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**Declaration of
Protective Covenants, Conditions,
Restrictions, Reservations and Grants of
Bliss Woods Club
(The "Declaration")**

This declaration is made this 28th day of September, 1999 by American National Bank and Trust Company of Chicago, as Trustee under a Trust Agreement dated March 5, 1993 and known as Trust Number 116691-08 ("Trust"), and Inland Land Appreciations Fund II, L.P., a Delaware limited partnership ("Covenantor").

WITNESSETH:

WHEREAS, the Covenantor is the sole beneficiary of the Trust; and

WHEREAS, Trust is the owner of legal title of Bliss Woods Club (hereinafter defined) legally described in ARTICLE I of this Declaration; and

WHEREAS, the Covenantor desires to develop Bliss Woods Club as a residential community; and

WHEREAS, the Covenantor and Trust desire to preserve the values and amenities in said community by subjecting Bliss Woods Club 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

NOW THEREFORE, Covenantor and Trust declare that the real estate comprising Bliss Woods Club is and shall be held, transferred, sold, conveyed, and occupied subject to the covenants, restrictions, easements, assessments, charges and liens as hereinafter set forth.

ARTICLE I

PROPERTY SUBJECT TO THIS DECLARATION

Existing Subdivided Property

The following real property, herein referred to as "Bliss Woods Club", is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration:

Lots 1 through 96 and Parcels A, B and D in Bliss Woods Club Unit 1, being a subdivision of part of Sections 3,4,9 and 10, Township 38 North Range 7 East of the Third Principal Meridian, according to the plat recorded September 16, 1999 as Document No. 1999 K089430, in Kane County, Illinois.

ARTICLE II

GENERAL PURPOSES

Quality and Character

The purpose of this Declaration is to provide for high standards of maintenance, creation of easement rights, uniform building restrictions and restrictions upon the use and occupancy of real estate in the subdivision so as to insure a community of the highest quality and character for the benefit and convenience of all property owners and residents of Bliss Woods Club.

ARTICLE III

HOMEOWNERS ASSOCIATION

Section 1. Creation

Covenantor may elect at any time to cause to be incorporated under the laws of the State of Illinois a not-for-profit corporation (hereinafter referred to as the "Association"), but in any event the Association shall be formed no later than (90) days prior to the Turnover Date described in [Section 6](#) of this ARTICLE III.

Section 2. Responsibility

The Association shall be the governing body for all the owners and beneficiaries of title-holding land trusts of lots in Bliss Woods Club and shall be responsible for the ownership, operation, insuring, maintenance, repair and landscaping of Parcels A, B and D and all improvements thereon (such lots and improvements are collectively herein referred to as "Common Area Lots"). It shall exercise all powers necessary to fulfill its obligations as set forth in this Declaration.

Section 3. Membership

Every person or entity who is a record owner of a lot in Bliss Woods Club or who is the beneficiary of a land trust holding title to a lot in Bliss Woods Club shall be a member of the Association irrespective of the inclusion, exclusion, the incorporation by reference, or any specific expression or lack thereof to that effect in the deed or other documents of conveyance. Membership is appurtenant to and shall not be separate from ownership of a lot. Thus, membership shall automatically terminate upon the sale or other disposition by a member of his ownership of a lot in Bliss Woods Club shall automatically transfer to the new owner who shall become a member of the Association; provided, however, that such termination shall not relieve or release any former owner from any liability or obligations incurred under or in any way connected with the Association during the period of such former owner's membership in the Association. Notwithstanding the foregoing, no person or entity who holds record ownership of a lot merely as security for performance of an obligation shall be a member of the Association.

If more than one person or entity is the record owner of a lot in Bliss Woods Club, all such persons or entities shall be members but shall collectively have only one vote per lot.

Each member of the Association shall be bound by and shall observe the terms and provisions of this Declaration, the Articles, the By-Laws and the rules and regulations promulgated from time to time by the Association or its board of directors (the "Board").

Section 4. Voting Rights

The Association shall have two classes of voting membership:

- (a) Class A: Class A members shall be all record owners of lots in Bliss Woods Club and all beneficiaries of land trusts holding title to lots in Bliss Woods Club with the exception of the Covenantor.
- (b) Class B: Class B members shall be the Covenantor or its successors or assigns which are expressly assigned Covenantor rights hereunder.

Commencing upon the Turnover Date, Class A members shall be entitled to one vote for each lot owned. If a lot is owned by more than one person or entity, collectively such owners shall only have one vote per lot. In no event shall more than one vote be cast with respect to any lot owned by Class A members.

Class B members shall be entitled to four votes for each lot owned. No more than four votes shall be cast with respect to any lot owned by Class B members.

Class B membership shall cease and be converted to Class A membership on the first to occur of either of the following events:

- (a) when the total votes outstanding in Class A membership equal the votes outstanding in the Class B membership, or
- (b) whenever the Class B member(s) elect(s) to so convert.

Prior to the Turnover Date and except to vote for Board of Directors positions that Covenantor has relinquished the right to appoint as described in [Section 7](#) of this Article III, all voting rights shall be lodged exclusively in the Covenantor and lot owners other than Covenantor shall have no voting rights.

The Association shall have the right to suspend the voting rights of any member for any period during which any assessment levied by the Association against the member's lot remains unpaid.

Section 5. Powers and Duties

The Association shall have such powers as may be reasonably necessary to enforce the restrictions and covenants set forth in this Declaration and as may be reasonably required to implement the purposes set forth herein, including the right to levy regular and special assessments as set forth in [ARTICLE IV](#) and to enforce same pursuant to [ARTICLE X](#). The Association shall be responsible for the ownership, operation, maintenance and repair of Common Area Lots and all improvements thereon. The Association shall care for inspect, maintain, repair, clean and remove rubbish from said Common Area Lots and

shall replace all components comprising the detention easement on the Common Area Lots which include, but are not limited to, landscaping and any electrical, mechanical and sprinkling systems and parts thereof, except as may otherwise be provided in [ARTICLE V](#). Not in limitation of but in addition to the foregoing powers, the Association shall have the following powers:

- (a) Such powers as may be reasonable necessary to enforce the restrictions and covenants contained in this Declaration, the By-Laws and the rules and regulations promulgated by the Association as may be reasonably required to implement the purposes set forth herein, including the right to levy a reasonable annual or special assessment against each lot and each record owner:
- (b) To the extent such services are not provided by any governmental body: To maintain entrance ways including gates, signs or other ornamental structures, landscaped center island cul-de-sacs, if any, notwithstanding dedication to a public body, the roads within the Bliss Woods Club subdivision and any other common ground, including, but not limited to, common properties within the Bliss Woods Club subdivision, public or private bike paths, walkways, detention or retention areas and sub-surface drainage systems in the Bliss Woods Club subdivision;
- (c) To mow, care for and maintain all property no comprising member's lots, including any landscaped center island cul-de-sacs, if any, the Common Area Lots, remove rubbish from same to assure the uninterrupted functioning of all sub-surface drainage systems and to do all other manner or other things necessary or desirable in the judgment of the officers of the Association to keep all parkways in front of any property in the Bliss Woods Club subdivision in neat appearance and good order.;
- (d) To make such improvements to the entrance ways, landscaped center island cul-de-sacs, if any, and any other common ground in the Bliss Woods Club subdivision and provide such other facilities and services as may be authorized from time to time by the affirmative vote of the majority of the members of the Association acting in accordance with its By-Laws, provided, however, that any such action so authorized shall always be for the express purpose of keeping the Bliss Woods Club subdivision a highly desirable and quality residential community;
- (e) To abide by the lawful directives, ordinances, and regulations of any duly constituted governmental agency or unit of government regarding the operation of the Bliss Woods Club subdivision; and

- (f) To obtain such insurance coverages as the Board may deem appropriate.

The Association its officers, employees, agents and contractors have access across, over, upon, under and along the Common Area Lots to accomplish the foregoing duties, responsibilities and obligations of the Association. The Association shall have the power to make other rules and regulations with respect to Bliss Woods Club as it may determine. All owners shall be subject to the rules, regulations and assessments promulgated by the Association whether or not said owner voted in favor of such rule, regulation or assessment. Unless the Covenantor otherwise agrees, the Association shall succeed to the rights and responsibilities of the Covenantor hereunder no later than the Turnover Date of the Association.

Section 6. Meetings

The initial meeting of the voting members shall be held upon twenty-one(21)days prior written notice given by the Covenantor. Such initial meeting may be held at any time in the sole discretion of the Covenantor, but must be held no later than sixty (60) days after the first to occur of the sale of seventy-five percent (75%) of the lots in the Bliss Woods Club subdivision or three (3) years after the last of the date of the recording of this Declaration or the last supplement thereto as described in [ARTICLE X, Section 9](#) ("Turnover Date"). Thereafter, there shall be an annual meeting of the voting members as provided in the By-Laws of the Association.

Section 7. Board of Directors

The affairs of the Association shall be managed by a Board of Directors. Until the Turnover Date, the Covenantor shall select the members of the Board (not less than three (3) members) which members shall serve until the Turnover Date. Covenantor may, from time to time, by written notice to the Association, elect to relinquish its right to appoint any one or more directors (in which such event such members of the Board shall be elected by the voting members) and to continue to exercise it right to appoint the remaining members of the Board until the Turnover Date. At the initial meeting of the voting members on the Turnover Date, a new Board shall be elected. Members of the Board elected at the initial meeting shall serve until the first annual meeting. The By-Laws shall set forth the general powers of the Board, the number, tenure and qualification of Directors, their term of office, manner of election and removal, and method of operation of the Bard. Only Board members selected by Covenantor to run for the Board or to sever thereon do not have to be lot owners. All other Board members must be lot owners (which lot owners are deemed to include beneficiaries of land trusts that are lot owners). The initial meeting of voting members shall occur as specified in [Section 6](#) of this ARTICLE III, or if Covenantor fails to call such meeting, any three (3) members of the Association may call for such initial meeting any time after the Turnover Date.

Voting members having at least sixty-six percent (66%) of the total votes may from time to time increase or decrease the number of persons on the Board or may increase the term of office of the Board members, provided that the number of Board members shall not be less than three nor more than seven and that the terms of at least one-third of the persons on the Board shall expire annually.

Members of the Board shall receive no compensation for their services, unless expressly allowed by the Board at the direction of the voting members having at least sixty-six percent (66%) of the total votes.

The Board shall elect from among its members the following:

- (a) A president who shall be the chief executive officer of the Board and who shall preside over both Board meetings and meetings of the voting members.
- (b) One or more vice presidents who shall assume the duties of the president if the president is unable to fulfill his duties.
- (c) A secretary who shall keep the minutes of all meetings of the Board and of the voting members and who shall perform all the duties incident to the office of the secretary.
- (d) A treasurer who shall keep the financial records and books of account.

The Board may elect such officers as it deems necessary. The officers shall exercise their functions according to the By-Laws.

The members of the Board of Directors of the Association and the officers thereof shall not be liable to the Association or the record lot owners for any mistake of judgment or acts or omissions made in good faith while acting in their capacity as directors or officers. The Association shall indemnify and hold harmless the members of the Board and the officers thereof, and their respective heirs, estates and legal representatives, against all contractual liability to others arising out of contracts made with others and made with Board approval and against other liabilities arising out of contracts made by or other acts of the directors and officers on behalf of the Association or liabilities arising out of their status as directors and/or officers unless any such contract or act or omission shall have been made unlawfully, fraudulently or with gross negligence. The foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, attorney's fees, judgments, fines and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action suit, or proceeding, whether civil, criminal, administrative, investigative or otherwise, in which any such director or officer may be involved by virtue of being or having been such director or officer; provided, however, that such indemnity shall not be operative with respect to any acts or omissions in the performance of his/her duties as such director or officer found by a court to be unlawful or to constitute gross negligence or fraud.

In the event of disagreement among any members of the Association relating to the maintenance, use or operation of the Common Area Lots, the maintenance, use, operation or landscaping of any landscaped center island cul-de-sacs or any question or interpretation or application of the provisions of this Declaration or the By-Laws, the

determination thereof by the Board shall be final and binding on each and all such members of the Association.

Section 8. By-Laws of the Association

The By-Laws of the Association shall be as set forth on Exhibit "B" attached hereto and made a part hereof.

Section 9. Insurance

The Covenantor, and the Association when formed, may procure and maintain a fidelity bond insuring the Covenantor, the Association, the Board and the record owners of lots in the Bliss Woods Club subdivision against loss of funds as a result of the fraudulent or dishonest acts of any employee of the Covenantor, the Association or its management agent or of any other person handling the funds paid to Covenantor on behalf of the Bliss Woods Club subdivision, the Association, the Board or the officers of the Association in such amounts as Covenantor, or the Board when the Association has assumed the powers and duties of Covenantor, shall deem necessary but not less than one hundred fifty percent (150%) of the annual operating expenses applicable to the Bliss Woods Club Subdivision, including reserves. Such bond shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression. The Covenantor and the Association after its formation may also obtain such other kinds of insurance as the Covenantor or the Association, as applicable, shall from time to time deem prudent in such amounts as Covenantor or the Association shall deem desirable. The premiums for all insurance shall be paid out of the assessments paid by record owners of lots in the Bliss Woods Subdivision.

Section 10. Powers of Covenantor

Until such time as the Association succeeds to the rights of the Covenantor hereunder upon turnover as aforesaid, Covenantor shall have all of the power specified in this Declaration. Subsequent to turnover, the Covenantor shall continue to have all rights of Covenantor as stated herein with regards to all unsold lots.

ARTICLE IV

MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments

Covenantor and Trust hereby covenant that each owner of a lot in Bliss Woods Club by acceptance of a deed, assignment of beneficial interest or any other document or instrument of conveyance or assignment of a lot, shall be deemed to covenant and agree to pay to the Association regular assessments or charges and special assessments for special improvements as provided herein. Such assessments shall be fixed, established and collected from time to time as hereafter provided. The regular and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge against and a continuing lien upon the lot against which such assessment is made until the assessment is paid in full together with any interest thereon and cost of collection thereof, if applicable. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person or entity which is the owner of such lot at the time when the assessment is made.

Section 2. Purpose of Assessments

The assessments levied by the Association shall be used for any purpose of the Association as specified in this Declaration or in its Articles, including, but not limited to, promoting the recreation, health, safety and welfare of the property owners and residents of Bliss Woods Club, providing for the inspection, insuring, maintenance, repair and landscaping of the landscaped center island cul-de-sacs, if any, and the ownership, operation, insuring, maintenance and repair of the Common Area Lots, as provided in [ARTICLE III, Section 5](#), and paying the costs of insurance.

Section 3. Basis of Regular Assessments

The amount of the first annual regular assessment shall be established by the Covenantor. Regular assessments may be increased or decreased by the Covenantor or by a vote of the Board for the next succeeding year and at the end of that year for each succeeding year.

The Covenantor or the Board, as the case may be, may, at any time, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment for any year at an amount less than that previously set for that year.

Section 4. Special Assessment for Capital Improvements and Other Costs

In addition to the regular assessments authorized by Section 3 above, Covenantor, or the Board if duly elected, may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any: (a) capital alterations, additions or improvements to the Common Area Lots, and any landscaped center island cul-de-sacs, if any; (b) unexpected repair, maintenance or replacement costs paid or to be paid by the Association; (c) specific equipment or other personal property; or (d) to pay any attorney's or paralegal fees and the costs and

expenses of litigation. Special assessments collected hereunder shall be segregated from and used only for the specific purpose of which such special assessment was levied. The provisions of this Section shall not apply to, restrict or limit the right, power and obligation of the Board to assess and pay for the repair, maintenance, restoration and replacement of existing improvements on the Common Area Lots or landscaped center island cul-de-sacs, if any , or restrict or limit the right, power or obligation of the Board to assess and pay for any equipment or other personal property then owned by the Association.

Section 5. Change in Basis of Regular Assessments

The Association may change the maximum and basis for the regular assessments fixed by said Section 3 hereof prospectively for any annual period including the current annual period.

Section 6. Capital Reserves

To the extent that the annual budget includes any amount designated as a capital reserve, each record owner, as to each monthly installment of the annual assessment paid by such record owners, shall be deemed to make a non-refundable capital contribution on the proportion that the amount of the said designated capital or the Association if it has been formed, shall be segregated and maintained in a special capital reserve account be used solely for making major repairs and replacements to the Common Area Lots and/or landscaped center island cul-de-sacs, if any, and for the purchase of equipment to be used by the Association in connection with its duties hereunder, provided that if the budget includes a reserve for a specified capital expenditure, a proportionate share of each monthly assessment shall be separately maintained and used solely for that purpose.

Section 7. Initial Capital Contribution by Purchasers

At the closing of first sale of each home built upon any lot within the Bliss Woods Club subdivision, the purchaser will be required to make a capital contribution to the Covenantor or the Association, if it has been formed, in an amount equal to six (6) times the then or estimated monthly assessment for the lot as determined by Covenantor or the Association if it has been formed. The aforementioned assessment shall be held and used by the Covenantor or the Board, as is applicable, and as it shall from time to time determine for the benefit of the Bliss Woods Club subdivision. Each owner shall be liable for payment of said initial capital contribution and the Covenantor or the Association, if it is formed, is hereby authorized and empowered to collect same in the same manner as it authorized and empowered herein to collect delinquent assessments.

Section 8. Quorum of the Board for Any Action Authorized under Sections 4 and 5

The quorum of the Board, if duly elected, required for any action authorized by [Sections 4 and 5](#) of this Article IV shall be at least sixty-six percent (66%) of the total votes that could be cast by the Board. If the required quorum is not forthcoming at any meeting, another meeting may be called, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 9. Date of Commencement of Regular Assessments

The regular assessments shall commence on January 1, 2001 with payment due on the first business day of each year commencing on January 2, 2001 and on the first business day of each year thereafter (i.e. January 2, 2002) , or as otherwise provided by Covenantor or the Association.

Section 10. Duties of Board of Directors to Fix Assessments

Except as herein otherwise provided, the Board shall fix the amount of the assessment against each lot and the term for such assessment with the term commencing no sooner than thirty (30) days after the assessment is determined and the Board shall prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner. Written notice of the assessment shall be sent to every owner subject thereto.

The Association shall upon written demand furnish to any owner a certificate 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 state to have been paid.

Section 11. Effect of Non-Payment of an Assessment

If any assessments (including, without limitation, annual assessments, special assessments and capital contributions) are not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and costs of collection including reasonable attorney's fees thereof as hereinafter provided, become a continuing lien upon the property and an equitable charge running with the land and shall bind the owner, his heirs, devisees, personal representatives, assigns, successors, and grantees. If title to a lot is held by a land trust, the trustee shall not have any personal liability for the assessment, but all beneficiaries of the trust shall be jointly and severally liable. The lien shall attach to rents due from parties in possession to the record owners, provided that the lien shall be subordinate to an assignment of rents held by a mortgagee delivered in connection with a first mortgage loan to purchase the property.

If any assessment is not paid with thirty (30) days of its due date, the assessment shall bear interest from the date of delinquency at a rate of eighteen percent (18%) per annum or the highest rate allowed by law, whichever is less, from time to time while the assessment remains unpaid and the Association may bring an action at law or in equity to foreclose the lien against the property, and there shall be added to the amount of such assessment and interest thereon all the costs of preparing and filing the complaint and maintaining and concluding such action, including, without limitation, the cost of title reports, all attorney's fees and all court costs and expenses, and, in the event personal judgment or decree of foreclosure is obtained, such judgment or decree shall include the amount of the assessment, interest on the assessment as above provided, at the above described court costs and expenses and a reasonable attorney's fee to be fixed by the court together with all costs of the action. The venue for all actions at law or in equity shall be in Kane County, Illinois. The persons in possession shall be authorized to accept summons for the owners of the lot.

In the event that title to any lot is conveyed to a land trustee, upon the demand of the Association the trustee shall furnish the Association with a certified copy of the trust agreement so that the Association shall be advised of the beneficiaries entitled to vote and who are personally liable for the regular and special assessments.

The provisions of this Section 11 and the following Section 12 shall also apply to any costs or expenses incurred by Covenantor or the Association for any costs of replacements, repairs or maintenance performed by Covenantor or the Association or their respective employees, agents or contractors because of the failure of a lot owner to perform such replacements, repairs or maintenance (for examples see [ARTICLE V, Section 1](#) and [ARTICLE VII, Section 15\(e\)\(2\)](#)). No record owners may waive or otherwise escape liability of any assessments and charges provided herein by non-use of the Common Area Lots, and/or landscaped center island cul-de-sacs, if any, or abandonment of his or her lot.

Section 12. Subordination of the Lien to Mortgages

The lien of the assessments provided for herein may for any reason be subordinated by the Association by written document executed by its duly authorized officers and shall without any writing be subordinate to the lien of any mortgage placed upon the property for the purpose of purchasing the subject lot or lots provided, however, that such automatic subordination shall apply only to the first mortgagee (not any subsequent purchaser) and only the assessments which arise subsequent to the lien of the mortgage or mortgages; and provided further that such subordination shall apply only to the assessments which have become due and payable prior to sale or transfer of such property pursuant to a decree of foreclosure, or any other proceedings 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. The owners agree, upon accepting title, that the lien of such assessments shall be prior to the homestead rights of the owners since the lien runs with the land and its in existing before commencement of ownership interests.

Section 13. Exempt Property

The following property subject to this Declaration shall be exempt from the assessments, charges and liens created herein:

- (a) all property to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use.

 - (b) all property exempted from taxation by the laws of the State of Illinois, upon the terms and to the extent of such legal exemption; and

 - (c) all vacant lots owned by Trust, Covenantor, or any successor or assign thereof.
-

ARTICLE V

MAINTENANCE AND REPAIR

Section 1. Responsibility of Owner

Each owners of a lot in Bliss Woods Club shall provided at his own expense all of the maintenance, decorating, and replacement on that portion of his own lot and adjoining parkways which is not included in the Common Area Lots and keep same in good condition and order. Each owner shall also be responsible of any plantings, construction, buildings and improvements which the lot owner has placed on his or her lot. In the even that a lot owners fails to keep his lot in good condition and order and the lot is vacant, the Association may do any work necessary to put the lot in good condition and order. The Association shall assess the owners for one hundred fifty percent (150%) of the cost of the work and the lot shall be subject to the imposition of a lien for such cost in accordance with [ARTICLE IV Section 11](#) herein. All such costs are due and payable within five (5) days of the date the Association incurs the cost. An assessment letter listing the charges will be sent to the lot owner's last known address.

Section 2. Responsibility of Homeowners Association

The Association shall be responsible for operation, maintenance, insuring, repair and landscaping of the landscaped center island cul-de-sac, if any, and the ownership, operation, maintenance, insuring and repair of the Common Area Lots, as described in [ARTICLE III, Section 5](#).

Section 3. Liability for Damage to Property within the Drainage Easements

Each lot owners in Bliss Woods Club shall be liable for the cost and expense of any maintenance, repair, or replacement of any of the property of the Association is responsible to maintain in Bliss Woods Club and which costs or expense is rendered necessary by the act, neglect, or carelessness of such owners or by any member of his family or his guests, employees, contractors, agents, or lessees.

ARTICLE VI

COVENANTOR'S RESERVED RIGHTS

Section 1. Easements

Notwithstanding any provision contained herein to the contrary, all covenants, restrictions, easements, charges and liens created under this Declaration shall be subject to easements of record on the date hereof and any easements which may hereafter be granted by the Covenantor.

Section 2. Architectural Review

The Covenantor requires architectural review by the Covenantor or its designee of: (a) all plans and specifications for all dwellings, fences, walls, driveways and other buildings or structures of any kind to be erected, constructed, placed or maintained in Bliss Woods Club; (b) all plans and specifications for landscaping, including without limitation, trees, shrubs, bushes and similar landscaping materials; (c) all plans and specifications for any exterior addition, change or alteration in any dwelling accessory building or other out-building, fence, wall driveway, mailbox, other structure, or change or addition to landscaping; and (d) all location of the building or structure on the lot as surveyed by a registered surveyor. The Covenantor shall have the right of architectural review until the earlier of : (1) sixty (60) days after the completion and occupancy of residences on all Bliss Woods Club lots; or (2) such time as Covenantor assigns said right of architectural review to the Association; thereafter said right of architectural review shall revert to the Association. No material change to the grade or slope of the ground will be allowed. Approval of any plans shall not be deemed an approval of the feasibility, structural integrity or engineering design of any structure or system described in any plan or design submitted for review.

The Covenantor (and the Association when it exercises architectural review) shall have the right to reasonable refuse to approve any such construction which it determines, in its sole discretion, is not suitable or desirable for Bliss Woods Club based on aesthetic considerations or other factors.

Section 3. General Rights

The Covenantor shall have the right to execute all documents or undertake any actions affecting Bliss Woods Club which in its sole opinion are either desirable or necessary to fulfill or implement, either directly or indirectly, and of the rights granted or reserved to it in this Declaration.

The Covenantor shall have the right to amend this Declaration without complying with [ARTICLE IX](#). This right will cease upon the election of the initial Board upon the Turnover Date.

ARTICLE VII

COVENANTS AND RESTRICTIONS

Section 1. Single Family Use

Lots 1 through 96 shall be used only for single-family residential purposes. No trade, business or commercial enterprise of any type whatsoever, except sales offices located in either model homes or separate facilities used by builders of homes in Bliss Woods Club, shall be permitted or maintained on any of these lots or in any residence, garage or trailer. The Common Area Lots shall remain open land used for the mutual benefit of the record owners for the lots in the Bliss Woods Club subdivision.

Subject to the provisions of [ARTICLE VIII](#) hereof, homes constructed at Bliss Woods Club must be of a minimum size as follows:

(a) Ranch-style homes must have a minimum of 1,800 square feet of living area.

(b) Split-level, bi-level and tri-level homes must have a minimum of 2,000 square feet of living area.

(c) Two-story homes must have a minimum of 2,200 square feet of living area.

The term "living area" shall not include any space below grade, any patio or garage. The above restrictions on building size shall apply to all lots in Bliss Woods Club. In the event a single-family dwelling is destroyed by fire or other casualty, the owner of the lot affected shall be entitled to rebuild a single-family dwelling of the same size as the completed site of the dwelling destroyed. Covenantor, in its sole and absolute discretion, may grant variances to the above requirements to Thill, Sweeney and Williams or any other builders building homes in Bliss Woods Club. Any grant of such variance(s) shall not be construed to require Covenantor to grant the same variance or other variances to any party.

Section 2. Garages

All dwelling units shall have attached garages for not less than two automobiles.

Section 3. Landscaping

Each owner of a lot in Bliss Woods Club shall landscape his lot, including the parkway. Said landscaping shall be completed within six (6) months of the home being occupied, subject to adverse weather conditions and Village of Sugar Grove ("Village") regulations. At a minimum, front and side yards must be sodded; rear yards may be seeded.

Section 4. Vehicles

No recreational vehicles, camping trailers, boats, tractors, trucks, motorcycles, mobile homes or commercial vehicles of any type whatsoever are to be parked, stored or left unattended, permanently or temporarily, on any lots in Bliss Woods Club except within enclosed garages on the lots; provided that the operable automobiles being used by the owners, occupants and their invitees may be parked on the owners' driveways and subdivision streets as permitted by law and the rules and regulations promulgated by the Association. Construction related tractors and trucks will be allowed only during initial construction of homes.

Section 5. Bicycle Storage

No bicycles, carriages or other articles shall be stored or left visible on any lot in Bliss Woods Club except when in use.

Section 6. Animals

No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except that dogs, cats or other household pets may be kept, provided that they are not kept, raised bred or maintained for any commercial purpose. No dog or cat kennels of any type shall be kept or maintained on any of the lots and no household pets of any type whatsoever shall be kept, maintained or housed anywhere on any of the lots except inside the dwelling unit. No exterior animal shelter or other structure is permitted on any lot without the written consent of the Covenantor or the Association.

Section 7. Nuisances

No noxious or offensive activity shall be carried on, in or upon any premises, nor shall anything be done thereon which may become an annoyance or nuisances to the neighborhood. No weeds, underbrush or other unsightly vegetation shall be permitted to grow or remain upon any of the lots and no refuse pile, junked vehicle or unsightly object shall be allowed to be placed or maintained on any of the lots. tarpaulins and similar covering materials are prohibited, except to cover in-ground swimming pools. All lots must be mowed on a regular basis. Grass, weeds or any other plant growth other than shrubs, bushes and trees on the lots must not exceed four (4) inches in height at any time. Trash, garbage or other waste shall not be kept, except in sanitary containers which must be properly maintained. No trash, garbage or other was containers shall be stored, kept or maintained outside a dwelling structure except on such days as such trash, garbage or other waste material is to be collected or removed.

Section 8. Drilling, Mining.

No drilling or mining operations of any type whatsoever shall be permitted upon or in any of the lots, nor shall any wells, tanks tunnels, excavation or shafts be permitted upon or in any of the lots. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained, or permitted upon any of the lots.

Section 9. Television Antennas, Satellite Dishes

No exterior television antennas, television, satellite dishes, radio antennas or lights of any type whatsoever shall be erected or installed or maintained, temporarily or permanently, except such antennas or lights which shall be erected or installed or approved by the Covenantor or the Association.

Section 10. Water Features

The water features of every kind and description which are property for which the Association is responsible shall not be used for any recreation purpose whatsoever.

Section 11. Code Compliance

All structures to be erected shall comply with all government regulations, including the Village zoning, subdivision, health, safety and building codes.

Section 12. Utility Easements

All easements created herein shall be subject to all public utility easements heretofore or hereafter granted.

Section 13. Pools

Above-ground swimming pools are not allowed except children's pools that do not exceed twelve (12) inches in depth. In-ground swimming pools must be landscaped and screened and plans for such pools, landscaping and screening must be approved by the Covenantor or the Association before installation. All in-ground pools must comply with all applicable Village rules, regulations, orders, and ordinances.

Section 14. Temporary Structures

No temporary building of any kind shall be allowed. This provision shall not apply to temporary structures erected, placed or maintained by the Covenantor.

Section 15. Fences

The construction and installation of fencing on Lots 1 through 96 may be allowed or disallowed in the sole discretion of the Covenantor or the Association if it is then formed and, if permitted, will be subject to the following restrictions and conditions:

- (a) The requirements, ordinances and regulations of the Village relating to fence construction and installation;
- (b) The prior written approval of the Covenantor and/or the Association.
- (c) Fencing shall:
 - (i) be located no closer than (10) feet from any right-of-way;

- (ii) not be located in the front or side yards of any lot;
- (iii) except for privacy fencing, not exceed four (4) feet in height;
- (iv) be only of the following types and with minimum 50% visibility;
 - A. Post and rail;
 - B. Split rail;
 - C. Picket;

(d) Privacy fencing shall:

- (i) not exceed six (6) feet in height;
- (ii) be constructed not more than twenty (2) feet from the rear of the dwelling, but in no event within the rear yard setback and no closer than (8) feet from any easement under the control and care of the Association;
- (iii) be no wider than the house

(e) All fencing shall:

- (i) be constructed with all posts located on the house-side with the finished side of the fence facing outward, provided, however, board on board fencing is permitted;
- (ii) be maintained in good condition and repair at all times and if the lot owner fails to so maintain the fencing, the Association may perform such maintenance and repair in its sole discretion and the Association shall be entitled to assess and charge the owner of the lot for one hundred fifty percent (150%) of the costs of such maintenance and repair and subject the owner's lot to the imposition of a lien in accordance with [ARTICLE IV, Section 11](#) herein. All such costs are due and payable within five (5) days of the date the Association incurs the cost. An assessment letter listing the charges will be sent to the lot owners last known address.

(f) Dog runs:

- (i) shall be constructed in the rear yard only and can not be closer than four (4) feet to either side of the house;
- (ii) shall not exceed six (6) feet in depth or eighteen (18) feet in width;
- (iii) may be constructed of open vinyl-wrapped chain link.

(g) For Lots 17 through 41 and 49 through 564, if the construction and installation of fencing thereon is allowed by Covenantor or the Association, it is agreed that no fence can be wider than the width of the house or located further than sixty-five (65) feet from the front yard and thirty (30) foot building line. It is further agreed that any fences on such lots that may be permitted by Covenantor or the

Association, as the case may be, must comply with the provisions of (c)(i), (ii), (iii) and (iv).

This Section shall not apply to temporary fences erected on said Lots 1 through 96 by the Covenantor or its assigns prior to the sale of those lots.

Section 16. Drainage Easements

No owner shall erect, construct, maintain, permit or allow any principal or accessory structure, fence, dam, barrier, or other improvements, inappropriate landscaping or obstructions of any kind which would or could interrupt the normal flow of water in any storm sewer, ditch, swale or tile on any private or public property or on any portion of the public right-of-way. No owner shall disrupt or permit to be disrupted any portion or portions of any installed sub-surface drainage system; any such disruption will be subject to the enforcement provisions of [ARTICLE X, Section 6](#).

Section 17. Out-Buildings

No owner shall erect, construct, place or permit any shed, storage building or other out-building upon his/her lot.

ARTICLE VIII

ARCHITECTURAL REVIEW

Section 1. Approval Required.

No erection, construction, planting or placement, addition to or alteration of any of the matters set forth under [ARTICLE VI, Section 2](#), shall commence without the written approval of the Covenantor having first been obtained, except as otherwise provided herein. The erection and construction of a dwelling unit shall not commence without the prior written approval from the Covenantor. Plans and specifications submitted to the Covenantor with respect to the construction of a dwelling unit shall be an exact duplicate of the final plans and specifications approved by the Village for the building permit. Approval by the Covenantor shall not be deemed an approval of the feasibility, structural integrity or engineering design of any structure or system described in any plan or design submitted to the Covenantor.

Section 2. Liability

The Covenantor shall not be liable for any action or inaction with regard to architectural review, nor shall any member of the architectural review committee, as established by the Covenantor or the Association, be subject to personal liability with respect to their powers, duties or actions as members of the committee.

Section 3. Filing Plans

Except as otherwise provided herein, two complete sets of all plans and specifications pertaining to the matters set forth under [ARTICLE VI, Section 2](#), shall be filed for approval or disapproval in the office of the Covenantor at 2901 Butterfield Road, Oak Brook, Illinois 60523, or at such location as may be specified from time to time by the Covenantor. All plans and all resubmissions must be sent to Covenantor or the Association, as the case may be, by certified mail, return receipt requested.

Section 4. Approval of Plans

Approval of such plans and specifications pertaining to the matters set forth under [ARTICLE VI, Section 2](#) shall be evidenced by a stamped or written endorsement on such plans and specifications or a letter of approval from the Covenantor. One (1) complete set of such plans and specifications showing the approval shall then be delivered to the owner of the lot to which the plans and specifications apply. No changes or deviations in or from the approved plans and specifications shall thereafter be made without first obtaining the written consent of the Covenantor, which consent must be obtained pursuant to the application process set forth in this Section.

Section 5. Disapproval of Plans

If the plans and specifications pertaining to the matters set forth under [ARTICLE VI, Section 2](#) are disapproved by the Covenantor in any respect, then the developer shall notify the owner who submitted them of the reason(s) for the disapproval. The

Covenantor may withhold approval for any reason deemed by it to be appropriate, including aesthetic reasons, except that approval will not be withheld capriciously or unreasonably. The owner will then be entitled to resubmit the plans and specifications as revised to correct the deficiencies. Upon resubmittal, the Covenantor shall have an additional twenty (20) days to either approve or disapprove the revised plans and specifications. The owner shall be entitled to resubmit revised plans and specifications pursuant to this procedure as often as reasonably necessary until revised plans and specifications are either approved by the Covenantor or permanently withdrawn by the owner. The owner shall not commence the erection, construction, placement or maintenance of any item contained in the original or revised plans and specifications, regardless of whether that item was deemed by the Covenantor to be deficient, until such time as the plans and specifications have been approved in all respects by the Covenantor.

Section 6. Failure to Approve or Disapprove

In the event the Covenantor fails to approve or disapprove the initial plans and specifications pertaining to the matters set forth under ARTICLE VI, Section 2 within thirty (30) days of filing of the plans and specifications, or fails to approve or disapprove resubmittal of the plans and specifications within twenty (20) days of resubmittal, approval of the Covenantor will not be required and this Article will be deemed to be complied with.

Section 7. Architectural Review Fee

A fee of \$50.00, payable by the owner to the Covenantor, will be charged for architectural review of the initial plans and specifications pertaining to the matters set forth under [ARTICLE VI, Section 2](#) and a fee of \$20.00, payable by the owner to the Covenantor, will be charged for architectural review of each resubmittal of such plans and specifications.

Section 8. Assignability

The functions of the Covenantor under this Article shall be assignable at the sole discretion of the Covenantor.

Section 9. Criteria for Architectural Review

In reviewing the plans and specifications pertaining to the matters set forth under [ARTICLE VI, Section 2](#), the Covenantor shall use a variety of criteria, including, but not limited to, the following:

- (a) the silhouette and outside elevation of the home, accessory building or other building to be constructed;

- (b) the type of material and color of the exterior of the home, accessory building or other building to be constructed;

(c)the exterior trim and window treatment of the home, accessory building or other building to be constructed;

(d)the type of material and color of masonry of the home, accessory building or other building to be constructed;

(e)the design and use of material used in any porches, garages, patios and retaining walls;

(f)the location and landscaping of the home, accessory building or other building to be constructed;

(g)attainment of the Covenantor's desire to create a variety in home designs, types and styles within Bliss Woods Club; and

(h)the requirements of the Annexation Agreement with the Village of Sugar Grove governing the real estate comprising Bliss Woods Club.

Section 10. Changes in Materials and Colors

Any change in exterior materials or colors of a home, accessory building or other building already approved and constructed must be submitted to the Covenantor or its assigns for approval, pursuant to this Article. This Section shall not be interpreted to require approval for replacement of materials or colors which had been previously approved.

Section 11. Unreasonable Disapproval Prohibited

It is understood and agreed that Covenantor's approval of the items specified in this Article shall not be unreasonably withheld or delayed nor will Covenantor unreasonably exercise its right to disapprove any of the specified therein.

Section 12. Association

The Association shall have all of the rights and duties of Covenantor under this [ARTICLE VIII](#) when the right of architectural review refers to the Association as specified in [ARTICLE VI, Section 2](#) hereof.

ARTICLE IX

AMENDMENTS

Section 1. Amendment

The provisions of this Declaration may be changed, modified or rescinded by an instrument in writing setting forth such change, modification or rescision, signed by owners having at least sixty-six percent (66%) of the total vote, certified by the secretary of the Board. It is understood and agreed that no change, modification or rescision of any term or provision of this Declaration shall eliminate, limit, modify, rescind or infringe upon the rights of Covenantor contained in this Declaration.

Section 2. Notice of Amendment

The change, modification or rescision, accomplished under the provisions of the preceding Section, shall be effective upon recordation of such instrument in the office of the Recorder of Deeds of Kane County, Illinois.

ARTICLE X

GENERAL PROVISIONS

Section 1. Duration

The covenants, restrictions, easements, rights, powers, duties, obligations, assessments, charges and liens as delineated in this Declaration shall be covenants running with and binding the land and applicable to all the property described in [ARTICLE I](#) of this Declaration. They shall inure to the benefit of and be enforceable by the Covenantor, the Association, or the owner of any lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years from the date this Declaration is recorded, after which time these covenants, restrictions, easements, assessments, charges and liens shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the owners of sixty-six percent (66%) of the lots in Bliss Woods Club has been recorded agreeing to change said covenants, restrictions, easements, assessments, charges and liens, in whole or in part. No such agreement to change shall be effective unless made and recorded three (3) years in advance of the effective date of such change and unless written notice of the proposed agreement is sent to every lot owner at least ninety (90) days in advance of any action taken.

Section 2. Notices

Any notice required to be given to any lot owner under the provisions of this Declaration shall be deemed to have been properly given if said notice was either (a) sent by certified mail, return receipt requested, with postage prepaid to the last known address of the person or entity who appears as the lot owner on the records of the Association at the time of such mailing with such notice deemed received within two (2) days of being depositing in the U.S. mail; or (b) personally delivered to the last known address of the person or entity who appears as the lot owner on the records of the Association at the time of such delivery.

Section 3. Rights and Obligations

Each grantee by the acceptance of a deed of conveyance and each purchaser under any contract for such deed or other conveyance accepts the same subject to: (a) all covenants, conditions, restrictions, easements, impositions, rights, powers, duties, obligations, assessments, charges and liens and the jurisdiction, rights and powers created by this Declaration; and (b) all rights, benefits and privileges of every character hereby granted, created, reserved or declared. All rights, powers, duties, impositions, assessments, charges, liens, covenants, conditions, restrictions, easements, and obligations hereby imposed shall be covenants running with the land and shall be sufficient to create and reserve such powers, duties, impositions, liens, covenants, restrictions, conditions, assessments, charges, easements and rights as fully and completely as though same were recited fully and set forth in their entirety in any conveyance documents for any lot in Bliss Woods Club.

Section 4. Covenant to Abide by This Declaration

The Covenantor agrees to abide by each and every covenant, restriction, easement, charge and lien set forth herein and agrees that all conveyances shall be subject to this Declaration as though each and every provision herein was set forth in each and every deed or document affecting title to the property.

Section 5. Lot Ownership in Trust

In the event title to any lot is conveyed to a title-holding trust, under the terms of which all powers of management, operation and control of the lot remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all assessments charges, interest, collection costs, obligations, liens, or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such lot ownership. No claim shall be made against any such title-holding trustee personally for payment of such assessments, charges, interest, collection costs, liens or obligations hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such assessments, charges, interest, collection costs or lien obligation. The amount of such assessments, charges, interest, collection costs, liens or obligations shall continue to be a charge of lien upon the lot ownership and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such lot ownership.

Section 6. Enforcement

Enforcement of the terms of this Declaration shall be by any proceeding at law or in equity in a court of proper jurisdiction against any person or persons failing to pay amounts due and payable by such person or persons, violating or attempting to violate any covenant, condition, restriction, easement or lien and to enforce and/or foreclose any lien created by these covenants and restrictions. Covenantor or the Association, as the case may be, shall be entitled to recover all costs, expenses and attorney's fees incurred to enforce the terms of this Declaration (which enforcement includes, without limitation, foreclosure of any lien). Failure by the Covenantor, the Association or any owner of a lot in Bliss Woods Club to enforce any right, power, duty, obligation, covenant, condition, easement or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 7. Covenant in the Event of Dissolution of the Association

In the event the Association is dissolved, the owners of lots in Bliss Woods Club agree that all the provisions contained herein regarding maintenance, repair, and replacement of Bliss Woods Club shall still apply and that this Declaration be in full force and effect.

Section 8. Severability

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

Section 9. Add-On Property

The Covenantor reserves for itself and its successors and assigns and for any land trust(s) of which any of the foregoing is the beneficiary, the right to subject to the terms, liabilities, provisions, conditions, covenants and restrictions described herein any or all of the additional property ("add-on real estate") described on Exhibit "A" attached hereto by recording with the Kane County Recorder of Deeds' Office, a supplement(s) hereto describing the add-on real estate and incorporating by reference the terms, conditions, liabilities, provisions, covenants and restrictions contained in this Declaration and all amendments hereto. Upon recording of each supplement, the add-on real estate described therein shall become subject to the terms, provisions, liabilities, conditions, covenants and restrictions contained in this Declaration. The term "Bliss Woods Club" as used throughout this Declaration shall be deemed to include any and all add-on real estate added to the terms, conditions, liabilities, provisions, covenants and restrictions of this Declaration by the recording of a supplement.

The original real estate comprising Bliss Woods Club and any add-on real estate shall be entitled to all of the benefits and uses of any and all drainage, landscaping and path easements and any systems contained therein listed on any final plat of subdivision for any and all phases of Bliss Woods Club which plats are recorded with the Kane County Record of Deeds' Office. Any assessments authorized by this Declaration shall apply to any add-on real estate and the add-on real estate will not only benefit by the mutual use and benefit of the drainage, landscaping and path easements and systems contained therein and common properties in Bliss Woods Club (which include without limitation the Common Area Lots and all improvements thereon) but such add-on real estate shall also share in the cost of the ownership, operation, maintenance, repair and replacement of all of the foregoing items and all components thereof. All lot owners in Bliss Woods Club shall be entitled to use the drainage, landscaping and path easements and systems contained therein and all common properties in Bliss Woods Club including those contained in the add-on real estate and shall pay assessments necessary to own, insure, operation, maintain, repair and replace all such easements, systems, common properties and all components thereof.

With respect to the Turnover Date, the three (3) year period will be deemed to run from the date that the last supplement to this Declaration is recorded and the seventy-five percent (75%) of lots sold shall apply to the aggregate lots contained in Bliss Woods Club which includes any add-on real estate.

Section 10. Occupants

All of the obligations, restrictions, liabilities and covenants imposed upon owners hereunder shall also be applicable to and imposed upon all persons occupying any of the lots who are not owners, other than the Covenantor.

Section 11. Deviations by Agreement

Covenantor, or its successor or assign, hereby reserves the right to enter into agreements with the owner of any lot or lots (without consent of owners of other lots or owners of adjacent property or the Association) to deviate from any or all of the restrictions and covenants set forth in this Declaration, provided there are, in the sole discretion of the

Covenantor, practical difficulties or particular hardships evidenced by the petitioning owner provided any such deviations (which shall be manifested by a written agreement) shall not constitute a waiver of any covenant as to the remaining lots in Bliss Woods Club.

Section 12. Article and Section Hearings

The Article and Section headings of this Declaration are for convenience of reference only and shall not be deemed to alter or affect any provision hereof.

Section 13. Successors and Assigns of Covenantor

All of the rights and powers of the Covenantor under this Declaration shall inure to the benefit of any successor or assign of Covenantor.

Section 14. Conveyance of Common Areas to Homeowners Association

Any time after the formation of the Association, Covenantor shall have the right to convey to the Association, and the Association shall accept title to all or any portions of the common areas of the Bliss Woods Club subdivision then owned by Covenantor or any land trust of which Covenantor is the beneficiary. Upon and after such conveyance(s), the Association shall hold title to the common areas (it may also place title in an Illinois land trust) and shall own such property on behalf of and for the mutual benefit of all the lot owners in the Bliss Woods Club subdivision. The Covenantor retains the continuing right to convey (and the Association shall accept) all or any portion of title to any common areas at any time after the formation of the Association and until such time as all of the Covenantor's right, title and interest in such common areas have been conveyed to the Association.

IN WITNESS WHEREOF, Inland Land Appreciation Fund II, L.P. and American National Bank and Trust Company of Chicago, as Trustee under a Trust Agreement dated March 5, 1993 and known as Trust Number 116691-08 have each caused this Declaration to be executed by their respective legally authorized officers, whose signatures are hereunto subscribed, on this 29th day of September 1999.

EXHIBIT "A"

ADD-ON REAL ESTATE

The part of Sections 3, and 4, Township 38 North, Range 7, East of the Third Principal Meridian described as follows:

Commencing at the southeast corner of said Section 4; thence North 89 49' 50" West, along the South line of said Section 4, a distance of 403. feet to the East line of the Sugar Grove Cemetery; thence North 00 04' 11" East, 379.05 feet; thence North 89 49' 50" West, 378.90 feet; thence North 04 01' 53" East, 911.06 feet, for the Point of Beginning; thence continuing North 04 01' 53" East, along the last described course 1183.69 feet; thence North 89 31' 03" East along the south line, as occupied, of a tract conveyed by Document 161348, a distance of 378.82; thence continuing North 89 31' 03" East 288.58 feet; thence easterly and southeasterly along a curve to the right having a radius of 475.0 feet tangent to the last described course 499.83 feet; thence South 30 11' 31" East tangent to the last described curve at the last described point 456.22 feet; thence southeasterly along a curve to the left having a radius of 475.00 feet tangent to the last described course 499.83 feet; thence South 30 11' 31" East tangent to the last described curve at the last described point 456.22 feet; thence southeasterly along a curve to the left having a radius of 475.00 feet tangent to the last described course 335.86 feet; thence South 70 42' 1" East tangent to the last described curve at the last described point 310.83 feet to the center line of Bliss Road; thence South 19 10' 25" West along said center line 210.51 feet, to the North line extended Easterly of Bliss Woods Club Unit 1; thence South 89 35' 45" West, along said North line 791.93 feet; thence South 07 07' 40" West, 33.28 feet; thence South 89 35' 46", West 1,201.30 to the Point of Beginning, all in the Township of Sugar Grove, Kane County, Illinois.

EXHIBIT B

BY-LAWS OF

THE BLISS WOODS CLUB HOMEOWNERS ASSOCIATION

ARTICLE I

NAME OF ASSOCIATION

The name of this Association is the Bliss Woods Club Homeowners Association ("Association").

ARTICLE II

DEFINITIONS

All terms used in these By-Laws shall have the same definitions as set forth in the Declaration of Protective Covenants, Conditions, Restrictions, Reservations and Grants of Bliss Woods Club, as amended from time to time (the "Declaration"), to the extent such terms are defined therein.

ARTICLE III

PURPOSES AND POWERS

3.01. Purposes. The purposes of this Association are to own, operation, maintain, repair and insure Parcels A, B and D (the "Common Area Lots"), to maintain, landscape, repair and administer the landscaping on the cul-de-sac lots within the Bliss Woods Club subdivision not maintained and repaired by the Village of Sugar Grove, to maintain and pay for certain equipment, services and expenses for the benefit of the entire the Bliss Woods Club subdivision, to enforce the restrictive covenants set forth in the Declaration and as may be reasonably required to implement the purposes set forth in the Declaration, including the right to levy regular and special assessments and to enforce the payment of same pursuant to [Article X](#) of the Declaration and to carry out the powers and duties of the Association described in [Section 5 of Article III](#) of the Declaration, all on a not-for-profit basis, subject to and in accordance with the terms and provisions for the Declaration and these By-Laws.

3.02 Powers. The Association shall have and exercise all powers as are now or may hereafter be granted by the General Not-For-Profit Corporation Act of the State of Illinois, the Declaration and these By-Laws.

ARTICLE IV

OFFICES

4.01 Registered Office. The Association shall have and continuously maintain in the State of Illinois a registered office and a registered agent whose office shall be identical with

such registered office, and may have such other offices within or without the State of Illinois as the Board of Directors may from time to time determine.

4.02 Principal Office. The principal office of the Association shall be maintained at the offices of Inland Land Appreciation Fund II, L.P., a Delaware limited partnership ("Covenantor") or as otherwise determined by the Covenantor until the Turnover Date, whereupon such offices will be located as determined by the Board of Directors, and in the absences of such determination, at the Bliss Woods Club subdivision (sometimes herein referred to as the "Property").

ARTICLE V

MEMBERSHIP, VOTING RIGHTS AND MEETINGS OF MEMBERS

5.01 Membership. Every person or entity who is a record owner of a lot in Bliss Woods Club or who is the beneficiary of a land trust holding title to a lot in Bliss Woods Club shall be a member of the Association. Membership is appurtenant to and shall not be separate from ownership of a lot. Thus, membership shall automatically terminate upon the sale or other disposition by a member of his ownership of a lot in Bliss Woods Club shall automatically transfer to the new owner who shall become a member of the Association.

5.02 Voting Rights. The Association shall have two classes of voting membership:

- (a) Class A: Class A members shall be all record owners of lots in Bliss Woods Club and all beneficiaries of land trusts holding title to lots in Bliss Woods Club with the exception of the Covenantor.
- (b) Class B: Class B members shall be the Covenantor or its successors or assigns which are expressly assigned Covenantor rights hereunder.

Class A members shall be entitled to one vote for each lot owned. If a lot is owned by more than one person or entity, collectively such owners shall only have one vote per lot. In no event shall more than one vote be cast with respect to any lot owned by Class A members.

Class B members shall be entitled to four votes for each lot owned. No more than four votes shall be cast with respect to any lot owned by Class B members.

Class B membership shall cease and be converted to Class A membership on the first to occur of either of the following events:

- (a) when the total votes outstanding in Class A membership equal the votes outstanding in the Class B membership, or
- (b) whenever the Class B member(s) elect(s) to so convert.

The Association shall have the right to suspend the voting rights of any member for any period during which any assessment levied by the Association against the member's lot remains unpaid. Prior to the Turnover Date (hereinafter defined), all voting rights shall be lodged exclusively in the Covenantor (except for the right of the members to vote for

members of the Board of the Directors) that Covenantor specifically relinquishes the right to appoint as described in [Section 7 of Article III](#) of the Declaration) and other record owner members shall have no voting rights.

5.03. Manner of Acting. Unless otherwise expressly provided by law, in the Declaration or in these By-Laws, any action that may be taken by the members may be taken at any duly convened meeting at which a quorum of the voting members is present, upon the affirmative vote of a majority of the voting members voting at such meeting or may be taken without a meeting and without a vote if the written consent of the appropriate number of members is obtained as provided in 805 ILCS 105/107.10.

5.04. Initial Meeting (Turnover Date); Annual Meetings. The date of the initial meeting of members (the "Turnover Date") shall be provided in [Section 6 of Article III](#) of the Declaration but in no event shall the members receive notice of such meeting less than twenty-one (21) days prior to the meeting date. Thereafter, there shall be an annual meeting of members (one of the purposes of which shall be to elect directors), on the second Tuesday of September of each succeeding year at 7:30 p.m., or at such other reasonable time or date (not more than (30) days before or after such date) at such place as designated by the Board of Directors.

5.05 Special Meetings. Special meetings of the members may be called at any time to consider matters which by the terms of the Declaration or of these By-Laws require the approval of the members, or for any other reasonable purpose. Such meetings may be called by the President of the Association, by a majority of the Board of Directors, or after the Turnover Date, upon the written request of voting members having twenty-five percent (25%) of the total votes.

5.06. Notice of Meetings. Written notice shall be given to each member of any meeting of members (including the initial meeting) not less than (10) nor more than thirty (30) days before the day of such meeting. Notices shall be given by the Secretary at the direction of the President or other persons calling the meeting, and shall state the place, day and hour of the meeting and the purpose or purposes of the meeting. Notices shall be sent to the members at the address furnished by them to the Association for the purpose of service or notices or, if no such address has been furnished, to the lot address owned by such member. Notices addressed as above shall be deemed delivered when deposited in the United States mail, postage prepaid, or when personally delivered to that address.

5.07. Place of Meetings. All meetings of members shall be held at the offices of the Covenantor (with Covenantor's permission), on the Property or at such other location as shall be specified in the notice of such meeting.

5.08. Quorum. The presence of any meeting, in person and by proxy, of voting members having twenty-five percent (25%) of the total votes shall constitute a quorum for any action to be taken by the members except as may otherwise be provided in the Declaration, these By-Laws, or by law. If a quorum is not present at any meeting, a majority of the voting 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 voting members from any meeting shall not cause failure of any duly constituted quorum at that meeting.

5.09. Proxies. At all meetings of members, a voting member may vote either in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically be void upon termination by the member of his interest in the Unit.

ARTICLE VI

BOARD OF DIRECTORS

6.01 In General. The affairs of the Association shall be managed by a Board of Directors. Until the Turnover Date, but not less than three (3), as Covenantor shall from time to time designate. Commencing with the election of directors on the Turnover Date, the Board of Directors shall consist of five (5) persons elected as hereinafter provided.

6.02 Voting and Election by Members: Number and Term. In all elections for directors, each voting member shall be entitled to vote on a cumulative voting basis, and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. On the Turnover Date, five (5) directors shall be elected who shall serve until the first annual meeting of the members following the Turnover Date. At the first annual meeting, and at all succeeding annual meetings, the five (5) persons receiving the highest numbers of votes shall be elected to the Board for a term of one (1) year and shall thereafter continue in office until his successor shall have been elected and qualified, provided that any director may succeed himself in office.

6.03 Qualifications. Each director (except those appointed or nominated to run by the Covenantor) shall be a record owner, provided that if any record owner is a trustee of a trust, a director may be a beneficiary of such trust, and if any record owner or such a beneficiary is a corporation or partnership, a director may be an officer, partner or employee of such record owner or beneficiary or any agent of such beneficiary. If any director shall cease to meet such qualification during his term, he shall there upon cease to be a director and his place on the Board shall be deemed vacant.

6.04 Annual Meetings. The first meeting of the elected Board shall be on the Turnover Date, held without further notice other than this By-Law, immediately after and at the same place as the initial meeting of members. Thereafter, there shall, without further notice other than this By-Law, be an annual meeting of directors immediately after and at the same place as each annual meeting of members.

6.05 Regular Meetings. In addition to its annual meeting, regular meetings of the Board shall be held at the Property or at such other place and at such time as a majority of the Board shall by resolution from time to time determine, provided there shall be not less than one regular meeting each calendar quarter. Notice of such regular meetings of the Board shall be given to each director at least five (5) days prior to the meeting.

6.06. Special Meetings. Special meetings of the Board may be called by the President or a majority of the directors and shall be held at the Property and at such time as the person or persons calling such special meeting may determine. Notice of any special meeting of the Board shall be given at least three (3) days prior to any such meeting.

6.07. Notice of Meetings; Contents. Notice of all Board meetings shall be mailed or delivered to all record owners at least forty-eight (48) hours prior thereto, unless a written

waiver is signed by the person or persons entitled to such notice before the meeting is convened. Notices of all Board meetings, stating the time and place thereof, shall be given to each record owner and director personally or by mail. Such notices, if mailed, shall be deemed given when they have been deposited in the United States mail, postage prepaid, address to the record owner and director at his address as shown on the records of the Association. Neither the business to be transacted at, nor the purposed of, any regular or special meeting of the Board need to be specified in the notice of such meeting, unless specifically required by law or these By-Laws. Copies of notices of meetings of the Board shall be posted at such conspicuous places on the Property as are designated by the Board at least forty-eight (48) hours prior to the meeting of the Board.

6.08. Notice of Meeting: Annual Budge or Special Assessment. Each record owner shall receive written notice in the manner prescribed in 6.07 herein no less than (10) days and no more than thirty (30) days prior to any meeting of the Board concerning the adoption of the proposed annual budge or any increase of establishment of an assessment.

6.09 Waiver of Notice. Any record owner or the director may waive notice of any meeting prior to the time the meeting is convened. The attendance of a record owner or director at any meeting shall constitute a waiver of notice of such meeting, except where a record owner or 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.

6.10. Quorum. A majority of the directors serving from time to time on the Board shall constitute a quorum for the election of officers and for the transaction of business at any meeting of the Board, provided that if less than a quorum is present, a majority of the directors present may adjourn the meeting from time to 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 voting members from any meeting shall not cause failure of any duly constituted quorum at that meeting.

6.11. Manner of Acting. Except as otherwise expressly provided by law, the Declaration or these By-Laws, any action of the directors may be taken upon the affirmative vote of a majority of the directors at a meeting at which a quorum is present, or without a meeting if a consent in writing setting forth the action so take in is signed by all of the directors as specified in 805 ILCS 105/108.45.

6.12 Compensation; Reimbursement for Expenses. Directors shall receive no compensation for their services, but shall be reimbursed for reasonable out-of-pocket expenses incurred in the course of the performance of their duties upon presentation of receipts or other appropriate evidence of such expense.

6.13. Removal or Resignation of Directors. Any director elected on or after the Turnover Date may be removed from office, with or without cause, by the affirmative vote of a at least two-thirds (2/3) of the voting members at any meeting of members called for such purpose. Any director may resign at any time by submitting his written resignation to the Board. If a director ceases to be a member of the Association, he shall be deemed to have resigned as of the date his membership ceased.

6.14. Vacancies. Any vacancy occurring in the Board of Directors before the Turnover Data shall be filled by the Covenantor or a majority of the remaining Board Members and

any vacancy occurring in the Board of Directors after the Turnover Date shall be filled by election at the next annual meeting of members or at a special meeting of members that may be called for that purpose and held prior to such annual meeting. Any director elected by the members to fill a vacancy shall serve for the balance of the unexpired term of his predecessor in office. Prior to the filling of such vacancy by the members, directors may elect a director to temporarily fill any vacancy, provided that any director so elected shall serve only until such vacancy is filled by election by the members, as provided herein.

6.15. Open Meetings. Meetings of the Board shall be open to any record owner except for the portion of any meeting held (i) to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Board finds that such an action is probable or imminent; (ii) to consider information regarding appointment, employment or dismissal of an employee of the Association, if any; or (iii) to discuss violations of rules and regulations of the Association or unpaid common expenses owed to the Association. Any vote on the foregoing matters shall be taken at a meeting or portion thereof open to any record owner. Any record owner may record the proceedings at meetings required to be open by tape, film or other means; provided, however, that the Board may prescribe reasonable rules and regulations to govern the right to make such recordings.

ARTICLE VII

POWER AND DUTIES OF BOARD OF DIRECTORS

7.01. The Board shall have and exercise all powers, duties and authority vested in the Association by law, the Declaration and these By-Laws, except those expressly reserved to the members. Without limiting the generality of the foregoing, the Board shall:

- (a) Prepare, adopt and distribute to record owners and annual budget and any revisions thereto and to distribute same to each record owner in accordance with and as more fully set forth in the Declaration.
- (b) Levy and collect assessments from the record owners.
- (c) Pay the expenses of the Association, including all real estate and other taxes on the Common Area Lots, if any, and all facilities and improvements thereon.
- (d) Procure and maintain such fire and extended coverage insurance, if applicable, public liability, workmen's compensation, fidelity, directors and officers liability, and other insurance in such amounts and insuring against such risks as the Board deems desirable.

- (e) Engage the services of a professional manager for the Association and its property and such other personnel and services, including accountants and attorneys, as the Board may, in its discretion, deem necessary or desirable.
- (f) Adopt and amend from time to time Rules and Regulations as authorized under [Sections 3](#) and [5](#) of [Article III](#) of the Declaration. Written notice of such Rules and Regulations and of any amendments shall be given to all record owners, and the Bliss Woods Club subdivision shall at all times be maintained subject to such Rules and Regulations, provided that with respect to any Rules and Regulations or any amendment thereto adopted on or after the Turnover Date, if within (30) days from the date of such written notice to the record owners of the adoption thereof, the voting members having at least one-fourth (1/4) of the total votes shall file with the Board a written objection thereto, then such Rule or Regulation shall be deemed rescinded until approved by the voting members having a least a majority of the total votes.
- (g) Keep detailed accurate records of the receipts and expenditures affecting the use and operation of Bliss Woods Club.
- (h) Borrow money.
- (i) Maintain the following records of the Association available for examination and copying at convenient hours of weekdays by any record owners or their mortgagees and their duly authorized agents or attorneys:

(1) Copies of the recorded Declaration, other duly recorded covenants and By-Laws and any amendments, articles of incorporation of the Association, annual reports and any rules and regulations adopted by the Association or the Board. Prior to the organization of the Association, the Covenantor shall maintain and make available the records set forth in this subsection (1) for examination and copying.

(2) Detailed accurate records in chronological order of the receipts and expenditures affecting the Common Area Lots and landscaped cul-de-sacs specifying and itemizing the maintenance and repair expenses of the Common Area Lots and landscaped cul-de-sacs and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the Association shall be maintained.

(3) The minutes of all meetings of the Association and the Board shall be maintained. The Association shall maintain these minutes for a period of not less than seven (7) years.

(4) Ballots, if any, for any election held for the Board and for any other matters voted on by the record owners shall be maintained for a period of not less than one (1) year.

(5) Such other records of the Association as are available for inspection by members of a not-for-profit corporation pursuant to the General Not-for-Profit Corporation Act shall be maintained.

(6) A reasonable fee may be charged by the Association or its Board for the cost of copying.

- (j) Standing of Board. The Board shall have standing an capacity to act in a representative capacity in relation to matters involving the implementation, collection and enforcement of the assessments authorized by the Declaration and/or these By-Laws.

ARTICLE VIII

OFFICERS

8.01. Officers. The officers of the Association shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as the Board may deem appropriate. Until the Turnover Date, all officers shall be selected by the Board. Upon the Turnover Date, all officers shall be elected at each annual meeting of the Board and shall hold office at the pleasure of the Board.

8.02. Vacancy of Office. Any officers may be removed at any meeting of the Board by the affirmative vote of a majority of the directors in office, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

8.03. Powers of Officers. The respective officers of the Association shall have such powers and duties as are usually vested in such office of a not-for-profit corporation, including, but not limited to, the following:

- (a) The President shall be the chief executive officer of the Association and shall preside at al meetings of the members and of the Board.
- (b) The Vice President shall, in the absence or the disability of the President, perform the duties and exercises the powers of such office.
- (c) The Secretary shall keep minutes of all meetings of the members and of the Board and shall have custody of the Association seal, and such other books, papers and documents as the Board may prescribe.
- (d) The Treasurer shall be responsible for Association funds and securities and for

keeping full and accurate accounts of all receipts and disbursements in the Association books of account kept for such purpose.

ARTICLE IX

COMMITTEES

9.01. Board Committees. The Board, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two or more directors. Said committees, to the extent consistent with law and as provided in said resolution, shall have exercise the authority of the Board in the management of the Association, but the designation of such committees and the delegation thereof of authority shall not operate to relieve the Board or any individual director of any responsibility imposed on it or him by law, nor shall such delegation impair the rights of record owners and directors to notice of meetings of the Board.

9.02. Special Committees. Other committees not having and exercising the authority of the Board in the management of the Association may 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 President of the Association shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in the judgment the best interest of the Association shall be served by such removal.

9.03. Term. Each member of a committee shall continue as such until the next annual meeting of the Board and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall cease to qualify as a member thereof.

9.04. Chairman. One member of each committee shall be appointed chairman.

9.05. Vacancies. Vacancies in the membership of any committee may be filled by appointment made in the same manner as provided in the case of the original appointments.

9.06. Quorum. Unless otherwise provided in the resolution of the Board 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.

9.07. Rules. Each committee may adopt rules for its own government not inconsistent with the Declaration, these By-Laws or with rules adopted by the Board.

ARTICLE X

CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

10.01. Contracts. The Board 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 and to 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. In the absence of any such authorization by the Board, any contract or other instrument shall be executed by the President or Vice President and attested to by the Secretary or an Assistant Secretary of the Association.

10.02. Payments. 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. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Association.

10.03. Bank Accounts. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may select.

10.04. Special Receipts. The Board 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 XI

FISCAL MANAGEMENT

11.01. Fiscal Year. The fiscal year of the Association shall begin on the first day of January each year, except that the first fiscal year shall begin at the date of incorporation, and shall end on the last day of December of each year.

11.02. Financial Statements. On or before April 15 of each year following the initial meeting of directors after the Turnover Date, the Association shall furnish its members with an itemized accounting of the common expenses of the Association for the preceding fiscal year, actually incurred or paid, together with a tabulation of the amounts collected pursuant to the budget or assessment and showing the next excess or deficit of income over expenditures plus reserves.

11.03 Annual Assessments. The Board in its sole discretion shall determine the annual monthly assessments in accordance with the Declaration.

ARTICLE XII

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 and committees having any of the authority of the Board, and shall keep at the registered or principal office a record giving the names and addresses of the members. All books and records of the Association may be inspected by any member or his agent or attorney, for proper purpose at any reasonable time.

ARTICLE XIII

SEAL

The Board may provide for a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Association.

ARTICLE XIV

WAIVER OF NOTICE

Whenever any notice that is required to be given under the provisions of the General Not-For-Profit Corporation Act of Illinois, the provisions of these By-Laws, or the Declaration, a waiver 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 XV

AMENDMENTS

These By-Laws may be amended or modified at any time or from time to time at any meeting of the members at which a quorum is present, by the affirmative vote of a majority of the votes cast by the voting members provided that (i) no amendment affecting the rights granted by these By-Laws to Trust or Covenantor shall be effective unless consented to in writing by Covenantor; (ii) no provisions of these By-Laws shall conflict with the Declaration; and (iii) prior to the Turnover Date, the directors may, without a meeting or approval of members make any amendments they deem necessary or desirable.

ARTICLE XVI

INTERPRETATION

In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control. Any defined terms used herein that are not defined herein shall have the meaning ascribed to them in the Declaration.

AMENDMENT TO DECLARATION OF
PROTECTIVE COVENANTS, CONDITIONS,
RESTRICTIONS, RESERVATIONS AND GRANTS OF
BLISS WOODS CLUB

This Amendment to Declaration of Protective Covenants, Conditions, Restrictions, Reservations, and Grants of Bliss Woods Club is made this 28th day of February, 2001, by LaSalle Bank National Association, Successor Trustee to American National Bank and Trust Company of Chicago, as Trustee under a Trust Agreement dated March 5, 1993 and known as Trust No. 116691-08 ("Trust"), and Inland Land Appreciation Fund II, L.P., a Delaware limited partnership ("Covenantor").

WITNESSETH:

WHEREAS, Trust and Covenantor executed that certain Declaration for Protective Covenants, Conditions, Restrictions, Reservations and Grants of Bliss Woods Club, which was recorded with the Kane County Recorder's Office on October 5, 1999 as Document No. 1999K095482 ("Declaration"); and

WHEREAS, Covenantor has the right to amend the Declaration as provided in [Section 3 of Article VI](#) thereof; and

WHEREAS, Trust and Covenantor agree to amend the Declaration as provided herein.

NOW, THEREFORE, Covenantor and Trust declare that the Declaration is amended as provided herein and that the real estate comprising the Bliss Woods Club Subdivision shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions and easements, assessments, charges and liens as set forth in the Declaration and as provided herein.

- (1) All of the above Recitals are incorporated herein as paragraph 1 as if fully restated herein.

- (2) The following is added at the end of [Section 1 of Article IX](#) of the Declaration:

"Notwithstanding the foregoing provisions, it is understood and agreed that Article VII, Section 1 of the Declaration cannot be amended without Covenantor's written consent for a period of three (3) years ("No Amendment Period") after the sale of the last lot owned by Trust and/or Covenantor in the Bliss Wood Club

Subdivision (which includes any lot in any unit thereof and in any add-on property added to the Subdivision). Further, it is understood and agreed that through the No Amendment Period, the forgoing sentence can not be amended without the Covenantor's prior written consent."

- (3) As modified herein, the Declaration remains in full force and effect and any defined term used herein that is not defined herein shall have the meaning ascribed to such term in the Declaration.

Last Updated: June 27, 2003