

**BY-LAWS OF THE LAKES AT RIVERBEND
HOMEOWNERS' ASSOCIATION**

The administration of The Lakes at Riverbend Homeowners' Association ("Association"), an Illinois Not-for-Profit Corporation, shall be governed by the following By-Laws in which "The Lakes at Riverbend" shall be referred to as "LARB".

**ARTICLE I
Memberships**

Section 1: Qualifications: Every person who is a record owner of a lot in LARB Subdivision or who is the beneficiary of a land trust holding title to a lot in the subdivision shall be a member of the LARB Homeowners' Association. Ownership of a lot shall be the sole qualification for membership. Additional property owners may become members of the Association as may be provided in the Owner's Declaration of Covenants and Restrictions. If more than one person or entity is the record owner of or a beneficiary of a land trust holding title to a lot in LARB Subdivision, all such persons or entities shall be members.

Section 2: Members: A member shall have no vested right, interest or privilege of, in, or to the assets, functions, affairs, or franchises of the Association, or any right, interest, or privilege which may be transferable or inheritable, or which shall continue after his membership ceases, or while he is not in good standing. The membership is appurtenant to and shall not be separated from ownership of a lot. Thus, membership shall automatically terminate upon the sale, transfer, or other disposition by a member of his ownership of a lot in LARB Subdivision at which time the new owner shall automatically become a member of the LARB Home Owner's Association. Each member of the Association shall be bound by and shall observe the terms and provisions of the covenants and restrictions of LARB Home Owner's Association, the By-laws of the LARB Home Owner's Association and the rules and regulations promulgated from time to time by the Association or its Board of Directors. No member shall have the right or power to disclaim, terminate, or withdraw from his membership in the LARB Home Owner's Association or from any of his obligations as such member by abandonment of his residence or for any other reason.

Section 3: Voting Rights: Each lot in the LARB Subdivision shall be entitled to one vote, which may be cast either in person or by proxy, by the owner of such lot. If more than one member is the record owner or beneficiary of the title-holding land trust of a lot in LARB Subdivision, then the vote for that lot shall be exercised as those members amongst themselves determine. A corporate owner/member may designate an individual

person to exercise voting rights with respect to each such membership. In no event shall more than one vote be cast with respect to any one lot. A lot owner may vote by written proxy, such proxy being invalid after eleven months from the date of its execution, unless otherwise provided in the proxy. Every proxy must bear the date of execution thereof.

Section 4: Suspension of Voting Rights: The LARB Home Owner's Association shall have the right to suspend the voting rights of any member for any period during which an assessment levied by the Association against the member's lot remains unpaid, upon the member's violation of the covenants and restrictions of LARB Subdivision or upon the member's violation of any By-laws of the LARB Home Owner's Association. Any voting rights so suspended shall remain suspended until the unpaid assessments are paid in full or until the violation of the covenants and restrictions and/or the By-laws are cured. Notice of a proposed suspension shall be given in writing, and the member shall be afforded a 30 day period to remedy the violation prior to the actual suspension becoming effective.

ARTICLE II

Meetings of Members

Section 1: Initial Meeting: An initial meeting of the members of the LARB Home Owner's Association was held in 1998.

Section 2: Annual Meetings: After the initial meeting of the members has been held, there shall be an annual meeting of the members of the Association at a place designated, on the last Tuesday of January of each year if not a legal holiday under the laws of the State of Illinois, and if a legal holiday then on the next succeeding business day, at 7:00 p.m., for the election of Directors and for the transaction of such business as may come before the meeting. Written notice of the Annual Meeting stating the date, place and time of the meeting shall be distributed by the Board of Directors or a representative designated by the Board.

Section 3: Special Meetings: Special meetings of the members shall be held whenever called by the Board of Directors or by the voting members having, in the aggregate, not less than twenty-five percent (25%) of the total votes of the LARB Home Owners Association. Notice of each special meeting, stating the time, place, and in general terms the purpose, shall be sent by mail to the last known address of all members at least ten days prior to the meeting.

Section 4: Quorum: The presence in person or by written proxy at any meeting of the voting members having fifty percent (50%) of the total votes of the LARB Home Owner's Association shall constitute a quorum for the transaction of business. Unless

otherwise expressly provided herein or required by the General-Not-For-Profit Corporation Act or the Articles of Incorporation of the Association, any action may be taken at any meeting of the voting members at which a quorum is present upon the affirmative vote of the voting members having a majority of the total votes present at such meeting.

Article III Board of Directors

Section 1: Number of Directors: The business and affairs of the Association shall be managed by a Board of Directors which shall consist of seven persons to be elected at the annual meeting of the members of the Association. The number of directors is subject to future amendment by vote of the members. All of the Board shall consist of members of the Association. Each director shall hold office until the next annual meeting of the members and until a successor shall have been elected and qualified.

Section 2: Powers and Duties: The Board shall have authority to transact all affairs of the Association except those matters especially reserved to the vote of the members by these by-laws.

Section 3: Other Duties: In addition to the duties imposed by these by-laws, the Articles of Incorporation of the Association, or by resolution of the Association, the Board of Directors shall be responsible for the following:

- (A) Care and upkeep of the subdivision including the lakes, common areas and facilities located therein to the extent the same is not performed by members or the Park District or Forest Preserve.
- (B) Levying and collecting of the annual assessments and any special assessments that may occur.
- (C) Designation and dismissal of personnel necessary for the accomplishment of the purposes of the Association.
- (D) Creation of an annual budget prior to each annual meeting.
- (E) Expenditure of funds in accordance with the annual budget and amendments thereto.
- (F) Provision of architectural control of the lots and commons properties in the subdivision.
- (G) Enforcement of any and all covenants, restrictions and agreements applicable to lots in the subdivision, and to adopt, amend and enforce rules and regulations.

Disclaimer: Nothing herein shall be construed to impose any duty upon the Board of Directors collectively or individually to provide supervision, life-safety protection or life guard service over the lakes, sewers, streams, waterways, or man-made pools of the LARB subdivision. The Board acting in the representative capacity shall not have duty to any member of the Association, their family members and guests for surveillance of the subdivision or any activity or condition conducted, or located, therein. These duties are not intended to make the Board or any member thereof an insurer or guarantor of the safety of the person or property of any member or guest located in or upon the grounds or facilities of the subdivision. Further, the duty of the Board to provide care, upkeep or maintenance shall extend only to the common areas of the subdivision. Finally, The Board of Directors shall not be liable or responsible for the destruction, loss or damage to the property of any member or the guest of any member, visitor or other person.

Section 4: Executive Committee: The Board may elect from their number an executive committee consisting of not less than three members of the Board, which committee shall have all the powers of the Board of Directors between regular and special meetings. The President of the Association shall be a member of and shall be chairman of the Executive Committee.

Section 5: Regular Meetings: A regular annual meeting of the Board shall be held immediately after and at the same place as the annual meeting of the members. After the initial organizational meeting of the Board, a minimum of two regular meetings shall be held each calendar year.

Section 6: Special Meetings: Special meetings of the Board may be called by the President or any three directors. The person or persons calling a special meeting shall provide written notice of such meetings to each member of the Board at least two (2) days prior to the meeting. Unless required by law, neither the business to be transacted nor the purpose of any special meeting need be specified in the notice for the special meeting.

Section 7: Quorum: The Directors shall act only as a Board, and the individual Directors shall have no power as such. A majority of the Board of Directors shall constitute a quorum for the transaction of business; a majority of those present may adjourn any regular or special meeting until a quorum is reached. The act of a majority of Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise provided by law.

Section 8: Chairman: At all meetings of the Board of Directors, the President, or, in his absence, the Vice President, or in the absence of both, a chairman chosen by the

Directors present, shall preside.

Section 9: Consent: Unless specifically prohibited by the Articles of Incorporation or By-Laws, any action required to be taken at a meeting of the Board, or any committee thereof, 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, or by all members of the committee, as the case may be. Any such consent signed by all the Directors or all the members of the committee shall be the same effect as a unanimous vote, and may be stated as such in any document filed with the Secretary of State or with anyone else.

Section 10: Annual Report: The Board of Directors, after the close of the fiscal year, shall submit to the members a report on the activities of the Association and shall submit an account of the financial transactions of the past year and a proposed budget for the ensuing year.

Section 11: Vacancies: Whenever a vacancy in the membership of the Board shall occur, the remaining Directors shall have the power, by a majority vote, to select a member of the Association to serve the unexpired term of the vacancy. If any Director fails to attend a majority of the meetings of the Board in any fiscal year, the Board may, in its sole discretion, declare his/her office vacant.

Section 12: Compensation: Members of the Board of Directors shall not receive any compensation for their services.

Article IV Officers

Section 1: Executive Officers: The Executive Officers of the Association shall include a President, Vice President, Secretary and Treasurer. All officers shall be elected annually by the Board of Directors and shall take office immediately after election at the annual meeting of the Association. All officers shall be members of the Association and the Board of Directors.

Section 2: President: Subject to the Board of Directors, the President shall be the Chief Executive Officer of the Association, and shall perform such other duties as from time to time may be assigned by the Board. The President shall preside at all the meetings of the members and of the Board of Directors.

Section 3: Vice President: The Vice President shall perform the duties of the

President in case of the absence, inability or refusal to act by the President. In addition, the Vice President shall have such power and perform such duties as may be assigned by the Board of Directors or the President.

Section 4: Secretary: The Secretary shall keep the minutes of (a) all proceedings of the Board of Directors, (b) all committee meetings, (c) all annual meetings and special meetings of the members, as well as the corporate seal and special books and papers as the Board may direct. The Secretary shall in general perform all the duties incident to the office of the Secretary, subject to the control of the Board and the President, and to perform such other duties as may be assigned from time to time.

Section 5: Treasurer: The Treasurer shall have custody of all the receipts, disbursements, funds and securities of the Association and shall perform all duties incident with the office of the Treasurer, subject to the control of the Board and the President. The Treasurer shall also perform such duties as may be assigned from time to time, and, if required by the Board, shall give a surety bond for the faithful discharge of duties in such sum as the Board may require.

Section 6: Subordinate Officers: The President, with the approval of the Board, may appoint other officers and committee chairmen as the Board may deem necessary, who shall hold office during the pleasure of the Board, and who shall have such authority and perform such duties as may be prescribed by the Board.

Article V Committees

Section 1: The Board of Directors, by resolution adopted by a majority of the Directors, may designate one or more committees, which committees shall have such authority and perform such duties as may be prescribed by the Board. Committee members must be members of the Association. Each member of a committee shall serve on the committee until the next annual meeting of the members of the Association or until a successor is appointed, unless (a) the committee shall be sooner terminated, (b) such member be removed from the committee, or (c) such member shall cease to qualify as a member of the committee.

Section 2: Architectural Committee: The Architectural Committee has been established by the Protective Covenants of the Lakes at Riverbend for the purpose of promoting the residential development of the subdivision and enhancing property values. The Architectural Committee has the power, and indeed the duty, to reject plans that do not, in the Committee's opinion, benefit and enhance the residential development of the

area. The Architectural Committee shall be composed of at least four members. The Committee is authorized to develop procedures for the submission of plans, and may operate in any way reasonable and consistent with the Committee's purpose of promoting development and enhancing property values. The procedures checklist of the Architectural Committee is attached in Appendix A.

Section 3: Land Use and Review Committee: The Land Use and Review Committee shall be established by the Board and said Committee shall have such authority and perform such duties as may be prescribed by the Board. In addition, the Land Use and Review Committee may act as a representative of the Architectural Committee as so designated by the Architectural Committee, and shall have such powers and duties as prescribed by the Architectural Committee, all in accordance with the Protective Covenants of the Lakes at Riverbend Subdivision.

ARTICLE VI

Maintenance and Assessments

Section 1: Creation of Assessments: The Board of Directors of LARB Home Owners' Association shall have the right and power to subject the property situated in all phases of LARB Subdivision, except public streets, ways and parks, to an annual maintenance assessment and to special assessments.

Section 2: Budget: Once per year prior to the annual meeting, the Board of Directors shall prepare or cause to be prepared a proposed budget and proposed assessment rate per lot, which shall cover the routine expenses of maintaining and improving the property owned by the corporation. Included in that budget shall be an appropriate reserve for infrequent, but regularly occurring expenses.

Section 3: Maintenance Assessment: Commencing February 2001, and within 30 days after each annual meeting thereafter, each owner of lots in LARB Subdivision other than the owner-subdivider shall be assessed an annual maintenance charge against his lot or lots, and such annual maintenance assessment shall be used by the Association to create and continue a maintenance fund to be used by the Association as hereinafter stated. The assessment charge shall be payable to LARB Home Owners' Association and will be delinquent when not paid within 30 days after it becomes due (the assessment date).

The annual maintenance assessment may be adjusted from year to year by the Board of Directors of LARB Home Owners' Association as the needs of the common areas in its judgment may require. In no event shall the maintenance assessment in any year for any one lot exceed the sum of one hundred dollars, unless authorized (ref. Articles I & II) by

the membership at an annual or special meeting called for that purpose.

Section 4: Special Assessments: Special assessments may be levied by the Board of Directors, upon notice to the members, to pay for capital improvements or to supplement any maintenance reserve authorized by the members.

Section 5: Use of Maintenance Assessments: The maintenance fund may be used:

- (A) For lighting, improving and maintaining the street island and median areas, the common area easements and dedicated right of way areas maintained for the general use of the owners and occupants of land included in such subdivision;
- (B) For maintenance of Beaver Lake and its adjoining common areas (ref. Article VII, Section 4);
- (C) For operating and maintaining any storm-water drains now or hereafter constructed in such subdivision that are not or will not be under the direct supervision of the Village, County, State, or drainage district; and
- (D) For doing any other things necessary or desirable, in the opinion of the Board of Directors, to keep the property commons neat and in good order and which in the opinion of the Board of Directors may be of general benefit to the owners or occupants on the land included in such subdivision.
- (E) Note: The streets, water mains, sewers and street sidewalks are the responsibility of the Village of Mahomet and do not come under the purview of the LARB Homeowners' Association.

Section 6: Common Property: Any property taxes or assessments issuing from any state or political subdivision thereof against property held by the corporation shall be borne and paid by the members. The amount of such tax or assessment shall be divided among the members on the basis of the number of lots owned and assessed against each member by the Secretary without further action of the association or the board of directors except that notice shall be sent to each member of his share of such tax or assessment.

Section 7: Creation of Lien and Personal Obligation of Assessments: LARB Home Owners' Association shall have a continuing lien on each lot in LARB Subdivision to secure the payment of maintenance or special assessments due and to become due, and the record owners of such lots shall be personally liable for all maintenance or special assessments.

Upon reasonable demand, the LARB Home Owners' Association shall furnish to any owner

or mortgagee or person interested a statement showing the amount of any unpaid assessment charges against any lot or lots.

Section 8: Non-payment of Assessments: If any regular maintenance or special assessment is not paid on the date when due, then such amount shall become delinquent and shall, together with such interest thereon, and costs of collection including reasonable attorneys' fees as hereinafter provided, thereupon become a continuing lien on the property and an equitable charge running with the land touching and concerning it. Said lien shall bind upon property in the hands of the then owner, his grantees, heirs, devisees, administrators, executors, legal representatives, assigns and successors, and the limitation thereof shall coincide with the statutory limitation of the State of Illinois for an enforcement of oral agreements.

The personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass as a personal obligation to his successors in title unless expressly assumed by them. If title to a lot is held by an Illinois Land Trust, the Trustee shall not have any personal liability for the assessment, but all beneficiaries of the Trust shall be jointly and severally so liable. In the event title to a lot is held by more than one owner, all owners shall be jointly and severally liable. The lien shall attach to rents due from parties in possession to the record owners, provided that it shall be subordinate to an assignment of rents held by a mortgagee delivered in connection with the first mortgage loan to purchase the property.

If the assessments are not paid within 30 days after the delinquency date, the assessments shall bear interest from the date of delinquency at the maximum rate of interest per annum permitted by the usury laws of the State of Illinois and the Association may bring an action at law against the owner personally obligated to pay same or to foreclose the lien against the property and there shall be added to the amount of such assessment all the costs of preparing and filing the complaint and maintaining and concluding such action, including the costs of the title reports, and in the event a personal judgment or decree of foreclosure is obtained, such judgment decree shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with all costs of the action. The venue for all legal actions shall be in Champaign County, Illinois. The persons in possession shall be authorized to accept the summons for the owners of the lot.

No owner may waive or otherwise escape liability for the assessments provided for herein for any reason. In the event that title to any lot is conveyed to a land trust, upon the demand of the LARB Home Owners' Association, the Trustee shall furnish the Association with a certified copy of the trust agreement and any amendments thereto, so that the

Association shall be advised of the beneficiaries entitled to vote and who will be personally liable for the regular and special assessments.

Article VII
Lake Regulations
(As per the Protective Covenants of the Lakes at Riverbend)

Section 1: General: Beaver Lake serves as the private lake for the use of the members of the Association and their guests. The use of the lake shall be governed by all applicable Federal, State, County and City ordinances, laws, and regulations in addition to the regulations stated in these By-laws and implemented by the Board of Directors as permitted herein.

Section 2: Lake Activities:

- (A) Swimming or such activity intended for primary contact with the lake water is prohibited.
- (B) The use of only electric trolling motors is permitted; rowboats, canoes, paddle boats and sailboats are allowed, provided that the length of the boat does not exceed 15 feet or the length of the canoe does not exceed 18 feet. The craft shall be operated and maintained in accordance with the Illinois Department of Natural Resources and other applicable regulations.
- (C) Fishing from the lake will be permitted only with the use of a conventional hook and rod. Each member or guest of a member fishing in the lake shall comply with all requirements of the State of Illinois. Additional fishing regulations, i.e. size and creel limit, will be established by the Board of Directors.
- (D) Ice skating and ice fishing on the lake are permitted at the risk of the individual involved in such activity and subject to guidelines established by the Board of Directors.
- (E) The use of snowmobiles, all terrain vehicles (ATVs), and motorcycles on or around the lake is prohibited.

Section 3: Authority of the Board: The Board of Directors shall have the right and power to issue additional rules and regulations implementing the guidelines set forth herein for the governing of the use of Beaver Lake.

Section 4: Lake maintenance assessment: The Board of Directors may levy an assessment of maintenance of the lake as it deems necessary; such assessment shall be subject to the vote in accordance with Article II, Section 4 of LARB By-Laws to approve

such assessment.

Section 5: Lake water shall not be used for ground watering purposes unless approved by the Architectural Committee. No pollutants shall be discharged into the lake; accordingly, owners shall be responsible for prohibiting the discharge of pollutants from their respective lots into the lake. Further, the use of pesticides, herbicides and fertilizers on lots shall be limited to slow-release, organic formulations. A violation of this provision shall subject the lot owner to a financial penalty established by the LARB Board. The penalty shall be payable to the Homeowner's Association.

No improvement, installation of any structure, or change of the Commons Area Easement and the platted lake area shall be made by any lot owner without a prior submittal to the Architectural Committee of plans for such improvements, installation, or change and receipt of the prior written approval of such plans by the Architectural Committee.

Section 6: The Disclaimer stated within Article III, Section 3 of the LARB By-Laws applies to this Article VIII of said By-Laws.

Article VIII Notice

Section 1: Notice: Whenever, according to these By-laws, a notice shall be required to be given to any member or director, it shall not be construed to mean personal notice, but such notice may be given in writing by depositing the same in a post office in Champaign County, Illinois, in a postpaid sealed envelope, addressed to such member, or director at his address as the same appears on the books of the Association, and the time when such notice is mailed shall be deemed the time of the giving of such notice.

Section 2: Waiver of Notice: Whenever, any notice is required to be given under the provisions of these By-laws or under the provisions of the Articles of Incorporation or under the provisions of the Illinois General Not-For-Profit Corporation Act, a waiver thereof in writing, signed by the person or persons entitled to such notice whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Article IX Amendments

The provisions of these By-laws may be changed, modified, or rescinded by an instrument in writing setting forth such change, modification, or rescission, certified by the Secretary. Such change, modification, or rescission shall be approved at a

membership meeting called for this purpose. The presence in person or by proxy at said meeting of the voting members of the Lakes At River Bend Homeowners Association having a majority of the total votes shall constitute a quorum. However, said change, modification, or rescission must be approved in accordance with Article II, Section 4 of the LARB By-Laws.

**Article X
Corporate Seal**

The corporate seal shall have engraved thereon the following: "LARB Home Owner's Association - Seal- Incorporated." It shall remain in the custody of the Secretary and shall be by him affixed to all instruments in writing requiring the corporate seal for complete execution. An impression thereof is directed to be affixed to these By-Laws.

**Article XI
Fiscal Year**

The fiscal year of the corporation shall begin on the 1st day of January and shall terminate on the 31st day of December of each year.

IN WITNESS WHEREOF, these By-Laws were approved and adopted by members of the Association held on the 8th day of May, 2001.

THE LAKES AT RIVERBEND HOME OWNERS ASSOCIATION

By: Edward F. Koal Jr
President

Alan DeJants
Secretary