

DECLARATION OF PROTECTIVE COVENANTS
(Incorporates all recorded amendments as of January 2013)

ARTICLE I
DEFINITIONS

a) "Association" shall mean and refer to The Acacia Association, an Illinois not-for-profit corporation and its successors and assigns.

b) "Amended Declaration" shall mean this instrument, together with those exhibits which are attached hereto and made a part hereof and shall include such amendments, if any, as may be adopted from time to time pursuant to the terms hereof. This Amended Declaration may be referred to herein or in any other documents as the "ACACIA ASSOCIATION DECLARATION OF PROTECTIVE COVENANTS" or as the "PROTECTIVE COVENANTS".

c) "The Properties" shall mean and refer to Acacia Units 1, 2, 3, 4, 5 and 6 and Lot 3 in Acacia Commons as shown on the recorded plats of subdivision and as legally described in Exhibit A, or any other lands so shown on future subdivision plats of lands which have been subjected to the terms and provisions of this Amended Declaration, including all existing structures and existing Common Properties, as well as any planned structures which have been approved by the Association.

d) "Common Properties" shall mean and refer to those areas of land (except "Lots" as hereinafter defined) so designated upon the recorded subdivision plats of the Properties or any other areas of land so designated on future plats of subdivisions on lands made subject to this Amended Declaration, and intended to be devoted to the common use and enjoyment of all the Members (as defined below) of the Association and such other persons as are hereinafter more specifically described.

e) "Lot" shall mean and refer to any plot of land so shown and designated upon the recorded subdivision plats of the Properties or any plot of land so shown on future subdivision plats of lands which have been subjected to the terms and provisions of this Amended Declaration. Exempt properties as defined in Article V Section 10, are specifically excluded. Each Lot shall be designated upon any plat of the subdivision by reference to the Unit number, Area number and Lot number, as example, Unit 1, Area 2, Lot 1. The Lot number designating the smallest parcel so described, the Area number designating the next larger parcel in which the Lot is situated and the Unit number is designating the next larger parcel in which such Area is situated.

f) "Living Unit" shall mean and refer to a building situated upon a Lot which is designed and intended for use and occupancy by a single family.

g) "Owner" shall mean and refer to the person, persons, beneficiary of a land trust or entities whose estates or interests individually or collectively aggregate fee simple absolute title to a Lot. Such term shall not include a mortgagee unless and until such mortgagee has acquired title by foreclosure or any proceeding in lieu of foreclosure.

h) "Member" shall mean and refer to the residing family unit whether that family unit is Owner, tenant or contract purchaser.

ARTICLE II MERCER

Upon a merger or consolidation of the Association with another association as provided in the Association's Articles of Incorporation, the Association's rights and obligations shall by operation of law, or otherwise, be transferred to another surviving or consolidated association or, alternately, the properties, rights and obligations of another association shall, by operation of law, or otherwise, be added to the Properties, right and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association shall administer the covenants and restrictions established by this Amended Declaration within the Properties together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall affect any revocation, change or addition to the covenants established by this Amended Declaration within the properties except as hereinafter provided. Merger or consolidation shall require the consent of two-thirds (2/3rds) of the Owners.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1 - Membership Requirements

Each Owner residing in a Living Unit is a Member of the Association. Upon the termination of the interest of the Owner, his membership rights in the Association shall thereupon terminate, and shall transfer and inure to the new Owner succeeding him.

By two-thirds (2/3rds) approval of all the Owners, additional Living Units may receive rights in the Association contingent upon application for membership rights in the Association.

Section 2 - Voting Rights

There will be only one class of voting rights and this class will include all Owners of existing Living Units and such future Owners who may obtain ownership rights in the Association. Each Living Unit shall have one vote and this vote may not be subdivided in the event of multiple ownership.

Section 3 - Assignment of Membership Rights

All membership rights of an Owner with the exception of voting rights will have been deemed to be assigned to a tenant or contract purchaser upon occupancy of the Living Unit in question by said tenant or contract purchaser. The Owner shall not be relieved or released from any obligations under this Amended Declaration by assignment of his membership rights to a tenant or contract purchaser.

ARTICLE IV PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1 - Members' Rights of Enjoyment

Subject to the provisions of Section 3 of this Article, every Member shall have a right and easement of enjoyment in and to the Common Properties in common with all other Members and such rights and easements shall be appurtenant to and pass with the title to every Lot. Such rights and easements shall inure to the benefit of the Member and guests.

Section 2 - Title to Common Properties

Title to the Common Properties shall be held by the Association or by a trustee under an Illinois land trust for the benefit of the Association.

Section 3 - Extent of Members' Easements

Title to the Common Properties shall be held by the Association or by a trustee. The rights and easements of enjoyment created hereby shall be subject to the following:

- a) The right of the Association to suspend the enjoyment of rights of any Member for 1) any period during which any assessment due remains unpaid for more than 60 days from due date; 2) any period not to exceed 60 days for any infraction of the Amended Declaration, the Association's By-Laws, or the published rules and regulations of the Association;
- b) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties with the exception of normal use of the recreational facilities by a Member. Fees may be charged for the exclusive use of any portion of the Common Properties by any Member.

Usage rights for the recreational facilities may not be conveyed by the Association to non-members;

- c) The right of the Association to dedicate or transfer all or part of the Common Properties to any such public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Owners, provided that no such dedication, transfer, or determination as to the purposes or as to the conditions thereof shall be effective unless 1) an instrument signed by the Owners entitled to cast two-thirds (2/3) of the votes of the ownership has been recorded, and 2) written notice of the proposed agreement and action there under is sent to every Owner at least (30) days in advance of any action taken: and
- d) The right of a Member to the exclusive use of a driveway if any located immediately adjacent and leading to the Lot occupied by such Member, and
- e) The right of the Association to adopt reasonable by-laws, rules and regulations with respect to the use and enjoyment of the Common Properties including, but not limited to, the right of the Association to assign a parking space or spaces on a fair and uniform basis [provided that such assignment does not conflict with the rights referred to in the foregoing subparagraph (d)], for the exclusive use of an Owner or Member and the right to impose reasonable limitations on the use of the Common Properties by guests of Members.

ARTICLE V COVENANT FOR ASSESSMENTS

Section 1 - Creation of the Lien and Personal Obligations of Assessments

The Owner of each Lot, whether or not it shall be so expressed in the deed to the Owner or in any other conveyance, shall be deemed to covenant and agree to pay to the Association an annual assessment, such assessment being fixed, established and collected from time to time as hereinafter provided. The annual assessment, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which or with respect to which such assessment is made. Each such assessment, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall also be the personal obligation of the Owner of such Lot at the time the assessment fell due.

Section 2 - Purpose of Assessment

The annual assessment levied by the Association shall be used exclusively 1) for the purpose of promoting the recreation, health, safety and welfare of the Members; 2) for the improvement and maintenance of the Common Properties; 3) for services and facilities devoted to the aforesaid purposes and related to the use and enjoyment of the Common Properties; and 4) for specific exterior maintenance of the Living Units as specified in Article IX hereof.

The Association's responsibility for the Common Properties includes, but is not limited to, the following:

The payment of taxes and insurance thereon; the repair, replacement, maintenance and operation thereof; additions thereto; and the cost of labor, equipment, material, management and supervision thereof.

Section 3 - Basis and Maximum of Annual Assessments

The maximum annual assessment for each Lot may be fixed at an amount not to exceed six (6%) percent above the maximum annual assessment for the previous year.

The maximum annual assessment (6%) may only be increased or decreased without limitation, or a special assessment of any amount may be levied at any time, by a vote of two-thirds (2/3) of the Owners, who may vote by absentee ballot or in person at a meeting called for this purpose or at an annual meeting provided 30 days written notice of the proposed vote is given to each Owner along with the notice of the annual meeting.

Section 4 - Capital Improvements of the Common Properties

The Association may use monies from the annual assessment, as specified in Section 2 of this Article, for the purpose of defraying in whole or in part the cost of any reconstruction, repair, or replacement of any capital improvement upon the Common Properties, including the necessary fixtures and personal property related thereto; and for additional equipment needed to maintain existing services to the Members; even though these expenditures may be considered capital expenditures for tax or accounting purposes. It is the intention of this paragraph to authorize the Association to use the funds described herein for the sole purposes of reconstructing, maintaining, repairing and replacing existing capital improvements, fixtures and related facilities. This Section 4 shall not apply to any construction of capital improvements not in existence, the subject of which is more specifically described in Section 5 - Special Assessment.

Section 5 - Special Assessment

The Association may also use funds obtained through a special assessment for the purpose of defraying in whole or in part any cost described in the preceding Section 4. The amount of such special assessment over any two year period may not exceed \$10,000.00 per year without the approval of two-thirds (2/3) of the Owners, who may vote by absentee ballot or in person at a meeting called to vote on such an assessment. Special assessments for capital improvements shall become due on a date thirty (30) days following such a levy by the Association or such a vote by the Owners. Funds may be expended for capital improvements not related to existing services only by the approval of two-thirds (2/3) of the Owners, who may vote by absentee ballot or in person at a meeting called to vote on such expenditure.

Section 6 - Uniform Rate of Assessment

The assessment must be fixed at a uniform rate for all Lots.

Section 7 - Date of Commencement of Annual Assessments and Due Dates

The annual assessment shall be due and payable in twelve equal monthly installments on the first day of each month during the calendar year.

With respect to any Lot admitted to the Association hereafter, the annual assessments provided for herein shall commence on the first day of the month following such admission to the Association. The first annual assessment with respect thereto shall be prorated according to the number of months remaining in the calendar year following such admission. Such assessments shall be payable in monthly installments in advance as hereinabove provided.

The Board of Directors shall prepare an annual budget and fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. A copy of the proposed budget and notice of the annual assessment shall be sent to every Owner at least thirty (30) days, but not more than sixty (60) days, prior to the adoption of the budget by the Board. If no such notice is given, the annual assessment shall remain the same as the previous period.

The Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Association for the issuance of such a certificate.

Section 8 - Effect of Non-Payment of Assessment; The Personal Obligation of the Owner; the Lien; Remedies of Association

If the assessment is not paid by any Owner on the date when due, then such assessment shall become delinquent and this amount, together with such interest, and cost of collection as hereinafter provided, shall become a continuing lien on the Lot owned by such Owner. This lien shall attach and run with such Lot and be binding on the Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation for the statutory period.

If the assessments are not paid within sixty (60) days after the due date, the assessment shall bear interest from the date of delinquency at the maximum rate permitted by the laws of Illinois, and the Association shall bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the Lot, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with all court costs.

In addition to the other rights regarding the collection of assessments hereinbefore mentioned, the Association adopts all of the remedies of the provisions of Paragraph (8) of subsection (a) of Section 9-102 and Section 9-104.3 of an Act entitled "Forcible Entry and Detainer" of 1984, as amended, more particularly set forth in Chapter 110, Article IX (Para. 9-102 et al.) Ill. Rev. Stat and all of its provisions regarding common interest communities and collection remedies including the right to maintain an action for possession, including the right on the behalf of the Association to execute leases of such defaulting Unit owners interest in their respective properties and apply the rents therefrom to the delinquent liens and assessments.

Section 9 - Subordination of the Lien to Mortgages

The lien for the assessments provided for herein and any other lien created in favor of the Association under the provisions of this Amended Declaration shall be subordinated to the lien of any mortgage or mortgages now or hereafter placed upon the Lots; provided, however, that such subordination shall apply to those liens which have become effective prior to a sale or transfer of such Lot pursuant to a decree of foreclosure, or any other lien proceeding foreclosure. Such sale or transfer shall not relieve such property from liability

for any assessments thereafter becoming due; nor from any lien by reason of any such subsequent assessment or by reason of any other provision of this Amended Declaration.

Section 10 - Exempt Property

The following property subject to this Amended Declaration shall be exempted from the assessments, charge and lien created herein:

- a) Portion of the Properties dedicated and accepted by the local public authority and devoted to public use;
- b) All Common Properties.

**ARTICLE VI
PARTY WALLS**

Section 1 - Definition and General Rules of Law to Apply

With respect to any building containing two or more Living Units under one roof, when each such Living Unit is situated upon its own individual Lot, each wall which is built as part of the original construction of the Living Units and placed on the dividing line between the Lots, shall constitute a party wall and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2 - Sharing of Repair and Maintenance

The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3 - Destruction by Fire or Other Casualty

If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4 - Weatherproofing

Notwithstanding any other provisions of this Article, an Owner or Member who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5 - Right to Contribution Runs with Land

The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the Lot and shall pass to such Owner's successors in title.

Section 6 - Arbitration

In the event of any dispute arising concerning a party wall, or under the provisions of this Article, the same shall be arbitrated by the Board of Directors, the determination of which shall be final and binding on both parties.

**ARTICLE VII
DAMAGE OR DESTRUCTION**

Section 1 - Obligation to Repair or Rebuild

In the event of damage to or destruction of, by fire or other casualty, any Living Unit, or any portion thereof, including by way of description only and not by way of limitation, any portion of the common roof and gutter system, walls, including the foundation thereof, garden walls, gates and fencing, as is located or installed thereon, the Owner or Owners from time to time of any such Living Unit covenant and agree that they will, within a reasonable time after such damage or destruction, repair or rebuild the same in a substantial and workmanlike manner, using materials comparable to those used in the original structure, and shall conform in all respects to the laws or ordinances regulating the construction of buildings in force at the time of such repair or reconstruction. The exterior of such Living Unit, when rebuilt, shall be substantially similar to and of architectural design in conformity with the exterior of any Living Units which remain standing and are not required to be rebuilt. In the event of the total or substantial destruction of all the Living Units, the architectural design of the exterior of the Living Units to be rebuilt and the materials to be used in constructing the same shall be agreed upon among the Owners thereof, and in the absence of agreement, the rebuilt Living Units shall be substantially similar in architectural design as the original Living Units and shall be constructed of comparable materials. All rebuilding performed with respect to the provisions of this section shall be subject to the approval of the Architectural Control Committee as hereinafter provided.

Section 2 - Failure to Repair or Rebuild

In the event that any such Owner shall fail, within a reasonable time after the damage or destruction referred to in Section 1 of this Article, to perform the

necessary repair or rebuilding, then, and in any such event, the Association may, but shall not be required to, cause such repairs or rebuilding to be furnished, provided and installed, in the manner as in the aforesaid Section 1 described. And in any such event, the Association shall have and is hereby given, a) a continuing lien on the Lot in which any such repairs or rebuilding are furnished by the Association; b) interest at the maximum rate permitted by the laws of Illinois from the date of the Association's payment of such costs; and c) reasonable attorney's fees and any court or other costs incurred by the Association in connection therewith, which lien shall bind such Lot in the hands of such Owner, his heirs, devisees, personal representatives, grantees and assigns. In the event such Owner does not forthwith fully repay the Association therefore, as aforesaid, such lien shall be foreclosed against the Lot by the Association, in the same manner as hereinabove provided in connection with unpaid assessment. The Association's lien provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the Living Unit or Lot.

Section 3 - Obligation to Insure

Every Owner shall at all times keep his Living Unit insured for the replacement cost thereof against loss by fire and other casualties.

**ARTICLE VIII
ARCHITECTURAL AND LANDSCAPE CONTROL COMMITTEE**

After the initial construction of any buildings or other improvements upon The Properties, no building, fence, wall or other permanent structures shall be commenced, erected or maintained upon The Properties, nor shall any exterior addition to or change or alteration therein be made [including, but not limited to, change of color, landscaping (excluding annual or perennial decorative planting), storm windows, storm doors and screens] until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by an Architectural and Landscape Control Committee composed of three (3) or more owners appointed by the Board of Directors.

In the event that such exterior additions, changes or alterations are commenced without approval from the Architectural and Landscape Control Committee, the Association reserves the right to restore the Lot involved to its original condition and to include the costs incurred in the Owner's annual assessment and to suspend the Member's Association privileges, as may be

appropriate, for a period not to exceed sixty (60) days. These provisions will also apply to exterior additions, changes, or alterations which are not maintained in a satisfactory and/or appropriate manner

However, in the event said Board, or its designated committee, fails to approve or disapprove such design and location within forty (40) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE IX EXTERIOR MAINTENANCE

Section 1 - Exterior Maintenance

a) As provided for in Article V, the Association shall provide normal and customary exterior maintenance of each Living Unit without charge to the Owner as follows:

- 1) Care of trees, grass and shrubs.
- 2) Repair of shingles and flashing on roofs.
- 3) Painting and repair of exterior walls.
- 4) Painting and cosmetic repair of garage doors.
- 5) Painting of gutters and downspouts.
- 6) Repair and replacement of chimneys and exterior fireplace parts.
- 7) Removal of refuse.
- 8) Removal of snow from driveways and parking areas.
- 9) Maintenance of sump pump drain lines farther than five (5) feet from any Living Unit.
- 10) Maintenance of gas or electric lights and posts.
- 11) Maintenance of driveways.

b) The Association may at its discretion provide maintenance for the following items with or without charge to Owners:

- 1) Replacement of trees, grass and shrubs.
- 2) Repair and maintenance of front and rear stoops.
- 3) Repair and maintenance of outside electrical fixtures.
- 4) Repair and maintenance of patios, decks or other homeowner installed improvements.
- 5) Repair and maintenance of sewer and water lines.
- 6) Repair and maintenance of glass surfaces.
- 7) Repair and maintenance of walks.

- 8) Repair and maintenance of feed lines to gas and electric lights.
- 9) Care of trees, grass and shrubs situated within enclosed areas.
- 10) Replacement of roofs.
- 11) Removal of snow from sidewalks.

Section 2 - Assessment for Costs

The cost of any exterior maintenance which, by the terms of this Amended Declaration, the Association is required to furnish, shall be paid for with funds from the annual assessment to which each Lot is subject under the provisions of Article VI hereof.

With respect to any exterior maintenance which the Association is not required to furnish and which is furnished at the request of any Owner, and with respect to any exterior maintenance which has been made necessary by reason of a willful or negligent act, or the expense of which is reimbursable by the proceeds of any insurance, the cost of the same shall be assessed only against the Lot upon which such maintenance is done and shall be a charge in addition to the annual assessment to which such Lot is subject and shall be a lien and obligation of the Owner thereof and shall become due and payable in all respects and to the same extent as the annual assessment as provided by Article VI hereof.

If the Association furnishes maintenance with respect to a Lot or Living Unit at the request of an Owner other than that required by this Amended Declaration, the Association will require such Owner to pay the cost thereof.

Section 3 - Access at Reasonable Hours

For the purpose solely of performing the exterior maintenance required or authorized by this Article the Association through its duly authorized agents or employees shall have the right after reasonable notice to the Owner to enter upon any Lot or Living Unit at reasonable hours on any day. Landscaping work shall not require prior notice.

ARTICLE X BUILDING AND USE RESTRICTIONS

Section 1 - Permitted Use

No Lot or any portion thereof shall be used for any primary purpose other than as a single family residence.

All buildings or structures erected on the Lots shall be of new construction and no buildings or structures shall be moved from other locations. No subsequent buildings or structures other than homes shall be built on any Lot where there has been heretofore a home. This shall not be construed as prohibiting the construction of recreational facilities and buildings on Common Properties.

Section 2 - Prohibited Uses

a) Neither noxious nor offensive acts shall be conducted in, upon, or suffered to be conducted in or upon The Properties; nor shall any nuisance be maintained or suffered to be maintained in or upon any of The Properties.

b) No Lot shall be split, divided, or subdivided for sale, resale, gift, transfer or otherwise.

c) No facilities, including poles and wires, for transmission of electricity, telephone messages and the like shall be placed or maintained above the surface of the ground on any Lot, and no external or outside antennas of any kind shall be permitted or maintained. This shall not preclude the installation of above ground transformers, pedestals, meter panels or other appurtenances which may be required as normal to the installation of underground gas, telephone, electricity and water transmission systems installed by public utility companies or the municipality in easements reserved for such purposes nor shall it prohibit standards or poles or street or other outdoor lighting.

d) No motor vehicles (other than that of a private passenger type), boat, boat trailer, house trailer, trailer, van or recreational vehicle or any similar items shall be visibly stored in or upon any Lot or Common Property. Passenger motor vehicles in non-operative condition shall not be parked on The Properties except in garages.

e) No temporary building, trailer, garage or building in the course of construction or other temporary structure shall be used temporarily or permanently as a residence on any Lot or Common Property.

f) No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any Lot, except building materials during the course of construction of any approved addition or alteration. When trash or other refuse is to be disposed of by being picked up and carried away on a regular and recurring basis, plastic bags may be placed in the open, on any day that a pick-up is to be made in such a place so as to provide access to persons making such pick-up. At all other times such containers shall be stored in such a manner so that they cannot be seen from adjacent and surrounding property. The Board of Directors, in its discretion, may adopt and promulgate reasonable rules and regulations relating to the size, shape, color and type of containers permitted and the manner of storage of the same on any Lot.

g) No water pipes, sewer pipe or drainage pipe shall be installed or maintained on any Lot above the surface of the ground, except hoses and movable pipes used for irrigating purposes. No Lot shall be used for the purpose of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel, or earth.

h) No birds, animals or insects shall be bred, raised, kept or maintained on any Lot except for domestic purposes. Under no circumstances shall any commercial or business enterprise involving the use of animals be conducted on any Lot.

The Board of Directors may, from time to time, publish and impose reasonable regulations setting forth the type and number of domestic animals that may be kept on any Lot. Owners assume the responsibility for removal of animal refuse and may be assessed the actual cost of such removal of the refuse by the Association.

i) No sign or other advertising device of any nature shall be placed upon any Lot except as prescribed by the Board of Directors, who may, in their discretion, adopt and promulgate rules and regulations relating to the use of signs.

j) No clothing or any other household fabrics shall be open or visible on any Lot. No machinery or power drive vehicles shall be placed or operated upon any Lot except such machinery as is usual in maintaining a private residence and private passenger automobile.

k) No person shall obstruct, alter or in any way modify the established drainage pattern from on or over any Lot or Common Property; nor shall any person obstruct, alter or in any way modify any drainage swales, devices and/or facilities now installed or to be installed by the Association; the Association reserves the right to enter upon Lots or Common Property to correct, as it may deem necessary, any drainage condition. Sump pumps and sump pump drain lines must be kept operational by Owners.

l) No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2') feet and six (6') feet above public streets shall be placed or permitted to remain on any corner within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25') feet from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within ten (10') feet from the intersection of a pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. No fence or wall or hedge shall be erected, placed or altered on any Lot nearer to any front street lines than the minimum front building setback line.

m) The Association reserves the right to enter upon any Lot to correct or eliminate nuisances or violations of any or all of the foregoing, and to correct any failure of the Owner to properly maintain those areas and items not the responsibility of the Association under Article IX herein. Cost of such work shall be assessed by the Association against the Owner and such assessment shall be due and payable in the month assessed. In the event payment of such special assessments is not made, such special assessments shall become a lien on the Lot and a personal obligation of the Owner and become subject to all appropriate covenants for assessments contained in Article V of this Amended Declaration.

ARTICLE XI GENERAL PROVISIONS

Section 1 - Duration and Amendments

The Amended Declaration may be amended by an instrument signed by not less than sixty-six and two-thirds percent (66 2/3%) of the Owners.

Section 2 - Notices

Any notice required to be sent to any Member or Owner under the provisions of this Amended Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the Member or Owner on the records of the Association at the time of such mailing.

Section 3 - Enforcement

Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any Owner, Member, person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the Properties to enforce any lien created by these covenants; and failure by the Association, Owner, or Member to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter.

Section 4 - Severability

Invalidation of any one of these covenants or restrictions by judgment or court order shall not affect any other provisions of this Amended Declaration.

Section 5 - Easements and Encroachments

In the event that any part of any Living Unit encroaches or shall hereafter encroach upon any part of the Common Properties or any other Lot or if any

portion of the Common Properties shall encroach upon any Lot, valid easements for the maintenance of such encroachment are hereby established and shall exist so long as all or any part of the same shall remain standing; provided however, that in no event shall a valid easement for any encroachment be created in favor of any Owner if such encroachment or use is detrimental to or interferes with the reasonable use and enjoyment of the Properties by the other Owners or the Lot or Living Unit of another Owner and if it occurred due to the willful conduct of any Owner.

BY-LAWS OF THE ACACIA ASSOCIATION
(Includes all amendments as of January 2013)

ARTICLE I
NAME AND LOCATION

The name of the corporation is THE ACACIA ASSOCIATION, herein-after referred to as the "Association". The principal office of the corporation shall be located at 111 Cascade Drive, Indian Head Park, Illinois, but meetings of Owners and Directors may be held at such places within five (5) miles of The Acacia Association office as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

For the purposes of these amended by-laws, the following definitions shall control:

(a) "Association" shall mean and refer to The Acacia Association, an Illinois not-for-profit corporation and its successors and assigns.

(b) "By-Laws" shall mean this instrument, together with all exhibits attached hereto and forming a part hereof, and shall also include such amendments, if any, as may be adopted from time to time by the Association.

(c) "The Properties" shall mean and refer to Acacia Units 1, 2, 3, 4, 5 and 6 and to Lot 3 in Acacia Commons as shown on the recorded plats of subdivision or any other lands so shown on future subdivision plats of land which have been subjected to the terms and provisions of The Acacia Association Declaration of Protective Covenants (hereinafter "Protective Covenants"), and including all existing structures and existing Common Properties, as well as any planned structures or common areas which have been approved or may be approved by the Association.

(d) "Common Properties" shall mean and refer to those areas of land (except "Lots" as hereinafter defined) so designated upon the recorded subdivision plats of The Properties or any other areas of land so designated on future plats of subdivisions on lands made subject to the Protective Covenants and intended to be devoted to the common use and enjoyment of all the Members (as defined below) of the Association and such other persons as are hereinafter more specifically described.

(e) "Lot" shall mean and refer to any plot of land so shown and designated upon the recorded subdivision plats of the Properties or any other areas of land so designated on future plats of subdivisions on lands made subject to the Protective Covenants. Exempt properties as defined in Article V, Section 10 of the Protective Covenants are specifically excluded. Each Lot shall be designated upon any plat of the subdivision by reference to the Unit number, Area number

and Lot number, as for example, Unit 1, Area 2, Lot 1. The Lot number designating the smallest parcel so described, the Area number designating the next larger parcel in which the Lot is situated and the Unit number designating the next larger parcel in which such Area is situated.

(f) "Living Unit" shall mean and refer to a building situated upon a Lot which is designed and intended for use and occupancy by a single family.

(g) "Owner" shall mean and refer to the person, persons, beneficiary of a land trust or entities whose estates or interests individually or collectively aggregate fee simple absolute title to a Lot. Such term shall not include a mortgagee unless and until such mortgagee has acquired title by foreclosure or any proceeding in lieu of foreclosure.

h) "Member" shall mean and refer to the residing family unit whether that family unit is Owner, tenant or contract purchaser.

ARTICLE III MEETING OF OWNERS

Section 1. Annual Meetings. The annual meeting of the Owners shall be held on the fourth Tuesday of February at the hour of eight o'clock P.M. If the day for the annual meeting of the Owners is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Owners may be called at any time by the president, by the Board of Directors, or upon written request of the Owners who are entitled to at least twenty percent (20%) of the total votes in the Association.

Section 3. Notice of Meetings. Written notice of each meeting of the Owners shall be given by or at the direction of the secretary or persons authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10), but not more than thirty (30), days before such meeting to each Owner entitled to vote thereat, addressed to the Owner's address last appearing on the books of the Association, or supplied by such Owner to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence, either in person, by proxy, or by submitted absentee ballot, at the meeting of Owners of Owners entitled to cast twenty (20%) of the total votes in the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Protective Covenants or these By-Laws. If, however, such quorum shall not be

present or represented at any meeting, the Owners entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Absentee Ballots. At all meetings of Owners, each Owner may vote in person, by an Association-issued absentee ballot, or by proxy. All absentee ballots shall be in writing and filed with the secretary of the Association. Every absentee ballot shall be revocable and shall automatically cease upon conveyance by the Owner of his or her Lot. All proxies shall be in writing, dated, and filed with the secretary of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance by the Owner of his or her Lot, and shall not be valid for more than eleven (11) months after the date of its execution.

Section 6. Place of Meeting. All meetings shall be held at such place as may be designated in the notice of such meetings within five (5) miles of the Acacia Association Office, 111 Cascade Drive, Indian Head Park, Illinois.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors. The Board of Directors shall be nine (9) in number.

Section 2. Term of Office. The Board of Directors shall serve for a staggered term of three (3) years as provided by the Articles of Incorporation. At each scheduled election the Owners shall elect new directors to succeed those whose terms have expired and to fill other vacancies which may exist.

Section 3. Removal. Any director may be removed from the Board of Directors, with or without cause, at a meeting of the Owners by Owners with at least a two-thirds (2/3) of the total votes in the Association. In the event of the removal of a director, his/her successor shall be selected within 14 days of such removal, and such successor shall serve the unexpired term of his/her predecessor. In the event of the death, resignation, or refusal or inability to act of any director, other than a removed director, the remaining members of the Board of Directors may select a successor to serve until the next regular or special meeting of the Owners, at which time the Owners shall select a permanent successor to fill the unexpired term of his/her predecessor.

Section 4. Compensation. No director shall receive compensation for any service he/she may render to the Association in his/her capacity as director. However, any director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties and may be compensated for non-directorial services, as long as these services have been approved in advance by a majority of the Board of Directors.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Action so approved shall have the same effect as though taken at a meeting of the directors.

Section 6. Non-Liability of The Board of Directors and Officers of the Association. The directors and officers of the Association shall not be personally liable to the Owners, to the Association, or to others for any mistake in judgment or for any other acts or omissions of any nature whatsoever as such directors or officers, except for any acts or omissions found by a court to constitute willful misconduct or fraud. The Association shall indemnify and hold harmless each of the directors and officers (and their respective successors), against all contractual and other liabilities to others arising out of contracts made by or other acts of the directors and officers, on behalf of the Owners, or arising out of their status as directors or officers, unless any such contract or act shall have been made fraudulently, or through willful misconduct. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, without limitation, counsel fees and expenses, amount of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceedings, whether civil, criminal, administrative, or other, in which any such director or officer may be involved by virtue of such person being or having been a director or officer; provided, however, that such indemnification shall not be operative with respect to (i) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence, willful misconduct or fraud in the performance of his/her duties as such director or officer, or (ii) any matter settled or compromised, unless, in the opinion of independent counsel, selected by or in a manner determined by the Board, there is no reasonable ground for such person being adjudged liable for gross negligence, willful misconduct or fraud in the performance of his/her duties as such director or officer. The Association shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations

under this paragraph. Every agreement made by the director or officers, on behalf of the Owners or Association shall be deemed to provide that the directors or officers, as the case may be, are acting only as agents for the Owners or Association and shall have no personal liability thereunder (except as Owners).

Section 7. Eligibility for Directorship. All directors of The Acacia Association shall be Owners as defined in Article II of these By-Laws. If a Living Unit has multiple ownership, only one owner may serve as a director at any one time.

**ARTICLE V
NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee.

The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association, who shall not be members of the Board. The Nominating Committee shall be appointed by the Board of Directors at least three (3) months prior to each annual meeting of the Owners, to serve a term of one full year or until the appointment of the next succeeding Nominating Committee, whichever shall first occur. The duties of the Nominating Committee shall be as follows:

(a) To serve written notice on the Owners at least sixty (60) days prior to the annual meeting of the number of probable vacancies in the Board of Directors to be filled at such annual meeting and in what manner the Nominating Committee is accepting applications and recommendations as to such positions.

(b) To accept all applications for nomination which may be tendered to it. No nominations will be accepted from the floor at the annual meeting. Applications will be accepted up to thirty (30) days prior to the date of the annual meeting.

(c) To nominate any number of additional qualified individuals. In no event shall the number of applicants plus the number of additional nominees be less than the then known number of vacancies.

To report its slate of candidates to the Association without distinction between those candidates which the Nominating Committee has selected and those candidates which have applied to the Nominating Committee for nomination

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Owners may cast, in respect to each

vacancy, as many votes as they are entitled to exercise under the provisions of the Protective Covenants. The persons receiving the largest number of votes shall be elected. In the event vacancies to the Board of Directors of different terms shall be available, those persons receiving the highest number of votes shall fill the vacancies having the longest remaining term. In the event of a tie vote as to any particular vacancy, the Board of Directors, as constituted after the annual meeting, except for the individuals involved in the tie vote, shall make the final determination. Cumulative voting is not permitted.

**ARTICLE VI
MEETING OF DIRECTORS**

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly with adequate notice, at such place and hour as may be fixed from time to time by resolution of the Board. Adequate notice shall consist of a letter to Owners, notice in the Association newsletter, or notice posted on the bulletin board in the Association Clubhouse a minimum of three (3) days before such regular meeting. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two board directors, after not less than three (3) days written notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board of Directors.

**ARTICLE VII
POWERS AND DUTIES OF THE BOARD OF DIRECTORS**

Section 1. Powers. The Board of Directors shall have the power to:

- (a) Adopt and publish rules and regulations governing the use of the Common Properties and Properties, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (b) Suspend the voting rights and right to use of the recreational facilities of an Owner/Member during any period in which such Owner shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations;

(c) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Owners by other provisions of these By-Laws, the Articles of Incorporation, or the Protective Covenants;

(d) Declare the office of a member of the Board of Directors to be vacant in the event of such member being absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) Employ a manager, independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Owners at the annual meeting of the Owners, or at any special meeting when such statement is requested in writing by twenty percent (20%) of the Owners who are entitled to vote;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) As more fully provided in the Protective Covenants to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each assessment period and provide each Owner with written notice not less than ten (10), and not more than sixty (60), days prior to each meeting of the Board concerning the adoption of the proposed annual budget, regular assessments or special assessments, and:

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each assessment period and provide each Owner with a reasonably detailed Profit & Loss Statement for the preceding budget year; and

(3) take an action in law or to foreclose the lien against any Lot for which assessments are not paid within sixty (60) days after due date or to bring an action at law against the Owner personally obligated to pay the same.

(d) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable and uniform charge may be made by the Association for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

(e) Procure and maintain adequate liability and hazard insurance on the Common Properties; and workers' compensation and director's liability as may be required;

(f) Maintain fidelity insurance covering persons who control or disburse Association funds in an amount reasonably required to protect all Association funds.

(g) Cause the Common Properties to be maintained and to cause to be performed such exterior maintenance of Living Units as may be required by the provisions of the Protective Covenants on an equitable basis.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association, all of whom must be Board members, shall be president, vice president, secretary, and treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Owners.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the president or the secretary of the Board of Directors. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) The **president** shall preside at meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign promissory notes.

b) The **vice-president** shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of the vice-president by the Board of Directors.

(c) The **secretary** or the Board's designate shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Owners; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the Owners; keep appropriate current records showing the Owners of the Association together with their addresses, and shall perform such other duties as required by the Board of Directors.

(d) The **treasurer** shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall co-sign promissory notes of the Association; keep proper books of account; shall cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures for the Owners at the annual meeting, and deliver a copy to each such Owner.

ARTICLE IX COMMITTEES

The Board of Directors shall appoint an Architectural Control Committee as provided in the Protective Covenants, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate.

ARTICLE X BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Owner at the

location where they are usually stored. The Protective Covenants, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Owner at the principal office of the Association. Copies of these documents may be purchased at a reasonable cost.

**ARTICLE XI
ASSESSMENTS**

As more fully provided in the Protective Covenants, each Owner is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the Lot against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within sixty (60) days after the due date, the assessment shall bear interest from the date of delinquency at the maximum rate permitted by the laws of Illinois, and the Association shall bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the dues amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for by non-use of the Common Properties or abandonment of his Lot.

**ARTICLE XII
CORPORATE SEAL**

The Association shall have a seal in circular form having within its circumference the words: The Acacia Association.

**ARTICLE XIII
AMENDMENTS**

Section 1. These By-Laws may be amended, at a regular or special meeting, by the majority of Owners voting in person or by absentee ballot at such meetings. For the purpose of amending these By-Laws, a quorum shall consist of fifty percent (50%) of the Owners in person or by absentee ballot.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Protective Covenants and these By-Laws, the Protective Covenants shall control.

**ARTICLE XIV
MISCELLANEOUS**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year.