownership is subject to such mortgage or trust deed. Upon receipt by the Association of written request from the mortgagee of any Unit revealing the mortgagee's interest in such Unit, and requesting notice of any condemnation or casualty loss which affects either a material portion of the Project or the Unit securing its mortgage, delinquency in excess of sixty (60) days in the payment of assessments or charges owed by the owner of any Unit on which it holds a mortgage, a lapse, cancellation, or material modification of the Association's insurance; or proposed actions that require the consent of specified percentages of Unit Owners, the Association will provide notice thereof in a timely manner to said mortgagee. The financial statements of the Association will also be provided upon written request from such mortgagee.

18) The maximum number of Units in the Project is sixty-

four (64).

19) The members of the Board and the officers thereof or of the Association and the Managing Agent shall not be liable to the Owners for any mistake of judgment or any acts or omissions made in good faith as such members or officers or Managing Agent. Such members or officers and the Managing Agent shall have no personal liability with respect to any contract made by them in good faith on behalf of the Association.

20) This Declaration shall be liberally construed as to facilitate and promote its objectives hereinabove set forth. Narrow, technical and literal construction of this instrument, inconsistent with the objectives of the Declarant, the Board and Owners shall be avoided.

21) The headings contained in this Declaration are for reference only and shall not in any way affect the meaning or interpretation of this Declaration.

22) Any notice required or desired to be given under the provisions of this Declaration to any Member, Owner or any other persons entitled to use the Common Property or any part thereof shall be deemed to have been properly served when mailed by certified or registered mail, return receipt requested, when deposited in the United States mail, postage prepaid, directed to the last known address for such person, all as shown on the books and records of the Association at the time such notice is given.

23) In the event there is at any time a conflict between any provision of this Declaration and any provision of any then effective ordinance, rule or regulation of the Village of

Hinsdale, Illinois, the ordinance, rule or regulation of the Village of Hinsdale then in effect shall prevail, but only to the extent it is more restrictive than this Declaration.

24) The Declarant/Developer reserves the right, prior to the date the initial meeting of Owners is held, to amend this Declaration so that it will comply with the legal requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, the United States Veterans Administration or their respective successors and assigns.

25) Closing on the Purchase of Unit shall be deemed consent by the Owner(s), or beneficial Owner, of the Unit for the Association to publish the name, address and telephone number in the Directory of Unit Owners published by the Association.

26) The Village of Hinsdale shall have the right, but not the obligation, to enforce the Covenants or obligations of the Association and/or the Owners of Units, on the Lots as defined and provided within the Declaration and further shall have the right upon (30) days prior written notice specifying the nature of a default, to enter upon the Lots and cure such default, or cause the same to be cured at the cost and expense of the Association, Unit Owners or other Owners of the Lots or Units. The Village of Hinsdale shall also have the right to charge or place a lien upon a Lot or Unit for the repayment for such costs and expenses, including reasonable attorney's fees and costs in enforcing such obligations.

27) In the event the Association or a Unit Owner fails to

perform any maintenance or repairs within the Project, which either are obligated to perform pursuant to the Declaration or applicable ordinance of the Village of Hinsdale, the Village at its sole discretion, after first giving the Unit Owner or the Association, whichever is applicable, at least ten (10) business days' prior written notice specifying the violation by the Owner or the Association, may perform the maintenance or repair work which the Owner or Association has failed to perform, and assess the Owner or the Association for the cost of such maintenance or repair. In such event the Village may have a lien against either the Owner's Unit or the Association's property, as applicable, if the Owner or the Association fail to reimburse the Village for the cost assessed for such maintenance or repair.

THIS DECLARATION is executed this ____ day of _____, 2018, by the Declarant, **HINSDALE MEADOWS, LLC**, as the Owner of the Project.

HINSDALE MEADOWS, LLC
An Illinois Limited Liability Company
By: J-Hinsdale Meadows Partners, LLC, Manager

By: _____
Jerry S. James, Manager of J-Hinsdale
Meadows Partners, LLC

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that the above named **JERRY S. JAMES**, Manager of **J-Hinsdale Meadows Partners, LLC**, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Manager appeared before me this day in person and acknowledge that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said company for the uses and purposes therein set forth.

Given under my hand and notarial seal this ____ day of _____, _____.

Notary Public

(NOTARY SEAL)

**This Document Was Prepared and after recording mail to
John H. Jackson, Attorney at Law
Jackson and Slewitzke, Ltd.
901-907 Burlington Ave. Suite 7, Western Springs, IL 60558
(708) 286-1020**

**EXHIBIT "A" TO THE DECLARATION OF
COVENANTS, CONDITIONS, EASEMENTS AND
RESTRICTIONS FOR THE HINSDALE MEADOWS SUBDIVISION**

**LEGAL DESCRIPTION OF
HINSDALE MEADOWS SUBDIVISION**

LOTS 1 THROUGH 36 AND LOTS A, B AND C IN SEDGWICK SUBDIVISION, BEING A SUBDIVISION IN THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 38 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF SAID RESUBDIVISION RECORDED JUNE 28, 2005 AS DOCUMENT 0517927124, IN COOK COUNTY, ILLINOIS.

**EXHIBIT "B" TO THE DECLARATION OF
COVENANTS, CONDITIONS, EASEMENTS AND
RESTRICTIONS FOR THE HINSDALE MEADOWS SUBDIVISION
BY-LAWS OF HINSDALE MEADOWS HOMEOWNERS ASSOCIATION**

**BY-LAWS OF
HINSDALE MEADOWS HOMEOWNERS ASSOCIATION**

**HINSDALE MEADOWS, LLC, DEVELOPER
General Office: 2550 Waukegan Road #220, Glenview, IL 60025
(847) 724-0200**

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**BY-LAWS
OF
HINSDALE MEADOWS HOMEOWNERS ASSOCIATION**

**ARTICLE I
PURPOSES**

The purpose of the **HINSDALE MEADOWS HOMEOWNERS ASSOCIATION**, an Illinois not-for-profit Corporation, (hereinafter referred to as the "Association"), shall be to maintain, operate and manage a private residential area with Single Family and Duplex Villa Units, improvements and common property known as **HINSDALE MEADOWS** and located in Hinsdale, Illinois. The definitions of terms herein shall be consistent with the definitions of such terms set forth in the Declaration of Covenants, Conditions, Easements and Restrictions for **HINSDALE MEADOWS SUBDIVISION**.

**ARTICLE II
OFFICES**

The Corporation shall maintain in the State of Illinois a registered office and a registered agent at such office and may have other offices within or without the state.

**ARTICLE III
MEMBERS**

1) **MEMBERSHIP:** Every Owner of a Lot shall be a member of the Association without the right of withdrawal. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership.

2) **VOTING RIGHTS:** The Association shall have two classes of voting membership:

A. **CLASS A.** Class A Members shall be all Owners with the exception of the Developer. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. If conflicting votes are cast for a Lot the votes shall not be counted.

B. **CLASS B.** The Class B Member shall be the Developer, and shall be entitled to 192 votes less three votes for each Lot sold, provided that Class B membership shall cease and be converted to Class A membership on or before December 31, 2022.

- 3) **TERMINATION OF MEMBERSHIP:** Upon the sale or transfer of a Lot, or the termination of a beneficial interest in any trust holding title to a Unit, membership in the Association is terminated.
- 4) **TRANSFER OF MEMBERSHIP:** Membership in this Association is not transferable or assignable, except to new owners of a Unit.

ARTICLE IV **MEETINGS OF MEMBERS**

SECTION 1. ANNUAL MEETING: An annual meeting of the Members of the Association shall be held on or before June 15th of each year, beginning with the year 2022 or sooner as determined by the Board for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

SECTION 2. SPECIAL MEETING: Special meetings of the Members may be called either by the president, the Board of Directors, or not less than one-tenth of the Members having voting rights.

SECTION 3. PLACE OF MEETING: The Board of Directors may designate any place within the reasonable proximity of **HINSDALE MEADOWS** as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Corporation in the State of Illinois.

SECTION 4. NOTICE OF MEETINGS: Written notice stating the place, date and time of the meeting shall be delivered not less than five nor more than forty days before the date of such meeting. In case of a special meeting or when required by statute or by these By-Laws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

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

SECTION 6. QUORUM: The Members holding one-third of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of Members, a majority of the Members present may adjourn the meeting at any time without further notice. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting, withdrawal of Members from

any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 7. PROXIES. Each Member entitled to vote at a meeting or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after eleven months from its date, unless the proxy provided for a longer period.

ARTICLE V **BOARD OF DIRECTORS**

SECTION 1. GENERAL POWERS: The affairs of the Association shall be managed by its Board of Directors.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS: Prior to the first annual meeting the number of Directors shall be three and shall be appointed by the Developer. At the first annual meeting of the Members of the Association five Directors shall be elected, three for two-year terms and two for a one-year term, and thereafter terms shall be for two years. Each Director shall hold office until his or her term expires and until his or her successor shall have been elected and qualified. By amendment of this Section, the number of Directors may be increased to a larger number from time to time by a majority vote of the Members attending a meeting called for such purpose, but the number shall not be decreased to less than five.

SECTION 3. REGULAR MEETINGS: A regular annual meeting of the Board of Directors shall be held without other notice than these by-laws, immediately after, and at the same place as, the annual meeting of Members. The Board of Directors may provide by resolution the time and place, for the holding of additional regular meetings of the Board without other notice than such resolution.

SECTION 4. SPECIAL MEETINGS: Special meetings of the Board of Directors may be called by or at the request of the president or any three Directors. The person or persons authorized to call special meetings of the Board may fix any place within a reasonable proximity of **HINSDALE MEADOWS** as the place for holding any special meeting of the Board so called.

SECTION 5. NOTICE: Notice of any special meeting of the Board of Directors shall be given at least five days previously thereto by written notice to each Director at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by email, such notice shall be deemed to be delivered when the email is sent to the member. Notice of any special meeting of the Board of Directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be

transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

SECTION 6. QUORUM: A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting to another time without further notice.

SECTION 7. MANNER OF ACTING: The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, these By-Laws, or the Articles of Incorporation.

SECTION 8. VACANCIES: Any vacancy occurring in the Board of Directors shall be filled by the Board of Directors unless the Articles of Incorporation, a statute, or these By-Laws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

SECTION 9. COMPENSATION: Directors shall not receive any salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for each regular or special meeting of the Board, provided that nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving reasonable compensation therefor.

ARTICLE VI **OFFICERS**

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

SECTION 2. ELECTION AND TERM OF OFFICE: The officers of the Association shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 3. REMOVAL: Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. PRESIDENT: The president shall be the principal executive officer of the Association. Subject to the direction and control of the Board of Directors, he or she shall be in charge of the business and affairs of the Association, shall see that the resolutions and directives of the Board of Directors are carried into effect except in those instances in which the responsibility is assigned to some other person by the Board of Directors, and, in general, he or she shall discharge all duties incident to the office of the president and such other duties as may be prescribed by the Board of Directors. He or she shall preside at all meeting of the Members and of the Board of Directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Association or a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws, he or she may execute for the Association any contracts, deeds, mortgages, bonds, or other instruments which the Board of Directors has authorized to be executed, and he or she may accomplish such execution either under or without the seal of the Association and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. The President may vote all proxies and securities which the Association is entitled to vote except to the extent such authority shall be vested in a different officer or agent of the Association by the Board of Directors.

SECTION 5. VICE-PRESIDENT: The vice-president (or in the event there be more than one vice-president, each of the vice-presidents) shall assist the president in the discharge of his or her duties as the president may direct and shall perform such other duties as from time to time may be assigned by the president or by the Board of Directors. In the absence of the president or in the event of the inability or refusal of the president to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order designated by the Board of Directors, or by the president if the Board of Directors has not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure) shall perform the duties of the president and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Association or a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws, the vice-president (or any of them if there are more than one) may execute for the Association any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed, and may accomplish such execution either under or without the seal of the Association and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the Board of Directors according to the requirements of the form of the instrument.

SECTION 6. TREASURER: The treasurer shall be the principal accounting and financial officer of the Association. The Treasurer shall: (a) have charge of and be responsible for

the maintenance of adequate books of account for the Association; (b) have charge and custody of all funds and securities of the Association, and be responsible therefor, and for the receipt and disbursement thereof; and (c) perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the president or by the Board of Directors. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

SECTION 7. SECRETARY: The secretary shall record the minutes of the meetings of the Members and of the Board of Directors in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law, be custodian of the corporate records and of the seal of the Association, if any, keep a register of the post office address of each Member which shall be furnished to the secretary by such Member, and perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the president or by the Board of Directors.

SECTION 8. ASSISTANT TREASURERS AND ASSISTANT SECRETARIES:

The assistant treasurers and assistant secretaries shall perform such duties as shall be assigned to them by the treasurer or the secretary, respectively, or by the president or the Board of Directors. If required by the Board of Directors, the assistant treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

ARTICLE VII
COMMITTEES

SECTION 1. COMMITTEES OF DIRECTORS: The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees, including an Architectural Review Committee and Landscape Committee, each of which shall consist of two or more members, which committees, to the extent not restricted by law, shall have and exercise the authority granted by the Board of Directors. The designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed by law. Each Committee shall be headed by or include a Director.

SECTION 2. OTHER COMMITTEES: Other committees may also be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, Members of each such committee shall be Members of the Association and the Board of Directors of the Corporation shall appoint the Members thereof. Any Member thereof may be removed by the Board of Directors whenever in its judgment the best interests of the Association shall be served by such removal.

SECTION 3. TERM OF OFFICE: Each member of a committee shall continue as such until the next annual meeting of the Members of the Association and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed

from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 4. PRESIDENT: The President or one member of each committee shall be a Director of the Association, appointed by the President of the Association.

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

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

SECTION 7. RULES: Each committee may adopt rules for its own proceedings not inconsistent with these By-Laws or with rules adopted by the Board of Directors. However, no action by a committee shall be taken without approval by the Board of Directors.

ARTICLE VIII

CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

SECTION 1. CONTRACTS: The Board of Directors may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances.

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

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

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

ARTICLE IX
BOOKS AND RECORDS

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

ARTICLE X
FISCAL YEAR

The fiscal year of the Association shall be the calendar year.

ARTICLE XI
ASSESSMENTS

SECTION 1.

- (a) The Board of Directors of the Association shall fix the amount of the annual assessment, to be charged to each Lot for each annual assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Owner.
- (b) Written notice of the assessment shall thereupon be delivered or mailed to every Owner subject thereto showing the amount or amounts and the due date or dates if the assessment is to be paid in installments.
- (b) The Board of Directors shall, upon written demand, furnish to any Owner liable for said assessment, a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificates.
- (c) If the Board fails to fix the amount of an assessment as provided in (a) above, each Owner shall be responsible for the payment of an amount equal to the assessment for the previous year.

SECTION 2. RESERVES: The annual assessment shall include the collection of adequate funds to establish a reserve for the replacement of improvements to the Common Areas

and other areas which the Association is obligated to maintain.

SECTION 3. DUTIES: The Board shall exercise all the power and privileges and perform all of the duties and obligations of the Association, and shall provide for, collect and make payments from the assessment funds as is necessary.

SECTION 4. EFFECT OF NON-PAYMENT OF ASSESSMENT; THE PERSONAL OBLIGATION OF THE OWNER; THE LIEN; REMEDIES OF ASSOCIATION:

If any assessment or part thereof is not paid within thirty (30) days after the due date, the total unpaid amount of all installments of such assessment shall immediately become due and payable and shall bear interest from the date of delinquency at two (2) points over the prime rate of interest charged by J.P. Morgan Chase Bank of Chicago or the highest legal rate if the rate of prime plus two (2) points is usurious. The total unpaid amount of all such installments and interest thereon shall constitute a lien on the interest in the Lot and Unit of the Owner personally obligated to pay the same and upon the recording of notice thereof by the Board of Directors of the Association shall be a lien upon such Owner's interest in the Lot and Unit. The Association may, at its election, bring an action at law or in equity against the Owner personally obligated to pay the same in order to enforce payment and/or foreclose the lien against the Lot and Unit subject thereto and there shall be added to the amount of such assessment the costs of preparing and filing the complaint (including reasonable attorneys' fees) in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorneys' fees to be fixed by the court, together with the costs of the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Property or of his Lot and Unit. Notwithstanding the foregoing, the first mortgage encumbrance owned or held by a bank, insurance company, or other person or entity engaged in the business of making real estate loans, recorded against the interest of such Owner prior to the date such notice is recorded, which by law would be a lien thereon prior to subsequently recorded encumbrances, shall have priority, except as to the amount of assessments which become due and payable from and after the date on which the said mortgage owner or holder either takes up possession of the Lot and Unit, accepts a conveyance of any interest therein (other than as security) or files a suit to foreclose its mortgage.

ARTICLE XII
SEAL

The corporate seal, if any, shall have inscribed thereon the name of the Corporation and the words "Corporate Seal, Illinois".

ARTICLE XIII
WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the General Not-for-Profit Corporation Act of Illinois or under the provisions of the Articles of Incorporation or the By-Laws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIV
AMENDMENTS

The power to alter, amend, or repeal the By-Laws or adopt new By-Laws shall be vested in the Board of Directors unless otherwise provided in the Articles of Incorporation or the By-Laws. Such action may be taken at regular or special meeting for which written notice of the purpose shall be given. The By-Laws may contain any provisions for the regulation and management of the affairs of the Corporation not inconsistent with law or the Articles of Incorporation.

ARTICLE XV
INDEMNIFICATION

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

The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that such person is or was a Director, Officer, employee or agent of the Association, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association, provided that no indemnification

shall be made in respect to any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Association, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

To the extent that a Director, Officer, employee or agent of the Association has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to herein above, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

The Association is authorized to pay expenses incurred in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the Director, Officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association.

The indemnification provided hereby shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law, agreement, vote of Members or disinterested Directors, or otherwise, both as to action in his or her official capacity or as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, Officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

The Association may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee or agent of the Association against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify such person against such liability under the provisions hereof.

EXHIBIT "C" TO THE DECLARATION OF
COVENANTS, CONDITIONS, EASEMENTS AND
RESTRICTIONS FOR THE HINSDALE MEADOWS SUBDIVISION

ASSESSMENT ALLOCATION PERCENTAGES TO UNITS IN
HINSDALE MEADOWS SUBDIVISION

HINSDALE MEADOWS HOMEOWNERS ASSOCIATION
INITIAL ANNUAL OPERATING BUDGET

Allocation Percentages				
	SF Homes	Duplex - A Units	Duplex - B Units	Totals
# of Homes	22	21	21	64

Total Lot Areas, per plat	271,055	189,234	189,234	649,523
% of Common Expenses, based on lot areas:	41.7314%	29.1343%	29.1343%	100.0%
Average Duplex Home Size		2,634	2,700	5,334
% of Duplex Expenses, based on avg. home sizes:		49.4%	50.6%	100.0%
Revised % of Common Expenses, factoring in size of duplex model types:	41.7314%	28.7738%	29.4948%	100.0%

Operating Budget and Allocation to Unit Types

	Initial Annual	% Total Common				
	Operating Budget	Costs	SF Homes	Duplex - A Units	Duplex - B Units	Totals
ASSESSMENTS REVENUE						
Regular Assessments	94,857.00	85.3%	39,271.25	27,466.29	28,119.46	94,857.00
Reserve Assessments	16,293.00	14.7%	6,799.30	4,688.12	4,805.59	16,293.00
Subtotal - Combined SF & Duplex Common Assessments	111,150.00	100.0%	46,070.55	32,154.41	32,925.05	111,150.00
Plus: Annual Duplex Building Insurance Cost	40,000.00		N/A	19,752.53	20,247.47	40,000.00
Plus: Deductible Payment, assuming one claim per year	1,000.00		N/A	493.81	506.19	1,000.00
Plus: Annual Estimated Duplex Building Reserve Requirements	40,148.00		N/A	19,825.62	20,322.38	40,148.00
Total - All Assessments	192,298.00		46,070.55	72,226.37	74,001.08	192,298.00
Total Combined Assessments, per Unit per Month			174.51	286.61	293.66	250.39

	Annual	% Total				
			SF Homes	Duplex - A Units	Duplex - B Units	Totals
EXPENSES						
GENERAL & ADMINISTRATIVE						
Management Fee	15,360.00	13.8%	6,409.94	4,419.66	4,530.40	15,360.00
Legal & Accounting	1,000.00	0.9%	417.31	287.74	294.95	1,000.00
Postage	500.00	0.4%	208.66	143.87	147.47	500.00
Misc. Administrative	500.00	0.4%	208.66	143.87	147.47	500.00
Sub-total: General Administrative	17,360.00	15.6%	7,244.57	4,995.13	5,120.30	17,360.00

COMMON AREA AND HOA INSURANCE (EXCLUDING DUPLEX BLDG COVERAGE)						
	Annual	% Total				
Liability Package	2,700.00	2.4%	1,126.75	776.89	796.36	2,700.00
Worker's Compensation	800.00	0.7%	333.85	230.19	235.96	800.00
Sub-total: Insurance	3,500.00	3.1%	1,460.60	1,007.08	1,032.32	3,500.00

MAINTENANCE & REPAIRS						
	Annual	% Total				
Landscape Maintenance & Snow Removal	33,480.00	30.1%	13,971.67	9,633.47	9,874.86	33,480.00
Landscape Replacement Costs	5,000.00	4.5%	2,086.57	1,438.69	1,474.74	5,000.00
Irrigation Systems Maintenance	4,000.00	3.6%	1,669.26	1,150.95	1,179.79	4,000.00
Pond Maintenance - Algae control	2,000.00	1.8%	834.63	575.48	589.90	2,000.00
Pond Aerator winter removal (included w/Landscape Maintenance above)	-	0.0%	-	-	-	-
Snow Removal - Ice Control (Salting of drives and service walks)	17,000.00	15.3%	7,094.34	4,891.55	5,014.12	17,000.00
Common Area Electric and Gas	5,000.00	4.5%	2,086.57	1,438.69	1,474.74	5,000.00
Other Maintenance - Lighting / Electrical	500.00	0.4%	208.66	143.86	147.48	500.00
Fences, Signs & Entry Monuments Repairs	750.00	0.7%	312.99	215.80	221.22	750.01
Pocket Park Maintenance (included w/Landscape Maintenance above)	-	0.0%	-	-	-	-
Sub-total: Maintenance & Repairs	67,730.00	60.9%	28,264.67	19,488.49	19,976.84	67,730.00

OTHER EXPENSES						
	Annual	% Total				
Other Maintenance - Sealcoating Driveways Reserve - split 1/64 per unit	4,267.00	3.8%	1,466.78	1,400.11	1,400.11	4,267.00
Street Lights (owned by Village)	-	0.0%	-	-	-	-
Utilities and Other Maintenance	2,000.00	1.8%	834.63	575.48	589.90	2,000.00
Sub-total: Other Expenses	6,267.00	5.6%	2,301.41	1,975.59	1,990.01	6,267.00

RESERVES						
	Annual	% Total				
Common Area Reserves	16,293.00	14.7%	6,799.30	4,688.12	4,805.59	16,293.00
TOTAL COMMON EXPENSES	111,150.00	100.0%	46,070.55	32,154.41	32,925.04	111,150.00
Common Expenses, per Unit per Month			174.51	127.60	130.65	144.73

DUPLEX ONLY COSTS:						
	Annual	% Total				
Duplex Building Insurance Coverage (per Esser Hayes quote):	40,000.00			19,752.53	20,247.47	40,000.00
Deductible Payment, assuming one claim per year	1,000.00			493.81	506.19	1,000.00
Duplex Building Reserves (per schedule):	40,148.00			19,825.62	20,322.38	40,148.00
TOTAL DUPLEX-ONLY COSTS	81,148.00			40,071.96	41,076.04	81,148.00
Duplex Only Costs, per Unit per Month				159.02	163.00	105.66

TOTAL COMBINED BUDGET	192,298.00		46,070.55	72,226.37	74,001.08	192,298.00
Total Combined Budget, per Unit per Month			174.51	286.62	293.66	250.39

**EXHIBIT "D" TO THE DECLARATION OF
COVENANTS, CONDITIONS, EASEMENTS AND
RESTRICTIONS FOR THE HINSDALE MEADOWS SUBDIVISION**

INSURANCE SCHEDULE OF COVERAGES

Blanket Building (sprinklered)	Coverage amount to be determined based on provisions of Article VIII of this Declaration
Entrance Monuments	\$20,000
Deductible	\$1,000
Employee Dishonesty	\$250,000
Equipment Breakdown	Included
Water Backup	\$25,000
Ordinance A (Undamaged Portion of the Building)	Up to Building Limit
Ordinance B&C (Demolition & Increased Cost of Construction)	\$150,000
Liability Occurrence	\$1,000,000
Aggregate	\$2,000,000
Hired and Non Owned	\$1,000,000
Excess/Umbrella	\$5,000,000
D&O Liability	\$1,000,000
Work Comp	\$100,000/500,000/100,000

EXHIBIT "E" TO THE DECLARATION OF
COVENANTS, CONDITIONS, EASEMENTS AND
RESTRICTIONS FOR THE HINSDALE MEADOWS SUBDIVISION

GRANT OF EMERGENCY ACCESS EASEMENT AND CONSTRUCTION AND COST
SHARING AGREEMENT

Property:
Hinsdale, Illinois

CONSTRUCTION AND COST SHARING AGREEMENT

BY AND BETWEEN

HINDSALE MEADOWS, LLC,
AN ILLINOIS LIMITED LIABILITY COMPANY

AND

RML HEALTH PROVIDERS LIMITED PARTNERSHIP,
D/B/A RML SPECIALTY HOSPITAL
AN ILLINOIS LIMITED PARTNERSHIP

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THIS CONSTRUCTION AND COST SHARING AGREEMENT ("Agreement") is made and entered into and is effective as of _____, 2018 (hereinafter the "Effective Date"), by _____ HINSDALE MEADOWS, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY ("Developer" or "Owner" as context requires) and RML HEALTH PROVIDERS LIMITED PARTNERSHIP, D/B/A RML SPECIALTY HOSPITAL, AN ILLINOIS LIMITED PARTNERSHIP ("Hospital" or "Owner" as context requires).

R E C I T A L S:

A. Hospital leases certain real property commonly known as 5601 South County Line Road, Hinsdale, Illinois (the "Hospital Property" or "Parcel" as context requires).

B. Developer is the fee simple owner of certain real property commonly known as Hinsdale Meadows, Hinsdale, Illinois (the "Developer Property" or "Parcel" as context requires).

C. The Hospital Property and the Developer Property are adjacent to each other.

D. The Village has requested emergency access routes to the Hospital Property from the Developer Property, and to the Developer Property from the Hospital Property (the "Access Route(s)"), for emergency personnel and their vehicles, including fire trucks, ambulances, and police vehicles ("Emergency Personnel and Vehicles") to respond to emergencies ("Emergencies") on the Hospital Property and the Developer Property if direct access cannot be made to the Hospital Property or to the Developer Property, from 55th Street or County Line Road, as applicable, or if access is more expedient by virtue of the Access Routes.

E. Developer and Hospital have or will grant to the Village pursuant to separate recordable instruments, emergency access easements for Emergency Personnel and Vehicles across their respective Parcels so as to allow the Village and its Emergency Personnel and Vehicles to access the Parcels in the event of Emergencies.

F. The Access Routes will meet at a certain location on the Parcels shared boundary line as depicted on Exhibit A to this Agreement (the "Access Point").

G. Certain work and improvements at or proximate to the Access Point (the "Scope of Work" more particularly described below) required to allow for the passage of Emergency Personnel and Vehicles, is recognized by Developer and Hospital to be most efficiently performed and constructed by or on behalf of Developer and Hospital through the use of a common contractor or contractors.

NOW THEREFORE, in consideration of the foregoing recitals, and the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I

Incorporation/Scope of Work / Initial Procurement and Installation

1.01 Incorporation. The preambles to this Agreement are fully incorporated herein by this reference thereto with the same force and effect as though restated herein.

1.02 Scope of Work Initial Procurement and Installation. For purposes hereof, the "Scope of Work" consists of that certain work and improvements, at or proximate to the Access Point, required to allow for the passage of Emergency Personnel and Vehicles, which Developer and Hospital desire to be performed

and constructed by a common contractor or contractors. Developer and the Hospital hereby agree to have the Scope of Work performed by a common contractor or contractors. The Scope of Work is identified as follows:

- (i) Purchase and installation of a gate at the Access Point adhering to the specifications and design as set forth on Exhibit B, attached hereto;
- (ii) Purchase and installation fence cloth on the gate adhering to the specifications and design as set forth on Exhibit B, attached hereto;
- (iii) Excavation, removal and disposal of asphalt/turf stone on each Parcel proximate to Access Point as such Parcel areas are depicted and delineated by measurements on Exhibit C, attached hereto;
- (iv) Purchase and installation of base and pourous pavers on each Parcel from the Hospital fire lane to the Access Point and from the Access Point to Barton Lane, as depicted and delineated by measurements on Exhibit A, attached hereto; and

1.03 Cost of Scope of Work / Initial Procurement and Installation. Developer and the Hospital shall each be responsible for one half of the cost of the Scope of Work identified in clauses (i), (iii) and (iv) above. Developer shall pay for 100% of the material and installation of the Scope of Work components in clause (ii) above. Neither party to this Agreement is under any obligation to advance funds on behalf of the other party. Provided, however, if a party hereto advances payment of the other party's share of the cost of the Scope of Work, the party advancing such funds, shall be reimbursed by the other party within thirty (30) days of written request for same and the delivery of reasonable evidence of the costs paid and for which reimbursement is requested.

ARTICLE II

Ongoing Maintenance Obligations / Maintenance Costs / HOA

2.01 Ongoing Maintenance of Access Routes. The Hospital shall maintain in good condition the Hospital Property Access Route, including snow plowing of same, as required to keep the Hospital Property Access Route open for Emergency Personnel and Vehicles. If there has not been a statutory dedication and acceptance of Barton Lane and Hannah Lane as of the date of this Agreement, until such time as the Village accepts the dedicated public streets of Barton Lane and Hannah Lane, Developer shall maintain in good condition the Developer Property Access Route, including snowplowing of same, as required to keep the Developer Property Access Route open for Emergency Personnel and Vehicles. It is the understanding and agreement of Developer and the Village, that pursuant to that certain Development Agreement dated as of December 20, 2017 by and between the Village of Hinsdale and Hinsdale Meadows, LLC, the Village will accept the public dedication of Barton Lane and Hannah Lane and will maintain and repair, including snowplowing, Barton Lane and Hannah Lane. If not completed by the Village, the Developer (or HOA) shall maintain and repair, including snowplowing, the portion of the fire lane on its property between Barton Lane and the Access Point.

2.02 Ongoing Maintenance Gate and Pavers. (i) Gate Repair Costs. The maintenance, repair and replacement of the Gate ("Gate Repair Costs") shall be split equally between the Hospital and the Developer, including any repairs necessitated by the Village's use during Emergencies for which the Village fails to repair and/or pay for same. Any Owner incurring Gate Repair Costs shall be reimbursed for one half of same by the other Owner within thirty (30) days of written request for same and the delivery of reasonable evidence of the Gate Costs incurred and for which reimbursement is requested. The Owner requesting payment shall

with such written request provide a reasonable breakdown of Gate Costs for labor and material. Each party shall maintain and repair at their sole cost and expense, the porous pavers on their side of the Gate.

(ii) Fencing, Fencing Cloth. Hospital hereby grants to Developer (and the HOA), the continuing right to access the Hospital Property for, at Developer's (or HOA's) option: (a) the installation, repair and replacement of the Developer's existing or to be installed fencing (and any replacement of same herein called the "Fencing") between the Parcels, and (b) the Gate cloth and Fencing cloth which is a component (or which will be a component) of the Fencing, and which Fencing and Gate cloth will hang on the Hospital Property facing side of the Gate and Fencing. Developer (or the HOA) shall request permission from Hospital in advance to access the Hospital Property to install, repair and replace the Gate cloth, and/or the Fencing including the Fencing cloth, which permission shall not be unreasonably withheld, conditioned or delayed by the Hospital. Repairs or replacement to the Gate cloth, and the Fencing including the Fencing cloth, shall be 100% the responsibility of the Developer. If the Gate cloth and Fencing cloth, are placed on Hospital's side of the Gate or Fencing, then Hospital can request that Developer make required maintenance and repairs to the cloth and Developer shall perform required maintenance and repairs in a reasonably timely basis at Developer's sole expense.

2.03 HOA. It is acknowledged and agreed that a home owners association ("HOA") has or will be created for the Developer Property. Upon turning over the HOA to the individual unit owners, Developer shall be released of any and all obligations and/or liability under this Agreement arising from and after the date of such turnover (the "Turnover Date"). From and after the Turnover Date, the HOA shall be the successor to Developer and shall have all the rights and obligations of Developer under this Agreement, including without limitation the payment of costs as required to be paid by Developer under this Agreement. From and after the Turnover Date, the HOA shall be an Owner for all purposes under this Agreement. Thirty (30) days prior to the Turnover Date, Developer and HOA shall jointly submit to Hospital for its review and acceptance a signed document stating that the HOA acknowledges this Agreement, proper documentation was submitted to obligate the HOA to this Agreement, and the HOA agrees to abide by the terms and conditions herein. If proper documentation is not submitted to the Hospital, Developer continues to bear all obligations and/or liability under this Agreement until such time the aforementioned documents are submitted to, and approved by (such approval not to unreasonably withheld, conditioned or delayed), the Hospital.

2.04 Hospital Property Light Shielding. (a) Hospital shall, subject to the conditions established below in this section, reasonably promptly following the request of Developer (or the HOA), install and keep in place and in good condition and repair light shields for exterior lighting fixtures on the Hospital Property reasonably necessary as determined by Developer (or the HOA), so that such lighting does not direct light onto Developer Property. It is acknowledged and agreed by Developer that even with reasonable shielding installed, some light will emanate onto the Developer Property. It is further acknowledged and agreed by Developer that the lighting shields are for exterior lighting fixtures and do not pertain to light emanating from the interior of the building on the Hospital Property.

Prior to or in connection with the sale of a specific unit within the Developer Property to a private owner, the Developer may preemptively identify one or more of Hospital's exterior lighting fixtures within the Shield Area as a likely nuisance and request the Hospital to install light shielding. Developer and the Hospital shall split the cost for the shielding as follows: Hospital shall pay fifty percent (50%) of the initial cost of the light shielding and the installation of same up to a maximum of one hundred fifty dollars (\$150) per light fixture for up to a maximum of ten (10) light fixtures; Developer shall pay the remaining amount per light fixture and for additional light fixtures over ten (10).

After the sale of a specific unit, if an owner declares a Hospital's exterior lighting fixture in the Shield Area to be a nuisance and requests redress, Developer (or the HOA) and the Hospital shall split the cost for

the correction as follows: Hospital shall pay fifty percent (50%) of the initial cost of the light shielding and the installation of same up to a maximum of one hundred fifty dollars (\$150) per light fixture; Developer (or the HOA) shall pay the remaining amount. If light shielding is deemed inadequate and/or does not correct the nuisance declared by the private owner, the Developer (or the HOA) shall bear the full cost of any additional correction required. Following the initial purchase and installation of the light shielding, the maintenance, repair and replacement of the light shielding shall be performed by the Hospital, and the cost of same split equally between the Hospital and Developer (or the HOA). Following the initial purchase and installation of additional corrections beyond light shielding, the maintenance, repair and replacement of the additional corrections shall be performed by Hospital, and the cost of same paid entirely by the Developer or the HOA. Developer (or the HOA), shall remit to Hospital its share of the initial cost of the light shielding and other required corrections, the installation of same, and the maintenance, repair and replacement of same from time to time, within thirty (30) days of written request thereof, with each request accompanied by a reasonably detailed statement of costs for labor and material for which reimbursement is requested. Hospital has the right to refuse making any correction to its exterior lighting fixtures, including shielding, if it determines the correction will negatively impact the safety and security of its premises.

2.05 Interest. In the event the party entitled to reimbursement for costs under this Agreement is not timely paid, any outstanding amount owed shall accrue interest at the rate of two percent (2%) per annum in excess of the prime rate offered by JP Morgan Chase Bank, Chicago, Illinois, its successors and assigns (the "Interest Rate") as same is in effect from time to time, from the date due until paid (but in any event not to exceed the maximum rate of interest allowed by applicable law). In the event that JP Morgan Chase Bank, Chicago, Illinois no longer publishes or offers its prime rate, the Owners shall identify a similar or comparable rate which shall be used in lieu of the prime rate and said similar or comparable rate plus two percent (2%) shall be the "Interest Rate" for purposes hereof.

2.06 Budget for Scope of Work. Attached hereto as Exhibit D is the Preliminary Budget for the Scope of Work. Upon receipt of final bids from subcontractors, an updated Final Budget shall be prepared and approved by the Developer and Hospital. Any changes to the Scope of Work shown in the Preliminary Budget must be approved in writing by Developer and the Hospital, which approval shall not be unreasonably withheld, conditioned or delayed.

ARTICLE III Scope of Work Contract

3.01 Scope of Work Construction. Developer shall cause to be performed the Scope of Work by retaining a qualified contractor (the "Contractor") to perform the Scope of Work. The Contract to be entered into with the Contractor for the Scope of Work shall require that the contractor or contractors perform the Scope of Work in accordance with, and subject to: (i) all applicable laws and regulations, and (ii) the "Budget" attached hereto as Exhibit C. In addition, the Contract shall require the contractor to complete the work in accordance with an agreed-upon schedule acceptable to the Developer and Hospital, and to carry insurance as reasonably required by Developer and shall provide that the contractor shall defend, indemnify and hold Developer and the Hospital and their respective officers, directors, shareholders, members agents and employees, successors and assigns, harmless from and against any and all actions, suits, claims, penalties, losses, liabilities, damages and expenses (collectively "Claims") arising from or in connection with any (i) failure of the contractor to observe and/or perform its duties and obligations under the Contract, (ii) the negligence, recklessness, misconduct, fraud or bad faith of contractor, contractor's affiliates and its and their respective employees, agents, officers, shareholders, successors and assigns, (iii) any "Hazardous Materials" (hereinafter defined) introduced to the Parcels by contractor or with contractor's approval or acquiescence. For purposes hereof the term "Hazardous Material" shall mean any substance, material, waste, gas or particulate matter which is regulated by any local governmental authority, the State of Illinois, or the United States Government, including, but not limited to,

any material or substance which is (i) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," or "restricted hazardous waste" under any provision of Illinois law, (ii) petroleum, (iii) asbestos, (iv) polychlorinated biphenyl, (v) radioactive material, (vi) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. § 1251 et seq. (33 U.S.C. § 1317), (vii) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903), or (viii) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601).

ARTICLE IV
Notice

4.01 Notices. All notices and demands given or required to be given by any party hereto to any other party ("notices") shall be in writing and shall be delivered by a reputable overnight carrier that provides a receipt, such as Federal Express or UPS, addressed as follows (or sent to such other address as any party shall specify to the other party pursuant to the provisions of this Section):

TO: Developer

Hinsdale Meadows, LLC
2550 Waukegan Road
Suite 220
Glenview, Illinois 60025
Attention: Jerry James

WITH A COPY TO:

Hinsdale Meadows, LLC
2550 Waukegan Road
Suite 220
Glenview, Illinois 60025
Attention: Mike Balas

TO: Hospital

WITH A COPY TO:

All notices delivered in the manner provided herein shall be deemed given upon actual receipt (or attempted delivery if delivery is refused).

ARTICLE V
Miscellaneous

5.01 Attorneys' Fees. In the event a party hereto institutes any legal action or proceeding for the enforcement of any right or obligation herein contained, the prevailing party after a final adjudication shall be entitled to recover its costs and reasonable attorneys' fees incurred in the preparation and prosecution of such action or proceeding.

5.02 Amendment. This Agreement may be amended only in writing signed by Developer (or HOA) and the Hospital.

5.03 No Waiver. No consent or waiver, express or implied by any party, to or of any breach or default by the other in the performance by the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other party of the same or any other obligations of such party hereunder. Failure on the part of any party to complain of any act or failure to act of the other party, or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver of such party of its rights hereunder.

5.04 Separability. If any provision contained herein shall be held to be invalid or to be unenforceable, such determination shall not affect the validity or enforceability of the remainder of this Agreement.

5.05 Time of Essence. Time is of the essence of this Agreement.

5.06 Entire Agreement. This Agreement contains the complete understanding and agreement of the parties hereto with respect to all matters referred to herein, and all prior representations, negotiations, and understandings are superseded hereby.

5.07 Governing Law. The laws of the State of Illinois shall govern the interpretation, validity, performance, and enforcement of this Agreement.

{Signature Pages Follows Immediately }

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

HOSPITAL:

RML HEALTH PROVIDERS LIMITED
PARTNERSHIP, D/B/A RML SPECIALTY
HOSPITAL, AN ILLINOIS LIMITED PARTNERSHIP

BY: _____
NAME: _____
TITLE: _____

DEVELOPER:

HINSDALE MEADOWS, LLC
AN ILLINOIS LIMITED LIABILITY COMPANY
BY: J-HINSDALE MEADOWS PARTNERS, LLC
MANAGER

BY: _____
NAME: _____
TITLE: _____

EXHIBIT A
Fire Lane Location and Access Point

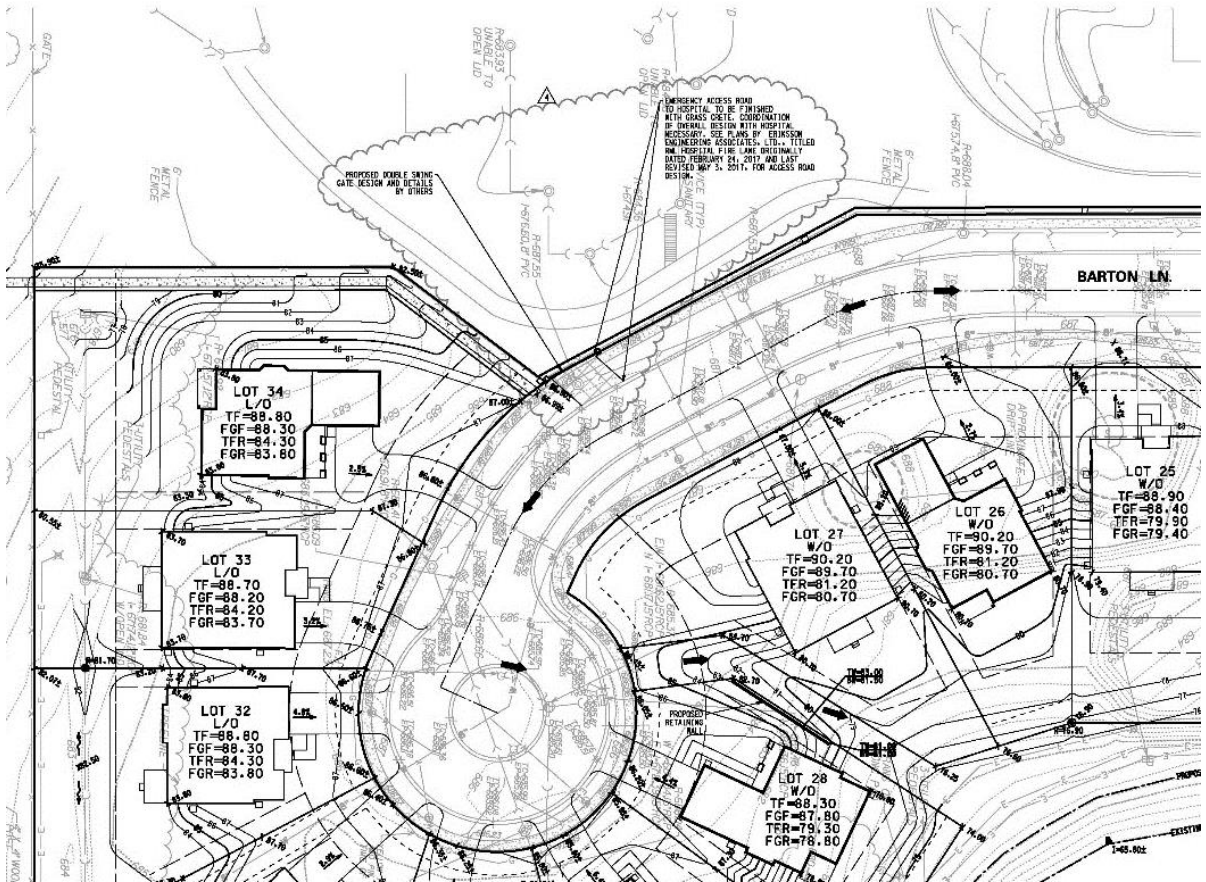


EXHIBIT A (Continued)
Fire Lane Location and Access Point

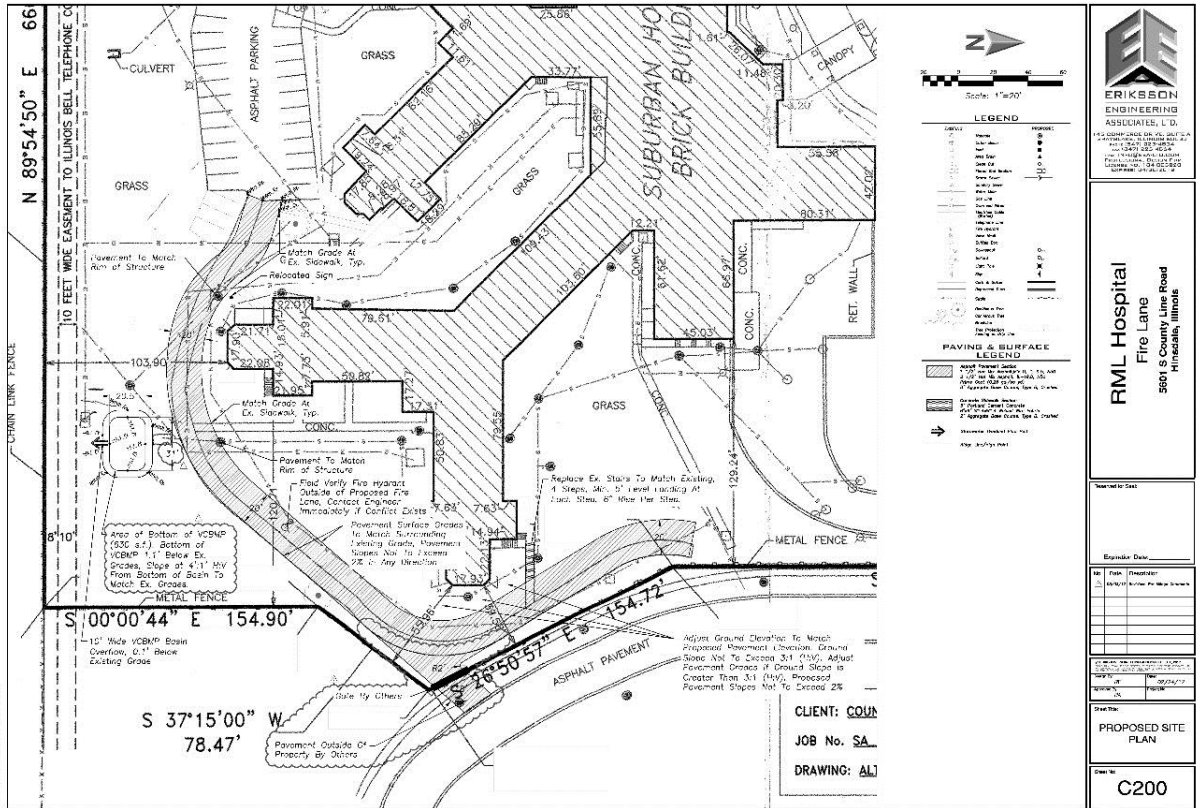


EXHIBIT B Gate and Fencing Cloth

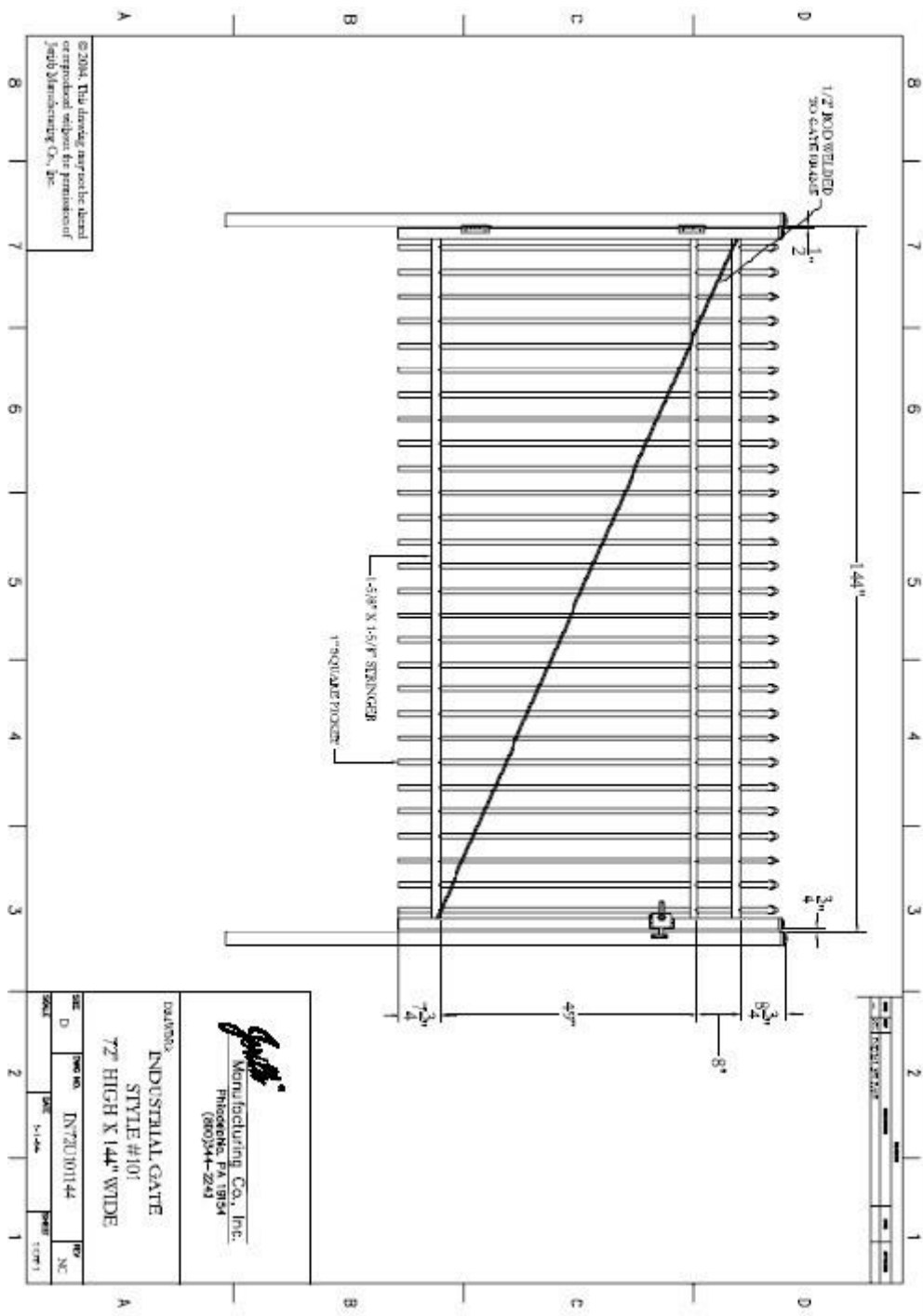


EXHIBIT B (continued)
Gate and Fencing Cloth



EXHIBIT C
Preliminary
Budget

Fire Lane Work:	Cost
Excavation/Removal for Asphalt/Turf Stone Access Road	5,750
Restoration	2,700
Stone, Supply & Install Pourous Paver	15,250
Remove curb, install depressed curb	1,000
Sidewalk reinforcement	250
Contingency	1,500
Totals - Pavement	26,450

Gate:	Cost
6' high x 20' Double Drive #101 installed on 6' Sq. Posts	4,790

<u>Total Shared Costs:</u>	<u>31,240</u>
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Paid by Hinsdale Meadows, LLC	
Fence Cloth on Gate	<u>250</u>