

Four Lakes Condominium Homes – Association B

Rules, Regulations & Procedures

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1. ADVERTISEMENTS, COMMUNICATIONS, SOLICITATIONS

Only notices pertaining to Association business may be distributed to individual Units. Such notices may only be distributed at the direction of the Association Board or by the Management Company. Door-to-door canvassing and soliciting is prohibited.

Unit "For Sale" or "For Rent" signage may only be posted on the designated bulletin board within the building lobby and may only be posted by the affected Unit Owner. Building occupants and Unit Owners may post other information on the designated bulletin board within the building lobby. Bulletin board postings may not exceed 8" x 5" in size.

All other signage is prohibited inside, outside, and on the grounds of the buildings.

Prohibited postings or signage will be immediately removed and destroyed.

2. ANNUAL MEETING AND BOARD OF DIRECTORS

The annual Unit Owner's meeting is held in June of each year to elect Board members, receive reports from the Association's officers, and to discuss special projects and other issues affecting the Association and buildings.

All Unit Owners are notified of the place and time of the meeting and are strongly encouraged to attend. Unit Owner representation of at least 20% is required in order to transact the business of the meeting. The Board or Management Company will distribute proxies to all Unit Owners, to be completed by Unit Owners unable to attend the meeting.

The Board administers the Association's budgets, policies, assessments, expenditures, and other matters. The Board consists of five Directors. The three Directors receiving the most Unit Owner votes serve two-year terms. The other two Directors serve one-year terms. The Directors then determine which of them will serve as the Association's Officers: President, Vice-President, Secretary, and Treasurer.

Only Unit Owners may serve on the Board. Pursuant to the Act, in the case of multiple owners of a unit, only one of them at a time may serve on the Board.

3. ASSESSMENTS AND COLLECTION

All assessments, special assessments, fees, charges, and fines are due and payable on or before the first of each month and are considered late after the 10th of the month. All such charges are due within this time whether or not the Unit Owner has received a statement, payment coupon, or other such notice.

If payment is not received by the 10th of the month, a \$25.00 late payment charge will be assessed against the Unit Owner. Such charges are added to and deemed part of the monthly assessment for the month in which the charge is assessed. A 30-day Notice of Default will be sent by the Management Company to the Unit Owner.

After an amount becomes 60-days past due, the delinquent Unit Owner's account will be forwarded to the Association's attorney to commence legal proceedings to collect all amounts due and owing to the Association. The defaulting Unit Owner is responsible for all fees and costs incurred by the Association as a result of such action.

4. BOARD MEETINGS

Except as authorized by the Act, Board Meetings are open to all Unit Owners, who are strongly encouraged to attend.

Meetings are held at 7:00 p.m. on the third Monday of each month and at such other times as may be necessary. The meeting agenda and notice will be posted on building lobby bulletin boards no later than 48-hours prior to the meeting. Minutes of the meetings are available for review by Unit Owners at the office of the Management Company.

5. BUILDING SERVICE PERSONNEL

Those who provide services towards "the care and maintenance of the Association's common areas and building systems" should be treated with appropriate courtesy and respect. Unit Owners, tenants, and guests shall not engage in abusive or demeaning language or behavior towards service personnel nor direct them in any way as to the performance of their duties. Any complaints or requests for service should instead be directed in writing to the Management Company or to the Association's Board.

6. BUSINESSES

Pursuant to Article 7.1(l) and (m) of the Association's Condominium Declaration, nothing shall prohibit a Unit Owner or tenant from using the Unit for: the keeping of personal and business records therein, personal or professional phone and correspondence therefrom, maintaining a computer or other office equipment therein, utilizing secretarial help and having occasional business visitors. However, the regular or consistent entry of customers or clients is not permitted.

7. COMPLAINTS AND SUGGESTIONS

Complaints relating to Common Elements, Limited Common Elements, and Rules violations should be submitted to the Management Company. If resolution is not forthcoming, the matter should be brought to the attention of the Board.

8. DAMAGE - COST OF MAINTENANCE, REPAIR, AND REPLACEMENT

A Unit Owner shall bear full financial responsibility for any damage caused by any intentional or unintentional act or omission by the Unit Owner, any family member, any pet, any guest, any authorized occupant, or any agent or visitor of the Unit Owner or occupant. Such damage includes that to Common Elements and / or Unit(s) owned by others, and shall include the cost of maintenance, repairs, or replacements which would otherwise be at the common expense, as determined by the Board.

9. DELIVERIES, MOVE-INS, MOVE OUTS

All deliveries requiring extended use of the elevators must be arranged 72 hours in advance through the Management Company during its usual business hours to determine the need for elevator pads and scheduling, if necessary.

All move-ins and move-outs must give at least 72-hour notice to the Management Company. All move-ins and move-outs require payment of a non-refundable \$50.00 moving fee prior to commencement of the move. Failure to properly schedule a move or to remit a moving fee may result in a minimum fine of \$200.00 per occurrence.

Access to mechanical rooms is to be arranged in advance with the Management Company during its usual business hours so that entry to locked areas can be scheduled. Off-hours and emergency access may be scheduled on a case-by-case basis and may be subject to an off-hours charge.

All charges for repair, replacement, service, or maintenance caused by failure to comply with the foregoing requirements will be assessed against the affected Unit Owner.

10. EXTERIOR APPEARANCE / ATTACHMENTS

Clothing, sheets, or other such articles may not be hung, displayed, or stored in such a way that they are visible from the outside of a Unit. Unit exteriors, including balconies and patios, may not be painted, decorated, or adorned; nor may any canopy, antenna, satellite dish, fixture, equipment, wiring or any other item be installed or attached to a Unit exterior, balcony, railing, or patio without prior written consent of the Board.

Window adornments are limited to blinds and / or draperies. Outfacing surface colors must be neutral and light in color. Window tinting is prohibited.

Debris, including smoking materials and byproducts (such as ashes, butts, wrappers, packaging, etc.), may only be disposed of in waste receptacles located within the unit or those provided by the Association. Such materials may not be disposed of into common elements nor swept or displaced outward from patios or balconies.

Insurance requirements prohibit charcoal or wood burning devices of any kind, other than existing in-Unit fireplaces. Only furnishings manufactured exclusively for outdoor use, including reasonable live or artificial foliage plants, may remain on patios or balconies. All other items, such as those necessary for social gatherings, must be placed indoors as soon

the outdoor portion of such a gathering or event is over. In order to respect the privacy of others, no item or activity may extend or expand beyond the affected Unit's patio or balcony. The affected Unit Owner shall be assessed a fine of \$50.00 plus \$10.00 per day that such an offense exists.

Holiday decoration may be displayed no more than 30-days before and 30-days after the holiday. The affected Unit Owner shall be assessed a fine per day that such an offense exists.

Nothing whatsoever may be attached with a fastener of any type that penetrates, or mars upon its removal, a Common Element or Limited Common Element surface, without prior written approval of the Board. All charges for repair, replacement, service, or maintenance caused by failure to comply with the foregoing requirements will be assessed against the affected Unit Owner.

Satellite dish installations require prior notice to the Management Company. Such devices may be installed only on individually owned property in which the Unit Owner has an ownership interest and exclusive use. Such devices may only be installed within a unit or within the patio or balcony area and may not be affixed to the building exterior, railing, or roof.

Speakers, communication devices, or security systems which physically or audibly project into any common area are prohibited.

11. EXTERMINATING

The Association contracts for exterminating services only for the common areas. The Management Company should be immediately notified upon sight or suspicion of pest infestations or any such problem that may require special attention beyond the normal periodic exterminations.

12. FINES & RULES VIOLATIONS

The Board shall, in its discretion as to amount and degree, equitably and consistently assess fines for Rules' violations. Fines may be levied more than once, and may escalate with repeated violations. The Board is empowered to levy additional fines for excess or chronic rule violations.

Allegations of violations of the Declaration, By-laws, or Rules should be made in writing to the Management Company. The alleged violating Unit Owner will be notified in writing by the Management Company and will be given an opportunity to respond or call for a hearing within 30-days of the date of the Management Company's notice of the alleged violation. Upon determination that a violation has occurred, the Unit Owner shall pay the amount specified in the notice. Continuous or further violations shall also receive such notice, may be subject to further fine assessment for each day the violation exists, or may be referred to the Association's attorney for further action. Any and all attorney fees and costs will be assessed against the offending Unit Owner's account.

13. FIRE SAFETY

Insurance requirements prohibit the use of charcoal or wood burning devices on balconies, patios and common areas.

Each unit shall contain at least one smoke detector and one carbon monoxide detector, or at least one device which combines these two functions. Maintenance and assurance of the functionality of such devices is the responsibility of the Unit Owner.

Door closers are required on all unit hallway entry doors.

All residents are required to maintain an operable Class ABC fire extinguisher within the Unit, preferably in the kitchen area. In addition, fire alarms and handheld fire extinguishers are located in the hallway of each floor. All residents should familiarize themselves with their location.

In the event of fire or excessive smoke, dial 911 to report the fire and if feasible, extinguish the fire using the in-Unit or hallway extinguisher, and sound the hallway fire alarm.

Flammable and explosive materials may not be kept in lockers, common areas, or furnace rooms. For the safety of all, such violations should be reported to the Management Company. Violations are subject to fine and immediate removal, without notice.

Local Fire Codes prohibit property of any kind, including spare filters, from being stored or kept in furnace areas. These areas are routinely inspected by the local Fire Department, and any stored materials will be removed without notice and an immediate \$150 fine assessed.

14. FLOOR COVERINGS

In addition to terms and conditions stated in the Declaration, and to mitigate noise disturbance to other units, the preferred floor covering in areas other than baths and kitchens shall be wall-to-wall carpeting. Hard floor surface installations or reclamations require prior submission of plan specifications to the Management Company and are subject to written Board approval. Such specifications shall include installation of sufficient underlayment and sound insulation materials as the Board may require. Minimum suggested specifications for underlayments and sound insulation are available from the Management Company. Hard surface installations are subject to inspection for compliance during and after completion. Non-compliance may result in removal and replacement of such materials, or the installation of sound insulation between units, at the expense of the violating Unit Owner.

Discarded flooring materials may not be disposed of in building dumpsters. Required off-site disposal shall be the sole responsibility of the Unit Owner. Violations are subject to substantial fines.

15. GUESTS AND OCCUPANTS

Unit Owners, occupants, and their guests and agents shall comply with all Rules, Regulations, and the terms of the Declaration. Unit Owners shall be responsible for any non-compliance by any such party.

16. HALLWAYS, STAIRWELLS, AND LOBBIES

Loitering and littering are prohibited in all common areas.

Smoking of any kind is prohibited in all indoor common areas. All smoking-related materials and byproducts, such as ashes, butts, wrappers, packaging, etc., must be disposed of within the Unit associated with such activity or in the outdoor receptacles provided for such purpose by the Association.

Residents, guests, agents and pets are prohibited from playing, running, or behaving in a reckless or offensive manner in all common areas.

Bicycles, tricycles, roller blades or skates, scooters, etc. may not be used in any common area.

Entry and stairwell doors may not be propped open or their locking mechanisms defeated or tampered with in any way. Residents may not allow strangers into the buildings.

Fire regulations prohibit all personal property (including doormats, shoes, boots, skis, sleds, bicycles, etc.) from remaining or being placed in hallways or stairwells.

The outward-facing surface of Unit hallway entry doors and doorways are common elements and must be in compliance with all common element rules, regulations, and standards.

Speakers, communication devices, or security systems which physically or audibly project into any common area are prohibited.

Unit hallway entry doors must remain closed when not in use.

17. HEAT AND AIR CONDITIONING

Maintenance and repair of a Unit's heating and air conditioning system and components (including filters) is the sole responsibility of the Unit Owner. Local Fire Codes prohibit property of any kind, including spare filters, from being stored or kept in furnace areas. These areas are routinely inspected by the local Fire Department, and any stored materials will be removed without notice and an immediate \$150 fine assessed.

18. INSPECTIONS

The Association reserves the right to permit the Management Company to perform in-unit inspections as necessary for common element maintenance, repair, or inspection. Where possible, the Management Company shall give sufficient notice to residents of such inspections and strive to accommodate the schedules of those wishing to be present during

the inspection. Residents may not deny such access to a unit for such inspections. The Management Company shall promptly advise residents of any condition requiring attention or correction.

19. INSURANCE

Each Unit Owner should carry appropriate individual condominium owner's insurance.

20. JACUZZI, WHIRLPOOL, HOT TUB-TYPE DEVICES

All such devices are prohibited.

21. LEAKAGE, OVERFLOWS

The Management Company should be immediately notified of any leakage or seepage into a unit. In order to investigate such problems and mitigate damage beyond a suspected leaking unit, the Management Company may access the unit with or without Unit Owner notice or permission. The use of force may be necessary to gain unit access. Plumbing leaks and overflows from within a unit and all resulting damages are the full financial responsibility of the Owner of the unit which is the source of such leakage, seepage, or overflow.

22. LEASES AND TEMPORARY OCCUPANCY

Unit leasing is subject to local ordinance and the terms of the Declaration. Leases shall be for rental of only the entire unit, and for a term of not less than twelve (12) months. Subleases are not permitted. All leases shall be in writing and a copy of each delivered to the Management Company by the Unit Owner prior to tenants' move-in or occupancy. Failure to comply with leasing rules may result in fines and/or denial of lessee access to the building.

Provision of the Rules to the lessee is the responsibility of the Unit Owner and the lessee shall thereby be bound. The Association may file suit against a lessee or Unit Owner and terminate a lease for any breach by the lessee of the Declaration, By-Laws, or Rules.

Owners and lessees must provide the following information to the Management Company prior to move-in: updated Resident Information Form, and copy of executed lease and all riders (including lessee receipt of Rules and Regulations). Failure to provide all information required by these rules may result in fine or denial of lessee access to the building.

23. NOISE AND NUISANCES

No disruptive or offensive activity may be conducted in any unit or common area that may be or become an annoyance which disrupts another resident's reasonable use and enjoyment of the property.

Audio volume of equipment or instruments must be limited so that other residents are not disturbed or annoyed.

24. OPEN HOUSES, ESTATE SALES, AUCTIONS

In order to maintain building security, public open houses, estate sales, and auctions are prohibited. Such events may be conducted by appointment only and in such a manner as to not unreasonably inconvenience other residents. Realtor-only-attended open houses or caravans are permissible. Realtor lockboxes or padlocks are permitted only on the bar installed for this purpose, located at the rear entry of each building.

25. PARKING AREAS

A parking space may be used for no purpose other than the parking of passenger vehicles or motorcycles of such size and placement within the space as to not impinge upon the ability to safely and easily enter and exit neighboring spaces and the vehicles therein. All vehicles must be currently licensed and registered, and must be in good operating condition and appearance. Vehicles not meeting these requirements may be considered abandoned and towed at their owner's expense without notice.

Only minor repairs or maintenance (e.g. battery, tire, interior cleaning) may be performed in parking spaces. Exterior cleaning may be performed only in an area where other vehicles will not be affected. All other repairs and maintenance must be performed off-site. Violations are subject to fine.

Spaces designated as guest parking are available only to visitors of Unit Owners or authorized unit occupants on a first-come, first-served basis. Guest parking is defined as occasional day and night parking not exceeding 2 consecutive days or 3 days in a 7-day period. A vehicle moved from one guest parking space to another will be considered to have not been moved.

Unauthorized vehicles parked in unit-designated spaces may be towed without notice upon request to the Management Company or the Association's towing contractor by the designated space Unit Owner or authorized designated space unit occupant. Vehicles parked in violation of the foregoing guest parking rules may be towed without notice only upon request to the Management Company by any Unit Owner or authorized unit occupant. All towing costs, fees, and expenses are the responsibility of the towed vehicle's owner.

The Management Company or Board may permit temporary exceptions to parking rules for good cause, upon the request of a Unit Owner or authorized unit occupant.

Prohibited parking areas are designated by signage. Vehicles may not block areas which may be required for emergency access to the building. Violators are subject to tow at the vehicle owner's expense without notice.

26. PERSONAL PROPERTY - STORAGE AND PLACEMENT

Personal property of any kind may not remain or be stored on or in any Common Element or Limited Common Element (as defined in the Condominium Declaration) area of the buildings. Neither the Association nor Management Company assumes any responsibility under any circumstances whatsoever for any loss or damage to any personal property of any Unit Owner, tenant, or guest. Personal property found in violation of the foregoing will be removed without notice.

The delivery or use of any transportable moving or storage containers or "Pods" is prohibited without prior permission approval from the Board. Unauthorized placement of such containers will result in fines and immediate removal of the container from the property.

27. PETS

Permitted pets are limited to those typically kept as household pets, except those which may be prohibited or excluded by the Association's liability insurance policy.

No more than 2 dogs and 2 cats may be housed in a unit. Residents may keep, but not replace or acquire, a third dog or third cat.

There is a \$75.00 registration fee that is required for EACH DOG in order to defray the cost of maintaining common areas, providing "mutt mitts", etc." The form and dog registration fee are due EVERY YEAR by June 1st. There is an immediate fine of \$150 for not registering a dog.

No animal may be kept or bred for commercial purposes.

All pets must be licensed and / or vaccinated in accordance with local codes.

Any pet which, in the opinion of the Board, exhibits vicious or threatening behavior or represents a threat or nuisance to residents, other pets, or the condition of the property is prohibited. Residents, however, will be given an opportunity to correct such pet behavior. If such problems persist, the Board may require the immediate removal of the pet from the unit and the property.

All pets must be short-leashed or carried when within the building outside of the unit. All pets must be leashed and controlled when outside of the building. All pet waste or excrement must immediately be collected and appropriately disposed of. Pet owners are responsible for cleaning any affected area within a building which becomes soiled or messed by a pet.

All in-unit, pet-generated waste (including kitty litter) must be contained in a plastic bag which is tied shut prior to disposal.

No pet may be left unattended outside of the unit, and may not be secured to any common area or common element.

Individual Unit Owners are responsible for any and all personal injury and / or property damage caused by a pet resident within their unit.

Prior to move-in, or within 5 days of acquiring a new pet, the Unit Owner must register all pets with the Management Company and complete an updated Resident Information Form.

28. REMODELING, CONSTRUCTION, DEMOLITION WITHIN UNIT

Written Board approval is required prior to the commencement of any in-Unit remodeling, construction, or demolition other than normal maintenance work such as painting, wallpapering, carpet replacement (with new carpet, not hard flooring), etc.

The Unit Owner is solely responsible for obtaining proper permits and ensuring that all work performed is in compliance with local codes, and for any damage caused by any contractor, agent, or worker associated with such activities.

29. RESIDENT INFORMATION

Unit owners are required to submit an updated Resident Information Form annually to the Management Company. These Resident Information Forms are due each year by June 1st, even if no information has changed. Copies of this form are available on the Association's website or by contacting the Management Company. In the event that any information changes throughout the year, it is the Unit Owner's responsibility to submit an updated Resident Information Form. Failure to provide or maintain an updated Resident Information Form will result in a fine.

30. SECURITY SYSTEMS

Owner or resident-installed private security systems are subject to prior approval of the Management Company, and may not include such type as may be disruptive to other residents. Cost of removal or modification of any system in violation shall be borne by the Unit Owner.

31. VENTILATION

Any device which restricts the flow of air from a hallway into a unit is prohibited. Any alteration to a unit's ventilation system requires prior approval by the Board; as such alteration may affect other units and / or the buildings ventilation system.

32. WASTE DISPOSAL

Garbage chutes may only be used for disposal of waste contained within a plastic bag that is tied shut and which will readily slide down within the chute. Chute access doors must remain shut when not in use.

Items which do not fit within the chute must be taken by the resident to the first floor refuse area or to the outside refuse containers. Building staff is not responsible for the removal of such items from chute access areas.

Flammable materials and construction debris may not be placed in the chute. Smoking materials, embers, etc. must be fully extinguished prior to their disposal.

In-unit sink garbage disposals should be used only for light duty type disposal. Also, grease or other materials which may congeal or create a clog within the waste plumbing system should not be placed into any in-unit waste disposal device or receptacle.

Toilets should not be used to dispose of materials which do not readily dissolve, such as paper towels, feminine hygiene products, or condoms.

33. WATER FURNITURE

Water furniture is any bed, mattress, sofa, chair, aquarium or other item which contains a liquid substance.

All water furniture currently in use must be registered with the Management Company. New water furniture may not be installed without prior registration with and approval by the Management Company. Aquariums over 50 gallons are prohibited.

34. DEFINITIONS as used herein, unless context otherwise requires:

"Act"- the Illinois Condominium Act, as amended

"Association"- Four Lakes Condominium Homes Condominium Association B

"Board" or "Board of Directors" - the Board of Directors of the Association "By-laws" - the by-laws of the Association

"Common Elements"- all of the parcel, except the individual condominium Units, but including Limited Common Elements, foundation, walls, windows, roofs, pipes, ducts, wiring, conduits (except those of the foregoing which are situated entirely within a unit and service only such unit), flues, chutes, public utility lines, structural components of the building (including support piers), hallways, stairways, elevators, entrances, exits, lobby, storage areas, structural components serving more than one unit or extending into the common elements or any portion thereof, except the individual units

"Declaration" - the Declaration of Condominium Ownership and of Easements, Restrictions, Covenants, and By-Laws for Four Lakes Condominium Homes Condominium Association B

35. FINES

The Rules Committee has established the following fines, as of May 2, 2006, (in addition to costs of any required corrective actions, repairs, maintenance, towing, etc.) for Rules violations, unless otherwise stated in Association Rules:

Furnace Room storage - \$150.00

No current Resident Information Form on file - \$50.00 per month

No Move-in/Move-out fee paid - \$200 per occurrence.

All other offenses, and for each different offense:

1st Violation- warning letter

2nd offense of same Violation- \$25.00

3rd offense of same Violation - \$50.00

Subsequent offenses of same violation- \$100.00