

BY-LAWS OF
FOWLER FARM ESTATES HOMEOWNERS ASSOCIATION

ARTICLE I

PURPOSES AND POWERS

The Association shall be responsible for the general management and supervision of the Real Estate and shall have all of the powers to perform and shall be responsible to perform all of the obligations provided in the Declaration. Further, the Association shall have all powers now or hereafter granted by the General Not-For-Profit Corporation Act of the State of Illinois which shall be consistent with the purposes specified herein and in the Declaration.

ARTICLE II

OFFICES

2.01 Registered Office. The Association shall have and continuously maintain in this State a registered office and a registered agent whose office shall be identical with such registered office. The Association may have other offices within or without the State of Illinois as the Board of Directors may from time to time determine.

2.02 Principal Office. The principal office of the Association shall be maintained in DeKalb County, Illinois.

ARTICLE III

MEMBERSHIP

3.01 Voting Membership. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification of membership. Nothing herein contained shall be interpreted to exclude the Declarant from membership while it, or its successors in interest, if any, owns one (1) or more Lots. Voting rights with regard to each Member are set forth in Section 3.02 hereof.

3.02 Classes of Membership. The Association shall have two (2) classes of voting membership.

Class A. Class A Members shall be all those Owners as defined in Section 3.01, with the exception of the Declarant. Class A Members shall be entitled to one (1)

vote for each Lot in which they hold the interest required for membership by Section 3.01. When more than one (1) person holds such interest in any Lot, all such persons shall be Members and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant. The Class B. Member shall be entitled to sixteen (16) votes provided that the number of votes of the Declarant shall be reduced by one (1) vote for each Lot conveyed by the Declarant to an Owner other than the Declarant. When Declarant no longer owns a Lot, Declarant will cease to be a Member.

3.03 Meetings.

(a) **Quorum and Procedure.** Meetings of the Members shall be held at the principal office of the Association or at such other place in DeKalb County, Illinois as may be designated in any notice of a meeting. The presence at any meeting, in person or by proxy, of a majority of the total votes determined pursuant to Section 3.02 above shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Members at which a quorum is present upon the affirmative vote of the Members having a majority of the total votes present at such meeting. Any Member in writing may waive notice of a meeting or consent to any action of the Association without a meeting.

(b) **Initial and Annual Meeting.** Special meetings of the Members may be called at any time for the purpose of considering matters which, by the terms of the Declaration or these By-Laws, require the approval of all or some of the Members, or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by a majority of the Board or by the Members having one-fourth (1/4) of the total votes, and delivered not less than five (5) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered.

3.04 **Notice of Meetings.** Notices of meetings required to be given herein may be delivered either personally or by mail to the persons entitled to vote thereat, addressed to each such person at the address given by him to the Board for the purpose of service of such notice, or to the Lot of that Owner with respect which such voting right appertains, if no address has been given to the Board. The notices required herein shall state the specific purpose of the nature of the business for which the meeting is called. No business may be transacted at any meeting other than that specified in the notice.

3.05. **Proxies.** At any meeting of Members, a Member entitled to vote may either vote in person or by proxy executed in writing by the Member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of this execution unless otherwise provided in the proxy.

ARTICLE IV

BOARD OF DIRECTORS

4.01 **Board of Directors.** The direction and administration of the Real Estate in accordance with the provisions of the Declaration shall be vested in the Board of Directors, consisting of five (5) persons who shall be elected in the manner hereinafter provided, except for the first Board of Directors appointed by the Declarant which shall be three (3) in number. The Members having at least two-thirds (2/3) of the total votes may, from time to time, increase or decrease the number and term of the office of the Board members at any annual meeting, provided that such number shall not be less than three (3), and that the terms of at least one-third (1/3) of the persons on the Board shall expire annually. Each member of the Board, with the exception of the Board members initially appointed by the Declarant shall be one of the Owners (including the Declarant); provided, however, that in the event an Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any director or officer of such corporation, partner of such partnership, individual trustee or beneficiary of such trust, or manager of such legal entity, shall be eligible to serve as a member of the Board and provided further that in the event a member of the Board has entered into a contract to sell his or her Lot and vacates the Lot prior to the consummation of that transaction, such member shall no longer be eligible to serve on the Board and his term of office shall be deemed terminated.

4.02. **Determination of Board to be Binding.** All matters of dispute or disagreement between Owners or with respect to interpretation or application of the provisions of the Declaration or these By-Laws shall be determined by the Board as hereinafter provided, which determination shall be final and binding on the Association and on all Owners.

4.03. **Election of Board Members.** At the initial meeting of the Members and at all subsequent annual meetings of the Members, there shall be elected a Board of Directors. In all elections for members of the Board of Directors, each 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. The initial Board of Directors designated by the Declarant pursuant to Section 4.01 hereof shall serve for a period commencing on the date the Declaration is recorded and ending upon the qualification of the directors elected at the initial meeting of Members. Members of the Board elected at the initial meeting shall serve until the first annual meeting. Five (5) Board members shall be elected at the initial meeting. The three (3) persons receiving the highest number of votes at the first annual meeting shall be elected to the Board for a term of two (2) years and the two (2) persons receiving the next highest number of votes shall be elected to the Board for a term of one (1) year. In the event of a tie vote, the members of the Board shall determine which members shall have the two (2) year terms and which members shall have the one (1) year terms. Upon the expiration of the terms of office of the Board members so elected at the initial meeting and thereafter, successors shall be elected for a term of two (2) years each. Notwithstanding the aforesaid election procedure, the Declarant or its designee or beneficiaries may appoint a Board which shall have the same powers and authority as given to the Board generally, as provided hereinafter, and such appointed Board shall function until such time as the initial meeting of the Members is held. Notwithstanding anything herein to the contrary, each Unit shall have at least one representative on the Board.

4.04. **Compensation.** Members of the Board shall receive no compensation for their services, unless expressly allowed by the Board at the direction of the Members having two-thirds (2/3) of the total votes. However, any director may be reimbursed for reasonable expenses incurred in the performance of his duties.

4.05. **Vacancies in the Board.** Vacancies in the Board, other than as a result of removal pursuant to Paragraph 4.07 hereof, including vacancies due to any increase in the number of persons on the Board, shall be filled by the remaining members of the Board or by the Members present at the next annual meeting or at a special meeting of the Members called for such purpose.

4.06 **Election of Officers.** The Board shall elect from among its Members a President who shall preside over both its meetings and those of the Members, and who shall be the chief executive officer of the Board and Association, a Secretary who will keep the minutes of all meetings of the Members and of the Board and who shall, in general, perform all the duties incident to the office of Secretary and a Treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect. All officers shall be elected at each annual meeting of the Board and shall hold office at the pleasure of the Board.

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

4.08 **Meeting of Board.** The initial meeting of the Board shall be held immediately following the initial meeting of Members at the same place. At such meeting the Board shall elect its offices to serve until the first annual meeting of the Board which shall be held immediately following the first annual meeting of Members and at the same place. All subsequent annual meetings of the Board shall be held without other notice and shall be immediately after, and at the same place as, the annual meeting of Members. Special meetings of the Board shall be held upon call by the President or a majority of the Board on no less than forty-eight (48) hours notice in writing to each member, delivered personally or by mail or telegram. Any member may in writing waive notice of a meeting, or consent to holding of a meeting without notice, or consent to any action of the Board without a meeting. A majority of the number of the Board members shall constitute a quorum for the transaction of business. Unless otherwise expressly provided herein, any action may be taken by the Board upon the affirmative vote of those present at its meetings when a quorum is present.

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

ARTICLE V

POWERS OF THE BOARD

5.01 **General Powers of the Board.** Without limiting the general powers which may be provided by law, the Declaration or these By-Laws, the Board shall have the following general powers and duties:

- (a) To elect the officers of the Association as hereinabove provided;
- (b) To administer the affairs of the Association and the Real Estate and the Common Areas;
- (c) Subject to Section 5.02 (b) below, to engage the services of a manager or managing agent who shall manage and operate the Real Estate and the Common Areas;
- (d) To formulate policies for the Administration, management and operation of the Real Estate and the Common Areas;
- (e) To adopt administrative rules and regulations governing the administration, management, operation and use of the Real Estate and the Common Areas, and to amend such rules and regulations from time to time;
- (f) To provide for the maintenance, repair and replacement of laws, landscaped areas, Common Areas and payments therefor, and to approve payment vouchers or to delegate such approval to the officers or the manager or managing agent;
- (g) To provide for the designation, hiring and removal of employees and other personnel, including accountants and legal counsel, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the laws and landscaped areas to the extent not maintained by the manager or managing agent (and any such employees or other personnel as may be the employees of the managing agent);
- (h) To estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Owners of such Lots their respective shares of such estimated expenses, as hereinafter provided; and
- (i) To exercise all other powers and duties vested in or delegated to the Association, and not specifically reserved to the Members by the Articles of Incorporation, the Declaration or these By-Laws.

5.02 **Rules and Regulations: Management.**

(a) **Rules.** The Board may adopt such reasonable rules and regulations as it may deem advisable for the maintenance, conservation and beautification of the Real Estate, and for the health, comfort, safety and general welfare of the Owners and Occupants. Written notice of such rules and regulations shall be given to all Owners and Occupants, and the entire Real Estate shall at all times be maintained subject to such rules and regulations.

(b) **Management.** The Declarant, beneficiaries of the Declarant or the Board shall engage the initial management organization under contracts expiring not later than ninety (90) days after the date the initial meeting of Members is held. Thereafter, the Board may engage the services of an agent to manage the Real Estate to the extent deemed advisable by the Board. Any management fees incurred pursuant to this Section 5.02 (b) shall be paid from the assessments collected pursuant to ARTICLE VI hereof.

(c) **Not-For-Profit.** Nothing hereinabove contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all the Owners or any of them.

5.03 **Liability of the Board of Directors.** The members of the Board and the officers of the Association shall not be personally liable to the Owners or others for any mistakes of judgment or for any acts or omissions made in good faith by such officers or Board members. The Owners shall indemnify and hold harmless each of the members of the Board, and each of the officers against all contractual liability to others arising out of contracts made by the Board or officers on behalf of the Owners unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration. The liability of any Owner arising out of any such contract made by the Board or officers or out of the aforesaid indemnity in favor of the members of the Board or officers, to the extent not covered by insurance, shall be limited to his proportionate share of the total liability thereunder.

ARTICLE VI

ASSESSMENTS - MAINTENANCE FUND

6.01 **Preparation of Estimated Budget.** Each year on or before December 1, the Board will estimate the total amount necessary to pay the cost of wages, materials, taxes, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services authorized by the Board, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements, and shall, on or before February 1, notify each Owner in writing as to the amount of such estimate ("Estimated Cash Requirement"), with reasonable itemization thereof. The Estimated Cash Requirement shall be assessed equally among all of the Owners other than the Declarant as provided in Section 6.09 of the Declaration. On or before March 1 following and the first of each and every month of said year, each Owner, other than the Declarant, shall be obligated to pay to the Board, or as it may direct, one-twelfth (1/12) of the assessment made pursuant to this Section 6.01. On or before the date of the Annual Meeting of each calendar year, the Board shall supply to all Owners an itemized accounting of the maintenance expenses for the preceding fiscal year actually incurred and paid, together with a tabulation of the amounts collected from the Owners pursuant to assessments made

during such year (including amounts collected from the Declarant) and showing the net amount over or short of the actual expenditures, plus reserves. The Board shall upon demand at any time furnish a certificate in writing signed by an officer or agent of the Association, setting forth whether the assessments on a specific Lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment therein.

6.02 **Extraordinary Expenditures.** The Board shall build up and maintain a reasonable reserve for authorized capital expenditures, contingencies and replacements (“Extraordinary Expenditures”) not originally included in the annual estimate. Extraordinary Expenditures which may become necessary during the year shall be charged first against such reserve. If such reserve proves inadequate for any reason, including non-payment of any Owner’s assessment, the Board may, at any time, levy a further assessment which shall be divided pro rata among the remaining installments for such fiscal year and assessed equally among the Owners, other than the Declarant. The Board shall serve notice of further assessment on all such Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective with the monthly maintenance payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All such Owners shall be obligated to pay the adjusted monthly amount. The Board shall have the authority to transfer such funds into the operating account to fund any deficit in said account.

6.03 **Budget for First Year.** When the Board elected hereunder (or appointed by the Declarant or its beneficiaries) takes office, it shall determine the Estimated Cash Requirements, as hereinabove defined, for the period commencing on the first day of the month following the recording of this Declaration. The initial Estimated Cash Requirements shall be divided among the remaining monthly installments of such calendar year and assessed equally to all Owners, other than the Declarant.

6.04 **Failure to Prepare Annual Budget.** The failure or delay of the Board to prepare or serve the annual or adjusted estimate on an Owner shall not constitute a waiver or release in any manner of such Owner’s obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and, in the absence of any annual estimate or adjusted estimate, the Owner shall continue to pay the monthly maintenance charge at the then existing monthly rate established for the previous period until the monthly maintenance payment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

6.05 **Books and Records.** The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Common Areas, specifying and itemizing the maintenance and repair expenses of the Common Areas and any other expenses incurred. Such records and the vouchers authorizing the payment shall be available for inspection by any Owner or any representative of an Owner duly authorized in writing at such reasonable time or times during normal business hours as may be requested by the Owner or his representative. Upon ten (10) days notice to the Board, any Owner shall be furnished a statement of his account, setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

6.06 **Status of Collected Funds.** All funds collected hereunder shall be held and expended for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Owners and for such adjustments as may be required to reflect delinquent or

prepaid assessments) shall be deemed to be held in trust for the benefit, use and account of all the Owners. All funds 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.

6.07 **Remedies for Failure to Pay Assessments.** Any assessments which are not paid within thirty (30) days after the due date shall bear interest from the due date at the Base Index Rate announced from time to time by the **bank**, or its successor, plus four per cent (4%), and the Association may bring an action of law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided, shall be and become a lien or charge against the Lot of the Owner involved when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of liens against real estate. Unless otherwise provided in the Declaration, the members of the Board and their successors in office, acting on behalf of the other Owners, shall have the power to bid for the Lot so foreclosed at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Any court shall be authorized to restrain the defaulting Owner from reacquiring his Lot at such foreclosure sale. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage now or hereafter placed on the Lots, provided, however, that such prior recorded mortgage shall be subject to the lien of all unpaid assessments with respect to such Lot which became due and payable subsequent to the date the holder of said mortgage takes possession of the Lot, accepts a conveyance of any interest in the Lot or as a receiver appointed in a suit to foreclose his lien.

6.08 **Forcible Entry and Detainer.** In addition to the rights and remedies set forth in Section 6.07, if any Owner shall default in the payment, when the same shall be due, of the aforesaid charges or assessments and said default shall continue for thirty (30) days after notice to said Owner by the Board, setting forth the amount of unpaid charges or assessments together with a demand for payment thereof, the Board shall have the right to declare said default a forcible detainer of the Lot and shall have the right, on behalf of the other Owners, to enter and take possession of the Lot from said defaulting Owner, to put out the Owner, or any Occupant claiming by, through or under the Owner, using such reasonable force as the Board shall deem necessary under the circumstances and to exercise any of the rights and remedies set forth in the Forcible Entry and Detainer Act, 735 ILCS 5/9-101 et seq.

6.09 **Exempt Lots.** With regard to Lots for which title has not been conveyed by the Declarant, the assessment respecting any such Lot shall be limited to the aggregate amount of operating expenses from time to time required to be paid with respect to such Lot, provided, however, that in the event the Declarant enters into a lease or installment contract for any Lot, then the Declarant shall be responsible for the percent of assessments on those Lots on the same basis as any other Owner as provided in Section 6.01 hereof. Actual operating expenses shall mean those ordinary expenses attributable only to the period in question covering the maintenance and operation of the Property and shall not include capital expenditures, amounts set aside as a reserve for contingencies or replacements, prepaid items or inventory items to the extent attributable to the subsequent periods. Until such time as title to seventy-five per cent (75%) of the Lots have been conveyed, the assessments covering the Lots which have not been sold by the Declarant may be paid on a monthly basis or, at its option, paid to the

Association at the close of each calendar year without interest.

ARTICLE VII

COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

All Owners shall maintain, occupy and use their Lots and the Common Areas only in accordance with the terms of the Declaration for the Unit of which such Lot is a part, and any additional rules and regulations adopted by the Board or by the Members.

ARTICLE VIII

COMMITTEES

8.01 **Board Committees.** The Board, by resolution adopted by a majority of the directors in office, may designate one (1) or more committees, each of which shall consist of one (1) or more directors. The committees, to the extent consistent with law and as provided in said resolution, shall have and 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 upon it or him or her by law.

8.02 **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 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, and the President of the Association shall appoint the members thereof. Any member thereof may be removed whenever in their judgment the best interests of the Association shall be served by such removal.

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

8.04 **Chairman.** One (1) member of each committee shall be appointed chairman.

8.05 **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.

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

ARTICLE IX

INTERIM PROCEDURE

Until the initial meeting of the Members, the Declarant shall appoint the Board which shall have the same powers and authority as given to the Board generally.

ARTICLE X

AMENDMENTS

These By-Laws may be amended or modified from time to time by action or approval of the Members entitled to cast three-fourth (3/4) of the total votes, provided, that any amendment shall require the consent of the Declarant if it owns one (2) or more Lots, and further provided, that no such Amendment shall be effective unless approved by two-thirds (2/3) of the total votes of each Unit.

ARTICLE XI

INTERPRETATIONS

In the case of any conflict between the Articles of Incorporation of the Association and these By-Laws, the Articles of Incorporation shall control; and in the case of conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XII

DEFINITION OF TERMS

The terms used in these By-Laws shall have the same definition as set forth in the Declaration to which these By-Laws are attached to the extent such terms are defined therein.

IN WITNESS WHEREOF, Steven G. Glasgow, as Trustee of the Steven Glasgow 2014 Living Trust has executed these presents this _____ day of _____, 2019.

DECLARANT:

Steven G. Glasgow, as Trustee of the Steven Glasgow 2014 Living Trust