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MARY ANN LAMM  
SANGAMON COUNTY RECORDER

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR  
BRECKENRIDGE MANOR SUBDIVISION

This Declaration of Covenants, Conditions and Restrictions for BRECKENRIDGE MANOR SUBDIVISION is made this 10<sup>th</sup> day of MARCH, 2003, by Breckenridge Development Corporation, hereinafter referred to as "Declarant."

**WITNESSETH:**

**WHEREAS**, Declarant is the Owner of the following described real property located in the Village of Chatham, Sangamon County, Illinois:

BRECKENRIDGE MANOR SUBDIVISION, PLAT I

and desires to create thereon a subdivision with permanent common areas for the benefit of said subdivision; and

**WHEREAS**, Declarant desires to provide for the preservation of the values and amenities in said Subdivision and for the maintenance of common areas and to this end, desires to subject the real property herein described to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and the subsequent owners thereof; and

**WHEREAS**, Declarant has deemed it desirable for the efficient preservation of the values and amenities in said community, to create an association to which should be delegated and assigned the powers of maintaining and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

**WHEREAS**, Declarant has incorporated under the laws of the State of Illinois, as a not-for-profit corporation, the Breckenridge Manor Homeowners Association for the purpose of exercising the function aforesaid;

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NOW, THEREFORE, Declarant hereby declares that the real property described herein is and shall be held, sold, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I  
Definitions

A. "Association" shall mean and refer to Breckenridge Manor Homeowners Association, Inc., an Illinois not for profit corporation, its successors and assigns.

B. "Properties" shall mean and refer to the real property described as Breckenridge Manor Plat I and any other area or lots whose owner is subjected to the requirement of membership in the Association.

C. "Common Areas" shall mean and refer to all real and personal property, facilities and improvements now or hereafter owned by the Association for the common use and enjoyment of the Owners.

D. "Lot" shall mean and refer to a portion of the property intended for independent ownership and use as may be set out in the Declaration and as shall be shown on the Subdivision Plat for Plat I recorded as Document Number 2003 R 12 674 Sangamon County, Illinois.

E. "Owner" shall mean and refer to the record owner from time to time, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation unless and until such person acquired title pursuant to foreclosure or any proceeding or conveyance in lieu of foreclosure.

F. "Member" shall mean and refer to every Owner who therefore is a member of the Association.

G. "Developer" shall mean and refer to the Declarant and its assigns if such assigns should acquire a portion of the land described in Article II from the Declarant for the purposes of resale to an Owner or for the purpose of construction improvements thereon for resale to an Owner.

H. "Area of Common Responsibility" shall mean and refer to the Common Areas together with those areas, if any, upon a Lot the maintenance, repair or replacement of which is made the responsibility of the Association by this Declaration.

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

J. "Easements" shall mean the easements shown on the plats of Breckenridge Manor Subdivision, and such other easements as may be granted to or by Developer and/or the Association.

K. "Single Family Lots" shall have the meaning referred to in Article VIII, Section 1.

L. "Committee" means the Architectural Control Committee.

## ARTICLE II

### Property Subject to this Declaration and Additions Thereto

Property Subject to Declaration. The real property which is and shall be held, sold, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to this Declaration is located in the Village of Chatham, Sangamon County, Illinois, known as Breckenridge Manor Subdivision, Plat I. Developer may subject additional property to the terms of this Declaration from time to time at Developer's discretion by written instrument referring hereto.

## ARTICLE III

### Administration and Operation of the Association

Board of Directors. The Board shall adopt such By-Laws as it may from time to time deem advisable in carrying out its duties and responsibilities hereunder. The Board shall have all powers for the conduct of the affairs of the Association which are enabled by law or the "Governing Documents", including the By-Laws and this Declaration, which are not specifically reserved to Members or the Developer by said documents. The Board shall exercise its powers in accordance with the Governing Documents. Without limiting the generality thereof the Board shall have the power and obligation to perform the following duties:

A. Real and Personal Property. To acquire, own, hold, improve, maintain, manage, lease, insure, pledge, convey, transfer or dedicate real or personal property for the benefit of the Members in connection with the affairs of the Association, except the acquisition, mortgaging or disposal of Common Area and/or improvements shall be subject to the provisions of Article IV.

B. Rule Making. To establish, modify and enforce rules and regulations for the use of the Properties as provided herein.

C. Assessments. To fix, levy and collect assessments as provided in Article VI

D. Easements. To grant and convey easements to the Common Area as may become necessary and as provided in Article IV.

E. Employment of Agents. To employ, enter into, contract with, delegate authority to and supervise such persons or entities as may be appropriate to manage, conduct and perform the business obligations and duties of the Association.

F. Enforcement of Governing Documents. To perform acts, as may be reasonably necessary or appropriate, including bringing suit, causing a lien to be foreclosed or suspending membership rights, and to enforce or effectuate any of the provisions of the governing documents.

G. Retention Ponds. To operate, keep and maintain any and all surface water drainage facilities, drainage swales, and retention ponds in good condition, order and repair and in accordance with all applicable laws and regulations.

#### ARTICLE IV

##### Common Areas Property Rights

Owner's Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot subject to the following:

A. The right of the Association to charge reasonable admission and other fees for the use of any facility now or hereafter situated or constructed upon the Common Areas and to impose reasonable limits on the number of guests who may use the facilities.

B. The right of the Association to suspend the voting rights and right to use the Common Areas and facilities by any Owner for any period during which any assessment of the Association against said Owner's Lot remains unpaid, and for any infraction by an Owner of the Association's published rules and regulations for the duration of the infractions, and for an additional period thereafter not to exceed sixty (60) days.

C. The right of the Declarant with regard to the Properties which may be owned for the purpose of development, to grant easements in and to the Common Areas contained within the Properties to any public agency, authority or utility for such purposes as benefit the Properties or parties thereof and owners of Lots contained therein.

D. The rights of the Association by a majority vote of all of the Members of the Board to borrow money from any person, including the Developer, or any shareholder thereof, for the purpose of improving the Common Areas, or any portion thereof, for acquiring additional Common Areas, or for constructing, repairing, or improving any facilities located or to be located thereon, and to give as security for the

payment of any such loan a mortgage covering all or any portion of the Common Areas provided, however, that the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any and all rights, interests, options, easements and privileges herein reserved or established for the benefit of Declarant of any Owner, or the holder of any mortgage, irrespective of when executed, given by Declarant or any owner encumbering any Lot or other property located within the Properties.

E. The right of the Association to dedicate or transfer all or any portion of the Common Areas to any public body, agency, authority or utility for such purpose and subject to such conditions as may be agreed by the Members of the Association. No such dedication or transfer shall be effective unless such dedication or transfer has been approved (i) by at least 66 2/3 percent of the votes which the Class "A" Members present or represented by proxy are entitled to cast at a meeting duly called for such purpose, and (ii) by the Class "B" Members of the Association, so long as such membership shall exist.

F. The right of the Association with regard to the Properties which it may own to grant easements to Declarant, any public agency, authority or utility for such purposes as benefit the Properties or portions thereof and Owners or Lots contained therein.

G. The use by the Association of the Common Area for surface water drainage and retention and all matters related thereto.

## ARTICLE V

### Association Membership and Voting Rights

1. Membership. Every person or entity who is the record owner of a fee or undivided fee interest in any Lot that is subject to this Declaration shall be deemed to have a membership and shall be a member in the Association. The foregoing is not intended to include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more persons, shall have more than one membership per Lot. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided herein. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of a Lot shall be the sole qualification for membership. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one vote be cast nor office held for each Single Family Lot.

2. Voting. The Association shall have two classes of membership, Class "A" and Class "B", as follows:

A. Class "A". Class "A" Members shall be all Owners of a Lot or Lots within Breckenridge Manor with the exception of the Declarant, and any successor of Declarant specifically identified in the deed of conveyance as a Class "B" Member who takes title for the purpose of development and sale. Class "A" Members shall be entitled to one vote for each Single Family Lot. When more than one person holds such interest in any Lot, the vote(s) for such Lot shall be exercised as those Owners themselves determine and advise in writing the Secretary prior to any meeting. In the absence of such advice, the Lot's vote(s) shall be suspended in the event more than one person seeks to exercise it. If a Lot is owned by a corporation, condominium association, partnership or trust, such entity shall designate in writing the person authorized to vote in behalf of such entity.

B. Class "B". The Class "B" Member shall be the Developer, or its successor as identified in a deed of conveyance as a Class "B" Member who takes title for the purpose of development and sale. The Class "B" Member shall be entitled to four votes for each Lot or Lots within Breckenridge Manor in which it holds the interest required for membership by Section 1, Article III, provided that the Class "B" membership shall cease on the happening of either of the following events, whichever occurs earlier:

- (i) When all lots are sold; or
- (ii) At such time as the Developer voluntarily relinquishes its Class "B" membership rights.

#### ARTICLE VI Covenant for Assessments

1. Purpose of Assessments. The assessments levied by the Association are for the purpose of promoting the recreation, health, enjoyment, welfare and safety of the residents and for protecting, advancing and promoting the environment of the Properties for the common benefit and enjoyment of the Owners and occupants of residences, improvement, operation, and maintenance of the Common areas, and all surface water drainage facilities, drainage swales and drainage easement areas, detention and retention areas, and other common facilities and areas of common responsibility including but not limited to repair, replacement and additions thereto, and for the cost of labor, insurance, equipment and materials, management and supervision thereof, all as may be authorized from time to time by the Board of Directors.

2. Creation of Lien and Personal Obligations of Assessments. Each Class A Member, acceptance of a deed or other conveyance therefor, whether or not it shall be so

expressed in such deed or other conveyance, shall be deemed to covenant and agree to pay and shall pay the Association such fees, assessments and charges as are herein provided and authorized:

A. Annual assessments;

B. Special assessments and/or individual assessments against any particular Lot as shall be established and collected by the Association pursuant to the terms of this Declaration, including but not limited to such reasonable fines as may be imposed herein. All such assessments together with interest thereon, late charges and costs of collection thereof, including reasonable attorneys' fees:

(i) shall be a charge and a continuing lien upon the Lot against which any such assessment is made, subject to foreclosure and the Association shall have the right to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property, and the Association shall have the conclusive power and authority to file in the Office of the Recorder of Deeds of Sangamon County, Illinois a lien or liens against such Lot; and

(ii) shall also be the joint and several personal obligation of each person who was an Owner of said Lot at the time when any such assessment made against said Lot fell due.

No Owner shall be entitled to a refund of any portion of any annual or special assessment, or installment of a special assessment, paid by him, even though said Owner's membership in the Association terminates prior to expiration of the period covered by any such assessment or installment theretofore paid by him. No Owner may avoid or escape liability for any annual or special assessment or individual assessment imposed or levied pursuant to this Article VI by abandonment of his Lot, or by attempted waiver of non-user of the benefits of membership in the Association, or of the Common Areas and facilities.

3. Annual Assessment. It shall be the duty of the Board at least thirty (30) days prior to the Association's annual meeting to prepare a budget covering the estimated costs of operating the Association during the coming year which may include a capital contribution or reserve in accordance with a capital budget separately prepared. The Board shall also prepare a proposed assessment to be levied against each Lot for the following year of each Class "A" Member. The budget and the assessment shall become effective unless disapproved at the annual meeting by a vote of at least fifty-one (51%) percent of the total Association membership votes including those votes of the Class "B" Member or Members. Notwithstanding the foregoing, however, in the event the Members disapprove the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget

in effect for the then current year shall continue for the succeeding year. The annual assessment shall be TWO HUNDRED DOLLARS (\$200.00) per Single Family Lot, per Class "A" Member, and the amount of such assessment shall continue until changed as provided above. The Board shall cause a "Notice of Assessment" to be delivered against every Lot so assessed by delivery by U.S. Mail to the last known residence address of each Class "A" Member on or about January 1 of each year.

4. Proration - Entering Member. Any person or entity becoming the initial Class A Member with respect to a Lot, on a date after January 1, shall, for said initial year, pay a reduced annual and special assessment, if any, prorated on the basis of the remaining days in the calendar year after the date of the deed of conveyance to the Lot in issue, which prorated amount shall be due to the Association on the closing on said Lot.

5. Special Assessments. In addition to the annual assessments authorized above, the Association may levy in any calendar year a special assessment for the purpose of defraying in whole or in part the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto, and, any for drainage facilities and retention areas, including the necessary equipment related thereto, provided, that any such assessment shall have the assent of two-thirds (2/3) of the votes of the total membership including Class "B" Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than thirty (30) days in advance of the meeting setting forth the purpose of the meeting. The Board of Directors may make such special assessments payable in installments over a period which may, in the Board's discretion, extend in excess of the fiscal year in which adopted.

6. Individual Assessment. In the event that the need for maintenance or repairs of the Common Area is caused or occurs by or through the willful or negligent act or omission of an Owner, his family, lessees' guests or invitees, or in the event that a Class A Member shall fail or refuse to maintain such Lot or repair or replace the improvements situated thereon in a manner satisfactory to the Board, or the Architectural Control Committee, or as required by the covenants herein, then, the Association, after approval by a vote of 66 2/3% of all members of the Board, shall give such written notice of the Association's intent to provide the required maintenance, repair, replacement or corrective work, at such Member's sole cost and expense. The Member shall have fifteen (15) days within which to complete said maintenance, repair, replacement, or corrective work. If such Member fails or refuses to discharge properly his obligations as outlined above, the Association shall have the right, through its duly authorized agents or employees to enter at reasonable hours of any day, upon said Lot to perform such work. The Association may levy an individual assessment upon any Lot, except as provided in Section 7 of this Article, to cover the cost and expense incurred by the Association in fulfilling the provisions of the Section. The Association shall also have the right to issue individual assessments for sidewalk installation.

7. Exemption from Assessment. The following property subject to this Declaration shall be exempt from all assessments, charges and liens created herein:

A. All Properties to the extent of any easement or other interest therein dedicated and accepted by any public authority and devoted to public use.

B. All Common Areas as defined in Article I hereof.

C. Any vacant land or Lots owned by a Class "B" Member unless a Lot is occupied as a residence.

8. Assessments Due Dates. The annual assessment for each Lot shall become due and payable 30 days after the postmark date of the Notice of Assessment. The method of payment and due dates for special assessments shall be as established by the Association in accordance with Section 5 of this Article VI. The method of payment and due dates for individual assessments shall be as determined by the Board in accordance with Section 6 of Article VI. The Association shall prepare a roster of Lots and assessments applicable thereto, which shall be open to inspection by any Member upon reasonable notice to the Board.

9. Computation. Annual and special assessments shall be charged equally against each Single Family Lot, except as provided in Section 4 regarding Entering Members.

10. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessments which are not paid when due shall be delinquent. Any assessment or assessment installment delinquent for a period of more than ten (10) days may incur a late charge in an amount as the Board may determine from time to time. The Association shall cause a notice of delinquency to be given to any Member who has not paid within the ten (10) days following the due date. If the assessment or assessment installment is not paid within thirty (30) days, a lien as herein provided for shall attach to and be a continuing lien upon the Lot against which such assessment shall have been made, and in addition to the assessment, the lien shall include the late charge of ONE HUNDRED DOLLARS (\$100.00) per year of delinquency, interest on the principal amount due at the rate of twenty percent (20%) per annum from the due date of the assessment, all costs of collection, reasonable attorneys' fees actually incurred, and any other amounts provided or permitted by law. In the event that the assessment remains unpaid after sixty (60) days, the Association may as the Board shall determine, institute suit to collect such amounts or to foreclose its lien. In this case, the Owner will pay the full amount of the assessment for each year delinquent, the filing costs of the lien, the late charge of ONE HUNDRED DOLLARS(\$100.00) per year of delinquency, the interest of twenty percent (20%) per annum from the due date of the assessment, all costs of collection, reasonable attorneys' fees actually incurred, and any other amounts provided or permitted by law. Each Owner, by acceptance of a deed or other conveyance to a Lot, vests in the Association or its agents the right and power to bring all actions against such Owner or Owners personally for the

collection of such charges as a debt, and/or to foreclose the aforesaid lien in the same manner as other liens for the mortgage of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage and convey the same. No Owner may waive or otherwise escape liability for the assessments provided for herein, including by way of illustration but no limitation, abandonment of the Lot.

11. Subordination of Lien. The lien provided for in this Declaration shall be subordinate to the lien of any first mortgage theretofore of record upon the Lot subject to assessment, provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such Lot pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

12. Estoppel Certificates. The Association shall, upon request of a Member, at any reasonable time, furnish an estoppel certificate signed by an officer or other authorized agent of the Association, setting forth the amount of unpaid assessments and/or other charges, if any, against said Member's Lot, up to a given date or time of conveyance, also certifying as to whether or not there are violations of the governing documents on the Lot as of the date of preparation of the certificate. Said certificate shall be delivered to the place of closing and all outstanding assessments and other charges, if any, and a reasonable charge, as determined by the Board to cover the cost of providing such certificate, shall be deducted from the Seller's account at the closing and transmitted directly to the Association.

## ARTICLE VII

### Maintenance by and Services of the Association

1. Maintenance, Repairs and Services by the Association. The Association, subject to the provisions of this Declaration and the By-Laws of the Association, shall maintain and keep in good repair the area of common responsibility, which responsibility shall be deemed to include by example and not by limitation: (a) maintenance, repair and replacement of all common areas and facilities including park areas, landscaping, utility lines, pipes, wires and conduits, not dedicated to any public authority, if any, (b) furnish and provide the necessary maintenance and repair service for the utility systems, and for any surface water drainage collection facility or detention pond serving the Properties and the improvements situated thereon. With respect to such surface water drainage collection facility or detention pond, the Association shall have the duties specified in the By-Laws of the Association.

2. Easement. The Association is hereby granted an easement of use and right-of-way on, over, in, under and through all Lots in order to comply with the terms of this Article

VII, and entry on any Lot for such purpose shall not be deemed a trespass.

3. The Village of Chatham is hereby made a third-party beneficiary of all provisions herein and in the By-Laws of the Association regarding surface water drainage collection facilities and detention ponds, and drainage easement areas it being the intent hereof that the Village of Chatham may, at its sole option, enforce all provisions of this Declaration and the By-Laws of the Association to compel the maintenance and repair of the surface water drainage collection facilities and detention ponds, drainage swales, and drainage easement areas, with standing for such purposes in any court of competent jurisdiction.

#### ARTICLE VIII Restrictive Covenants

1. General Lot Usage. No Lot in Plat I shall be used except as a Single Family Lot. "Single-family Lot" shall mean and refer to any Lot of land used or to be used for single-family residential purposes and so designated on the subdivision plat or survey of the Breckenridge Manor Subdivision which shall be a public record.

2. Architectural Control Committee.

A. Members. The Architectural Control Committee (the "Committee") is composed of Allan R. Young, Linda K. Young and John J. Bavetta of Springfield, Illinois. The Committee may designate a representative to act for it. In the event of death, resignation or removal of any member of the Committee, the remaining members shall have full authority to designate a successor. None of the members of the Committee nor their designated representative shall be entitled to any compensation for services performed pursuant to this covenant. All Committee decisions shall be in writing. The Developer reserves the right to remove any member of the Committee.

B. Approval of Plans by Architectural Control Committee. No construction, reconstruction, remodeling, alternation or addition to any structure, building, fence, wall, road, drive, path or improvement of any nature shall be constructed without obtaining the prior written approval of the Committee as to size, location, plans and specifications, including all aspects of construction including square footage. As a prerequisite to consideration for approval, and prior to beginning the contemplated work, two (2) complete sets of building plans and specifications must be submitted to the Committee. All plans, including but not limited to plans which include basements, shall state to the Committee's satisfaction how the excavated soil will be handled so as not to interfere with drainage swales or otherwise materially change the grade or elevation of the subject Lot or the drainage of adjacent Lots as compared to the final engineering plans of the Developer. No Lot owner shall cause increased water runoff on neighboring property not specifically authorized by such neighboring Lot

owner. The Committee shall be the sole arbiter of such plans and may withhold approval for any reason not limited to square footage or purely aesthetic considerations. In the event the Committee fails within forty-five (45) days to approve or disapprove such plans and specifications, approval will not be required, and the requirements of this Section with respect to presentation to and approval by the Committee will be deemed to have been fully complied with. Upon approval **IN WRITING**, construction shall be started and prosecuted to completion promptly and in strict conformity with such plans.

C. Easements - Utility and Drainage. An Easement over that portion of any Lot designated as "Easement" shown on the recorded plat of subdivision West is hereby reserved for drainage and the use of public utility companies and others to install, lay, construct, renew, operate and maintain pipes, conduits, cables, poles and wires, either overhead or underground, for the purposes of providing any property in said section with gas, electric, television, telephone, water, sewer or other utility services. Overhead cables, poles and wires for public utilities shall be permitted only on such portion of any Lot designated for public utilities, but all electric and telephone service lines therefrom for any improvements in said subdivision shall be installed and maintained underground. Drainage in such portion so designated as "Easement" shall not be blocked or impaired, either intentionally or by negligent maintenance on any Lot or Lots.

D. Construction. CONSTRUCTION OF A DWELLING MUST COMMENCE WITHIN 18 MONTHS AFTER CLOSING ON THE LOT(S). ALL CONSTRUCTION OF A DWELLING must be diligently pursued to completion within a reasonable period but in no case to exceed one (1) year after commencement of construction. The owner of a Lot who fails to commence construction of a dwelling within 18 months of closing, shall be liable to Declarant for liquidated damages in the amount Declarant determines necessary to install the sidewalk per Lot owned, plus \$900 per Lot owned to reimburse Declarant for the utility deposit. The Declarant shall invoice the Lot owner for the liquidated damages and the Lot owner shall pay such invoice within 10 days, or failing to pay, the Declarant shall be entitled to sue, for judgment for the liquidated damages, plus costs and reasonable attorney fees. The Declarant shall install the sidewalk upon payment in full of the liquidated damages therefore. No structure shall be occupied for living purposes which is not functionally complete in detail as to the exterior of the structure. All front yards and side yards adjacent to a street shall be sodded as soon as possible, weather permitting, after construction is complete, and in any event, not later than six (6) months after construction is complete. Seeding in lieu of sod is permitted for Lots that have a sprinkler system. **INSTALLATION OF CONCRETE SIDEWALKS ALONG THE FRONT OR SIDE OF THE LOT(S) AS REQUIRED BY THE VILLAGE OF CHATHAM SHALL BE THE SOLE RESPONSIBILITY OF THE**

CONTRACTOR AND/OR OWNER OF SAID LOT(S). THE SIDEWALKS MUST CONFORM TO THE SPECIFICATIONS AS SET FORTH BY THE VILLAGE OF CHATHAM AND INSTALLED AS SOON AS WEATHER PERMITS. IF THE BUILDER AND/OR OWNER OF SAID LOT(S) FAILS TO INSTALL THE REQUIRED SIDEWALKS, AND HAS NOT PAID THE DECLARANT FOR FAILURE TO INSTALL THE SIDEWALKS, THEN THE ASSOCIATION SHALL CAUSE THE INSTALLATION OF CONCRETE SIDEWALKS AS REQUIRED BY THE VILLAGE OF CHATHAM AND THE ARCHITECTURAL CONTROL COMMITTEE, WHICH EXPENSE OF SAID SIDEWALK SHALL BE BORNE BY THE LOT OWNER. UPON COMPLETION OF THE SIDEWALK, THE ASSOCIATION SHALL ISSUE A WRITTEN INDIVIDUAL ASSESSMENT TO THE LOT OWNER WHICH ASSESSMENT SHALL BE DUE IN THIRTY (30) DAYS AND IF NOT PAID, THEN SHALL BECOME A LIEN AS PROVIDED IN ARTICLE VI, SECTION 10. No building materials, paint nor building equipment shall be exposed to the public view if occupied as a dwelling.

E. Sump Pump Discharge. Water discharge from sump pumps may be discharged using drain tile to a Common Area location using a buried drain tile or pipe provided that the outlet does not rise above the ground so as to interfere with mowing. No sump pump discharge shall be in a side yard.

F. Lot Contours. No owner of any Lot shall change, or permit to be changed, the contours of such Lot, without the express consent of the Architectural Control Committee.

G. Finished Grade. All finished grades at each residence perimeter shall be within 18" to 24" above the back of the street curb and sloping to the street and rear yard grade for drainage, except at otherwise approved by the Architectural Control Committee. Drainage swales shall not be filled with excavation materials.

H. Structure Location and Quality. No building shall be erected, placed or altered until the construction plans and specifications and a plan showing the location of the structure and including square footage, have been approved by the Architectural Control Committee as to quality of workmanship and materials, harmony of external design with existing structures, and as to size and location with respect to topography and finished grade elevation and as provided in this Section 2. No fence or wall shall be erected, placed or altered on any Lot nearer to any street line than either front corner of the structure.

I. Enforcement. Only the Committee shall be entitled to stop new home construction in violation of these restrictions, with the corresponding right to correct the

violation, and issue and individual assessment as provided in Article VI, Section 6. In all other cases, the Committee or the Board shall have the right to correct the violation and issue an individual assessment as provided in Article VI, Section 6. In the event drainage in any portion of any Lot designated as "Easement" is blocked or impaired in violation of subparagraph C of this Section 2 of Article VIII, the Owner of any Lot or part thereof in said subdivision or the Committee shall have the right to remove any obstruction blocking or impeding such drainage, in which case an individual assessment may issue against the Lot or Lots of the Owner or Owners whose willful or negligent act or omission has caused the violation as provided in Article VI, Section 6, if costs were insured.

J. Building Material. All houses shall incorporate brick, or exterior building materials of such type, quality and quantity as acceptable to the Architectural Control Committee. NO VINYL SIDING SHALL BE ALLOWED ON THE FRONT OF THE HOME OR THE SIDE OF A HOME THAT FACES A STREET.

K. Mail Receptacles. The Architectural Control Committee shall have the right and power to prescribe and enforce uniform mail receptacles (post and box) throughout the subdivision.

L. TREES. OWNER SHALL PLANT AT LEAST THREE TREES ON SAID LOT. TWO TREES MUST BE PLANTED IN THE FRONT YARD AND ONE IN THE BACK YARD. OWNERS OF LOTS THAT HAVE A SIDE YARD THAT FACES A STREET SHALL PLANT THE THIRD TREE IN THE SIDE YARD FACING THE STREET.

M. ROOF PITCH, SHINGLES. THE MINIMUM ROOF PITCH ALLOWED ON ANY HOME SHALL BE 6/12. THE MINIMUM ROOFING COVERAGE SHALL BE ARCHITECTURAL SIMULATED SHAKE SHINGLES.

N. Additional Rules. From time to time the Architectural Control Committee shall adopt additional rules and amend existing rules, including but not limited to rules to regulate potential problems relating to the use of the Properties and the well-being of the residents, tenants, guests and invitees. Such additional rules may only be adopted or amended by a two-thirds vote of the Architectural Control Committee, following a hearing for which due notice has been provided to all residents. All such additional rules and any subsequent amendment thereto shall be placed in the Book of Resolutions and furnished in writing to all residents prior to the effective date of such rules and shall be binding on all residents, except where expressly provided otherwise in such rules.

3. Set Back. No building shall be located on any Lot nearer to the front lot line or

side line than the minimum set back line as shown on the recorded plat of subdivision.

4. Limits on Residential Use. No trailer, basement, tent, shack, garage, barn or other outbuilding placed on any Lot shall, at any time, be used as a residence, temporarily or permanently.

5. Outbuildings. No outbuilding will be constructed on any lot without the approval of the Committee, and approval may be denied based on the size, purpose, location, type of outbuilding, or any other factors relevant in the Committee's discretion.

6. Vacant Lots. All vacant Lots shall be kept free of weeds and shall not be permitted to fall into an unsightly condition.

7. Concrete Driveways. All driveways located upon a Lot shall be constructed exclusively of concrete.

8. No Liquor Sales. No spirituous, vinous or malt liquor shall be sold, or kept for sale, on any Lot.

9. Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except dogs, cats or other generally recognized household pets may be kept; provided they are not kept, bred or maintained for any commercial purposes. Any such domestic pet shall not be permitted to cause or create a nuisance, disturbance or unreasonable amount of noise which may affect any resident or other person on the properties. Any such pet must be kept within the confines of the Owner's Lot or must be on a leash held by a person when allowed upon the Common Areas. Notwithstanding any other provision to the contrary, the Architectural Control Committee shall have the absolute power to adopt rules and regulations from time to time pertaining to the keeping of any and all pets upon the properties, including but not limited to the right to remove or cause to be removed from the properties (including the inside of a residential building) any such pet or pets when the Architectural Control Committee determines such action to be in the best interest, well-being and enjoyment of any or all of the residents of Breckenridge Manor Subdivision.

10. Vehicle Parking. No Lot, or any part thereof, shall be used, either temporarily or permanently, to sell or accumulate used vehicles, parts therefrom, or junk of any kind or character whatever. No Owner, tenant, guest or other person shall store or keep upon any Lot, or in the street in front of or along side of any Lot, any commercial truck or van larger than one ton depicting a business name or message, or personal boat or other watercraft, motor home, trailer of any type, camper, or other transportation devices of any kind. The term "store or keep" shall not include parking on or alongside a Lot which does not exceed 48 hours per occurrence and which parking is only occasional and infrequent as opposed to regular and repeating in nature. Also, an Owner or tenant may park his or her privately owned vehicles and devices in such Owner or Tenant's garage. No Owner, tenant or other person shall repair or restore any vehicle of any kind upon any Lot or Common Areas, except for emergency repairs,

and then only to the extent necessary to enable movement thereof to a proper repair facility. Notwithstanding any provision heretofore stated in these covenants and restrictions, the Architectural Control Committee shall have the power and authority from time to time to adopt additional rules regarding the parking and storage of vehicles.

11. Garbage. Rubbish, trash, garbage or other waste shall be kept in sanitary containers, and shall not be stored, kept, deposited or left on any Lot or any other part of the Properties, except such garbage and rubbish which shall necessarily accumulate from the last garbage and rubbish collection. All such sanitary containers shall be of the type and size designated by the Architectural Control Committee and shall not be permitted to remain in public view except on days of collection. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition and in accordance with law.

12. Signs. No sign shall be placed between any sidewalk or street and no sign of any kind shall be maintained or displayed at any other place on any Lot except one sign of not more than one square foot in area, identifying the occupants of the dwelling, one sign or not more than 5 square feet in area advertising the property for sale or rent, and signs used by contractors during the construction of any improvement thereon.

13. No Tanks or Pools Above Ground. Exposed above ground tanks will not be permitted for the storage of fuel, water or any other substance. The Committee will not approve above ground pools. In ground pools are permitted subject to requirements of the Committee.

14. TV Antenna. One satellite dish per Lot not exceeding 18 inches in diameter is allowed at the location approved by the Committee. No such dish shall be located in a front yard, or on the front side of any house, or the front side of the roof of any house. No other outdoor television antenna may be erected or installed as long as cable television is available. Developer shall not be obligated to install cable television.

15. Underground Utility Lines. All residential utility service lines (including, without limitation, electricity, telephone, any and all types of radio and television lines, cables, etc.) to the lots shall be underground, provided, however, this restriction shall not be construed to prohibit the installation or construction of one or more central utility service relay towers in the event such is, in the Committee's sole discretion, deemed necessary.

16. No Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood, disturb the peace and quiet thereof, or annoy any occupant of the neighboring property.

17. Term. These covenants shall be binding upon all parties and all persons

claiming through or under them for a period of twenty-five (25) years from the date these covenants are filed for record, after which time such covenants shall automatically be extended for successive periods of ten (10) years, unless an instrument signed by owners representing a majority of the Lots has been filed for record agreeing to change such covenants in whole or in part.

18. Binding Effect. Invalidation of these covenants by judgment or court order shall in no wise affect the other provisions, which shall remain in full force and effect.

ARTICLE IX  
Insurance and Indemnification

1. Common Area Insurance. The Board shall have the authority to and shall obtain insurance for the Common Areas and all improvements situated thereon, and for any other real or personal property of the Association, against loss or damage by fire and such other hazards as the Board may deem desirable to insure against, for the full insurable replacement cost of said Common Areas, improvements situated thereon and other real or personal property of the Association. The Board shall also have the authority to and shall obtain comprehensive public liability insurance, including liability for injuries to and health of persons, and property damage, in such limits as the Board shall deem desirable, and workmen's compensation insurance and such other liability insurance as it may deem desirable, insuring the Association, its directors, officers, committee members, employes and agents from liability in connection with the Common Areas, improvements located thereon and other real and personal property of the Association, and insuring the fee owners of any land underlying any drainage retention or storage pond owned or used by the Association, and insuring the directors, officers and committee members of the Association from liability for good faith acts or omissions beyond the scope of their respective authorities. Such insurance coverage shall include cross liability claims of one (1) or more insured parties against other insured parties. Premiums for all such insurance shall be common expenses of the Association.

2. Indemnification. The directors, officers and committee members of the Association shall not be liable to any Owner or any Member, or any person claiming by or through any such Owner or Member, for any act or omission to act in the performance of their duties, and the Association shall have the power to indemnify all such Directors, officers and committee members from all claims, demands, actions and proceedings, and any expense, in connection therewith, except if such Director, officer or committee members shall be adjudged in any such action or proceeding to be liable for willful misconduct in the performance of his duties.

IN WITNESS WHEREOF, the undersigned Declarant and Owner has executed this Declaration this 10th day of MARCH, 2003.

BRECKENRIDGE DEVELOPMENT CORPORATION, an Illinois corporation,

ATTEST:

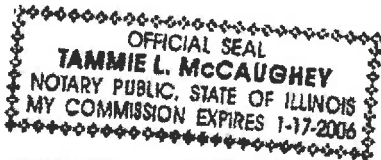
[Signature]  
Its Secretary

By: [Signature]  
Its President

STATE OF ILLINOIS        )  
                                  )        SS  
COUNTY OF SANGAMON )

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT ALLAN R. YOUNG and LINDA K. YOUNG, of BRECKENRIDGE DEVELOPMENT CORPORATION, personally known to me to be the President and Secretary, respectively, of said corporation, whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Secretary, they signed, sealed, and delivered the foregoing instrument and caused the corporate seal of said corporation to be affixed thereto, as their free and voluntary act, and as the free and voluntary act and deed of said corporation, pursuant to authority of its Board of Directors, for the uses and purposes therein set forth.

Given under my hand and notarial seal at Springfield, Illinois, this 10 day of March, 2003.



0371419.004        1/29/2003MCCeds

[Signature]  
Notary Public

Return to: Zella TJO

## **BOOK OF RESOLUTIONS**

### **BOARD RESOLUTION NO. 1**

WHEREAS the Architectural Control Committee (ACC) adopted a rule regulating the type of fencing that may be installed on a Lot, as defined by the Declaration of Covenants, Conditions and Restrictions for Breckenridge Manor Subdivision;

WHEREAS Article VIII, Section 2.N. requires that, before the ACC may vote to adopt a rule, the residents of the Association be afforded a hearing to discuss the proposed rule;

WHEREAS a hearing was held at the Breckenridge Manor Subdivision Homeowners Association meeting on September 1, 2022 at the Chatham Public Library in Chatham, Illinois;

WHEREAS this resolution, as written, will only apply going forward and has no effect on existing fencing; and

WHEREAS the Architectural Control Committee adopted the following rule regarding fencing:

No fence or wall shall be erected, placed or altered without the prior written approval of the ACC. Wood fences are strictly prohibited. Six-foot privacy fences are strictly prohibited without the prior written approval of the ACC. Wrought iron, steel, or aluminum fences are preferred. Prior to approval, a site plan showing the location of the proposed fence and the type of fencing to be used must be submitted to the ACC. This restriction is not intended to prohibit all structures and fences, but merely to control the nature and extent thereof.

The effective date of this rule is September 6, 2022. Due notice of the Architectural Control Committee's decision on this proposed rule has been met as required by Article VIII, Section 2.N. of the Declaration of Covenants, Conditions and Restrictions for Breckenridge Manor Subdivision.

**BY-LAWS**  
**OF**  
**BRECKENRIDGE MANOR HOMEOWNERS ASSOCIATION, NFP**  
**An Illinois Not-For-Profit Corporation**

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**ARTICLE I**

**Name, Membership, Applicability, and Definitions**

Section 1. Name. The name of the Association shall be Breckenridge Manor Homeowners Association, NFP, an Illinois not-for-profit corporation ("Association").

Section 2. Membership. Membership in the Association is mandatory for the owners of all lots platted or unplatted ("Lots") in all phases of the subdivision Breckenridge Manor as indicated in the preliminary plan attached hereto as Exhibit A ("Subdivision"). The Association shall have two (2) classes of membership, Class "A" and "B," as is more fully set forth in that Declaration of Covenants, Conditions, and Restrictions for the Breckenridge Manor Homeowners Association, NFP, as amended, renewed, supplemented or extended from time to time ("Declaration"), the terms of which pertaining to membership are specifically incorporated by reference herein.

Section 3. Definitions. The words used in these By-Laws shall have the same meaning as set forth in the Declaration unless the words are defined herein or the context shall prohibit.

**ARTICLE II**

**Association Member Meetings**

Section 1. Place of Meetings. Meetings of the Members of the Association ("Members") shall be held at such place convenient to the Members as may be designated by the Board of Directors of the Association ("Board"), either in the Subdivision or as convenient thereto as possible and practical.

Section 2. First Meeting and Annual Meetings. The first annual meeting shall be held within ninety (90) days after Eighty Percent (80%) of the Lots within the Subdivision have been transferred to Class "A" Members or such earlier time as the Declarant shall indicate in writing. Annual meetings thereafter shall be set by the Board so as to occur no later than sixty (60) days after the close of the Association's fiscal year. If the day for the annual meeting is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday (excluding Saturday and Sunday).

Section 3. Special Meetings. A special meeting of the Association may be called by the President, any two (2) members of the Association's Board of Directors ("Directors"), or upon a petition signed by at least twenty-five (25%) percent of the Class "A" Members. The notice of any special meeting shall state the date, time, and place of such meeting along with the purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice.

Section 4. Notice of Meetings. The Secretary shall give all Members notice of any annual or special meeting by mail or personal delivery. Such notice will include the date, time, and place of the meeting and in the event of a special meeting the purpose of the meeting. Such notice shall be given not less than ten (10) or more than thirty (30) days before the date of such meeting. If a Member wishes to change the address where notices are sent from his or her address in the Subdivision, the Member shall notify the Secretary in writing. The notice shall be deemed given when deposited in the mail or hand delivered to the Member's address on record.

Section 5. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waived by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order.

Section 6. Quorum. The presence, in person or by proxy, of Members with twenty-five (25%) percent of the eligible votes shall be required to transact business at any meeting of the Association ("Quorum"). The Members present at a duly called or held meeting at which a Quorum of Members is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a Quorum.

Section 7. Adjournment of Meetings. If any scheduled meeting of the Association cannot be held because a Quorum is not present, a majority of the Members who are present at such scheduled meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a Quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 8. Voting. A majority of the votes cast by Members present at a meeting with a Quorum will be the action of the Association, unless a higher vote is required by the Declaration, the Association's Articles of Incorporation ("Articles") or these By-Laws. Members will be able to cast the number of votes and will have the voting rights set forth in Article V of the Declaration, which are specifically incorporated herein.

Section 9. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary before the appointed time of each meeting. Every proxy is revocable by the Member upon written notice to the Secretary. All proxies will immediately terminate if the Member dies, is declared legally incompetent, or is no longer an Owner. All proxies will expire eleven (11) months from the date of the proxy.

## ARTICLE III

### Board of Directors: Composition and Selection

Section 1. Governing Body Composition. The affairs of the Association shall be governed by the Board. Except as provided in Section 3 of this Article, the Directors must reside in the Subdivision and shall be Members or spouses of Members; provided, however, no Member and his or her spouse may serve on the Board at the same time.

Section 2. Number of Directors. The initial Board shall consist of three (3) directors provided that the Board by vote of the Directors may expand the Board to five (5) or seven (7) directors upon its own resolution

Section 3. Directors Appointed by Declarant. Prior to the First Annual Meeting, the Directors shall be selected by the Declarant (Breckenridge Development Corporation) acting in its sole discretion and serve at the pleasure of the Declarant for successive one (1) year terms until the First Annual Meeting of the Members. The Directors selected by the Declarant need not be an Owner or a resident in the Subdivision. The names of the initial Directors selected by the Declarant are set forth in the Articles of the Association.

#### Section 4. Election of Directors.

(a) At the First Annual Meeting, the Members shall elect new Directors replacing the Directors appointed by the Declarant. Candidates for election as Directors may be nominated in the manner established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes. The Directors will be elected by vote of the Members with the candidates receiving the highest number of votes being elected to a three (3) year term, the second highest number of votes being elected to a two (2) year term, and the third highest votes being elected to a one (1) year term. The Directors elected by the Members shall not be subject to removal by the Declarant acting alone. Cumulative voting is not permitted.

(b) After the First Annual Meeting of the Members, the Members will elect new Director(s) at the annual meeting as Directors' terms expire or vacancies arise. Candidates for election as Directors may be nominated in the manner established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes. The Director(s) will be elected by vote of the Members with the candidates receiving the highest number of votes being elected to the open position(s). Cumulative voting is not permitted.

Section 5. Term of Office. Directors that are elected at the First Annual Meeting shall serve different terms in office as specified above. Directors elected after the First Annual Meeting shall serve a term of three (3) years. It is intended that the terms of the Directors shall be staggered such that approximately one-third (1/3) of the Directors are elected at each annual meeting. Each Director, unless otherwise removed, shall hold office until the annual meeting at the end of the Director's term and until the Director's successor is elected and qualified.

Section 6. Removal of Directors. At any duly called regular or special meeting of the Association or Board, any one or more of the Directors may be removed, with or without cause, by majority vote of the Directors in office and a successor may then and there be elected to fill the vacancy created. A Director whose removal has been proposed by the Members shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Additionally, any Director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than thirty (30) days after notice of delinquency may be removed by a majority vote of the Directors at a meeting with a Quorum of Directors. This Section shall not apply to the Directors named in the Articles or appointed by Declarant prior to the First Annual Meeting who may be removed by the Declarant in its sole discretion.

Section 7. Vacancies. Vacancies in the Board for any reason, excluding the removal of a Director by vote of the Members where a successor is elected, shall be filled by majority vote of the remaining Directors at any meeting of the Board attended by a majority of the Directors that remain in office. Each person so selected as Director shall serve the unexpired portion of the term of the prior Director.

#### ARTICLE IV

##### Board Meetings

Section 1. Regular Meetings. The Board shall have regular meetings as it deems necessary. A regular meeting of the Board will be held immediately after and at the same place as the annual meeting of the Members without notice other than these By-Laws. The Board may provide by resolution a schedule of the time and place for regular meetings of the Board. Notice of the regular schedule shall constitute sufficient notice of such meetings.

Section 2. Special Meetings. Special meetings of the Board shall be held when requested by the President, Vice President, or by any two (2) Directors. The person authorized to call the special meeting may specify the time and place of the meeting and the nature of the business to be considered.

Section 3. Notice. Notice of any meeting of the Board shall be given to each Director by one of the following methods: (a) by personal delivery; (b) written notice by first-class mail, postage prepaid; (c) by telephone communication, either directly to the Director or to a Person at the Directors' home or office who would reasonably be expected to communicate such notice promptly to the Director; or (d) by electronic means of communication provided no notification of non-receipt is subsequently received by the sender. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Association. Notices sent by first-class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic mail shall be given at least forty-eight (48) hours before the time set for the meeting.

Section 4. Waiver of Notice. The actions taken at any meeting of the Board, however called and noticed or wherever held, shall be valid as though taken at a meeting duly held after regular call and notice, if (a) a Quorum of Directors is present, and (b) either before or after the meeting, each of

the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 5. Quorum of the Board. The presence of a majority of the Directors in office shall be required to transact business at any meeting of the Board except that the presence of one-half (1/2) of the Directors in office shall be required at a meeting to amend the Articles of Incorporation, to amend the By-Laws or to remove any Director from the Board or Officer from office ("Quorum"). If less than a Quorum of the Directors is present at a scheduled meeting, a majority of the Directors present at such meeting may adjourn and reschedule the meeting without further notice. Directors participating in a meeting by telephone or similar communication device shall be considered present for the purpose of determining the presence of a Quorum. A meeting at which a Quorum of Directors is initially present may continue to transact business, notwithstanding the withdrawal of Directors, by vote of Directors who would constitute a majority of the minimum number of Directors necessary for a Quorum.

Section 6. Manner of Acting. The act of a majority of the Directors present at a meeting with a Quorum shall be the act of the Board, except where otherwise provided by law, the Articles, or these By-Laws. Directors participating by telephone, video conference, or similar means of two-way communication shall be considered present for all purposes and may vote on all matters before the Board.

Section 7. Veto. The Declarant shall have veto power over all actions of the Board or the Members until the Class "B" memberships cease as provided in the Declaration or the veto power is surrendered in writing by the Declarant. The veto power shall be exercisable by written notice to the Board by Declarant, its successors, and assigns who are specifically referenced as a successor to Declarant in a recorded instrument. As long as Declarant has such veto power, no action, policy, or program authorized by the Board or Members shall become effective or be implemented in any way until and unless:

(a) The Board provides the Declarant written notice of all meetings in the manner and within the timeframes prescribed herein and such notice indicates the proposed actions, policies, or programs to be discussed by the Board at the meeting;

(b) Declarant, its representatives, or agents are given the opportunity at any such meeting to join in discussions of any prospective action, policy, or program considered by the Board or the Members. Declarant, its representatives, or agents may make its concerns, thoughts, and suggestions known to the Members and/or the Board;

(c) Within fifteen (15) days after each meeting or approval by consent, the Board provides Declarant a written summary of all actions, policies, and programs approved by the Board; and

(d) Declarant has not exercised its veto power over any action, policy, or program authorized by the Board or Members within twenty (20) days of Declarant's receipt of the written

summary of all actions, policies, and programs approved by the Board or Members. Declarant's veto power shall not include the ability to compel any action or counteraction by the Board or Members.

Section 8. Executive Session. The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall be announced in open session.

Section 9. Action Without a Formal Meeting. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing setting forth the action taken is signed by all of the Directors entitled to vote.

Section 10. Compensation. No Director shall receive any compensation from the Association for acting as such unless approved by a majority of the Class "A" members.

Section 11. Open Meetings. All meetings of the Board shall be open to all Members, but Members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by the Board.

## ARTICLE V

### Board of Directors: Powers and Duties

Section 1. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and may do all acts and things that are not, by law, by the Declaration, by the Articles, or by these By-Laws, directed to be done or exercised exclusively by the Members. In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board shall have the power to and be responsible for the following, in way of explanation, but not limitation:

(a) preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the common expenses;

(b) making assessments to defray the common expenses, including but not limited to planting of trees and shrubs, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment;

(c) providing for the operation, care, upkeep, and maintenance of all areas which are the maintenance responsibility of the Association, including but not limited to the Common Areas, the surface water drainage facilities, drainage swales and retention ponds, and the landscaping and sign in the entrance island on Breckenridge Road;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and, where appropriate, providing for the compensation of such personnel and for

the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;

(f) making and amending use restrictions and rules and regulations;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of the Association against any Owner(s);

(i) obtaining and carrying insurance against casualties and liabilities, as may be provided in the Declaration, and paying the premium cost thereof;

(j) paying the cost of all services rendered to the Association or its Members which are not directly chargeable to Owners;

(k) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, and specifying the maintenance and repair expenses and any other expenses incurred; and

(l) contracting with any Person for the performance of various duties and functions. The Board shall have the power to enter into common management agreements with trusts, condominiums, or other associations. Any and all functions of the Association shall be fully transferable by the Board, in whole or in part, to any other entity.

Section 2. Management Agent. The Board may select and engage the services of a managing agent or agency to perform such management duties and services as the Board shall authorize for compensation established by the Board. The Declarant or an affiliate of the Declarant or its affiliate may be employed as agent or agency. The term of any management agreement shall not exceed one (1) year and shall be subject to termination by either party, without cause and without penalty, upon ninety (90) days' written notice.

Section 3. Borrowing. The Board shall have the power to borrow money for the purpose of repair or restoration of the Common Property and facilities without the approval of the Members of the Association; provided, however, the Board shall obtain membership approval in the same manner as for special assessments, in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities, and the total amount of such borrowing exceeds or would exceed Ten Thousand Dollars (\$10,000) outstanding debt at any one time. The Directors named in the Articles shall not be subject to the terms of this paragraph requiring Member approval.

Section 4. Fining Procedure. The Board shall not impose a fine (a late charge shall not constitute a fine) unless and until the following procedure is followed:

(a) Demand. Written demand to cease and desist from an alleged violation shall be mailed to the alleged violator specifying:

- (i) the alleged violation;
- (ii) the action required to correct the violation; and

(iii) a time period, not less than ten (10) days during which the violation may be corrected without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a fine if the violation is not continuing. The Board or its designee may demand immediate correction of the violation if the Board determines the violation poses a danger to safety or property.

(b) Notice. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for correction, or if the same rule is subsequently violated, the Board may impose a fine and so notify the Member. The notice shall state:

- (i) the nature of the alleged violation;
- (ii) that the alleged violator may, within ten (10) days from the date of the notice, request a hearing regarding the fine;
- (iii) that any statements, evidence, and witnesses will need to be produced by the alleged violator at the hearing; and
- (iv) that all rights to have the fine reconsidered are waived if a hearing is not requested within ten (10) days of the date of the notice.

(c) Hearing. If a hearing is requested, it shall be held before the Board in executive session, and the alleged violator shall be given a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing.

Section 5. Common or Interested Directors. Each member of the Board shall exercise his or her powers and duties in good faith and in the best interests of the Association. No contract or other transaction between the Association and any of its Directors or Officers, or between the Association and any entity, partnership, or association (including the Declarant) in which any of the Directors or Officers are owners, directors officers, or employees or are pecuniarily or otherwise interested, is either void or voidable because any such Director is present at the meeting of the Board or any committee thereof which authorizes or approves the contract or transaction, or because his vote is counted for such purpose, if any of the conditions specified in any of the following subparagraphs exist:

(a) The fact of the common ownership or interest is disclosed or known to the Board or a majority thereof or noted in the minutes, and the Board authorizes, approves, or ratifies such contract or transaction in good faith by a vote sufficient for the purpose; or

(b) The fact that the common directorate or interest is disclosed or known to at least a majority of the Members of the Association and the Members approve or ratify the contract or transaction in good faith by a vote sufficient for the purpose; or

(c) The contract or transaction is commercially reasonable to the Association at the time it is authorized, ratified, approved, or executed.

Any common or interested Director may be counted in determining presence of a Quorum of Directors at any meeting of the Board or committee thereof which authorizes, approves, or ratifies any contract or transaction but shall not vote on specific issue or issues in which he or she has a common interest in the outcome. Directors named in the Articles shall not be subject to any claim of conflict of interest by reason of any interest in Breckenridge Development Corporation.

## ARTICLE VI

### Officers

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer ("Officers"). Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the Directors.

Section 2. Election, Term of Office, and Vacancies. The Officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

Section 3. Removal. Any Officer may be removed by majority vote of the Directors in office, if the Board determines, in its sole judgment, such removal serves the best interests of the Association.

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board. Subject to the direction and control of the Board, the President shall (a) be in charge of the business and affairs of the Association; (b) shall see that the resolutions and directives of the Board are carried into effect except in those instances in which that responsibility is specifically assigned to some other person by the Board, and, (c) shall discharge all duties incident to the office of President and such other duties as may be prescribed by the Board. The President may execute contracts, deeds, mortgages, bonds, or other instruments on behalf of the Association except in those instances in which the authority to execute is expressly delegated to another or a different mode of execution is expressly prescribed by the Board or these By-laws. The President may vote all securities which the Association is entitled to vote except as and to the extent such authority shall be vested in a different Officer or agent of the Association by the Board.

Section 5. Vice President. The Vice President, if any, shall assist the President in the discharge of his or her duties as the President and shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board. In the absence of the President or in the event of his or her inability or refusal to act, the Vice President 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.

Section 6. Secretary. The Secretary shall: (a) record the minutes of the Board meetings and maintain such records in the corporate record books; (b) see that all notices are duly given in accordance with the provisions of these By-laws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation; (d) keep a register of the address of each Director which shall be furnished to the Secretary by such Director; (e) have authority to certify the By-laws, resolutions of Board, and other documents of the corporation as true and correct copies thereof; and (f) perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board.

Section 7. 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 full and accurate financial books and records for the corporation; (b) have charge and custody of all funds and securities of the corporation, and be responsible for the receipt, disbursement, and maintenance of all such funds; (c) be responsible for ensuring that all required financial statements and tax returns are properly prepared and filed; and (d) perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board. If required by the Board, 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 may determine.

Section 8. Resignation. Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

## ARTICLE VII

### Committees

Section 1. Committees. The Board, by resolution adopted by a majority of the Directors in office, may designate one (1) or more committees each of which will initially consist of such persons as the Board designates, provided that at least one member on each committee is a Director. The committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority of the Board in the management of the Association; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon the Board or the Directors by law.

Section 2. Commissions or Advisory Bodies. Commissions or advisory bodies that do not have the authority of the Board may be designated or created by the Board and may consist of such

persons as the Board designates. A commission or advisory body may or may not have Directors as members, as the Board determines. The commission or advisory body may not act on behalf of the Association or bind it to any actions but may make recommendations to the Board or to the Officers of the Association.

Section 3. Committee Members. After the term of the initial committee members expires, committee members will be appointed to the committee by the Board in consultation with the Committee Chair. As long as one committee member is a Director, the remaining committee members need not be Directors.

Section 4. Term of Office. Each member of a committee, advisory board, or commission shall continue as such until the next Annual Meeting of the Board and until a successor is appointed, unless the committee, advisory board, or commission shall be sooner terminated, or unless such member is removed from such committee, advisory board or commission by the Board, or unless such committee member shall die, become incapacitated, resign, or cease to qualify as a member thereof.

Section 5. Committee Chair. One (1) member of each committee, advisory board, or commission shall be appointed committee chair ("Committee Chair") and shall preside over the committee meeting and report the activities, progress, recommendations, findings, or results back to the Board.

Section 6. Vacancies. Vacancies in the membership of any committee, advisory board, or commission may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 7. Quorum and Manner of Acting. Unless otherwise provided in the Board resolution designating a committee, advisory board, or commission, a majority of the whole committee, advisory board, or commission shall constitute a quorum. The act of a majority of the members present at a meeting with a quorum shall be the act of the committee, advisory board, or commission.

Section 8. Rules. Each committee, advisory board, or commission shall operate under the rules adopted by the Board or specific committee rules approved by the Board.

## ARTICLE VIII

### Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Association shall be determined by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

Section 2. Parliamentary Rules. Roberts Rules of Order (current edition) shall govern the conduct of all Association proceedings, when not in conflict with Illinois law, the Articles, the Declaration, these By-Laws, or a ruling made by the person presiding over the proceeding.

Section 3. Conflicts. If there are conflicts or inconsistencies between the provisions of Illinois law, the Articles, the Declaration, and these By-Laws, the provisions of Illinois law, the Declaration, the Articles, and the By-Laws (in that order) shall prevail.

Section 4. Indemnification. Each person who at any time is or shall have been a Director, Officer, employee, or agent of the Association, shall be indemnified by the Association in accordance with and to the full extent permitted by the General Not-For-Profit Corporation Act of Illinois as in effect at the time of adoption of these By-laws or as amended from time to time. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any bylaw, agreement, vote of disinterested Directors, or otherwise.

Section 5. Amendment. Prior to the First Annual Meeting, these By-Laws may be amended by the majority vote of the Directors and the consent of the Declarant. After the First Annual Meeting, these By-laws may be amended by vote of the Members (A and B) holding three-fourths (3/4) of all votes entitled to be cast.

Adopted: February 15, 2013