

BYLAWS OF Trails Edge of Champaign HOMEOWNERS ASSOCIATION

The administration of the Trails Edge of Champaign Homeowners Association (“Association”), an Illinois Not-For-Profit Corporation, shall be governed by the following Bylaws:

ARTICLE I
Membership

Section 1. Qualifications. Every person or entity who is a record owner of a Lot in Trails Edge Subdivision Phases 1, 2 and 3 situated in the City of Champaign, Illinois or who is the beneficiary of a Land Trust holding title to a Lot in the Subdivision shall be a member of the Association. For the purposes of Association management and the existing specific Covenants, Subdivision Phases 1, 2 and 3 will be considered collectively and referred to herein as the “Subdivision.” Ownership of a Lot shall be the sole qualification for membership. 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 the 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 transferrable or inheritable, or which shall continue after his or her membership ceases, or while he or she is not in good standing as defined by no outstanding HOA dues or liens levied by the Association against the member’s Lot and no member violations of the covenants and restrictions of the Subdivision or any Bylaws of the Association. The membership is appurtenant to and shall not be separated from ownership of a Lot. Thus, membership shall be automatically terminated upon the sale, transfer, or other disposition by a member of his or her ownership of a Lot in the Subdivision, at which time the new owner shall automatically become a member of the Association. Each member of the Association shall be bound by and shall observe

the terms and provisions of the covenants and restrictions of the Subdivision, the Bylaws of the 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 or her membership in the Association or from any of his or her obligations as such member by abandonment of his or her residence or for any other reason.

Section 3. Voting Rights. Each Lot in the 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 the Subdivision, then the vote for that Lot shall be exercised as those members amongst themselves determine. 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 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 the Subdivision or upon the member's violation of any Bylaws of the 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 Bylaws are resolved.

ARTICLE II **Operational Year**

The operational and 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.

ARTICLE III
Meetings of Members

Section 1. Annual Meetings. There shall be an annual meeting of the members of the Association at such place as may be designated, during the Spring of each year, 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 the hour of the meeting shall be distributed to all members by the Board of Directors or a representative designated by the Board, in accordance with Article VIII of these Bylaws, at least ten (10) days prior to the meeting.

Section 2. 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 Association. Notice of each special meeting stating the time, place, and in general terms the purpose or purposes thereof, shall be distributed to all members in accordance with Article VIII of these Bylaws, at least ten (10) days prior to the meeting.

Section 3. Quorum. The presence in person or by written proxy at any meeting of the voting members having Ten Percent (10%) of the total votes of the 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 by the voting members present upon the majority affirmative vote of the members present at such meeting. If any member cannot be in attendance at a meeting, but has a specific issue, viewpoint or information they want to add to the discussion, they may provide that in writing directly to a Board member and/or to their designated proxy.

ARTICLE IV
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 not less than five (5) and not more than nine (9) persons who shall be Association members with at least one lake Lot owner and one non lake Lot owner as members of the Board. The number of directors may be fixed from time to time by resolution of the Board.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and activities as are, not by law or these Bylaws, directed to be exercised and done by the members.

Section 3. Other Duties. In addition to duties imposed by these Bylaws, 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 lake, common areas, and facilities to the extent the same is not performed by the members.
- B. Levying and collection of the annual assessments and any special assessment hereinafter provided for from the members.
- C. Designation and dismissal of personnel necessary for the accomplishment of the purposes of the Association.
- D. Expenditure of funds in accordance with the annual budget and amendments thereto and as periodically needed to conduct Association business.
- E. Providing for architectural control of the Lots and commons properties in the Subdivision.

F. Enforcing any and all Covenants, Restrictions, and Agreements applicable to Lots within the Subdivision and to adopt, amend, and enforce rules and regulations.

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 lake, sewers, streams, or waterways of the Subdivision. The Board of Directors acting in their representative capacity shall have no duty to any member of the Association or 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 said Board of Directors 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, nothing herein shall impose any duty upon the Board of Directors to provide care, upkeep, or maintenance upon any real property or improvement upon real property owned by any member of the Association which is not located upon the common areas of the Subdivision.

Section 4. Property Loss. The Board of Directors shall not be liable or responsible for the destruction or the loss of or damage to the property of any member or the guest of any member, or visitor, or other person.

Section 5. Executive Committee. The Association Executive Committee shall consist of the current elected Association President, Treasurer, and Secretary, who shall have all the powers of the Board of Directors between meetings, regular or special. The Executive Committee should consult with the rest of the Board of Directors, as is situationally appropriate, before undertaking significant actions or expenditures. The President of the Association shall be Chairman of the Executive Committee.

Section 6. Regular Meetings. The Board shall meet for the transaction of business at such place as may be designated from time to time. A minimum of two (2) regular, scheduled Board meetings shall be held each calendar year, unless it is determined by unanimous vote of the Board members that a scheduled meeting is not necessary. Special Meetings of the Board of Directors may be called by the President or by three (3) members of the Board for any time and place, provided reasonable notice of such meetings shall be given to each member of the Board before the time appointed for such meetings.

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 Directors, which includes if available the President and Treasurer, shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting although less than a quorum, may adjourn the same from time to time without notice until a quorum be at hand. 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. Order of Business. The Board of Directors may determine the order of business at its meetings.

Section 9. Chairman. At all meetings of the Board of Directors, the President, or in his or her absence, a Chairman selected from current Board members and appointed by the President shall preside.

Section 10. Terms of Members of the Board. Association Board of Directors shall be elected by the members of the Association at each Annual Meeting for two year terms. Board members may choose to serve for multiple terms and must be re-elected to do so. If it is determined by unanimous vote of all others of the Board that a specific Board member has significantly failed

to conduct his or her responsibilities as a Board member, that individual can be expelled from the Board or prevented from running for re-election. It must be noted that a reasonable difference of opinion regarding Board discussions or decisions may not be deemed as a failure of a member to exercise his or her Board responsibilities.

Section 11. Compensation. Members of the Board shall receive no compensation for their services.

Section 12. Consent. Unless specifically prohibited by the Articles of Incorporation or bylaws any action required to be taken at a meeting of the Board of Directors, or any other action which may be taken at a meeting of the Board of Directors, or of any Committee thereof, may be taken without a meeting if a consent in writing or documented email polling, setting forth the action so taken, shall be signed or via email confirmation by all the Directors entitled to vote with respect to the subject matter thereof, or by all members of such 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 13. Annual Report. The Board of Directors, after the close of the calendar year, shall submit to the Association members a report on the activities of the Board and Association and shall submit an account of the financial transactions of the past year and a proposed budget for the ensuing year. This Annual Report shall be presented and reviewed at the Annual Homeowners Meeting.

Section 14. Vacancies in the Board. Whenever a vacancy in the membership of the Board shall occur, the remaining members of the Board shall have the power, by a majority vote, to select a member of the Association or a designated representative or representatives of said member to

serve the unexpired term of the vacancy. If any Director fails to attend a majority of the number of meetings of the Board in any fiscal year, the Board may in its sole discretion declare his office vacant.

ARTICLE V
Officers and Committees

Section 1. Officers. The Association Board of Directors (“Officers”) shall consist of a President, Secretary, Treasurer and At-Large Officers, the number of the latter to range from 2-6 persons as the current Board deems appropriate. The Executive Officers of the Association are a President, a Secretary, and a Treasurer. All officers shall serve a term of two years, with the potential for re-election (See Article IV, Section 10). The Officers of the Association shall be members of the Association.

Section 2. The President. Subject to the direction of 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 to him or her by the Board. The President shall be an *ex-officio* member of all Committees.

Section 3. The Secretary. The Secretary shall keep the minutes of all proceedings of the Board of Directors and the minutes of the Annual Meetings and Special Meetings of the members, as well as the Corporate seal, if any exists, and such books and papers as the Board may direct, and shall, in general, perform all the duties incident to the office of the Secretary, subject to the control of the Board of Directors and the President. Further, the Secretary shall also perform such other duties as may be assigned to him or her by the President or by the Board.

Section 4. The Treasurer. The Treasurer shall have the custody of all the receipts, disbursements, funds, and securities of the Association and shall perform all duties incident to the

office of the Treasurer, subject to the control of the Board of Directors and the President. He or she shall perform such other duties as may from time to time be assigned to him or her by the Board or the President. If required by the Board, he or she shall give a bond for the faithful discharge of his or her duties in such sum as the Board may require.

Section 5. At-Large Board Members. At least two (2) and no more than six (6) Association members, the number to be determined by the current Board as is needed for effective conduct of Association business, will be elected as At-Large officers. They will represent Association members, provide insights and counsel regarding Board business and discussions, and shall perform such other duties as may from time to time be assigned to him or her by the Board or the President.

Section 6. Advisory Groups and Committees. Advisory groups and committees may be established by the Board of Directors as the need arises. The Board will terminate groups as their function is completed or no longer needed. These groups typically consist of Advisory Councils, Standing Committees, and Ad hoc Committees, depending on their expected breadth of function as well as their expected consistent function and length of service. Members of these groups are not also Board members and have no voting rights on the Board of Directors but serve solely in an advisory capacity.

A. Advisory Councils. Advisory councils assist the Board in carrying out their work by providing expertise and advice in selected areas of need. Advisory councils are expected to serve over an extended period depending on the needs of the Board and the Association. Council members are appointed by the President with a simple majority vote of affirmative support by the Board of Directors. The chair of each council is selected by the council members.

B. Standing Committees. Standing committees are those groups that are expected to perform a needed and consistent function over an extended period. Standing committee members are appointed by the President with a simple majority vote of affirmative support by the Board of Directors. The chair of each standing committee is selected by the committee members.

1. Architectural Control Committee. The purpose of the Architectural Control Committee is to review and approve requests for new construction or substantial remodeling of existing structures and the placement of other structures on building sites as outlined in the Trails Edge Covenants. Additional details of the Architectural Control Committee and its activities are delineated in the Subdivision Covenants.

C. Ad hoc Committees. Ad hoc committees are those groups that serve in a focused role for an expected limited amount of time regarding a specific problem or issue. Ad hoc committee members are appointed by the President in consultation with the Board of Directors. The chair of each ad hoc committee is selected by its committee members.

ARTICLE VI **Annual Dues and Special Assessments**

Section 1. Creation of Assessments. The Board of Directors shall have the right and power to subject the properties situated in all phases of the Subdivision, except public streets, ways and parks, to an annual dues assessment and to special assessments. In addition, members with Lots that border the commons area of the lake will be charged a separate lake dues assessment. Each owner of a Lot or Lots in the Subdivision, shall be assessed annual dues against their lot or lots, and such annual dues assessment shall be used by the Association to create and continue a reserve

fund to be used by the Association as hereinafter stated. The annual dues assessment may be adjusted by the Association Board of Directors as the needs of the Association may require.

The dues shall be payable to Trails Edge and will be delinquent when not paid within sixty (60) days after notification of their assessment.

Section 2. Special Assessments. Special assessments may be levied by the Board of Directors, upon notice, to pay for any necessary capital improvements, the cost of which exceeds the existing reserve fund established by the annual dues.

Section 3. Use of Special Assessments. A Special Assessment may be used:

- (a) For operating and maintaining any storm-water drains now or hereafter constructed in the Subdivision that are not or will not be under the direct supervision of the City, or State, or drainage district.
- (b) For lighting, improving and maintaining the common area easements, including any lake, and dedicated right-of-way areas maintained for the general use of the owners and occupants of land included in the Subdivision.
- (c) 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 of the land included in the Subdivision.

Section 4. Creation of Lien and Personal Obligation of Assessments. The Association shall have a continuing lien on each Lot in the Subdivision to secure the payment of annual dues 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 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 5. Non-Payment of Assessments. If any annual dues or lake dues assessment or special assessment is not paid on the date when due, then such assessment shall become delinquent and shall bear interest starting from the date of delinquency at the maximum rate of interest per annum permitted by law. Such delinquent assessment shall, together with such interest thereon and costs of collection, including reasonable attorney's fees as hereinafter provided, thereupon become a continuing lien on the property and an equitable charge running with the land touching and concerning it, which 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 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, then 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.

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 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.

The Association may at any time after an assessment becomes delinquent bring an action at law against the owner personally obligated to pay same or to foreclose a lien against the property. In the event the Association takes action to enforce payment of dues under this Section, 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 reasonable attorney's fees, 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 attorneys 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.

ARTICLE VII
Lake Regulations

Refer to the Trails Edge Rules and Regulations for additional information regarding Lake and Common Area usage.

Section 1. General. The lake serves primarily as the main drainage basin for the Trails Edge HOA community rainwater and supplemental fire protection. The lake and common area also serve as a private lake for the exclusive use of the lake Lot 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 identified in these bylaws and Trails Edge Rules and Regulations implemented by the Board of Directors as permitted herein.

Section 2. Lake Activities.

- A. Swimming, floating, tubing, scuba diving, wading, or other activities involving primary contact with the lake water are prohibited.
- B. The use of gas-powered motorized watercraft is prohibited; electric-powered boats, row boats, canoes, and paddle boats 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 Conservation and other applicable regulations.
- C. Fishing from the lake will be permitted only with the use of a conventional rod and reel. Each member or a guest of a member fishing in the lake shall comply with all requirements of the State of Illinois.
- D. The use of snowmobiles 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 the lake.

ARTICLE VIII
Notice

Section 1. Notice. Whenever, according to these bylaws, 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 (a) depositing the same in a post office in Champaign County, Illinois, in a postpaid, sealed envelope, addressed to such member, or Director at his or her address as the same appears on the books of the Association, and the time when such notice is mailed shall be

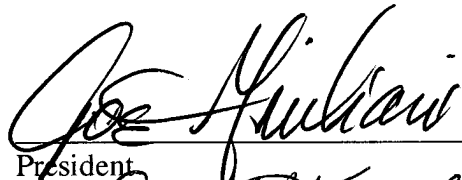
deemed the time of the giving of such notice or (b) transmitting the notice by electronic means to the e-mail address appearing on the records of the corporation.

Section 2. Waiver of Notice. Whenever any notice is required to be given under the provision of these bylaws 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.

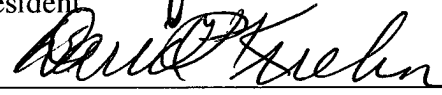
ARTICLE IX
Amendments

The provisions of these bylaws 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 Association having 25% of the total votes shall constitute a quorum. However, said change, modification, or rescission must be approved by not less than 25% of the total number of votes of the Association.

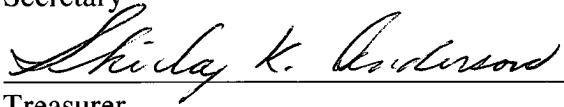
IN WITNESS WHEREOF, these bylaws were approved and adopted by a meeting of the Board of Directors of the Association held on the 3rd day of June, 2019.



President



Secretary



Treasurer