

**EXHIBIT B
TO
DECLARATION
OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR
THE CENTURY FARMS NEIGHBORHOOD ASSOCIATION**

**BY-LAWS OF
THE CENTURY FARMS NEIGHBORHOOD ASSOCIATION
AN ILLINOIS NOT-FOR-PROFIT CORPORATION**

**ARTICLE I
NAME OF CORPORATION**

The name of this corporation is the Century Farms Neighborhood 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 attached as Exhibit B to the Declaration of Covenants, Conditions, Restrictions and Easements for the Century Farms Neighborhood Association ("Declaration"). 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 General Not-For-Profit Corporation Act of the State of Illinois, the Declaration and these By-Laws.

2.03 PERSONAL APPLICATION. All present or future Owners, tenants, future tenants, and their agents and employees, and any other person that might use the facilities of the Property in any manner, shall be subject to the provisions of the Declaration and these By-Laws. The mere acquisition or rental of a Unit or the mere act of occupancy of a Unit will signify that the Declaration and these By-Laws are accepted, ratified and will be complied with.

ARTICLE III OFFICES

3.01 REGISTERED OFFICE. The Association shall have and continuously maintain in this state a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without 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 or at the office of a managing agent engaged by the Association.

ARTICLE IV MEETINGS OF MEMBERS

4.01 VOTING RIGHTS. The Association shall have one class of membership. There shall be one individual with respect to each Unit who shall be entitled to vote at any meeting of the Owners (the "Voting Member"). If the Owner of a Unit is one individual, then such individual shall be the Voting Member. If the Record Ownership of a Unit shall be in more than one individual or if the Owner is a trustee, corporation, partnership or other legal entity, then the Voting Member shall be designated by the Owner or by a majority of Owners in writing to the Board. If in the case of multiple individual Owners no designation is given and only one of the multiple Owners is present at a meeting of the Owners, then he is entitled to cast all the votes allocated to that Unit. If in the case of multiple individual Owners no designation is given and more than one of the multiple Owners are present at a meeting, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple Owners, provided that the Board shall consider a majority agreement if any one of the multiple Owners casts the votes allotted to the Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Unit. Any or all Owners may be present at any meeting of the Owners, but the voting rights shall be vested exclusively in the Voting Members; provided, however, that a Voting Member may vote either in person or by proxy executed and dated in writing by the Voting Member or his duly authorized attorney-in-fact and filed with the secretary before the meeting. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy. Except as otherwise specifically provided in the Declaration or these By-Laws, each Voting Member shall have one vote.

4.02 PLACE OF MEETING; QUORUM. Meetings of the Owners shall be held on the Property or at such other place in the County in which the Property is located and convenient to the Owners as may be designated in any notice of a meeting. All meetings shall be conducted in accordance with the rules and provisions set forth in Roberts Rules of Order, as from time to time published. Voting Members holding 20% of the votes, represented in person or by proxy, shall constitute a quorum. The vote of a majority of the votes entitled to be cast by the Voting Members present or represented by proxy at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the Voting Members. The affirmative vote of 75% of the votes entitled to be cast shall be required for the following action: (a) merger or consolidation of the Association; (b) sale, lease, exchange, mortgage, pledge or other disposition of all, or

substantially all of the property and assets of the Association; and (c) purchase or sale of land or of Units on behalf of all Owners.

4.03 ANNUAL MEETINGS. The initial meeting of the Owners shall be held upon not less than 21 nor more than 30 days' written notice given by the Declarant. If not called earlier by the Declarant, the initial meeting of the Owners shall be held on or before the Turnover Date. Thereafter there shall be an annual meeting of the Owners within 30 days from the anniversary date of the initial annual meeting at such time and on such date designated by the Board.

4.04 SPECIAL MEETINGS. Special meetings of the Owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration, require the approval of all or some of the Voting Members or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by the President, a majority of the Board or by Voting Members representing at least 20% of the votes.

4.05 NOTICE OF MEMBERSHIP MEETINGS. Written notice of any membership meeting shall be mailed or personally delivered and posted conspicuously on the Property, giving Owners not less than 10 nor more than 30 days notice of the time, place, and purpose of the meeting.

ARTICLE V BOARD OF DIRECTORS

5.01 IN GENERAL. The affairs of the Association and the direction and administration of the Property shall be vested in the Board, which (after the Turnover Date) shall consist of 5 persons or such other number of persons as shall be fixed from time to time by the affirmative vote of 50% of the Voting Members ("Directors"). The Board shall have all of the powers granted to it under the Declaration, these By-Laws and the General Not-For-Profit Corporation Act of the State of Illinois.

5.02 DEVELOPER DESIGNATED BOARDS. Anything herein to the contrary notwithstanding, until the first meeting of the Owners after the Turnover Date the Board shall consist of 3 individuals from time to time designated by the Declarant. Such individuals may, but need not, be Owners and shall serve at the discretion of the Declarant.

5.03 BOARDS AFTER TURNOVER DATE. At the first meeting of the Owners (which shall be held no later than the Turnover Date) the Voting Members shall elect the initial Board in the manner hereinafter provided to replace the Declarant designated Board established under Section 5.02. The Declarant shall give at least 21 days notice of the first meeting of the Owners to elect the initial Board and shall provide to any Owner within 10 working days of a written request from the Owner, the names, addresses and telephone numbers (if available) of each Owner entitled to vote at such meeting. Any Owner shall be provided with this same information within 10 working days of the request, with respect to each subsequent meeting to elect members of the Board. From and after such meeting, each member of the Board shall be an Owner or a Voting Member, or both. Within 60 days after the election of a majority of the Board other than those designated by the Declarant, the Declarant shall deliver to the Board:

(a) All original documents as recorded or filed pertaining to the Property, its administration and the Association, such as the Declaration, the By-Laws, Articles of Incorporation, other Association instruments, annual reports, minutes and rules and regulations, contracts, leases, or other agreements entered into by the Association. If any original documents are unavailable, a copy may be provided if certified by affidavit of the Declarant, or an officer or agent of the Declarant, as being a complete copy of the actual document as recorded or filed.

(b) An accounting of all receipts and expenditures made or received on behalf of the Association by the Declarant designated Boards and copies of all insurance policies and a list of any loans or advances to the Association which are outstanding.

(c) All Association funds and bank accounts.

(d) A schedule of all real or personal property, equipment and fixtures belonging to the Association including documents transferring the property to the Association, warranties, if any, for all real or personal property and equipment, deeds, title insurance policies and all tax bills.

(e) A list of all litigation, administrative action and arbitrations involving the Association, any notices of governmental bodies involving actions taken or which may be taken by the Association, engineering and architectural drawings and specifications as approved by any governmental authority, all other documents filed with any other governmental authority, all governmental certificates, correspondence involving enforcement of any Association requirements, copies of any documents relating to disputes involving Owners and the Association, originals of all documents relating to everything listed in this subparagraph.

5.04 ELECTION. At the initial meeting of the Owners, the Voting Members shall elect a full Board of Directors. The three Directors receiving the highest number of votes shall serve a term of two years and the two other Directors shall serve a term of one year. Thereafter each Director shall serve a term of two years. Each Director shall hold office until his term expires or until his successor shall have been elected and qualified. Directors may succeed themselves in office. In all elections for members of the Board, the Voting Member for each Unit shall be entitled to the number of votes equal to the number of Directors to be elected (cumulative voting shall not be permitted). The candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. If there are multiple Owners of a Unit, only one of the Owners shall be eligible to serve as a member of the Board at any one time.

5.05 ANNUAL MEETINGS. The Board shall hold an annual meeting within 10 days after the annual meeting of the Owners at such place as shall be fixed by the Directors at the annual meeting of the Owners.

5.06 REGULAR MEETINGS. Regular meetings of the Board shall be held at such time and place as shall be determined at the annual meeting or, from time to time, by a majority of the Directors, provided that from and after the Turnover Date, not less than four such meetings shall be held during each fiscal year.

5.07 SPECIAL MEETINGS. Special meetings of the Board may be called by the President or by at least one-third (1/3) of the Directors then serving.

5.08 NOTICE OF BOARD MEETINGS. Notice of each meeting of the Board shall be mailed or personally delivered to each Director at least 48 hours prior to the meeting and notice of any meeting of the Board concerning the adoption of the proposed annual budget or any increase or establishment of an assessment shall be given to each Owner in the same manner as provided in Paragraph 4.05 of these By-Laws, unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened.

5.09 OPEN MEETINGS. Each meeting of the Board shall be open to any Owner except for the portion of any meeting held (i) to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Board finds that such an action is probable or imminent, (ii) to consider information regarding appointment, employment or dismissal of an employee, or (iii) to discuss violations of rules and regulations of the Association or an Owner's unpaid share of the Assessment attributable to expenses of the Association. Any vote taken on any of the matters set forth in subparagraphs (i), (ii) or (iii) above shall be taken at a meeting or portion thereof open to any Owner. Notice of such meeting shall be mailed or personally delivered and posted conspicuously upon the Property 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. The Board may adopt reasonable rules governing the conduct of Owners who attend meetings and Owners who do not comply with such rules may be removed from the meeting. Any Owner may record the proceedings at a meeting required to be open by tape, film or other means and the Board may prescribe reasonable rules and regulations to govern the right to make such recordings.

5.10 QUORUM. A majority of the Directors serving from time to time shall constitute a quorum for the election of officers and for the transaction of business at any meeting of the Board. Except as otherwise expressly provided herein or in the Declaration, any action may be taken upon the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present.

5.11 COMPENSATION/REIMBURSEMENT FOR EXPENSES. No Director shall be compensated by the Association for services rendered to the Association, except as expressly provided in a resolution duly adopted by the Voting Members. Upon the presentation of receipts or other appropriate documentation, a Director shall be reimbursed by the Association for reasonable out-of-pocket expenses incurred in the course of the performance of his duties as a Director.

5.12 REMOVAL OR RESIGNATION OF DIRECTOR. Any Director may be removed from office, with or without cause, by action of the Voting Members at any annual meeting or at a special meeting called for such purpose. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting. Any Director may resign at any time by submitting his written resignation to the Board. If a Director ceases to be an Owner or a Voting Member, he shall be deemed to have resigned as of the date of such cessation.

A successor to fill the unexpired term of a Director who resigns or is removed may be appointed by a two-thirds (2/3) majority of the remaining Directors to serve until the next meeting of the Owners or for a period terminating no later than 30 days following the filing of a petition signed by the Owners holding 20% of the votes of the Association requesting a meeting of the Owners to fill the vacancy for the balance of the term. Such meeting of the Owners shall be called for purposes of filling a vacancy on the Board no later than 30 days following the filing of a petition signed by the Owners holding 20% of the votes of the Association requesting such a meeting.

5.13 POWERS AND DUTIES OF THE BOARD. The Board shall have all of the powers and duties granted to it or imposed upon it by the Declaration, these By-Laws, and the Illinois General Not-For-Profit Corporation Act, including, without limitation, the following powers and duties:

- (a) To procure insurance as provided for in the Declaration;
- (b) To engage the services of a manager or managing agent to assist the Association in performing and providing such services as the Association is required to provide to its members under the Declaration;
- (c) To provide for the designation, hiring and removal of such employees and such other personnel, including attorneys and accountants, as the Board may, in its discretion, deem necessary or proper for the effective administration of the Association;
- (d) To provide for any maintenance, repair, alteration, addition, improvement, landscaping or replacement of the Community Property, the center islands located in cul-de-sac areas and the entryways areas for which the Association is responsible under the Declaration and these By-Laws, including but not limited to the power to enter into and carry out an agreement with any homeowner and to carry out powers and duties of the Board of Directors in such a manner that would be economical to the Association and its members;
- (e) To estimate and provide each Owner with an annual budget as provided for in the Declaration;
- (f) To set, give notice of, and collect assessments from the Owners as provided in the Declaration;
- (g) To pay expenses related to maintaining and repairing the Community Property and to utility expenses for entryway areas, if any;
- (h) To adopt rules and regulations as provided in the Declaration;
- (i) To delegate the exercise of its power to committees appointed pursuant to Paragraph 7.01 of these By-Laws;

(j) To own, convey, encumber, lease, or otherwise deal with Units or other real property conveyed to or purchased by the Association;

(k) To keep detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property;

(l) To pay real property taxes, special assessments, and any other special taxes or charges of the State of Illinois or of any political subdivision thereof, or other lawful taxing or assessing body, which are authorized by law to be assessed and levied upon the real property;

(m) To impose charges for late payments of an Owner's proportionate share of the Association's expenses, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levy reasonable fines for violation of the Declaration, By-Laws, and rules and regulations of the Association;

(n) To assign the Association's right to future income, including the right to receive assessments;

(o) To record the dedication of a portion of the Community Property to a public body for use as, or in connection with, a street or utility where authorized by the Owners; and

(p) To record the granting of an easement for the laying and installation of cable television cable where authorized by the Unit Owners.

ARTICLE VI OFFICERS

6.01 OFFICERS. The officers of the Association shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such assistants to such officers as the Board may deem appropriate. All officers shall be elected at each annual meeting of the Board and shall hold office at the discretion of the Board. Officers may succeed themselves in office. The President, Vice President, Secretary and Treasurer shall be Directors and all other officers may, but need not be, Directors.

6.02 VACANCY OF OFFICE. Any officer may be removed at any meeting of the Board by the affirmative vote of the majority of the Directors in office, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

6.03 POWERS OF OFFICERS. The respective officers of the Association shall have such powers and duties as are from time to time prescribed by the Board and as are usually vested in such officers of an Illinois Not-For-Profit Corporation including without limitation, 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 and shall execute amendments to the Declaration and these By-Laws;

(b) The Vice President shall, in the absence or the disability of the President, perform the duties and exercise the powers of such office and other duties assigned by the Board. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to act in the capacity of President on an interim basis;

(c) The Secretary shall keep minutes of all meetings of the Owners and of the Board and shall have custody of the Association Seal and have charge of such other books, papers and documents as the Board may prescribe, and shall be responsible for giving and receiving all notices to be given to or by the Association under the Declaration or these By-Laws; and

(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 accounts kept for such purpose. The Treasurer shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board.

6.04 OFFICERS' COMPENSATION. The officers shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the Voting officers.

ARTICLE VII COMMITTEES DESIGNATED BY BOARD

7.01 BOARD COMMITTEES. The Board, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors, which 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 delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or him by law.

7.02 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 adopted 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 Owners and the President of the Association shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal.

7.03 TERM. Each member of a committee shall continue as such until the next annual meeting of the Board and until his 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.

7.04 CHAIRMAN. One member of each committee shall be appointed chairman.

7.05 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.

7.06 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 at which a quorum is present shall be the act of the committee.

7.07 RULES. Each committee may adopt rules for its own government not inconsistent with the Declaration, these By-Laws or with rules adopted by the Board.

ARTICLE VIII INSTRUMENTS, CHECKS, DEPOSITS AND FUNDS

8.01 EXECUTION OF INSTRUMENTS. 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 (including amendments to the Declaration or these By-Laws which must be executed by the Association) 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 an Assistant Secretary of the Association.

8.02 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 countersigned by the President or a Vice President of the Association.

8.03 BANK ACCOUNTS. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositaries as the Board shall elect.

8.04 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 IX
FISCAL MANAGEMENT

9.01 FISCAL YEAR. The fiscal year of the Association shall be determined by the Board and may be changed from time to time, as the Board deems advisable.

9.02 ANNUAL STATEMENT. Within a reasonable time after the close of each fiscal year the Board shall furnish each Owner with an itemized accounting of the Association's expenses for such fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the Annual Assessment budget, and showing the net excess or deficit of income over expenditures plus reserves.

9.03 ASSESSMENT PROCEDURE. Annual assessments and special assessments shall be made and collected as provided in Article V of the Declaration, and the provisions of Article V are incorporated herein by reference.

If an adopted budget requires assessment against the Owners in any fiscal year exceeding 115% of the assessments for the preceding year, the Board, upon written petition by Owners with 20% of the votes of the Association filed within 14 days of the Board action, shall call a meeting of the Owners within 30 days of the date of filing of the petition to consider the budget. Unless a majority of the votes of the Owners are cast at the meeting to reject the budget, it is ratified, whether or not a quorum is present. In determining whether assessments exceed 115% of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Property, and anticipated expenses by the Association which are not anticipated to be incurred on a regular or annual basis, shall be excluded from the computation.

9.04 NO FORBEARANCE ON ASSESSMENT PAYMENT. Neither the Association nor the Board shall have authority to forebear the payment of assessments by any Owner.

ARTICLE X
BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the Board, and committees having any of the authority of the Board, and shall keep at the registered or principal office of the Association a record giving the names and addresses of the members. All books and records of the Association may be inspected by any Owner, or his agent, mortgagee or attorney, for any proper purpose at any reasonable time.

ARTICLE XI
SEAL

The Board may provide for a corporate seal which shall be in the form of a circle and shall have inscribed thereon the names of the Association and the words "Corporate Seal, Illinois".

ARTICLE XII
AMENDMENTS

These By-Laws may be amended or modified at any time, or from time to time in the same manner as provided in Article IX of the Declaration; provided, that no provision of these By-Laws may be amended or modified so as to conflict with the provisions of the Declaration. These By-Laws may also be amended by the Developer for the purposes and by the procedure set forth in Section 7 and Article IX of the Declaration. No amendment to these By-Laws shall become effective until Recorded.