

THE LAKEBREEZE VILLAS TOWNHOMES HOMEOWNERS ASSOCIATION

Rules and Regulations

Per Section 2.08 of The LakeBreeze Villas Townhomes Homeowners Association Declarations, these Rules and Regulations were adopted on November 25, 2008 and updated on March 30, 2023, in accordance with The Lakebreeze Villas Townhomes Declaration of Easements, Restrictions, Covenants and By-Laws recorded in the office of the Lake County, IL Recorder. The Rules are effective on the above date and concurrent with the distribution of this copy.

Home ownership in a community association is a shared living experience. The basic rights and obligations of the Association and the owners/residents of the Association are stated in the Declarations. The Board of Directors (Board) of the Association has adopted these Rules with the intent of supplementing the Declaration as necessary to provide the owners/residents with a practical guide for day-to-day living in the community.

Compliance with the Rules will be necessary for the effective functioning of the community. To have effective Rules, the cooperation and compliance of all the owners/residents of the Association is required. Unless the Board of Directors is notified of Rule violations by the person(s) who witness the violations, the Rules cannot be enforced. Each owner/resident's cooperation and participation are encouraged.

Common Assessments

Common Assessments represent the Association's operating revenue. The monthly common assessments for each unit must be sent to the Association's mailing address as found in Appendix A and are due and payable on the first of each month.

1. There is a seven (7) day grace period for payment of the Common Assessment, any Common Assessment received after the seven (7) day grace period will be assessed a late fee per the Late Fee Schedule in Appendix A.
2. If more than two (2) months of Common Assessments are outstanding as a whole amount or as partial incomplete payments, the account will be turned over to the Association's attorney for collection purposes. All legal costs will be charged to the delinquent unit owner's account for repayment.
3. No owner can reduce or deduct any dollar amount from a monthly common assessment without the written approval from the Board of Directors.

Common Grounds

1. The Common grounds area is defined as any area outside your fenced in courtyard or anything beyond the last stair of your deck. No alterations to Common areas, as defined in the Lakebreeze Villas Declarations, are allowed without the Board of Directors written approval. Modification, removal, or additions to the common grounds including plants, trees, mulch, etc... requires submission of the Architectural Change form for Board review and approval. The Architectural Change form is available on the website www.lakebreezevillas.com.
2. Owners are prohibited from performing or contracting any work of any kind on the Common Areas or landscaping due to liability issues accruing to the Association. Common Areas also include gutters,

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roofs, chimneys, vents, and anything mounted, passing through or affixed to the decks, roofs, gutters, or buildings.

3. No plantings can be done outside of your courtyard without written Board Approval. This is Association property and owners have no right to install or alter landscaping located on the Common ground area. Only the Board of Directors, by the powers vested to it in the Declarations, has the right and duty to care for and/or make changes to plantings or other landscaping features located on the Common Area as it sees fit.
4. Owners are prohibited from performing any work of any kind on the Common Area grounds or landscaping due to liability issues accruing to the Association. If Board approval is secured for an owner, we require the contract to provide proof of Workers Comp and Certificate of Insurance (COI) to protect the homeowner and the HOA from loss due to personal injury or damages to the property. The Association can provide a list of vendors available in the area.
5. Owners with approval to plant in the Common grounds area must follow the approved plantings list found on www.lakebreezevillas.com . Owners are responsible for the upkeep of the items planted which includes watering, trimming, removing/replacing dead items (in a timely manner), and preparing items for winter storage. Covering items with buckets or bags is not acceptable in the Common grounds area.
6. A planter is permitted on the driveway between the two garage doors and one additional planter on or near the walkway to the home. Planters cannot block access to the walkway or garages. The Association is not liable if planters are broken or need to be removed for any reason, although reasonable notice of removal will be made if possible. No planters are to be placed on top of the pillars or on any exterior portion of the Townhome except the deck (see Decks).
7. Arbors, trellises, or other outdoor structures related to plants, bushes or trees are only allowed within the courtyard or on the deck with the approval from the Board of Directors.
8. No objects, decorations, signs, or other material may be placed on Common areas without written approval by the Board of Directors. Violations could be subject to fines and removal at the owner's expense if the item(s) are not promptly removed by the owner when notified.
9. Owners are responsible for watering their grass and bushes directly in front of their property. Lack of watering causes vegetation to degrade/die forcing additional expense on the Association to maintain the property. Owners found not to be caring for the property will be charged for replacements or landscape repairs.
10. Owners are responsible for maintenance and upkeep of individual courtyards. This includes, but not limited to, cleaning spider webs, removing bugs, cleaning screens, removing dead items expeditiously, trimming shrubs/bushes/trees properly, maintaining grass/grounds properly and avoiding excessive storage. The Board reserves the right to review courtyards and provide actionable feedback to ensure courtyards are being properly cared for. If a homeowner chooses not to act the Board of Directors may take corrective action act at the owner's expense.
11. Violations of the above may require immediate removal by the owner at the Board of Directors discretion.

Decks

1. No alterations such as staining, additions, etc. are permitted unless approved in writing by the Board.

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2. Owners shall keep decks clean and free from clutter. Decks shall not be used for storage other than seasonal storage of patio furniture, plants or portable gas or charcoal grills. Owners who store approved items on their deck must assure that large snow accumulations are removed to prevent overload of the deck structure.
3. Clothing, sheets, blankets, laundry, and similar items shall not be hung out nor exposed on decks or any portion of Townhome exterior.
4. Placement or storage of any items under the deck is prohibited. If items are stored under decks and not removed when asked by the Board of Directors, the homeowner may be fined as listed in Appendix A.

Doors & Windows Doors

1. For security reasons, among other concerns, garage doors should be closed overnight.
2. Owners are responsible for maintenance and if necessary, replacement of all doors and windows of their unit, including front, courtyard, deck and garage doors or garage door panels. Door colors must match accordingly to the paint specifications as detailed on the Lakebreeze Villas HOA website. Owners are responsible for painting and maintaining the seals on the front and garage doors. To make sure the architectural aesthetics are maintained within the development the Board needs to approve the request for door or window replacements.
3. Storm doors on the front door are permitted but must be white to match the door frame.

Garage Sales

1. Currently the Village of Lake Zurich does not require a permit to hold a garage sale. Owners should verify with the Village to determine restrictions and rules associated with hosting a garage sale.
2. Keep household doors locked. Do not let strangers into your home. Be conscious of people "casing" your place and the neighborhood.
3. Try to control people parking across driveways or blocking your neighbors' access to their unit and the community.

Garbage, Trash and Recyclable

1. All garbage must be placed in appropriate receptacles.
2. Garbage and discarded items may be set outside no earlier than 7:00 PM on the night prior to pick up.
3. Garbage and recycle bins must be removed from the curb by 7:00PM on the day of pick up.
4. Owners are responsible for removing litter that spills from their garbage receptacles or bags and for keeping the areas adjacent to their Townhome free of all rubbish, debris, and other unsightly material.

General Behavior

1. Owners and other residents are entitled to privacy, tranquility, and the right to enjoy their surroundings in a neighborly fashion. Along with Village ordinances and restrictions on noise and unruly behavior, the Association requires consideration for your neighbors' right to a quiet environment. To that end, obnoxious or rude behavior and/or foul language/gestures will not be tolerated and could subject an owner to fines and/or disciplinary action by the Association.

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2. The Association has established a quiet time within LakeBreeze Villas between the hours of **10 PM and 6 AM** 7 days a week, where noise must be kept to reasonable levels so as not to disturb others. Fines could be levied to the owner for violations of this requirement. Noise and disturbing the peace complaints should be directed to the Lake Zurich Police.
3. Note that any disturbance where it appears the law is being broken or safety is concerned; the proper authorities (police and/or fire department) should be contacted immediately.
4. Maintenance, repairs, and any construction work whether inside the homeowner's unit or in the common areas should be completed during the hours of 7am – 9pm.

Holiday Decorations

1. Holiday decorations are permitted on the exterior, ground level of the Townhome but must adhere to these guidelines:
 - a. Be removed within 30 days after the holiday.
 - b. No installations above the ground floor or on second story of the units.
 - c. No person is allowed to walk on the roof of a unit.
 - d. Attaching shingle hangers is not allowed.
 - e. Wreaths are allowed to be hung using any temporary hook on any cement sill located on the building.
 - f. Plastic gutter hangers are allowed on gutters only.
 - g. No third-party decorator or lighting contractor is allowed to attach any decorations on any building. All decorating must be done by the homeowner.
 - h. The costs of remediation for any damage to the exterior of the townhome from the decorations is the sole responsibility of the Townhome owner.
2. Weather and safety are always factor for consideration. If the weather conditions prevent such removal in a timely manner the owner should request an exception from the Board of Directors.

Insurance

1. Based on the association's insurance responsibilities, each unit owner should be insuring the interior portion of a Townhome using Condo Insurance (aka HO-6 form) as appropriate to their exposure.
2. The Association requires all homeowners to provide proof of insurance. The insurance certificates will be collected annually by the Board of Directors.
3. The Association's insurance is not structured to cover personal injury from volunteer activities. Participation in volunteer activities is at the owner's own risk. This includes any Board approved activities or alteration requests approved by the board (e.g. adding plantings to common property, adding heater cables to gutters, etc.). Any injury or damages you sustain by choosing to participate in these activities are your responsibility.
4. The Board recommends each unit owner maintain a minimum of \$300,000 of Personal Liability limits in case their actions cause damage to property where the Association's insurance responds and subrogates against the unit owner.
5. Any contractor doing interior work for a unit owner must carry at least \$500,000 in General Liability insurance coverage, no matter how small the job. It would be preferred that the contractor also has Workers Compensation coverage.
6. The Association must be listed an additional named insured in the certificate of insurance required to be furnished by the contractor before a job is started. This must be filed with the BOD or Property Manager prior to commencement of the work.

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7. Notwithstanding the foregoing recommendations, each owner is strongly encouraged to consult with his or her own insurance professional on a regular basis to obtain and maintain adequate insurance coverage.

Other

1. Children are allowed to play in the neighborhood including streets, driveways and association common areas but must respect the other resident's privacy, tranquility and right to enjoy their surroundings as referenced in the section: General Behavior.
2. Satellite dish installation on the roof, chimney, wood soffit, vinyl surfaces, deck, concrete surfaces or brick surfaces is not allowed. Satellite dish installations may be done on a metal pole next to the unit and all satellite installations must be approved by the Board of Directors.
3. Residents, whether defined as owners, family members, guests and/or renters, are subject to the Association's Declarations and Rules and Regulations. Owners are responsible for informing residents and guests of their townhomes of these governing documents and ensuring compliance with same. Owners are also responsible for the actions of their residents including violations and/or any fines attendant thereto.
4. On an annual basis, Owners are obligated to provide the Association, via the Board of Directors, with current contact information (address and telephone number) and vehicle information. Communications via email to the owner by the Association, based on the last known information in our files, are deemed to have been properly and timely delivered to the owner.

Parking

1. Street parking is expressly prohibited by Village ordinance. Vehicles found parked in the street could be subject to ticketing by the Village of Lake Zurich and/or may be towed immediately by the Association at the car owner's expense due to safety issues.
2. The Association will provide resident and visitor parking tags to every owner.
3. Every unit has four (4) parking spaces; two (2) in the garage and two (2) in the driveway. Any owner or resident's vehicle must be parked either in the garage or on the driveway. Vehicles parked in a visitor parking space must display a parking tag from the review mirror in the vehicle's front window.
4. Non-working vehicles and restricted vehicles must be stored only in the garage. Restricted vehicles are a recreational vehicle, boat, trailer, truck (C plate or higher), industrial machine or any vehicle deemed by the Board to be used for commercial purposes. Temporary storage up to one week in a visitor space is acceptable with prior written approval from the board.
5. Overnight parking by guests or residents in visitor parking spaces must display a Lakebreeze Villas parking tag. If no parking tag is displayed the vehicle will be towed at the vehicle owner's expense.
6. Any vehicle parked overnight without a parking pass will be towed at the discretion of the board and at the vehicle owner's expense.
7. Vehicles blocking an owner's driveway, parked on another owner's driveway without permission, or posing a danger to the community, may be towed immediately at the vehicle owner's expense after reasonable effort has been made to locate the owner.

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Pets

1. Only “domestic” cats and dogs shall be allowed in the community.
2. o animal can be kept, bred, or maintained for commercial purposes.
3. No more than two dogs or cats or combinations thereof are permitted per unit. All pets must comply with Lake Zurich Village license requirements.
4. While outdoors, pets must ALWAYS be leashed and under the control of their owners within the Lakebreeze Villas community
5. When walking pets, owners must carry visible evidence of waste removal materials. Pet waste must be removed immediately.
6. At no time may a pet be left tied and unattended on the Common areas, decks, or ground.
7. No pet shall be allowed to create a nuisance or unreasonable disturbance.
8. An owner is responsible for the actions of pets belonging to anyone residing in or visiting his/her townhome. The homeowner is responsible for costs to repair any damage or bodily injuries caused by the pet.
9. There is a pet relief area in the north end of the cul-de-sac. All pets should utilize this area. Please be respectful of another homeowner’s area.
10. Owners found in violation will be subject to a fine as identified in Appendix A.

Pond Area

1. The pond area should be considered a potentially hazardous environment and treated as such. The Board has posted No Trespassing, No Swimming, No Skating signs. However, this does not mean other activities like fishing, ice fishing, walking across the pond in winter, etc., in or around the pond are acceptable. The signs and restricted activities apply to owners, their households, tenants, and guests alike.
2. The only exception to point 1 is walking on the mowed grass areas above the pond margin, which will be allowed. The pond margin is defined as the rough area from the pond water’s edge to the mowed grass. The pond margin is where native grasses, flowers and other plants are growing and is not mowed except once or twice annually.
3. The Board prohibits any work on the pond margin or the placement of any objects in the water without Board approval or input.

Property Management

The Association may use the services of a Property Management firm that is an agent of the Association which tends to the daily operations and needs of the Association. The Association may also choose to self-manage. All inquiries, correspondence, and other matters should be sent to the designated place found in APPENDIX A. Issue(s) will be handled as required or if necessary, it will be raised during a board meeting for further discussion, review, and decision.

Rental or Leasing of Units

1. Based on FHA loan restrictions, insurance concerns and other issues associated with too many units within a development being rented or leased, the Board has limited the number of townhomes that can be rented or leased at any one time to no more than two (2) units in Lakebreeze Villas.
2. Units may not be listed for rent for any period of time with sharing services such as Airbnb, Vrbo, etc.

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3. Lakebreeze Villas reserves the right to review rental/leasing company purchases of property and that a maximum (cap) of one townhome will be allowed to be owned by a rental/leasing company.
4. An owner desiring to rent/lease their unit must first contact the Association Board or Property Manager to determine whether there is availability under the cap. Permission to rent/lease your unit must be obtained in writing (letter or email).
5. Permission will be granted on a first come, first served basis until the cap is met at which time subsequent requests will be denied. If desired, the owner can request to be placed on a waiting list with the Association or the Board of Directors for the next opening.
6. Violations of the maximum limit will be subject to legal action to terminate the rental/lease agreement and eviction of the tenant. The Association will first send notice of the violation to the owner by certified or registered mail. The owner will be given 30 days to comply with termination of the rental/lease arrangement. If the tenant has not been removed and the Board of Directors has not been contacted by the owner to affect a temporary extension to facilitate the tenant's removal, the Association will commence legal remedies to terminate the rental/lease agreement and evict the tenant. All costs to accomplish this action will be charged to the owner's account.
7. All rental/lease agreements shall be in writing and shall be for a period of not less than one (1) year.
8. The following items must be provided for the Association's files no later than the date of occupancy or ten days after the rental/lease agreement is signed, whichever comes first:
 - a. Copy of the full rental/lease agreement
 - b. An information sheet on the tenants with requested data including name of renter and all occupants, emergency contact data and vehicle information.
 - c. A statement from the owner certifying that a copy of the Declarations, By-Laws and current Rules & Regulations have been provided to and discussed with the tenant(s).
 - d. The renter's hold and maintain a renter's insurance policy for all personal effects.
9. The owner is responsible for all background checks. The Association will be held harmless in this regard.
10. The owner acknowledges responsibility for the actions and behavior of the tenants while residing in LakeBreeze Villas. It is understood that all notices and fines accrue to the owner.

Required Inspections

1. The Association will require annual inspections of commonly shared items like fire sprinkler systems. The Board of Directors' selected contractor of choice will schedule one (1) common inspection date/time and one (1) alternate date/time for the work required within each unit. The Board will pay for the annual inspection. Email notice will be sent to homeowners in advance for planning purposes.
2. If a homeowner cannot meet the desired or alternate inspection date/time the homeowner must coordinate with the contractor for an alternate date/time for which the homeowner is responsible to pay for the rescheduling fee.
3. Fines and penalties may be issued by the Village of Lake Zurich if inspections are not completed by the prescribed deadline. Any fines issued by the Village are the financial responsibility of the homeowner.

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Roofs

1. Walking on the roof voids the warranty and is strictly prohibited.
2. The new roof warranties as of 2022-2024 are for 10 years.
3. Homeowners violating this will be subject to:
 - a. Warranty responsibility and fines (see Appendix A)
 - b. May be held financially responsible for the remediation of damage to warranty and repairs to the roof of the entire building.

Signs

1. Signs of any kind are prohibited on Common areas and courtyards. This includes political or campaign signs, school levies, political commentary, etc.
2. A "Home for Sale" sign, whether by owner or realtor, per unit is permitted. It can be displayed in one of four places:
 - a. on any window of the townhome
 - b. on the exterior of the front door using an appropriate hanger
 - c. on the courtyard gate or fence
 - d. on the deck for units that have decks facing the street.
3. An information box to hold 8 ½" by 11" flyers can be attached to the courtyard gate or fence.
4. No additional real estate signs or other external advertising is permitted.
5. No holes or other damage can be made to display approved real estate signs either on the grounds or the exterior of the townhome.
6. "Open House" signs can be displayed, but no more than two hours before the open house begins and must be removed no later than 30 minutes after the open house ends. One "Open House" sign or stand is permitted by the front entrance to LakeBreeze Court and another "Open House" sign or placard can be on any area in immediate proximity of the townhome being sold.

Special Assessments

Special assessments may be required for projects/repairs/improvements for the community. If a special assessment is required, the Board will present the case to the residents, and it will follow the approval process as stated in the Declarations and Assessments.

Speed Limit

1. No more than 15 mph throughout LakeBreeze Court.
2. Speeding will be strictly enforced and that homeowners observed exceeding the posted speed will be fined according to the fine schedule in Appendix A.

Townhome Exterior

1. No alterations of the Townhome exterior are allowed unless approved by the Board.
2. No items requiring drilling of holes or any invasive method of attachment to the exterior brick, vinyl siding, fascia, or soffit is allowed. Violations like plant hangers, ornamentation, etc. must be removed and appropriate repairs made by the owner.
3. Each owner may install a storm door for the front entry, specifically such storm door will be a full-view white frame style, and/or the Board approved screen system for the French Doors to the courtyard.

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Vendors

1. Vendors contracted by the Association are engaged by the Board and work at our direction. An owner cannot interfere with, direct, question, or otherwise harass workers on the grounds or at their homes. Issues with any vendor's work or demeanor should be brought to the attention of the Board for investigation and/or resolution.
2. The Board will coordinate work inside a townhome with the homeowner with advance notice via email. Owners must allow reasonable access to vendor workers in the performance of their duties. Failure to do so may result in fines (Appendix A) and/or legal action to prevent such occurrences in the future.

Violations

1. If an owner or resident becomes aware that another owner or resident is failing to observe the Rules and Regulations, he/she may directly contact that person and tactfully ask that the situation be remedied.
2. An owner or resident may file a complaint against an owner or resident for an observed violation that may result in a warning and/or potential imposition of a fine being levied against the owner after proper notice of the violation and hearing has been issued.
3. General complaints must be submitted in writing, signed, and mailed or e-mailed to the Board of Directors.
4. A hearing must be scheduled for any violation reported unless the complaint is otherwise resolved within a reasonable period.

Violation Notice and Hearing

Upon receipt of a violation by the Board, the identified parties will be notified of that violation via email. Such notice will include information pertinent to the alleged violation, as well as the date of the hearing, usually the next scheduled Board meeting unless a telephone conference call is substituted to expedite resolution of the violation and/or any fine. If the owner decides to accept a telephone conference call in lieu of a face-to-face hearing, the owner is voluntarily waiving his or her rights to the face-to-face meeting.

Violation/Complaint Hearings

1. The Board of Directors will conduct a closed-door hearing at the next regularly scheduled Board meeting. If the complainant has requested a closed-door hearing and fails to appear at the hearing, or if both the complainant and the alleged violator fail to appear, the case will be dismissed. If the complainant appears but the violator fails to do so, the allegations set forth in the Report of the Violation will be deemed admitted by default.
2. To preclude harassment or frivolous allegations, a complainant must appear at the hearing. Repeated failure by a complainant to appear will be considered a violation subject to fine.
3. Following the closed-door hearing, a decision on the alleged violation will be made by a majority vote of Board members and entered into the minutes of the open board meeting. The decision is final and binding on all parties involved. Written documentation of the disposition of the violation hearing will be sent to all involved parties within a reasonable period after the Board meeting.

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4. A telephone conference call will follow the same guidelines as established for a closed-door meeting.
5. If an owner will be having an attorney appear with him/her at a violation hearing, the Board must be notified not less than ten (10) business days in advance to allow the Board to determine whether to arrange for one or more of the Association's attorneys to attend the violation hearing.

Violation/Complaint Determination of Hearing

Once a determination of violation has been made, the Board of Directors, will notify, in writing via email or certified USPS letter, the parties involved. If the owner or resident has been found in violation, the fines found in Appendix A will be applied.

Depending on the circumstances of the violation(s), the Board of Directors, at its discretion, may make an exception to the above and override the fine schedule. More than five violations will be referred to the Association's attorney for legal disciplinary action. At the Board's discretion, a case may be forwarded to the Association's attorney at any time. All legal costs incurred will be charged to the owner's account for collection.

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APPENDIX A

Monthly HOA Fees, Late Fee Schedule

First Month	\$25 fine
Second Month	\$50 fine
Third Month	\$100 fine
Fourth Month	Turned over to collections

Penalty/Violation Schedule

First violation	\$25 fine
Second violation	\$50 fine
Third violation	\$100 fine
Fourth violation	\$200 fine
Fifth violation	\$500 fine

Property Management Information

Lakebreeze Villas HOA
830 W. Route 22, #114
Lake Zurich, IL 60047

Accounting Dept: info@bluestonemgmt.com

General Info: www.lakebreezevillas.com