

THE BY-LAWS OF
The WASHINGTON COURTE UMBRELLA ASSOCIATION
(an Illinois not-for-profit corporation)

Amended and restated as of April 29, 1991

ARTICLE I
NAME OF CORPORATION

The name of this corporation is WASHINGTON COURTE
UMBRELLA ASSOCIATION.

ARTICLE II
PURPOSE AND POWERS

2.01 PURPOSES: The purposes of this Association are to act on behalf of its members collectively, as their governing body, for civic functions and other purposes, with respect to the preservation, care, maintenance, replacement, improvement, enhancement, operation and administration of both real and personal property and for the promotion of the health, safety and welfare, of the members of the Association, all on a not-for-profit basis. These by-laws are subject to the provisions of the Umbrella Declaration for Washington Courte, as amended (the "Declaration"), recorded with the Recorder of Deeds for Cook County, Illinois on September 21, 1978 as Document No.24637308. All terms used herein shall have the meanings set forth in the Declaration.

2.02 POWERS: The Association shall have and exercise all powers as are now or may hereafter be granted by the Illinois General Not-For-Profit Corporation Act, the Illinois Condominium Property Act, the Declaration and these By-Laws.

ARTICLE III
OFFICES

3.01 REGISTERED OFFICE: The Association shall have and continuously maintain in this state a registered office and registered agent whose office is identical with such registered office, and may have other offices within the State of Illinois as the Board may from time to time determine.

3.02 PRINCIPAL OFFICE: The Association's principal office shall be maintained on the Development Area.

ARTICLE IV
MEETINGS OF OWNERS

4.01 VOTING RIGHTS: Any or all Owners may be present at any meeting of the Owners, but the voting rights for the Association shall be vested exclusively in the Delegates, appointed pursuant to Section 5.01 of these By-laws.

4.02 ANNUAL MEETINGS: There shall be an annual meeting of the Owners on the third Tuesday of May at 7:30 pm, or at such other reasonable time or date (but not more than thirty (30) days before or after such date) as may be designated by written notice of the Board. Such notice shall be delivered to the Owners no less than ten (10) and no more than thirty (30) days prior to the date of such meeting.

4.03 ELECTION OF DIRECTORS: The election of members of the Board of Directors shall be conducted at the annual meeting of the Owners.

ARTICLE V
DELEGATES

5.01 APPOINTMENT OF DELEGATES: The Board of Directors of each Residential Association shall appoint four (4) Delegates to represent the members of that Association. Such Delegates shall be vested with the exclusive right to vote in such matters as would otherwise be granted to the Owners. Each Residential Association shall also appoint two (2) alternate Delegates to substitute for any Delegate unable to vote at a meeting of the Owners.

5.02 NOTICE OF APPOINTMENT: Each Residential Association shall give written notice of its chosen Delegates to the Umbrella Association Board of Directors prior to the date of the annual meeting. Delegates (and alternate Delegates) remain in office to the time of the next annual meeting or until such time as they resign or are unable to act as Delegates. A Residential Association may remove a Delegate (or alternate Delegate) at any time. After the annual meeting, notice of any change in Delegates is to be given in writing by the Residential Association to the Chairman of the Delegates with a copy to the Board of Directors.

5.03 PERSONS ELIGIBLE TO BE DELEGATES: Any Owner may be appointed as a Delegate; however, only one unit owner from a dwelling unit may be so appointed.

5.04 PERSONS INELIGIBLE TO BE DELEGATES: A member of the Umbrella Association Board may not be appointed as a Delegate (or alternate Delegate). A candidate for member of the Board is also ineligible to act as a Delegate.

5.05 MEETINGS OF DELEGATES: The Delegates shall hold meetings (other than the annual meeting of owners) no less than three (3) times during the year. Such meetings shall be for Delegates and Alternate Delegates, and shall be open to all Owners.

5.06 QUORUM, ACTIONS OF THE DELEGATES: At least sixty percent (60%) of the total number of Delegates prescribed in these By-laws must be present at a meeting to constitute a quorum. At least sixty percent (60%) of the total number of Delegates present at the meeting must affirmatively vote for an action to be approved.

5.07 ORGANIZATION AND CONDUCT OF MEETINGS OF THE DELEGATES: At the first meeting of the Delegates following the annual Owners meeting, the Delegates shall select from among their members a chairman, vice-chairman and a secretary. The chairman shall preside at all meetings, which shall be conducted in accordance with rules set forth in the latest revision of Robert's Rules of Order. The vice-chairman shall act as the chairman when the chairman is absent or unable to act. The secretary shall record all actions taken by the Delegates and communicate these to the Board of Directors and to each Residential Association. The secretary shall also communicate notices of the meetings to the Residential Associations.

5.08 POWERS AND DUTIES OF DELEGATES: The powers and duties of Delegates are as follows:

a. To elect Board members under Sections 6.03 and 6.04 of these By-laws.

b. To remove Board members under Section 6.13 of these By-laws.

c. To admonish or reprimand Board members.

d. To consent to assessments. Any special assessment authorized by the Board under Article VI, Section 6.05 of the Declaration shall not become effective unless approved by the Delegates. Likewise, any increase in the regular assessment authorized by the Board and which is fifteen percent (15%) or more than the regular assessment for the prior fiscal year shall also require approval by the Delegates. Such fifteen percent increase shall be measured in any twelve (12) month period. (i.e., two

increases of 7-1/2% each within twelve months would require Delegate approval of the second increase.)

e. To approve certain expenditures and contracts under Sections 9.02 and 9.03 of these By-laws.

f. To ratify amendments to these By-laws under Section XIII.

g. Advise the Board of Directors on any matters which the Delegates deem desirable to so advise.

h. Any other power granted to the Owners under law.

5.09 REGULAR MEETINGS OF DELEGATES: At each regular meeting, the date of the next succeeding meeting shall be determined by action of the Delegates. Written notice of regular meeting of the Delegates, specifying the date, time and place, shall be delivered to each Residential Association at least ten (10) days prior to such meeting date. Regular meetings shall be held at three month intervals, allowing thirty (30) days either before or after the date on which the regular meeting would normally be held. The annual meeting of the Owners is considered to be a regular meeting of the Delegates.

5.10 SPECIAL MEETINGS OF THE DELEGATES: A special meeting of the Delegates may be called by the combined order of the chairman, vice-chairman and secretary of the Delegates. A special meeting of the Delegates may also be called by a petition of sixty percent (60%) of the Delegates. In each case, written notice is to be given to each Residential Association at least five (5) days prior to the date of the meeting. Such notice shall specify the purpose of calling the special meeting.

ARTICLE VI BOARD OF DIRECTORS

6.01 GENERAL: The affairs of the Association and the direction and administration of the property shall be vested in the Umbrella Association Board ("Board"), which shall consist of seven (7) members ("Directors"). The Board shall have all of the powers granted to it under the Declaration, these By-laws, the Illinois General Not-for-Profit Corporation Act and the Illinois Condominium Property Act.

6.02 PERSONS ELIGIBLE TO BE DIRECTORS: Any Owner may be elected as a member of the Board of Directors. Only one Owner from a dwelling unit may be so elected.

6.03 ELECTION, TERM OF OFFICE: At the annual meeting of Owners, the Delegates shall elect members of the Board of Directors. Each Director will serve a term of two (2) years. Four (4) Directors shall be elected in even numbered years and three (3) Directors shall be elected in odd numbered years. If a vacancy shall occur with regard to a Director with over one full year remaining in his or her term of office, such vacancy shall be filled for a term expiring at the next annual meeting of owners. At all elections for members of the Board, cumulative voting shall not be permitted. The candidates receiving the highest number of votes shall be deemed to be elected. If a Director must be elected for a one year term, the candidate with the next highest number of votes (after filling the two year terms) shall serve the one year term. Each director shall hold office until his successor is elected and qualified. A director may succeed himself or herself.

6.04 FILLING OF VACANCY IN BOARD: Should a vacancy occur in the Board of Directors by reason of the resignation (see Section 6.14), death or incapacity of any Board member, the remaining members of the Board may elect any eligible Owner to serve until the next annual meeting of the Owners. Such election shall require an affirmative vote of at least four (4) of the remaining Directors. If such affirmative vote cannot be obtained, then the vacancy may be filled by affirmative vote of the Delegates. Should a vacancy occur in the Board by reason of removal by the Delegates pursuant to Section 6.13 of these By-laws, than such vacancy shall be filled by affirmative vote of the Delegates. Any Director appointed to fill an unexpired term shall serve until the next annual meeting of the Owners.

6.05 ELECTION OF OFFICERS: As soon as feasible after election of the Board members at the annual meeting of Owners, the new Board members shall elect officers prescribed by Section 7.01 of these By-laws, who shall serve until the next annual meeting.

6.06 REGULAR MEETINGS OF BOARD: The Board of Directors shall hold no less than nine (9) regular meetings between each annual meeting. Regular meetings shall be held monthly. Unless omitted for a particular month or rescheduled, Board meetings shall be held on the first Monday following the tenth day of each month. All regular meetings of the Board shall be open to all Owners.

6.07 SPECIAL MEETINGS OF BOARD: Special meetings of the Board may be called by the President on three (3) days notice given to each Director. A special meeting of the

Board may also be called by three (3) directors by giving three (3) days written notice (signed by each of three directors) to each of the other directors. Special meetings of the Board shall be open to all Owners, except for portions of any meeting held for the purposes described in Section 18.5(c)(4) of the Illinois Condominium Property Act (as amended).

6.08 NOTICE TO DIRECTORS OF BOARD MEETINGS: For any regular meeting of the Board, notice of the time and place of the meeting shall be mailed or delivered to each Director at least seventy-two (72) hours prior thereto, unless a written waiver of such notice is signed by a Director entitled to such notice before the meeting is convened. Notice of all special meetings of the Board must be mailed or delivered to each director at least 72 hours prior thereto, unless a written waiver of such notice is signed by a Director entitled to such notice. All notices of special meetings of the Board must state the time and place of the meeting and the purpose or purposes for the meeting.

6.09 NOTICE TO OWNERS OF BOARD MEETINGS: For all regular meetings of the Board, a notice of such meeting, stating the time and place of the meeting and containing an agenda of issues and items to be discussed, shall be mailed or delivered at least 48 hours prior thereto unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened; and that copies of such notices of Board meetings be posted in entranceways, elevators or other conspicuous places in the Residential Buildings not less than 48 hours prior to such meeting. For any special meeting of the Board not closed to Owners under Section 6.07 of these By-laws), a notice, of such meeting shall be posted in entranceways, elevators or other conspicuous places in the Residential Buildings not less than 48 hours prior to such meeting.

6.10 INFORMAL ACTION: Any action required or permitted to be taken by the Board under the Illinois General Not-for-Profit Corporation Act, the Illinois Condominium Property Act, the Declaration or these By-laws may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Directors entitled to vote with respect to the subject matter thereof and any such consent shall have the same force and effect as a unanimous vote of the Directors. Any such action adopted by the Board under this section shall be presented for formal approval at the next meeting of the Board.

6.11 QUORUM, ACTION OF BOARD: A quorum of four (4) members of the Board must be present at any regular or special meeting in order to conduct any business of the Board. Unless otherwise provided in these By-laws or in the Declaration, a majority of Directors present at such meeting must affirmatively vote for any action to be approved; however, in no event shall any action of the Board be approved by less than three (3) directors. As chairman of the meeting, the President may not vote on Board matters, but may cast a vote to break tie votes, create a tie vote or to obtain the minimum number of votes as specified in these By-laws.

6.12 CONDUCT OF BOARD MEETINGS: The chairman shall conduct Board meetings in accordance with procedure set forth in Robert's Rules of Order, as revised.

6.13 REMOVAL OF DIRECTORS: Any Director may be removed from membership on the Board, with or without cause, by the affirmative vote of the Delegates described in Section 5.06 at any regular or special meeting called for such purpose.

6.14 RESIGNATION OF DIRECTORS: Any Director may resign at any time by submitting his written resignation to the Board of Directors. If a Director ceases to satisfy the eligibility requirements provided in the Declaration or elsewhere in these By-laws, he or she shall be ineligible to serve on the Board.

6.15: POWERS AND DUTIES OF THE BOARD: The Board shall exercise all powers, duties, and authority vested in the Association by law, the Declaration and these By-laws, except for such powers, duties and authority reserved by law and the Association instruments to the Owners and the Delegates. The powers and duties of the Board shall include, without limitation, the following matters:

(a) The operation, care, upkeep, maintenance, replacement, and improvement of the Common Area.

(b) The preparation, adoption and distribution of the annual budget for the Association.

(c) To levy, give notice and collect the assessments from the Owners.

(d) To provide for the employment and dismissal of personnel as the Board may, in its discretion, deem advisable for the effective administration of the Common Area.

(e) Obtain insurance required by the Declaration.

(f) To adopt and amend such reasonable rules and regulations as the Board may deem advisable for the use, enjoyment, administration, management, maintenance, conservation, and beautification of the Common Area, and for the health, comfort, safety and general welfare of the Owners.

(g) To suspend the rights of an Owner to use any recreational facility located on the Common Area for violation of Association regulations.

(h) To impose and collect any reasonable fine against any owner or Residential Association deemed in violation of any of the provisions of the Declaration, these By-laws or any legal and reasonable rule, regulation or action of the Delegates or the Board of Directors. The imposition of any such fine shall be subject to the right of the accused party to notice and an opportunity for a hearing as provided in the Declaration.

(i) keep detailed, accurate records of the receipts and disbursements of the Association, and a record of the actions taken, rules and regulations and other documents and records as specified in Article XII of these By-laws.

6.16 OWNERS' RIGHTS: Written notice of any action taken by the Board which affects any unit owner adversely shall be furnished to such unit owner or owners (or to a Residential Association if an entire Residential Association is so affected) within a reasonable time after the adoption of such action. If within thirty (30) days from the date of the written notice to the affected owner or owners, a petition shall be filed with the Board which specifically objects to any rule, regulation or action of the Board and such petition is signed by at least twenty five percent (25%) of the owners affected thereby, then such rule, regulation or action shall be reconsidered (for affirmation or reversal) at the next Board meeting.

ARTICLE VII OFFICERS

7.01 OFFICERS: The officers of the Association shall be a President, Vice-presidents, a Secretary, a Treasurer and such assistants to such officers as the Board may deem appropriate. The President, Secretary and Treasurer shall be elected by the Board from among their own members under Section 6.05.

7.02 VACANCIES: Any officer may be removed at any meeting of the Board by an affirmative vote of a majority of the Board members in office, either with or without cause, and any vacancy in any office may be filled by the Board. If an officer who is a Director is removed by the Board as an officer, he or she shall continue to serve as a Director.

7.03 POWERS OF OFFICERS: The respective officers of the Association shall have such powers and duties prescribed by the Board and customarily vested in such officers, including the following:

(a) The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the Owners and at all meetings of the Board.

(b) A Vice-president shall, in the absence or disability of the President, perform the duties and exercise the powers of such office. Such Vice-president shall be elected by the Board from among its members.

(c) The Secretary shall keep minutes of all meetings of the Owners and the Board and shall have the custody of records and documents of the Association.

(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.

7.04 OFFICERS' COMPENSATION: The officers shall receive no compensation for their services except as expressly provided by a resolution adopted by the Delegates.

ARTICLE VIII COMMITTEES DESIGNATED BY BOARD

8.01 BOARD COMMITTEES: The Board, by resolution adopted by a majority of the Directors in office, may designate one or more committees consisting solely of Board members, each of which shall include at least two members. Such 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 shall not operate to relieve the Board or any individual Director of any responsibility imposed by law.

8.02 SPECIAL AND STANDING 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 the Board. Except as otherwise provided in such resolution, members of each such committee shall be Owners and the Board shall appoint the members thereof. A committee member may be removed by a majority of the Directors if in the judgment of the Board, the best interests of the Association shall be served by their removal. The powers and the duties of any such standing committee shall be set from time to time by resolution of the Board. The chairman of each standing committee shall be a Director (who shall act as the liaison between the committee and the Board), and the other members of the committee (who need not be Directors) shall be appointed and removed from time to time by the Board.

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

8.04 VICE CHAIRMAN: One member of each committee shall be appointed vice chairman, who shall act in the absence of the chairman.

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

8.06 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 shall be the act of the committee.

8.07 RULES: Each committee may adopt rules for its own government not inconsistent with the Declaration, these Bylaws or with rules adopted by the Board.

ARTICLE IX CONTRACTS AND EXPENDITURES

9.01 CONTRACTS - AUTHORITY: 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 or execute and deliver any instrument in the name of and on behalf of the

Association and such authority may be general or confined to specific instances. In the absence of any such authorization by the Board, any such contract or instrument shall be executed by the President or a Vice-president and attested to by the Secretary or Assistant Secretary of the Association. Neither the Board nor any officer or agent of the Association may enter into an agreement for services for a period of more than one year, unless said agreement is approved by unanimous consent of the Board. The aforesaid shall not prohibit entering into a contract or agreement which runs for more than one year and which may be either cancelled or renewed for subsequent yearly periods.

9.02 CONTRACT ADMINISTRATION, BIDS REQUIRED: The Board may not enter into a contract or agreement for goods, merchandise or services which has a value or estimated value in excess of Two thousand, five hundred dollars (\$2,500) without first obtaining three (3) bids for the same or similar goods or services. If the Board cannot obtain three bids for good or reasonable cause, then the Board shall obtain a written waiver of this provision from the Delegates. The three bid requirement shall not be applied in the case of continuing service from a vendor who has already provided similar services considered satisfactory by the Board.

9.03 DELEGATE APPROVAL OF LARGE EXPENDITURES: Any expenditure authorized by the Board which is thirty percent (30%) or more of total of the operating expenditures as shown in the annual budget for the current fiscal year shall not be made unless approved by action of a majority of the Delegates. Expenditures for continuing services such as annual contracts for lawn maintenance and pool maintenance shall not be subject to Delegate approval.

ARTICLE X CHECKS, DEPOSITS AND FUNDS

10.01 PAYMENTS: All checks, drafts, vouchers 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 counter-signed by the President or a Vice-president of the Association.

10.02 BANK ACCOUNTS, INVESTMENTS: All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trusts companies or other depositories as the Board shall elect. The maturity of any investment of the Association shall not be more than one year.

10.03 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 September and end on the 31st day of August.

11.02 ANNUAL STATEMENT: Within a reasonable time after the close of each fiscal year, the Board shall furnish each owner an itemized accounting of the common expenses for the preceding year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget assessment, and showing the net excess or deficit of income over expenditures plus reserves, and a statement of assets and liabilities as of the year-end date.

11.03 SPECIAL STATEMENT: Within thirty (30) days after a written request from a unit owner (together with payment of a reasonable fee covering the direct out-of-pocket cost of providing and copying such information as determined by the Board), and in connection with a proposed sale of his or her dwelling unit, the Board shall provide the owner with a statement containing the following information:

(a) A statement of any liens, including a statement of the Owner's account and the amount of any unpaid assessments or other charges due and owing from the Owner.

(b) A statement of any capital expenditures by the Association within the current or succeeding two fiscal years.

(c) The status and amount of any reserve for replacement fund and any portion of such fund earmarked for any specified project by the Board.

(d) The status of any pending suits or judgments to which the Association is a party.

(e) A statement setting forth what insurance coverage is provided for all unit owners by the Association.

(f) A statement that any improvements or alterations made to the unit or any part of the common areas by the unit owner and which are subject to the jurisdiction of the Umbrella Association are in good faith believed to be in compliance with the Declaration.

(g) A copy of the Declaration, By-laws, rules and regulations and other instruments.

(h) A copy of the statement of financial condition for the last fiscal year for which such statement is available.

11.04 ASSESSMENT PROCEDURE: Annual assessments and special assessments shall be made and collected as provided in the Declaration.

11.05 FINANCIAL REPORT: A written financial report shall be presented at each regular meeting of the Board by the Treasurer, or other Board member or officer so delegated by the Board. Such report shall contain a statement of receipts and disbursements for the month (or months) since the previous report, a statement of receipts and disbursements for the year-to-date presented in comparison to the annual budget, a statement of the assets and liabilities as of the preceding month-end and a statement of any outstanding obligations.

11.06 ANNUAL BUDGET: A budget shall be prepared annually for a budget year coincident with the Association's fiscal year:

(a) A Budget Committee shall be appointed by the Board to propose a budget for adoption by the Board. Said committee shall consist of five (5) members of which no less than three (3) shall be members of the Board.

(b) Formation and drafting of the budget shall commence not later than sixty (60) days prior to the beginning of each budget year.

(c) Each owner shall receive a copy of the proposed annual budget at least thirty (30) days prior to its adoption by the Board.

(e) Approval of the proposed budget by the Board shall occur no later than fourteen (14) days prior to the beginning of the budget year.

(f) Each Owner shall receive written notice mailed or delivered 10 to 30 days prior to any meeting of the Board to consider the adoption of the proposed annual budget or any increase or establishment of an assessment.

ARTICLE XII BOOKS AND RECORDS

12.01 The Board shall maintain the following records of the Association available for examination at convenient week day hours by any unit owner, his mortgagee, agent or attorney, for any proper purpose, upon written request by the unit owner so stating the purpose for such request:

(a) Copies of the recorded Declaration, Bylaws and Articles of Incorporation, and amendments thereto; and copies of the rules and regulations adopted by the Association.

(b) Minutes of all meetings of Owners, Delegates and Board of Directors for the past seven (7) years.

(c) Ballots for the election of members of the Board shall be maintained for a period of not less than one year.

(d) Copies of all contracts, leases or other agreements entered into by the Association shall be maintained for a least three (3) years.

12.02 Upon request of any unit owner, his agent or attorney, the Board shall furnish copies of those documents specified in Subsection (a), copies of annual financial statements for the two most recent fiscal years, copies of annual budgets for the current and preceding year and such other records specified by Section 107.75 of the Illinois Not-for-Profit Corporation Act, including minutes of committees having the authority of the Board. Such request shall be in writing, shall specify the purpose for such request, and shall include the payment of a reasonable fee that shall be determined by the Board.

ARTICLE XIII AMENDMENTS TO THE BY-LAWS

These Bylaws may be amended or modified at any time, or from time to time, by an affirmative vote of Delegates having sixty percent (60%) or more of the total of Delegates that may be appointed.

9500 Washington Street
Niles, Illinois 60648

P.I.N. 09-14-201-048-000 .

Exhibit A to

Umbrella Declaration

for

Washington Courte

The Development Area

All of Washington Courte, being a subdivision in the Northeast 1/4 of the Northeast 1/4 of Section 14, Township 41 North, Range 12 East of the Third Principal Meridian in Cook County, recorded as Document No. 24 262 392.