

**AMENDMENT TO
THE
DECLARATION OF
CONDOMINIUM
PURSUANT TO
THE
CONDOMINIUM
PROPERTY ACT
FOR THE
PINNACLE
CONDOMINIUM**

For Use By The Recordors Office Only

This Amendment to the Declaration is made and entered into the _____ day of _____, 20__, and is an amendment to that certain Declaration of Condominium pursuant to the Condominium Property Act (“Declaration”) for The Pinnacle Condominium (“Association”) recorded in the Office of the Recorder of Deeds of Cook County as Document No. 0430644109 and in accordance with Section 26 of the Illinois Condominium Property Act [765 ILCS 605/26] (“Act”).

W I T N E S S E T H

WHEREAS, Section 16 of the Declaration provides, in relevant part, that the Declaration may be amended, changed or modified, upon approval by a majority of the Association's Board of Directors and by at least 67% of the Unit Owners, by an instrument in writing setting forth such amendment, change or modification, signed and acknowledged by the President or a Vice President and the Secretary or Assistant Secretary of the Association, and containing an affidavit by an officer of the Association certifying that (i) at least 67% of the Unit Owners have approved such amendment, change or modification, and (ii) a copy of the amendment, change or modification has been mailed by certified mail to an mortgagees having bona fide liens of record against any Unit, not less than ten (10) days prior to the date of such affidavit;

WHEREAS, the amendment to the Declaration set forth hereinbelow was approved by a majority of the Board and by at least 67% of the Unit Owners, in the Association at a special meeting of Unit Owners duly called for that purpose as certified by the Board secretary on Exhibit “B”;

This document prepared by and after recording to be returned to:

Pamela J. Park
Kovitz Shifrin Nesbit
One Overlook Point, Suite 590
Lincolnshire, Illinois 60069 (847) 537-0500

WHEREAS, a copy of the amendment, change or modification has been mailed by certified mail to an mortgagees having bona fide liens of record against any Unit, not less than ten (10) days prior to the date of such affidavit; and

NOW THEREFORE, in consideration of the foregoing recitals which are incorporated herein by reference, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Declaration is hereby amended as follows:

FIRST AMENDMENT – OWNERSHIP RESTRICTION: Add the following new subparagraph (t) to Paragraph 11 of the Declaration:

(t) Ownership Restriction. A Unit Owner may, sell, give, devise or otherwise transfer (collectively, "Transfer") his Unit, subject to the following:

- (i) No Unit Owner may Transfer their entire, or any portion of their ownership interest in, Unit to any Person if, as a result of any such Transfer, the transferee will control or own any total number of Units that collectively exceed a total of four percent (4%) ownership interest in the Association. The foregoing is hereby defined as the "Unit Ownership Restriction."
- (ii) For purpose of determining the applicability of the Unit Ownership Restriction and avoiding any effort to circumvent the Unit Ownership Restriction by use of alternative vesting options including, without limitation, affiliated Persons to own or control Units to be acquired by any means by a proposed transferee, and to assure that any such Transfer does not violate any applicable federal, state or local law, such as, without limitation, anti-money laundering or anti-terrorism laws, or any other legal requirement, the following shall apply:

(A) Any whole or partial Unit Ownership interest owned by an Affiliate on or prior to the date of such Transfer shall be counted in determining whether the Unit Owner Restriction will be exceeded. The term "Affiliate" means, with respect to a specified individual, (1) any Person that directly or indirectly controls, is controlled by, or is under common control where control may be by either management authority, contract or equity interest; (2) any Person, including any related entity, that directly or indirectly controls ten percent (10%) or more of the outstanding equity securities of such specified Person or entity or of which the specified Person or entity is directly or indirectly the owner of ten percent (10%) or more of any class of equity securities; (3) any Person that is an officer of, director of, manager of, partner in, or trustee of, or serves in a similar capacity with respect to, the specified Person or of which the specified Person is an officer, director, partner, manager or trustee, or with respect to which the specified Person serves in a similar capacity; or (4) any individual that is a spouse, mother, father, brother, sister or lineal descendant of the specified Person.

(B) Any Transfer in violation of the Unit Ownership Restriction shall be deemed void ab initio.

(C) Further, the Board shall have the power and authority to from time

to time adopt any rules, regulations or policies to investigate, implement, enforce, or prevent any avoidance of the Unit Ownership Restriction by means of using Affiliates, contracts, or any other avoidance strategy. Without limitations, such rules, regulations, or policies may require prior Board review and approval of any proposed Transfer and in furtherance thereof may require the parties to such Transfer to provide the Board documents confirming ownership and interest of any direct or indirect ownership and require that the authenticity and current applicability of any such document or other information be certified under penalties of perjury by a notarized signature. Such documents may include, without limitation, operating agreements, organizational documents, partnership agreements, trust agreements, relevant transfer contracts, and other verification methods deemed appropriate by the Board.

- (iii) Notice and Documents. Notice of any proposed Transfer shall be given to the Board, in the manner provided in this Declaration for the giving of notices, at least thirty (30) days prior to such Transfer along with an affidavit from the transferor and transferee attesting to the fact that (i) such Transfer is not in violation of the Unit Ownership Restriction; and (ii) in the event the transferee of a Unit is any legal entity other than an individual, such purchaser shall provide the Board with such notice set forth in the governing documents for such entity(ies) including, but not limited to, those enumerated in Section 15. The Board shall be under no obligation to issue any documents to facilitate Transfer of any Unit until such affidavit and supporting documentation are provided, examined and approved by the Board.
- (iv) Remedies. If the Board, in its sole discretion, determines that a Transfer is in violation of this Paragraph, then, in addition to declaring the Transfer to be void ab initio, the Board shall have the authority to seek mandatory injunctive relief and/or any other relief which the Board may deem necessary or appropriate pursuant to Paragraph 8 hereof as well as any other rights granted to the Board, the Unit Owners and the Association under the Declaration and/or the Act (including per diem fines and legal fees), and the Unit shall not be recognized for purposes of quorum, voting, or eligibility to serve on the Board.
- (v) Severability. If any of the provisions of this Paragraph shall be found invalid, illegal or unenforceable for any reason or in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECOND AMENDMENT – SMOKING RESTRICTIONS: Add the following new subparagraph (u) to Paragraph 11 of the Declaration:

- (u) Smoking Restrictions. The Association shall be smoke free upon the recording of this Amendment subject to the following conditions:

- (i) Tobacco Restriction: Smoking of tobacco, including but not limited to cigars, cigarettes, and/or pipes, is prohibited in the Units, Common Elements and Limited Common Elements. As used in this Section, the term "smoking" means the inhalation or exhalation of smoke caused by the combustion of tobacco. The use of electronic cigarettes, e-cigarettes, e-vaporizers, electronic nicotine delivery systems, or any similar device that vaporizes or aerosolizes nicotine or other substances is also prohibited within the Units, Common Elements, and Limited Common Elements.
- (ii) Cannabis Restriction: Smoking of cannabis (as defined in the Illinois Cannabis Regulation and Tax Act), including but not limited to cigars, cigarettes, and/or pipes, is prohibited in the Units, Common Elements and Limited Common Elements. As used in this Section, the term "smoking" means the inhalation or exhalation of smoke caused by the combustion of cannabis.
- (iii) The consumption of cannabis by any means other than smoking is prohibited on the Common Elements; provided that notwithstanding the foregoing, the lawful consumption of cannabis by any means other than smoking is permitted on the Limited Common Elements. The lawful consumption of cannabis by any means other than smoking is permitted in the Units.
- (iv) In the event a Unit Owner, Occupant, resident, tenant, guest, or invitee violates the restrictions set forth in this Section, the Board shall exercise one or more of the remedies allowed by the Declaration or under Illinois law.
- (v) Any owner of record as of the recording date of this Amendment are "grandfathered Units" and may continue smoking tobacco within their Unit until conveyance of title subject to the following:
 - (A) If the grandfathered Unit is leased, all new or renewed leases for the grandfathered Unit are subject to smoking restrictions.
 - (B) If a grandfathered Unit's smoking results in complaints from neighbors, the grandfathered Unit is required to implement mitigation measures at their own expense after notice and an opportunity for a hearing is provided.
 - (C) Upon transfer of ownership, the Unit shall thereafter be permanently subject to the smoking prohibition.

THIRD AMENDMENT – ANNUAL ACCOUNTING: Article VI, Section 5(a) of the By-Laws is amended by removing the crossed-out text as follows:

5(a) On or before the 1st day of April of each calendar year commencing 2005, the Association shall supply to all Unit Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and paid together with an indication of which portions of the Annual Budget were for capital expenditures or repairs

or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the budget or assessment, and showing the net excess or deficit of income over expenditures plus Reserves. ~~Any amount accumulated in excess of the amount required for actual expenses and Reserves shall be credited according to each Unit Owner's percentage of ownership in the Common Elements to the next monthly installments due from Unit Owners under the current year's Annual Budget, until exhausted, and any net shortage shall be added, according to each Unit Owner's percentage of ownership of the Common Elements, to the installments due in the succeeding six months after rendering of the accounting.~~ At the end of the Association's fiscal year, if the fiscal year ended with a surplus of funds over actual expenses, including budgeted reserve fund contributions, the Board has the authority, in its discretion, to dispose of the surplus in any one or more of the following ways: (i) contribute the surplus to the Association's reserve fund; (ii) or maintain the funds in the operating account, in which case the funds shall be applied as a credit when calculating the following year's budget. If the fiscal year ends in a deficit, the Board has the authority, in its discretion, to address the deficit by incorporating it into the following year's annual budget.

FOURTH AMENDMENT – INCREASE CAPITAL EXPENDITURE THRESHOLD: Article VI, Section 3(j) of the By-laws is amended by removing the crossed-out text and adding the underlined text as follows:

(j) There shall be no structural alterations, capital additions to, or capital improvements on the Common Elements or property owned by the Association (other than for purposes of repairing, replacing and restoring existing portions of the Common Elements) requiring an expenditure in excess of ~~Fifty Thousand Dollars (\$50,000.00)~~ in 2004 One Hundred Fifty Thousand Dollars (\$150,000.00) in 2026 Equivalent Dollars without the prior approval of 67% of the Unit Owners. Separate or special assessments for additions or alterations to the Common Elements or to Association owned property not included in an Annual Budget (defined in Section 4, Article VI of the By-Laws) are subject to the approval of 67% of the Unit Owners.

FIFTH AMENDMENT – LIMITATION ON SHORT-TERM LICENSING: Paragraph 7 of the Declaration is hereby amended by adding the following subparagraph Section 7B as follows:

- (i) 7B Limitations on Licensing of Units. Notwithstanding anything else contained herein, no Unit shall be used for a rental or license business (i.e. Airbnb, Vrbo, etc.).
- (ii) Except as expressly set forth herein, the Declaration shall remain in full force and effect in accordance with its terms and any amendments thereto.
- (iii) This Amendment may be signed in counterparts.

APPROVED BY THE BOARD OF DIRECTORS THIS ____ DAY OF _____, 20__.

THE PINNACLE CONDOMINIUM
ASSOCIATION

By: _____
Its President

ATTEST:

By: _____

Its: _____

EXHIBIT A

LEGAL DESCRIPTION

Legal Inserted Before Recording

EXHIBIT B

CERTIFICATION AS TO OWNER APPROVAL

I, _____, do hereby certify that I am the duly elected and qualified Secretary for The Pinnacle Condominium Association, and as such Secretary, I am the keeper of the books and records of the Association.

I further certify that the persons whose names are subscribed to the foregoing instruments represent at least sixty-seven percent (67%) of the Unit Owners and that by their respective signatures approve the Limitations on Licensing of Units Amendment, in accordance with the provisions of Article 16 of the Declaration.

Executed this ____ day of _____, 20____.

Secretary

EXHIBIT C

AFFIDAVIT AS TO MORTGAGEES

STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, _____, being first duly sworn on oath, depose and state that I am the Secretary of the Board of Directors of The Pinnacle Condominium Association and that pursuant to Article 16 of the Declaration, written notice of the foregoing amendment has been sent by certified mail to all mortgagees having bona fide liens of record against any unit in the aforesaid condominium not less than ten (10) days prior to the date of this affidavit. The identity of said mortgagees was obtained by reference to the instrument record of the condominium, Cook County Clerk's records, and/or by information solicited and received from the unit owners in the condominium.

Executed this ____ day of _____, 20__.

Secretary of The Pinnacle Condominium
Association

Sworn to and subscribed before me this
____ day of _____, 20__

Notary Public