

**BY-LAWS
OF
ESTATE OF MILLBROOK HOMEOWNERS ASSOCIATION**

**Article I
OFFICES**

The Association shall continuously maintain in the State of Illinois a registered office and registered agent whose business office is identified with such registered office and may have other offices within or without the state.

**Article II
MEMBERS**

SECTION 1. MEMBER QUALIFICATIONS: Each record owner of a fee simple interest in the Estate of Millbrook, including DePaulo Builders, Inc., shall become a member of the Association. Where title to a lot is in more than one parties' name, said parties' shall be collectively considered one member.

SECTION 2. VOTING RIGHTS: Each member shall be entitled to one vote, provided, that where title to a lot is in more than one person, such co-owners acting jointly shall be entitled to one vote.

SECTION 3. TERMINATION OF MEMBERSHIP: Membership is appurtenant to and shall not be separated from ownership of the lot. Thus, membership shall automatically terminate upon sale, transfer, or other disposition by a member of its ownership of a lot in the Estates of Millbrook at which time the new owner shall automatically become a member.

SECTION 4. MEMBER DUTY: Each member shall be bound by and shall observe the terms and provisions of the articles of incorporations, by-laws and declaration. Where title to a lot is in more than one party, such as joint ownership or other fractional interest, all owners of said interest shall be jointly and severally bound by the terms and provisions of the Articles of Incorporation, by-laws, and declaration

**Article III
MEETING OF MEMBERS**

SECTION 1. ANNUAL MEETING: An annual meeting of the members shall be held on the 2nd Saturday in February of each year or at such time as the Board of Directors may designate for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, such meeting shall be held on the next succeeding day.

SECTION 2. SPECIAL MEETING: Special meetings of the members may be called either by the president, by the Board of Directors or by not less than 10% of the members, for the purpose or purposes stated in the call of the meeting.

SECTION 3. PLACE OF MEETING: The Board of Directors may designate any place in Kendall County or DuPage County, Illinois, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors.

SECTION 4. NOTICE OF MEETINGS: Written notice stating the place, date, and hour of any meeting of members shall be delivered to each member entitled to vote at such meeting not less than five nor more than sixty days before the date of such meeting, or, in the case of a removal of one or more directors, a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than twenty nor more than sixty days before the date of the meeting. In case of a special meeting or when required by statute or by these bylaws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the corporation, with postage thereon prepaid. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken.

SECTION 5. INFORMAL ACTION BY MEMBERS: Any action required to be taken at a meeting of the members of the corporation, or any other action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed either (i) by all the members entitled to vote with respect to the subject matter thereof, or (ii) by the members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members entitled to vote thereon were present and voting. If such consent is signed by less than all of the members entitled to vote, then such consent shall become effective only (1) if, at least 5 days prior to the effective date of such consent a notice in writing of the proposed action is delivered to all of the members entitled to vote with respect to the subject matter thereof, and (2) if, after the effective date of such consent, prompt notice in writing of the taking of the corporate action without a meeting is delivered to those members entitled to vote who have not consented in writing.

SECTION 6. FIXING RECORD DATE: For the purpose of determining the members entitled to notice of or to vote at any meeting of members, the Board of Directors may fix in advance a date as the record date for any such determination of membership, such date in any case to be not more than 60 days and not less than 10 days before the date of such meeting.

SECTION 7. QUORUM: The holders of one-tenth of the votes which may be cast at a meeting of the corporation, represented in person or by proxy, shall constitute a quorum for consideration of such matter at any meeting of members; provided that, if less than one-tenth of the outstanding votes are represented at said meeting, a majority of the votes so represented at said meeting may adjourn the meeting at any time without further notice. If a quorum is present, the affirmative vote of a majority of the votes represented at the meetings shall be the act of the members, unless the vote of a greater number or voting by classes is required by the General Not For Profit Corporation Act, the articles of incorporation or these bylaws. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting. Withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 8. PROXIES: Each member may appoint a proxy to vote or otherwise act for him or her by signing an appointment form and delivering it to the person so appointed, but no such proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy.

SECTION 9. VOTING: Each member shall be entitled to one vote in each matter submitted to vote at a meeting of members, and in all elections for Directors, every members shall have the right to vote the number as there are Directors. Each member may vote either in person or by proxy as provided above. Voting on any question or in any election may be by voice unless the presiding officer shall order or any member shall demand that voting be by ballot.

Article IV BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS: The affairs of the Association shall be managed by or under the direction of its board of directors.

SECTION 2. NUMBER AND QUALIFICATIONS: The Board shall consist of five (5) members who shall be elected or appointed in the manner herein provided. Each member of the Board shall be a member; provided, however, that in the event a member is a corporation, partnership, trust or legal entity other than a natural person or persons, then any officer, director, shareholder, partner or other designated agent of such entity shall be eligible to serve as a member of the Board. If a director ceases to meet such qualifications during his or her term, such person shall thereupon cease to be a director and his or her place on the Board shall be deemed vacant. The number of Directors may be decreased to not fewer than three (3) or increased to any number by amendment to this Section.

SECTION 3. TENURE: Each Director shall hold office until the next annual meeting of members; or until his/her successor shall have been elected and qualified. No decrease shall have the effect of shortening the term of any incumbent Director.

SECTION 4. REGULAR MEETING: A regular meeting of the Board of Directors shall be held without other notice than this By-Law, immediately after the annual meeting of members. The Board of Directors may provide, by resolution, the time and place for holding of additional regular meetings without other notice than such resolution. All meetings shall be held in Kendall County or DuPage County, Illinois.

SECTION 5. SPECIAL MEETINGS: Special meetings of the Board of Directors may be called by or at the request of the president or any two Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place in Kendall County or DuPage County, Illinois, as the place for holding any special meeting of the Board of Directors called by them.

SECTION 6. NOTICE: Notice of any special meeting shall be given at least 7 days previous thereto by written notice to each Director. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegram company. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

SECTION 7. QUORUM: A majority of the number of Directors fixed by these By-Laws shall constitute a quorum for transaction of business at any meeting of the Board of Directors, provided that if less than a majority of such number of Directors are present at said meeting, a majority of the Directors present may adjourn the meeting at any time without further notice.

SECTION 8. MANNER OF ACTING: The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 9. VACANCIES: Vacancy on the Board of Directors may be filled by election at the next annual or special meeting of members. A majority of the Board of Directors may fill any vacancy prior to such annual or special meeting of members. A vacancy shall occur when a Director is no longer a member.

SECTION 10. RESIGNATION AND REMOVAL: A Director may resign at any time upon written notice to the Board of Directors. A Director may be removed with or without cause, by a majority of members if the notice of the meeting names the Director or Directors to be removed at said meeting.

SECTION 11. INFORMAL ACTION BY DIRECTORS: The authority of the Board of Directors may be exercised without a meeting if a consent in writing, setting forth the action taken, is signed by all of the Directors entitled to vote.

SECTION 12. COMPENSATION: The Board of Directors shall receive no compensation for services to the Association as Directors, officers or otherwise. By resolution of the Board of Directors, the Directors may be paid their out-of-pocket expenses. Any Director may serve the Association in any other capacity and receive compensation therefor.

SECTION 13. PRESUMPTION OF ASSENT: A Director who is present at a meeting of the Board of Directors at which action on any matter is taken shall be conclusively presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

SECTION 14. COMMITTEES: A majority of the Board of Directors may create one or more committees of two or more members to exercise appropriate authority of the Board of Directors. A majority of such committee shall constitute a quorum for transaction of business. A committee may transact business without a meeting by unanimous written consent.

SECTION 15. MEMBERS ACCESS TO BOARD MEETINGS: Meetings of the Board of the Association shall be open to all members except for that portion of any meeting held:

A. 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 of the Association finds that such an action is probable or imminent; or

B. To consider information regarding the appointment, employment or dismissal of an employee; or

C. To discuss violations of the rules and regulations of the Association or unpaid common expenses owed to the Association.

D. Any vote of the Board taken with respect to matters set forth in subsections A, B, or C of Section 7 shall be taken at a meeting of the Board or a portion thereof open to all members.

E. Any member may record the proceedings at meetings of the Board required to be open to all members by tape, film or other means, subject to reasonable rules and regulations adopted by the Board to govern the right to make such recordings.

SECTION 16. INITIAL BOARD OF DIRECTORS: Irrespective of any provision to the contrary, the election of the initial Board of Directors shall be held as provided in the Declaration. If the initial Board is not elected by the members at that time, the Declarant shall continue in office for a period of thirty (30) days, whereupon written notice of Declarant's resignation shall be sent to all members entitled to vote at such election.

SECTION 17. TURNOVER TO INITIAL BOARD: Simultaneously with the election of a majority of the Board other than the Declarant, the Declarant shall deliver to the Board:

A. All original recorded documents pertaining to the Property and its administration, and the Association, such as the Declaration, these By-Laws, Articles of Incorporation, Annual Reports, minutes, rules and regulations, contracts, leases, or other agreements entered into by the Association. If any original documents are unavailable, the Declarant shall provide a copy thereof certified by an Affidavit of an officer or agent of the Declarant as being a complete copy of the actual document;

B. An accounting by the Declarant, setting forth the source and nature of receipts and expenditures in connection with the management, maintenance and operation of the Property and copies of all insurance policies and a list of any loans or advances to the Association which are outstanding;

C. All Association funds, which shall have been at all times segregated from any other moneys of the Declarant;

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

E. A list of all litigation, administrative actions and arbitrations involving the Association, and originals of all of the following: any notices of governmental bodies involving actions taken or which may be taken concerning the Association, engineering and architectural drawings and specifications as approved by any governmental authority, all documents filed with any governmental authority, all governmental certificates,

correspondence involving enforcement of any Association requirements, copies of any documents relating to disputes involving members.

SECTION 18. AGREEMENTS BINDING ON ASSOCIATION: Any contract, lease or other agreement made by or on behalf of the Association or the Board prior to the election of a majority of the Board other than the Declarant which extends for a period of more than two (2) years from the recording of the Declaration, shall be subject to cancellation by more than one-half (½) of the votes of the members other than the Declarant cast at a special meeting of the Voting Members called for that purpose during a period of ninety (90) days following expiration of the two (2) year period. At least sixty (60) days prior to the expiration of the two (2) year period, the Board, or, if the Board is still under the control of the Declarant, then the Board or the Declarant shall send notice to every member, notifying them of this provision, what contracts, leases and other agreements are affected, and the procedure for calling a meeting of the members for the purpose of acting to terminate such contracts, leases or other agreements. During such ninety (90) day period the other party to the contract, lease or other agreement shall also have the right of cancellation.

Article 5 **OFFICERS**

SECTION 1. OFFICERS: The officers of the Association shall be a president, one or more vice-presidents, a treasurer, a secretary and such other offices as may be elected or appointed by the Board of Directors. No individual may hold more than one office at any time.

SECTION 2. ELECTION AND TERM OF OFFICE: The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided.

SECTION 3. REMOVAL: Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. PRESIDENT: The president shall be the principal executive officer of the Association. Subject to the direction and control of the Board of Directors, he/she shall be in charge of the business of the Association, he/she shall see that the resolutions and directions

of the Board of Directors are carried into effect except in those instances in which that responsibility is specifically assigned to some other person by the Board of Directors; and, in general, he/she shall discharge all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time. He shall preside at all meetings of the members and of the Board of Directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Association or a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws, he/she may execute for the Association any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed, and he/she may accomplish such execution either under or without the seal of the Association and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument.

SECTION 5. VICE-PRESIDENT: The vice-president (or in the event there is more than one vice-president, each of the vice-presidents) shall assist the president in the discharge of his/her duties as the president may direct and shall perform such other duties as from time to time may be assigned to him/her by the president or by the Board of Directors. In the absence of the president or in the event of his/her liability or refusal to act, the vice-president (or in the event there is more than one vice-president, the vice-presidents in the order designated by the Board of Directors, or by the president if the Board of Directors has not made such a designation, or in the absence of any designation, then in the order of seniority of tenure as vice-president) shall perform the duties of the president, and when so acting, shall have the powers of and be subject to all the restrictions upon the president. Except in those instances in which the authority to execute is expressly delegated to another officers or agent of the Association or a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws, the vice-president (or each of them if there are more than one) may execute for the Association any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed, and he/she may accomplish such execution either under or without the seal of the Association and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument.

SECTION 6. TREASURER: The treasurer shall be the principal accounting and financial officer of the Association. He/she shall: (i) have charge of and be responsible for the maintenance of adequate books of account for the corporation; (ii) have charge and custody of all funds and securities of the Association and be responsible therefor and for the receipt and disbursement thereof; and (iii) perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned by the president or by the Board of Directors. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board of Directors may determine.

SECTION 7. SECRETARY: The secretary shall (i) record the minutes of the Owners' and of the Board of Directors' meetings in one or more books provided for that purpose; (ii) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (iii) be custodian of the Association records and of the seal of the Association; (iv) keep a register of the post-office address of each Owner which shall be furnished to the secretary by such Owner; (v) sign with the president, or a vice-president, or any other officer thereunto authorized by the Board of Directors, any contracts, deeds, mortgages, bonds, or other instruments which the Board of Directors has authorized to be executed, according to the requirements of the form of the instrument, except when a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws; (vi) have authority to certify the By-Laws, resolutions of the members and Board of Directors and committees thereof, and other documents of the Association as true and correct copies thereof, and (vii) perform all duties incident to the office of the secretary and such other duties as from time to time may be assigned to him/her by the president or by the Board of Directors.

SECTION 8. ASSISTANT TREASURER AND ASSISTANT SECRETARY: The assistant treasurers and assistant secretaries shall perform such duties as shall be assigned to them by the treasurer or the secretary, respectively, or by the president of the Board of Directors. The assistant secretaries may sign with the president, or a vice-president, or any other officer thereunto authorized by the Board of Directors, any contracts, deeds, mortgages, bonds, or other instruments with the Board of Directors has authorized to be executed, according to the requirements of the form of the instrument, except when a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws. The assistant treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

SECTION 9. SALARIES: The officers shall receive no compensation. By resolution of the Board of Directors, an officer may be paid their out-of-pocket expenses.

Article VI BOOKS AND RECORDS

The Board of the Association shall maintain the following records of the Association available for examination and copying at convenient hours of weekdays by any member or their mortgagees and their duly authorized agents or attorneys:

A. Copies of the recorded Declaration, By-laws, and any amendments thereto, Articles of Incorporation of the Association, annual reports and any rules and regulations adopted by the Association or the Board. Prior to the organization of the Association, the Declarant shall maintain and make available the records set forth in this subsection A for examination and copying.

B. Detailed accurate records in chronological order of the receipts and expenditures, specifying and itemizing the maintenance and repair expenses and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the Associations shall be maintained.

C. The minutes of all meetings of the Association and the Board shall be maintained. The Association shall maintain these minutes for a period of not less than 7 years.

D. Ballot, if any, for any election held for the Board and for any other matters voted on by the members shall be maintained for a period of not less than 1 year.

E. Such other records of the Association as are available for inspection by members of a not-for-profit corporation pursuant to Section 107.75 of the General Not For Profit Corporation Act of 1986 (805 ILCS 105/107.75) shall be maintained.

F. With respect to lot owned by a land trust, a trustee may designate, in writing, a person to cast votes on behalf of the member, which designation shall remain in effect until a subsequent document is filed with the Association.

G. Where a request for records under this Section is made in writing to the Board or its agent, failure to provide the requested record or to respond within 30 days shall be deemed a denial by the Board.

H. A reasonable fee may be charged by the Association or its Board or its Managing Agent for the cost of copying.

I. If the Board fails to respond to a request for records pursuant to this Section within the time period provided in paragraph G above the member may seek appropriate relief including an award of attorneys' fees and costs.

Article VII DUES

SECTION 1. COMPUTATION AND DUES: Each year on or before November 1, the Board shall estimate the total amount necessary to pay the costs of taxes, wages, materials, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services provided for herein, together with a reasonable amount considered by the Board to be necessary for a reserve for contingencies and replacements. The Board shall, not less than ten (10) days nor more than thirty (30) days prior to the adoption of the annual budget for the Association, notify each member in writing as to the amount of such estimate, together with a reasonable itemization thereof. The annual budget shall also take

into account the estimated net cash income, if any, available to the Association from all other sources. Said "estimated cash requirement" shall be assessed equally to the lot owners of the Estate of Millbrook ("Owner"). On or before April 1st of each calendar year following the initial meeting, the Board shall supply all members an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus reserves. Any amount accumulated in excess of the amount required for actual expenses and reserves shall at the option of the Board either be transferred to the Association's reserve funds or be credited according to each Owner's share of the total assessment to the next annual assessment due from each Owner until exhausted. Any net shortage shall be added to each Owner's share of the total assessments.

SECTION 2. ABSENCE OR DELAY OF BUDGET: The failure or delay of the Board to prepare or serve the annual or adjusted estimate on the members shall not constitute a waiver or release in any manner of such Owner's obligation to pay the assessments herein described, including the maintenance costs and necessary reserves for the Association whenever the same shall be determined. In the absence of the annual estimate or adjusted estimate each Owner shall continue to pay the annual assessment at the then existing rate established for the previous year.

Article VIII AMENDMENTS

SECTION 1. RULES AND REGULATIONS: The Board shall have the power and authority to adopt, amend and repeal, from time to time, such reasonable rules and regulations not inconsistent with the Declaration and these By-Laws of the Association as the Board deems necessary or desirable to carry out the provisions of the Declaration and By-Laws. Such rules and regulations may include provisions for establishing and levying fines for infractions of the Declaration, these By-Laws of the Association or of such rules and regulations. The Board shall notify all members of the adoption, amendment and repeal of such rules and regulations by regular U.S. mail and the certification to the Board by the Secretary or Managing Agents of such mailing shall create a conclusive presumption that all members have been so notified.

SECTION 2. BY-LAWS AND ARTICLES OF INCORPORATION: The board of directors shall adopt a resolution setting forth any proposed alteration, amendment, or revocation of the by-laws or articles of incorporation. (Hereinafter collectively referred to as "proposed amendment.") The proposed amendment shall be submitted to the members for a vote in either an annual meeting or a special meeting whereby notice setting forth the proposed amendment or a summary of changes shall be given to the members prior to said meeting pursuant to Article III, Section 4, whether it be an annual or special meeting. If a quorum is

present (Article III, Section 7) at said meeting then the proposed amendments shall be adopted by a two-thirds vote of those present in person or by proxy.

Article IX
GENERAL PROVISIONS


SECTION 1. CONFLICT BETWEEN BY-LAWS AND DECLARATION: In the event of a conflict between the terms of these By-Laws and the terms of the Declaration of Covenants and Restrictions for Estate of Millbrook recorded with the Recorder of Deeds of Kendall County, Illinois on April 3, 2000 as Document R2000-03660, the terms of said Declaration shall be controlling.

SECTION 2. COMMON AREAS: The Association shall be responsible for the maintenance and repair of common area as well as the storm water management facilities and the Subdivision entrance monuments, signs, and rights-of-way in Estate of Millbrook. The powers and duties of the Association are further described in Article VII paragraph 4 of the Declaration of Covenants and Restriction For Estate of Millbrook.

SECTION 3. ASSOCIATION. The Association shall be a "Common Interest Community Association" as defined by Section 9-102 of the Illinois Code of Civil Procedure (735 ILCS 5/9-102) and the provisions of Article IX of the Code of Civil Procedure (735 ILCS 5/9-101, et. seq.) as they relate to common interest community associations shall be applicable to the Association.

SECTION 4. MEMBERS AND OWNERS. The term members and Owners shall be used interchangeably where context permits.

These By-Laws have been adopted by unanimous consent of the members and Board of Directors in their respective meetings held on May 12, 2000.


Secretary of the Meeting
Deborah A. DePaulo