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SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR DUNHAVEN WOODS SOUTH OF PALATINE HOMEOWNERS' ASSOCIATION

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SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR DUNHAVEN WOODS SOUTH OF PALATINE HOMEOWNERS' ASSOCIATION

This Second Amended and Restated Declaration of Covenants, Conditions and Restrictions has been approved by seventy-five percent (75%) of the Owners, pursuant to Article XIII, Section 2 of the Original Declaration. Further, this Declaration has been approved by the Village of Palatine pursuant to Article XVI, Section 3 of the Original Declaration.

WHEREAS, the property described in Exhibit A of this Declaration was submitted to a Declaration of Covenants, Conditions and Restrictions for Dunhaven Woods South of Palatine Homeowners' Association and recorded with the Recorder of Deeds of Cook County, Illinois as Document No. 0010177888 ("Original Declaration"); and

WHEREAS, it is the purpose of this Second Amended and Restated Declaration to set out the provisions governing the use, occupancy, administration and maintenance of the property for the mutual use, benefit and enjoyment thereof by the Owners, and more specifically for the purpose of enhancing and protecting the value of aforesaid Property.

NOW, THEREFORE, the Declaration is hereby amended and restated to be and read, in its entirety, as follows:

ARTICLE I

Definitions

Section 1. "Annexation Agreement" means that certain Annexation Agreement by and between the Association and the Village recorded August 23, 2000, with the Office of the Recorder of Deeds of Cook County, Illinois, as Document No. R 0051655 pursuant to which the Property was annexed to the Village.

Section 2. "Association" means the DUNHAVEN WOODS SOUTH OF PALATINE HOMEOWNERS' ASSOCIATION, an Illinois not-for-profit corporation, its successors and assigns.

Section 3. "Board" means the Board of Directors of the Association selected pursuant to the terms of this Declaration, the Articles of Incorporation of the Association, and the By-Laws thereof.

Section 4. "Common Area" means those portions of the Property designated as Outlots 1 through 5 inclusive, on the Dunhaven Woods South Plat of Subdivision. Such Common Area shall also include, but not be limited to: all cul de sac islands; any entry monument or design installed and related landscaping; all real property owned, to be owned and maintained by the Association for the common use and enjoyment of the Owners as more fully set forth in the Plat of survey, attached to the Original Declaration and incorporated herein by reference only.

Section 5. "Declaration" shall mean and refer to this Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dunhaven Woods South of Palatine Homeowners' Association and any amendments thereto.

Section 6. "Original Developer" shall mean and refer to Russell Estates, L.L.C., an Illinois limited liability company, and such of its successors and assigns who are specifically assigned the rights and obligations of Developer hereunder. Developer shall have the right to assign any or all of its rights or obligations to any such successor or assign.

Section 7. "Lot" shall mean and refer to any lot of record (exclusive of any "Outlot"), designated as such on any plat of subdivision or re-subdivision of all or any portion of the Property, which is recorded in the Office of the Recorder of Deeds of Cook County, Illinois, and the improvements and single-family detached residence, if any, constructed thereon.

Section 8. "Member" means every person or entity who holds membership in the Association.

Section 9. "Original Declaration" means the Declaration recorded by the Original Developer with the Cook County Recorder of Deeds as Document No. 0010177888.

Section 10. "Owner" shall mean and refer to the record owner (or the

beneficiaries of a land trust which may be a record owner), whether one or more persons or entities, of a fee simple title to any Lot as defined herein (or shall otherwise become subject to the terms hereof), including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 11. "Person" shall mean and refer to any individual, corporation, partnership, Limited Liability Company, trustee or other legal entity capable of holding title to the real property.

Section 12. "Property" means the real property described on Exhibit A attached hereto and made a part hereof.

Section 13. "Record" or "place of record" shall mean to record a document in the Office of the Recorder of Deeds of Cook County, Illinois.

Section 14. "Residence" shall mean and refer to the single-family detached residence that may be constructed on a Lot.

Section 15. "Village" or "Municipality" shall mean and refer to the Village of Palatine, Illinois, or any political entity, which may from time to time be empowered to perform the functions or exercise the powers, vested in the Village as of the date of this Declaration.

ARTICLE II

Property Rights

Section 1. Burden Upon the Property. The Association and its members hereby declare that this Declaration and the covenants, restrictions and easements established herein shall be covenants to run with the land. Said covenants and restrictions shall inure to the benefit of and be binding upon each and every owner, and his or her respective heirs, representatives, successors, purchasers, lessees, grantees and mortgagees. By the recording or acceptance

of the conveyance of a Residence or any interest therein, the person or entity to whom such interest is conveyed shall be deemed to accept and agree to be bound by the provisions of this Declaration and the By-laws of the Association.

Section 2. Non-Severability of Rights. The rights, liabilities and obligations set forth herein shall attach to and run with the ownership of any portion of the Property as more specifically set forth below and may not be severed or alienated from such ownership.

Section 3. Duration. Except as otherwise specifically provided herein the covenants, conditions, restrictions, easements, reservations, liens, and charges, which are granted, created, reserved or declared by this Declaration shall be appurtenant to and shall run with and bind the land for a period of forty (40) years from the date of Recording of this Declaration and for successive periods of ten (10) years each unless revoked, changed or amended in whole or in part by a Recorded instrument executed by the owners of not less than three- fourths (3/4) of the Lots then subject to the Declaration.

ARTICLE III

Membership

Section 1. Incorporation of Association. There has been and shall be incorporated a not-for-profit corporation known as the DUNHAVEN WOODS

SOUTH OF PALATINE HOMEOWNERS' ASSOCIATION, which shall be the governing body for the administration, maintenance and operation of the Common Area and shall maintain and promote the desired character of the Property, as provided in this Declaration and the By-Laws duly adopted by the Association. All activities undertaken by the Association shall be for the sole benefit of the Owners in accordance with this Declaration and the By-Laws. Pursuant to this Declaration, the Board of Directors of the Association shall constitute the final administrative authority and all decisions of the Board with respect to the administration of the Development shall be binding. All rights, titles, privileges and obligations vested or imposed upon the Association by this

Declaration shall be held and performed by the Board of Directors.

Section 2. Membership in the Association. Every person who is a record owner of a fee or undivided fee interest in any Lot within the Property, including contract sellers, shall automatically be a Member of the Association. The foregoing shall not include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership for each Lot owned. Membership shall be appurtenant to and may not be separated from ownership of any Lot, which is subject to the terms hereof, and membership shall automatically terminate upon the transfer of ownership. Subsequent Owners shall likewise succeed to membership. Ownership of a Lot shall be the sole qualification of membership.

Section 3. By-Laws. As a Member of the Association, each Owner hereby covenants and agrees to be bound by the provisions of the By-Laws of the Association as such may be adopted and properly altered, or amended from time to time, pursuant to the terms thereof.

ARTICLE IV

Voting Rights - Administration

Section 1. One Vote. Each Member shall be entitled to one (1) vote for each Lot in which he/she holds the interest required for membership pursuant to Article III. When more than one Person holds such interest, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall there be more than one (1) vote for each Lot owned by such Members. One individual shall be designated as the "Voting Member" for each Lot. The Voting Member or his proxy shall be the individual who shall be entitled to vote at meetings of the Owners. If the record ownership of a Lot shall be in more than one person, or if an Owner is a trustee, corporation, partnership or other legal entity, then the Voting Member for the Lot shall be designated by such Owner or Owners in writing to the Board and if in the case of multiple individual Owners no designation is given, then the Board at its election may recognize an individual Owner of the Lot as the Voting Member for such Lot.

Section 2. Board of Directors. The administration and operation of the Property shall be vested in the Board of Directors of the Association ("Board"). The Board shall consist of three (3) directors. The Board shall be elected by the Members in accordance with the By-Laws of the Association and this Declaration.

Section 3. Selection of Directors. Each director shall be an Owner, the spouse of an Owner, or if an Owner is a trustee of a trust, a beneficiary of such trust, or if an Owner is a partnership, a partner of such partnership, of if an Owner is a corporation, a shareholder of such corporation, or if an Owner is a limited liability company, a member of such limited liability company. The Board shall direct, administer and manage the responsibilities, duties and affairs of the Association in accordance with the terms and provisions of this Declaration and when not inconsistent therewith, the charter and By-Laws of the Association. All matters requiring action by the Board shall be decided by a majority vote.

Section 4. Funds of the Association. All funds collected by the Board shall be held and expended for the purposes designated in this Declaration and the By-Laws and shall be deemed to be held for the benefit, use and account of all Owners. Said funds shall be administered pursuant to the provisions of this Declaration and the By-Laws.

Section 5. Rules and Regulations. The Board shall have the authority from time to time to adopt rules and regulations governing the administration and operation of the Property, subject to the terms of this Declaration and the By-Laws.

Section 6. Indemnification of the Board. The members of the Board and the officers of the Association shall not be liable to the Owners for any mistake in judgment or acts or omissions not made in bad faith, as members of the Board or officers. The Association shall indemnify and hold harmless each of the directors and officers, and their respective heirs, executors or administrators, against all contractual and other liabilities to others arising out of contracts made by or other acts of the directors and officers on behalf of the Owners or the Association or arising out of their status as directors or officers unless any such contract or act

shall have been made criminally, fraudulently or with gross negligence. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative, or other in which any such director may be involved by virtue of such person being or having been such director or officer; provided, however, that such indemnity shall not be operative with respect to (i) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for criminal conduct, gross negligence or fraud in the performance of his duties as such

director or officer, or (ii) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person being adjudged liable for criminal conduct, gross negligence or fraud in the performance of his duties as such director or officer.

Section 7. Board's Determination Binding. In the event a disagreement arises between any Owners relating to the Property or the interpretation and application of this Declaration, the By-Laws or the rules and regulations adopted by the Board, the review and resolution thereof by the Board shall be final and binding upon any and all such Owners.

Section 8. Management and Maintenance. The Board may retain such employee or employees as it deems necessary to manage the affairs of the Association and to maintain and operate the Common Area.

Section 9. Quorum. Unless otherwise specified to the contrary in any provision of this Declaration, the presence of Members or of proxies entitled to cast twenty percent (20%) of the votes of the membership shall constitute a quorum for any meeting of the Members of the Association. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in the By-Laws of the Association and the required quorum at such subsequent meeting shall be fifty percent (50%) of the required quorum of the preceding meeting.

Section 10. Attendance at Board Meetings by Owners. Owners shall have the right to attend meetings of the Board, exclusive of Executive Board Meetings, in the same manner as provided for members of condominium associations under the Illinois Condominium Property Act.

Section 11. Governing Law. In all other respects, the Association, its directors, officers and Members shall be governed by the Illinois General Not-For-Profit Corporation Act. The Association shall, at all times, be a duly organized and authorized Illinois not-for-profit corporation, operating under the Illinois General Not-For-Profit Corporation Act.

ARTICLE V

Section 1. Rights of Association.

(a) The Association shall have the right and power from time to time to adopt reasonable rules and regulations governing the design and exterior finish of all improvements or landscaping from time to time constructed, installed or proposed to be constructed, installed or modified on the Property. Without limiting the foregoing, no earthmoving, filling, dredging, grading, excavating, installation of landscaping, alteration of landscaping, construction of a building,

driveway, walkway, fence, signs or other advertising or promotional devices or any other temporary or permanent improvement to any portion of the Property or any modification, alteration, renovation, addition or removal of any of the foregoing ("Regulated Work") shall be commenced or maintained with respect to any portion of the Property without the prior written consent of the Association which may be granted or withheld in Association's sole and absolute discretion and receipt of any approvals and/or permits required by the applicable ordinances of the Village. The Association reserves the right and power to promulgate and amend from time to time standards, policies, procedures and guidelines in order to implement the foregoing. If any Regulated Work which requires Association approval as provided above is commenced without obtaining the required written consent of the Association, then the Association

may seek any remedy or take any action provided for herein or permitted at law or in equity in order to enforce the provisions hereof, including injunctive relief to stop work and/or restore the portion of the Property to its condition prior to the commencement of the work.

(b) The Association shall have the right and power from time to time to adopt rules and regulations governing the maintenance and upkeep of portions of the Property, including without limitation, improvements thereto, signs, advertising and landscaping thereon. Without limiting the foregoing, those portions of the Property on which construction of improvements has not yet commenced shall at all times be maintained in a neat and clean condition and all weeds shall be periodically cut. If in the sole judgment of the Association a portion of the Property is not being maintained in good condition and repair or the appearance of any such portion of the Property is not of the character and quality of that of other portions of the Property or is not in compliance with rules and regulations adopted from time to time by the Association, then without limiting any rights or remedies available to the Association hereunder, at law or in equity, the Association shall have the right to enter upon any such portion of the Property and perform any maintenance or repair work which it deems necessary or appropriate. The cost of any such work shall be charged to the Owner or party responsible for maintenance of such portion of the Property if different from the Owner, and shall be payable to the Association upon demand. In the event that the party charged for such work fails to make prompt payment of any such amount within thirty (30) days after demand, such amount shall become and continue to be a lien upon the portion of the Property owned by such party until such time as payment is made in full; provided, that any such lien shall be subordinate to the lien of any Mortgagee on a Lot recorded prior to the date on which any such amount becomes a lien against a Lot as provided above.

Section 2. Architectural Review. In addition to and not in limitation of any applicable requirements of the Village, if an Owner desires to undertake any Regulated Work, then such Owner shall submit (i) three (3) complete sets of architectural plans and specifications bearing the original seal and signature of an architect licensed by the State of Illinois; (ii) examples of exterior materials

and color schemes for such improvements; (iii) three (3) copies of the site plan

showing the proposed finish grade lines (U.S.G.S. Datum) in one (1) foot contours and the location and type of all set-back lines, buildings, driveways, fences, major trees and shrubs; and (iv) a landscape plan to the Board or to an Architectural Review Committee (the "Committee") of not less than three (3) members as may be appointed by the Board from time to time. The Board or the Committee may grant or deny its approval of any or all of such Regulated Work in its sole and absolute discretion. In the event Board or the Committee fails to so approve or disapprove such a request within sixty (60) days after all documents are submitted, such request will be deemed approved. Nothing in this section shall obligate the Board or Committee to grant any approval, regardless of compliance with any standards set forth in the Declaration.

Section 3. Development Standards. The Board's and/or Committee's review of each submission made pursuant to Section 2 above shall take into consideration each of the following criteria which must be satisfied in order to obtain approval of the Board or the Committee pursuant to Section 2 above:

(a) **Architectural Style.**

(i) Evaluation of appearance of improvements shall be based on quality of its design and relationship to surroundings.

(ii) No Residence, except those constructed by the Original Developer, may have an architectural treatment that is identical to one which has been built or for which plans have been approved.

(b) **Garage and Driveways.**

(i) Each garage shall be architecturally compatible with the Residence located on the same Lot and shall accommodate not less than two (2) nor more than three (3) standard size vehicles.

(ii) All driveways must have a permanent hard surface such as concrete or brick. Gravel or asphalt driveways are prohibited. Driveways constructed by Owner or others (except those constructed by the Association or Developer) must be fully completed within six (6) months from the commencement of construction of the Residence on the Lot, subject to weather conditions.

(c) **Roofs.**

All roofs must be sloping or pitched. Roofs may be constructed of wood, asphalt, slate, copper or similar materials.

(d) **Exterior Wall and Siding Materials.**

The exterior wall areas of each Residence must be constructed of stone, brick, stucco or other masonry materials or cedar siding except aluminum or vinyl soffits and down spouts are permitted. Hardy Board is permitted if generally accepted in the Village. Prefabricated plywood or masonite panels such as stucco Board should be used only when compatible with the overall architectural style of the Residence. In addition the following standards are specifically required:

(e) **Fences.**

All fences, if approved, shall be four (4) foot decorative aluminum, black in color and consistent with existing materials and style of existing approved fences, and shall be located only in areas approved by the Board or Committee.

Notwithstanding anything to the contrary set forth in this Declaration, no fence may be constructed along the Quentin Road frontage of the Property.

Notwithstanding anything to the contrary set forth in this Declaration, the Board may approve a fence along the north boundary line of Lot Numbers 10 through 23 that shall be of a consistent height and materials, color and style designated by the Board and mutually acceptable to Lot Owners 10 through 23.

(f) **Above-Ground Pools.**

Above-ground swimming pools are prohibited.

(g) **Mail Boxes.**

No Owner shall install a mailbox on a Lot without first submitting the plans and specifications to the Board for prior written approval.

(h) **Additional Exterior Considerations.**

(i) **Exterior:** Except as set forth in paragraph (d) above:

a) Only materials approved by the Association may be used.

b) It is recommended that all structures be a minimum of 50% brick or stone unless of a Colonial or Victorian design approved by the Association.

c) Recommended materials shall be combinations of brick, cedar or redwood siding, stucco, or "drivit" type materials.

d) Stucco panels shall not be an acceptable substitute for the 50% brick or stone requirement; however, they are acceptable in combination with brick on the front of a dwelling and may be used on second floor sides and rear.

(ii) **Patios and Courtyards.** Patios and courtyards should be designed as an integral part of the architecture of the Residence.

(iii) **Solar and Other Energy Efficient Applications**. Solar collectors may result in the excessive glare and reflection, and will only be approved by the Association, if integrated into the building structures. Solar panel surfaces shall be flush with the surface of the roofing.

(iv) **Height**. The Association intends to discourage, and has the right to prohibit, the construction of any structure which would appear

excessive in height when viewed from the street or other Lots anywhere in the Subdivision.

(v) **Underground Wiring**. No above ground communication, electric or television lines or cables shall be permitted to be placed on the Property, other than within dwellings or structures. It is intended that all such necessary and approved conduits and cables will be constructed, placed or maintained underground.

(vi) **Lights.** The Village requires a driveway light of uniform specifications on all Lots with minimum setbacks from the street line.

(vii) The intent of the standards is to assure that the improvements to the Property shall not diminish the value or enjoyment of any other portion of the Property. The construction of additions or decks should be of materials that conform to existing use. Roof pitch should be 7/12 and the design should be of a style that generally conforms to existing uses. Except as approved by the Board, no outbuildings are permitted except as specifically set forth in this Declaration.

ARTICLE VI

Use, Occupancy and Maintenance Restrictions

Section 1. General Use. The principal structure located on each Lot shall be a Residence and shall be used only for residential purposes. No business or trade of any kind or noxious or offensive activity shall be carried on anywhere on the Property, except if in compliance with the laws and ordinances of the Village, nor shall anything be done thereon which may become an annoyance or

nuisance to the Owners. The foregoing restrictions as to residential use shall not, however, be construed in such manner as to prohibit an Owner from maintaining his personal professional library, keeping his personal business or professional records or accounts, or handling his personal business or professional telephone calls or correspondence within his Residence. The uses set forth in the preceding sentence are expressly declared customarily incident to the principal residential use of a Residence and not in violation of the restrictions or use contained herein.

Section 2. Animals. No animals, poultry or livestock of any kind shall be raised, bred or kept anywhere on the Property, except that, subject to compliance with the rules and regulations governing pets adopted by the Board, dogs, cats and other common household pets shall be allowed (for other than commercial purposes). The Board may from time to time adopt rules and regulations governing the (a) keeping of pets, which may include prohibiting certain species of pets from being kept on the Property, and (b) use of the Common Area by pets, including, without limitation, rules and regulations which require an Owner to clean up after his pet. Any pet causing or creating a nuisance or unreasonable disturbance, or which otherwise violates the terms and conditions of the rules and regulations governing pets, shall be permanently removed from the Property upon three (3) days' written notice from the Board to the Owner of the Lot containing such pet, and the decision of the Board shall be final.

Section 3. Signs and Light Standards. No signs of any kind shall be erected, placed or permitted to remain on the Property, except a family name designation of not more than 240 square inches. No floodlights shall be permitted which illuminate adjoining Lots without the prior written approval of the then Owner of the adjoining Lot or Lots.

Section 4. Storage. No rubbish, storage piles, trash, garbage or material shall be dumped or allowed to remain on the Property at any time except as shall be necessary to facilitate its pick-up and disposal. All such storage shall be screened from view.

Section 5. Vehicles. No boat, camper, trailer, truck, commercial vehicle, mini-bike or snowmobile shall be stored on the Property longer than 24 hours in

one week period other than in an enclosed garage. The term "commercial vehicle" shall include any automobile, truck or wheeled equipment bearing any sign, logo or writing, which relates or refers to any commercial enterprise. No repair or bodywork on any motorized vehicles shall be permitted except within the confines of a garage. Passenger motor vehicles in non- operative condition shall not be parked, except in garages.

Section 6. Laundry Lines and Antennae. Laundry poles and lines and exterior television and radio antennae are prohibited on the Property. The foregoing shall not be deemed to limit or restrict the installation and use of satellite receiving dishes, provided such dishes shall not exceed one (1) meter in diameter and no more than two (2) satellite dishes per home. Satellite dishes shall not be located in plain view from the front of the house.

Section 7. Topography. No grading, cutting, filling, stockpiling or alteration of any grade shall be permitted anywhere within the Property.

Section 8. Landscaping. No planting of any kind shall be placed on any Lot in such a manner as to interfere with the use of neighboring Lots or to present any visual safety hazard. Foliage and landscaping shall be neatly maintained at all times of the year. Further, each Owner shall keep his Lot free from weeds and shall not permit any foliage breeding infectious disease or insects to remain on his Lot.

Section 9. Alteration of Drainage Patterns. No structure, facility, plantings or any other object or debris shall be constructed or placed on the Property, nor shall any existing structure of facility be altered in any manner that alters the drainage pattern of the Property. The foregoing notwithstanding, where there exists on any Lot or Lots a natural condition or accumulation of storm or surface water remaining over an extended period of time, the Owner may, with written approval of the Village, take such steps as shall be necessary to remedy such condition, in order to cause the drainage to flow into the municipal storm sewer system, provided that no alteration or diversion of such natural flow proposed by the Owner will cause damage to other property, either inside or outside the confines of the Property. Sump pump drainage shall not be impeded or obstructed and drainage from a sump pump from any Lot shall not be permitted to flow onto other and adjacent Lots.

Section 10. Hazardous Actions or Materials. Nothing shall be done or kept

in any Residence or in or on any portion of the Common Area that is unlawful or hazardous, or that might reasonably be expected to increase the cost of casualty or public liability insurance covering the Common Area, or that might

unreasonably disturb the quiet occupancy of any person residing in any other Residence.

Section 11. Recreational Devices. No permanent above-ground swimming pool, tennis court, trampoline, skateboard or bicycle ramp, fence or other recreational device shall be permitted on the Property, without the prior written approval of the Association, and receipt by Owner of a permit from the Village. No swing set, jungle gym or other similar outside recreational facility or equipment ("Recreational Equipment") shall be permitted on any Lot, unless the construction and installation thereof is first approved in writing by the Board. Prior to constructing or installing any such Recreational Equipment, the Owner must submit to the Board, for the Board's prior written approval detailed plans and specifications therefor ("Equipment Plans"). The Equipment Plans must show the location of the proposed Recreational Equipment.

Section 12. Outbuildings. Not more than one animal house shall be constructed on each Lot. Any such animal house shall not be visible from the street. No structure of a temporary character, trailer, tent, shack, shed, garage, barn or other outbuilding shall be used as a residence or for any other purpose, either temporarily or permanently. Construction of any such outbuilding is subject to the restrictions set forth herein and receipt by Owner of a permit from the Village.

Section 13. Color. There shall be no change in any exterior color of any Residence which is inconsistent with the general harmony and design of the Residences on the Property, without the prior written approval of the Architectural Committee and the Board. The Board may regulate with reasonable rules and regulations window coverings that are visible from the outside of any Residence.

Section 14. No Nuisance. No noxious or offensive activity shall be carried on in the Property nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the Owners.

Section 15. Common Area Improvements. No structures or improvements of any kind, including pavement or fences, will be placed or created upon any Common Area or other property owned or maintained by the Association, unless done in accordance with the terms of this Declaration under Article X, Section 7 with the approval of the Village and/or governing regulatory agency. **Section 16. Easements**. All the Lots in the Property shall be subject to such utility, drainage, access and maintenance easements in favor of the Village as determined by the Village Manager to be reasonably necessary for the development of the Property.

Section 17. Non-Subdivision. No Lot shall be divided or subdivided, and no less than the whole thereof may be conveyed except to the owner of a contiguous Lot, and after such division of a Lot, the portion not conveyed must be used for a single family dwelling in compliance with the Special Use Ordinance and all other zoning requirements of the Village. Any portion so conveyed to a contiguous Owner shall be an enlargement of the Lot of such contiguous Owner and such Lot, as expanded, shall thereafter be used as only one building site.

Section 18. Garbage. No Owner, occupant or other person shall accumulate, store or allow on its Lot abandoned or junked vehicles, litter, refuse or other unsightly materials. Garbage shall be placed in receptacles and stored inside garages. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition and in an inconspicuous place. Common trash, garbage or waste will not be allowed curbside beyond twelve (12) hours of commercial trash/recycling collection.

Section 19. Obstruction. No obstruction shall be permitted or allowed in the Common Area, nor shall ready access to a garage or entrance to a Lot be obstructed or impeded in any manner.

Section 20. Maintenance. Each Owner shall maintain its Lot and all

improvements located thereon in a clean, sightly and safe condition and shall at all times cause the prompt removal of all papers, debris and refuse therefrom and the removal of snow and ice from paved areas.

Section 21. Excavation. No Owner shall allow or permit excavation or fill to be created or installed upon a Lot for a period of time exceeding 30 days beyond completion of construction, or in any other case for a period of time to exceed 45 days, except by Board approval.

Section 22. Swimming Pools. Notwithstanding any terms or provisions of the Annexation Agreement or any other law or ordinance, which may make reference to or permit swimming pools, only in-ground swimming pools are allowed in Dunhaven Woods South, and then only if proper governmental regulations are fulfilled and subject to architectural review and approval of the Board. Above ground swimming or wading pools are prohibited.

Section 23. Herbicides. No synthetic non-biodegradable herbicides, pesticides or fertilizers may be used on the Property.

Section 24. Trees. Each Owner shall maintain all the trees on its Lot. No Owner may remove undamaged trees without the consent of the Board and the Village with the exception of tree(s) planted by the homeowner(s). Owners are responsible for the cost of replacement of any tree that perishes or is

removed due to an Owner's negligence or other conduct or omission and is obligated by this document to replace such tree within ninety (90) days of notice from the Village or the Board.

Section 25. Flags. (i) An American Flag shall be defined as a flag made of fabric, cloth, or paper displayed from a staff or flagpole or in a window. An American Flag shall not include a depiction or emblem of the American flag made of lights, paint, or roofing, siding, or paving material, flora or balloons, or any other similar building, landscaping, or decorative component. (ii) A Military Flag shall be defined as a flag of any branch of the United States Armed Forces or the Illinois National Guard made of fabric, cloth, or paper displayed from a staff or flagpole or in a window. A Military Flag shall not include a depiction or emblem of

a military flag made of lights, paint, or roofing, siding, or paving material, flora or balloons, or any other similar building, landscaping, or decorative component.

In the interests of the health, safety, and welfare of the Association, the Board has adopted the following Rules and Regulations governing the display of American and Military Flags:

(i) The display of the American Flag shall be subject to the provisions of Title 4 of the United States Code, Chapter 1 (The Flag), Sections 4 through 10.

(ii) A flag pole or mount may not be installed on a portion of the Common Area. A flag pole or mount may be installed on that portion of the property that is under the exclusive use and control of an Owner.

Section 26. Disabilities. Until determined by federal or state legislation, administrative agency or court of law, the Common Area shall not be subject to the public facility regulations of the Americans With Disabilities Act. In order to conform to the Fair Housing Amendments Act of 1988, any Owner or Resident may make reasonable modification to his Home's Exterior or Lot, subject to the following:

(i) All requests for modification to the Home's Exterior and Lot must be in writing per Association Property Improvement Proposal guidelines.

(ii) The Board may request copies of plans, specifications, drawings, certifications and other reasonable documentation for its review.

(iii) The Board may establish reasonable guidelines for construction of any addition, improvement or modification.

(iv) All work must be approved by the Board prior to commencing construction.

(v) The Board of Directors shall have the authority to establish a fee for administration and documentation associated with Residents moving in and out of the premises, including a security deposit for damages to the Common Area.

Section 27. Additional Enforcement Rules. In addition to any other regulations or remedies of the Board for violators of this Declaration, this Article VI may be enforced by the Board upon written notice, delivered to the violating Owner by personal delivery or by U.S. Certified Mail, postage pre-paid, properly addressed to the Owner return receipt requested. Such notice shall be deemed received by the violating Owner on the date personally delivered as evidenced by the receipt therefore or if no receipt then the sworn affidavit or certification or other satisfactory evidence provided by the party delivering the same, or if delivered by certified mail notice shall be deemed given upon the date of receipt as evidenced by the return receipt. If the notice is returned "undeliverable", "unacceptable" or a similar notation, then notice shall be deemed given three (3) days after the postmark date as set forth on the envelope in which the notice was mailed. If any violation is not corrected within ten (10) days or such time as may be otherwise designated in said notice, then a notice of hearing shall be delivered to the Owner, in the above manner at least seven (7) business days prior to the hearing date. At the hearing, the Board shall determine the existence or non-existence of a violation upon hearing all testimony given and consideration of all the facts. If the Board determines a violation exists at the hearing, and if the violation is not remedied by the date determined by the Board, then the violator shall be subject to reasonable fines as established by the Board which may be collected in the same manner as set forth herein for collection of delinquent assessments. The Board may also initiate third party actions to remedy the violation and charge the violating Owner for the cost of the same.

ARTICLE VII

Construction Restrictions

Section 1. Damage or Destruction. In the event of damage or destruction to any improvements by reason of fire or other casualty, the Owner of the Lot on which such improvements were located shall thereafter promptly restore such improvements to the condition existing prior to such damage or destruction, or

raze and remove such improvements and landscape the Lot in a sightly manner, or construct new improvements after complying with the provisions of Article V above.

Section 2. Construction Activities. All construction activities, except utility connections, must be confined to the Lot under construction. All equipment used in clearing, excavating or construction on a Lot shall be loaded or unloaded only within the boundary lines of the Lot. During the clearing, excavating or construction, the Owner of the Lot on which the work is performed shall cause the roads within or bordering on the Property and adjacent Lots to be kept reasonably clear of dirt and debris caused by such clearing, excavating or construction and shall be responsible for and shall repair any damage to such roads, curbs, sidewalks, utilities and adjacent Lots caused by such construction activity. If there are conflicts between this Declaration and the ordinances and codes of the Village, the Village Ordinances and Codes shall prevail.

Section 3. Temporary Structures. No trailer, temporary building or structure of any kind shall be permitted on the Property, except temporary buildings or structures located upon a Lot used during construction of a permanent improvement upon such Lot. Such temporary building or structure shall be removed as promptly as practicable and in any event not later than thirty (30) days after the issuance by the Village of an occupancy permit for such permanent improvement.

Section 4. Annexation Agreement. All construction activities shall be conducted in accordance with the applicable terms, provisions and restrictions set forth in the Annexation Agreement.

ARTICLE VIII

Covenant for Maintenance Assessments and Remedies

Section 1. Purpose of Assessments. The assessments levied by the Association shall be limited to the purposes of maintaining the Common Area,

repairing and replacing any improvements thereto or located thereon, administering the affairs of the Association, paying the Common Expenses, and accumulating reserves for any such expenses. No Owner may waive or otherwise escape liability for assessments by non-use of the Common Area or abandonment of its Lot. Any claim by an Owner against the Association shall be by separate action and shall not be used as a defense or counterclaim to any action brought by the Association to collect any assessment whatsoever. Each assessment, together with interest, costs of collection and reasonable attorneys' fees, shall also be the personal obligation of the person, persons or entities who was or were the Owner of such Lot on the date said assessment was made. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his or her Lot. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 2. Common Assessment. Each year on or before December 1, the Board shall adopt and furnish each Owner with a budget for the ensuing calendar year, which shall show the following with reasonable explanations and itemizations:

(a) the estimated Common Expenses;

(b) the estimated amount, if any, to maintain adequate reserves for Common Expenses including, without limitation, amounts to maintain the Capital Reserve;

(c) the estimated net available cash receipts from the operation and use of the Common Area, plus estimated excess funds, if any, from the current year's assessments;

(d) the amount of the "Common Assessment" payable by the Owners, which is hereby defined as the amount determined in (a) above, plus the amount determined in (b) above, minus the amount determined in (c) above;

(e) that portion of the Common Assessment which shall be payable with respect to the ensuing calendar year by the Owner of each Lot which is subject to assessment hereunder, which shall be equal to the Common Assessment divided by the number of Lots, so that each Owner shall pay equal Common Assessments for each Lot owned. The Common Assessment shall be paid in periodic installments as determined by the Board from time to time, but no less frequently than once each calendar year.

Section 3. Payment of Common Assessments. Each Owner of a Lot which is subject to assessment shall pay to the Association, or as the Board may direct, that portion of the Common Assessment which is payable by each Owner of a Lot under Section 2(e) or Section 8, as applicable, at such times as the Board shall determine from time to time.

Section 4. Revised Assessment. The Board may increase or decrease the assessment payable under Section 2(e) by giving written notice thereof (together with a revised budget and explanation for the adjustment) to each Owner not less than ten (10) days prior to the effective date of the revised assessment.

Section 5. Special Assessment. The Board may levy a special assessment as provided in this Section, (i) to pay (or build up reserves to pay) expenses other than Common Expenses incurred (or to be incurred) by the Association from time to time for a specific purpose including, without limitation, to make alterations, additions or improvements to the Common Area, or any

other property owned or maintained by the Association, or (ii) to cover an unanticipated deficit under the prior year's budget. Any special assessment shall be levied against all Lots in equal shares. No special assessment shall be adopted without the affirmative vote of the Voting Members representing at least fifty percent (50%) of the votes cast on the question. The Board shall serve notice of a special assessment on all Owners by a statement in writing giving the specific purpose and reasons therefor in reasonable detail, and the special assessment shall be payable in such manner and on such terms as shall be fixed by the Board. Any assessments collected pursuant to this Section (other than

those to cover an unanticipated deficit under the prior year's budget) shall be segregated in a special account and used only for the specific purpose set forth in the notice of assessment.

Section 6. Capital Reserve.

(a) The Association shall segregate and maintain special reserve accounts to be used solely for making capital expenditures in connection with the Common Area (the "Capital Reserve"). The Board shall determine the appropriate level of the Capital Reserve based on a periodic review of the useful life of improvements to the Common Area and other property owned by the Association and periodic projections of the cost of anticipated major repairs or replacements to the Common Area and the purchase of other property to be used by the Association in connection with its duties hereunder. Each budget shall disclose that percentage of the Common Assessment, which shall be added to the Capital Reserve, and each Owner shall be deemed to make a capital contribution to the Association equal to such percentages multiplied by each installment of the Common Assessment paid by such Owner.

(b) To the extent required by the Permit (defined in Article X) or otherwise by the U.S. Army Corps of Engineers (defined in Article X), the Association shall maintain a reserve for the maintenance, management, monitoring or other required action with respect to the Wetlands (defined in Article X).

Section 7. Proof of Payment. Upon written demand of an owner, at any time, the Association shall furnish such Owner a statement of account signed by an officer of the Association setting forth the amount of assessments levied against such Owner’s Lot, if any. Such statement of account shall be conclusive evidence of payment of any assessments not stated therein as unpaid. A reasonable charge may be made by the Association for the issuance of such certificate or statement of account.

Section 8. Payment of Assessments. Assessments levied by the Association shall be collected from each Owner by the Association and shall be a lien on the Owner's Lot and also shall be a personal obligation of the Owner in favor of the Association, all as more fully set forth below.

Section 9. Effect of Nonpayment of Assessments – Remedies of the Association. Any assessment, regular, supplemental, special or security, which is not paid on the date when due shall be deemed delinquent and if such assessment remains unpaid thirty (30) days after it is due, a late fee of $50.00 for the next 10 months and $100.00 thereafter additional monthly on any portion of such other amount as set forth in the rules and regulations established by the Board, shall be due and payable. Such delinquency shall be a continuing lien and equitable charge running with the land touching and concerning the Lot so assessed and the Association may bring an action at law or in equity against the Owner personally obligated to pay the same, or foreclose the lien against his Lot and the Residence located thereon, if any. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorney's fees, and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate set forth above, shall be charged to and assessed against such defaulting Owner, and shall be added to and deemed to be a part of his respective share of the Common Expenses, and the Board shall have a lien for all of the same, as well as for non-payment of his respective share of the Common Expenses, upon the Lot owned by such defaulting Owner and upon all of his additions and improvements thereto. In the event of any such default by any Owner, the Board shall have the authority to correct such default, and to do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against such defaulting Owner. Any and all rights and remedies granted by this Declaration may be exercised at any time and from time to time, cumulatively or otherwise by the, Board. Should title to any Lot be held by more than one Person, each such Person shall be jointly and severally liable.

The venue for all action at law or in equity provided for in this Article VIII shall be in Cook County, Illinois. The persons in possession of any Lot shall be authorized to accept summons on behalf of the Owner or Owners of such Lot.

Upon the recording of notice of lien by the Board, it shall be a lien upon such Lot prior to any other liens or encumbrances, recorded or not recorded, except only:

(a) Taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this State and other state or federal taxes which by law are a lien on the interest of such Owner prior to preexisting recorded encumbrances thereon; and

(b) Encumbrances on the interest of such Owner recorded prior to the date such notice is recorded, which by law would be a lien thereon prior to subsequently recorded encumbrances.

Notwithstanding anything in this Declaration to the contrary, no amendment or change or modification of this Section 9 of Article VIII shall be effective unless the same shall be first consented to in writing, by all mortgagees of record of each Lot, which is subject to this Declaration.

The lien for Common Expenses shall be in favor of the Association, for the benefit of all other Owners who may have the right to bring any action authorized under this Declaration or the By-Laws or otherwise in law or equity. Where the Owner's interest is sold at a public or private sale pursuant to this Declaration or the By-Laws because of the failure to pay the Common Expenses, the Board and their successors in office, acting in behalf of the other Owners, shall have the power to bid in the interest so foreclosed and to acquire and hold, lease, mortgage or convey same.

Section 10. Mechanic’s Liens. The Board may cause to be discharged any mechanic's lien or other encumbrance which in the opinion of the Board may constitute a lien against the Common Area. Where less than all of the Owners are responsible for the existence of said lien, such Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same, and for all costs and expenses including attorneys' fees and court costs incurred by reason of the lien.

Section 11. Holding of Funds. All funds collected hereunder shall be held and expended for the purposes set forth herein and shall be deemed to be held for the sole benefit, use and account of all Owners equally.

Section 12. Subordination of Lien to Mortgage. Notwithstanding anything to the contrary herein contained, all sums assessed by the Association but unpaid shall constitute a lien on the Lot prior to all other liens except all sums unpaid on a bona fide mortgage lien of record against such Lot.

ARTICLE IX

Insurance/Condemnation

Section 1. Acquisition of Insurance Coverage. The Board shall obtain insurance coverage for the Common Area to cover against loss or damage by fire and such other hazards as are covered under standard extended coverage provisions (including vandalism and malicious mischief) to the extent that the Common Area is insurable. The insurance shall be for the full insurable replacement value of the Common Area and the insurance premiums shall be a Common Expense. Such insurance coverage shall be written in the name of, losses under such policies shall be adjusted by, and the proceeds of such insurance, shall be payable to, the Association. The insurance coverage shall, if possible, provide that the insurance as to the interest of the Association shall not be invalidated by any act of neglect of any Owner.

Section 2. Reconstruction of the Property. The insurance proceeds shall be applied by the Board on behalf of the Association for the reconstruction or restoration of the Common Area.

Section 3. Board Acceptance of Insurance Proceeds. Payment by an insurance company to the Board of any insurance proceeds coupled with the receipt and release from the Board of the company's liability under said policy shall constitute a full discharge of said insurance carrier and said carrier shall not be under any obligation to inquire into the terms of any trust pursuant to which the proceeds may be held.

Section 4. Other Insurance. The Board shall have the authority to and shall obtain comprehensive public liability insurance including liability for injuries or death to persons and property damage, in such amounts as it shall deem desirable, and workman's compensation insurance and other liability insurance as it may deem desirable, insuring each Owner, the Association, its officers, members of the Board, and their respective employees and agents, against liability in connection with the Common Area adjoining the Property and insuring the officers of the Association and members of the Board from liability for good faith actions. The premiums for all such insurance shall be a Common Expense.

Section 5. Owner's Insurance of Lots and Residences. Each Owner shall, at his own expense, obtain and maintain throughout the period of his ownership of a Lot, insurance covering his own Lot and Residence located thereon against loss, damage or destruction by fire, vandalism, malicious mischief and such other hazards as are covered under standard extended coverage insurance provisions, for the full insurable replacement cost of his Residence. Full insurable replacement cost shall be deemed the cost of restoring such Residence or any part thereof to substantially the same condition in which it existed prior to said damage or destruction. Each such policy of insurance shall contain, if possible, a waiver of subrogation rights by the insurer against other Owners and the Association. At the request of the Board, each Owner shall provide the Board with evidence of such insurance in the form of copies of the applicable policies or certificates of insurance. Each Owner shall be responsible for the insurance of his personal liability to the extent not covered by any liability insurance obtained as part of the insurance coverage for the Common Area. Each Owner shall also be responsible for obtaining and maintaining insurance covering the contents of his Residence and his personal property.

Section 6. Condemnation. In the case of a taking or condemnation by competent authority of any part of the Common Area, the proceeds awarded in such condemnation shall be paid to the Association and such proceeds, together with any Common Area Capital Reserve being held for such part of the Common Area, shall, in the discretion of the Board, either (i) be applied to pay the

Common Expenses; (ii) be distributed to the Owners and their respective mortgagees, as their interests may appear, in equal shares; or (iii) be used to acquire additional real estate to be used and maintained for the mutual benefit of all Owners, as Common Area under this Declaration. Any acquisition by the Association pursuant to this Section of real estate which shall become Common Area hereunder shall not become effective unless and until a supplement to this Declaration, which refers to this Section and legally describes the real estate affected, is executed by the President of the Association and recorded.

ARTICLE X

Common Area/Wetlands

Section 1. In General. The restrictions and limitations contained in this Section shall be subject to the rights of the Association set forth in Article XI.

Section 2. Ownership. The Common Area shall be conveyed to the Association by Declarant free and clear of any mortgage or trust deed whatsoever on or before the Declarant conveys its last Lot to a purchaser thereof, provided that if any Common Area is made subject to this Declaration after the Turnover Date, such Common Area shall be conveyed to the Association free and clear of any mortgage or trust deed whatsoever simultaneously with such Common Area being made subject to this Declaration. The Association shall be responsible for the payment of any and all Common Expenses in connection with the Common Area, including, without limitation, real estate taxes, if any, and property damage and public liability insurance premiums.

Section 3. Right of Enjoyment. Each Owner shall have the non- exclusive right and easement to use and enjoy the Common Area, except that portion which is designated a Wetland Area. Such rights and easements shall run with the land, be appurtenant to and pass with title to every Dwelling Unit, and shall be subject to and governed by the provisions of this Declaration, the By- Laws, and the reasonable rules and regulations from time to time adopted by the Association.

Section 4. Delegation of Use. Subject to the provisions of this Declaration,

the By-Laws, and the reasonable rules and regulations from time to time adopted by the Association, any Owner may delegate his right to use and enjoy the Common Area and the Owner's Dwelling Unit to Residents of his Dwelling Unit. An Owner shall delegate such rights to tenants and contract purchasers of the Dwelling Unit who are Residents.

Section 5. Wetland. The Common Area contains wetlands, open space and storm water management systems, including detention systems and compensatory storage, which benefit the balance of the Property. The

Association shall be responsible for maintenance, repair and replacement of the wetlands and landscaping in the Common Area.

Section 6. Maintenance, Repair and Replacement by Association.

(a) Maintenance, repairs and replacements of the Common Area shall be furnished by the Association, and shall include, without limitation, the following:

(i) added planting, replanting, care and maintenance of trees, shrubs, flowers, grass and all other landscaping on the Common Area;

(ii) maintenance, repair and replacement of monument signs and other improvements on and to the Common Area; and

(iii) any tree removed due to disease or death shall be replaced by the Association.

(b) The cost of any maintenance, repairs and replacement required by virtue of the Permit after the initial three (3) year period shall be furnished by the Association pursuant to this Section and shall be part of the Common Expenses.

Section 7. Alterations, Additions or Improvements to the Common Area. No alterations, additions or improvements shall be made to the Common Area without the prior approval of the Board. Any such alteration, addition or improvement may also be subject to the review and approval of the Village and/or governing regulatory agency. The Association may cause alterations, additions or improvements to be made to the Common Area, and the cost thereof

may be paid from a Capital Reserve Fund, or from a special assessment, as more fully described in Section 5 of Article VIII; except that any such alteration, addition or improvement which shall cost more than twelve (12) months assessments then in effect under the then current budget shall be approved in advance at a special meeting of the Owners.

ARTICLE XI

EASEMENTS

Section 1. Common Area Easement. Each Owner is hereby granted an easement of pedestrian use, access, ingress and egress in and to the Common Area except for any areas of the Common Area designated as Wetlands by the Permit. Any damage or destruction to the Common Area caused by the negligence or other conduct or omission of an Owner or occupant of a Lot shall be the responsibility of such Owner of the Lot.

Section 2. Utility Easements. An easement is hereby granted (with full rights of access, ingress and egress) to Commonwealth Edison Company, Northern Illinois Gas Company, the Village, Ameritech and any other duly licensed telephone and/or cable television company to install, lay, construct, operate, maintain, renew, repair and replace conduits, cables, pipes, transformers, mains, switch boxing apparatus and other items in, on, upon, under and though the Common Area (except areas of the Common Area designated Wetlands by the Permit) for the purpose of providing utility and other services to the Property.

ARTICLE XII

Amendments

Section 1. Special Amendments. Anything herein to the contrary notwithstanding, the Association reserves the right and power to Record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration (i) to comply with requirements of Fannie Mae, the Government National Mortgage Association, the Federal

Dwelling Unit Loan Mortgage Corporation, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities; (ii) to induce any of such agencies or entities to make, purchase, sell, insure, guarantee or otherwise deal with first mortgages covering Dwelling Units; (iii) to correct errors, ambiguities or inconsistencies in the Declaration or any exhibit; (iv) to bring the Declaration into compliance with applicable laws, ordinances or governmental regulations; (v) to effectuate amendments requested by the Village; or (vi) to make such further modifications as shall be deemed reasonable by the Association. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Association to make or consent to a Special Amendment on behalf of each Owner. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Association to make, execute and Record Special Amendments.

Section 2. Amendment. Subject to Section 1 of this Article, the Annexation Agreement and the Special Use Ordinance for the Subdivision, the provisions of this Declaration may be amended, abolished, modified, enlarged, or otherwise changed in whole or in part by the affirmative vote of Voting Members representing at least seventy-five percent (75%) of the total votes or by an instrument executed by Owners of at least seventy-five percent (75%) of the Lots, except that (i) the provisions of this Section may be amended only by an instrument executed by all of the Owners and all Mortgagees; (ii) no amendment to the Declaration which changes the ratio of assessments against Owners shall

become effective without the consent of all Mortgagees. No amendment shall become effective until properly recorded.

ARTICLE XIII

Rights of the Village

Section 1. General. In addition to any rights, powers, or easements granted to the Village elsewhere in this Declaration, the Village shall have the rights,

powers, and easements set forth in this Article.

Section 2. Enforcement. The Village shall have the right to enforce this Declaration and the Annexation Agreement and the Special Use Ordinance affecting the Property. The Property must conform and be maintained in conformance with the Annexation Agreement, Special Use Ordinance and engineering plans approved by the Village. All maintenance, repairs and replacement of the Common Areas shall be made in accordance with the provisions of this Declaration and the applicable requirements of the Village pursuant to the Annexation Agreement, the Special Use Ordinance and the approved engineering plans. In the event that the Association does not provide the necessary maintenance, within or upon the Common Areas, including any Common Area detention or emergency access ways or areas, or any other item for which the Association is obligated to maintain, the Village is expressly authorized, to provide such necessary maintenance. In conjunction therewith, the Village is hereby granted an easement of access, ingress and egress and use for the purposes of entering the Common Area and the Property, or for the purpose of accessing and/or maintaining, repairing or restoring the same or any other property owned by or dedicated to the Village. In such event, the Association shall be obligated to repay the Village for all expenses incurred for such maintenance, repair or restoration to the Property or Common Area (excluding any cost or expenses for the property owned or dedicated to the Village for which the Village is obligated to maintain or repair), including reasonable attorney's fees, if any, and maximum allowable statutory interest, not to exceed 18% per annum. The Village shall also have the right, in furtherance of its enforcement of its claim for reimbursement, to record a lien against the Common Areas and all Lots, which said lien shall be effective as of the date of recordation. All such costs and expenses are hereby declared to be a Common Expense of the Association. Further, the Village shall have the right to enter upon the Property for the purposes of furnishing municipal or emergency services to the Owners, the Property or the Common Areas, to provide the necessary maintenance of site improvements within the landscaped areas contained in the Common Area and municipal owned utilities, detention areas, traffic signs and related equipment.

Section 3. Right to Approve Amendments. Notwithstanding anything to the contrary contained in this Declaration, the Village shall be notified in writing of any proposed amendment to this Declaration. No amendment to this

Declaration shall be effective unless the Village has either (i) approved such amendment by executing the same or otherwise indicating its approval in writing; or (ii) waived its right in writing to approve any such amendment. The fact that the Village has waived its right to approve any amendment shall not in any manner waive or relinquish the Village's right to approve any future proposed amendment to this Declaration.

ARTICLE XIV

LEASE OF LOTS

(a) Any lease, use or occupancy agreement (collectively “Lease") between an Owner and tenant, occupant or user of a residence or Lot (collectively “Tenant") shall be in writing and shall provide that the terms of such Lease are subject in all respects to the provisions of this Declaration and the Articles of Incorporation, By-Laws and rules and regulations of the Association (collectively “the Association Documents"), and that failure of Tenant to comply with the terms of the Association Documents shall be a default under the Lease. The Lease shall further designate the Association as a third party beneficiary of the Lease with full rights to enforce the Association Documents against the Tenant. The Owner shall deliver to the Association a copy of the fully executed Lease, duly certified by Owner to be a true and correct copy, and the Association must acknowledge receipt of the same in writing on the face of the Lease, or otherwise the Lease shall be conclusively presumed to be ineffective. Notwithstanding, no Lease is to be less than thirty (30) days. Other than the foregoing, there is no restriction on the right of the Owner, to lease any Lot.

(b) Short Term Leasing. Notwithstanding anything in the Declaration to the contrary, no Unit shall be leased or subleased for a term of less than one (1) year. No portion of a Unit which is less than the entire Unit shall be leased. No Unit may be used for hotel or transient purposes, to include but not be limited to, use for a bed and breakfast, vacation rental, hostel, or other type of short term rental. Such use of a Unit is a violation of the Declaration. The Association reserves the right to take legal action against any Owner operating a business of

this type in this building, to include but not be limited to, the imposition of a fine in an amount equal to or greater than the nightly, weekly or monthly rental rate for the Unit received by the Owner of the Unit. Owners should be aware that the Association may monitor these short term rental websites periodically to insure compliance.

In addition to the authority to levy fines, against the Owner or Tenant for violation of this or any other provision of the Declaration, By-Laws or Rules and Regulations, the Board shall have all rights and remedies, including but not limited to the right to maintain an action for possession against the tenant, an action for injunctive and other equitable relief, or an action at law for damages.

Any action brought on behalf of the Association and/or the Board of Directors to enforce this provision shall subject the Owner and/or the Tenant to the payment of all costs and attorneys' fees at the time they are incurred by the Association.

All unpaid charges including legal fees as a result of the foregoing shall be deemed to be a lien against the Unit and collectible as any other unpaid regular or special assessment, including late fees and interest on the unpaid balance.

Copies of all leases and documents required by the Board and/or management company must be submitted to the Board not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first.

This provision shall not prohibit the Board from leasing any Unit owned by the Association or any Unit which the Association has been issued an Order of Possession by the Circuit Court of Cook County.

ARTICLE XV

General Provisions

Section 1. Notices. Notices to an Owner shall be addressed to his Lot address; however, any Owner may also designate a different address at which

he is to be notified. Any notices required pursuant to the provisions of this Declaration shall be deemed to have been properly served when mailed, postage prepaid, certified mail, return receipt requested, to the last known address of the addressee, or when delivered in person with written acknowledgment of the receipt thereof.

Section 2. Severability and the Rule Against Perpetuities. If any provision of this Declaration shall be held invalid, it shall not affect the validity of the remainder of this Declaration. If any provision of this Declaration is deemed to violate the rule against perpetuities or any other rule, statute or law imposing time limitations, then such provision shall be deemed to remain in effect until the death of the last survivor of the now living descendants of the President of the United States, Barack H. Obama, plus twenty-one (21) years thereafter.

Section 3. Remedies Cumulative. All rights, remedies and privileges granted to the Village of Palatine, the Association and the Owners pursuant to any of the terms, provisions, covenants or conditions of this Declaration shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude such parties thus exercising the same from exercising such other and additional rights, remedies or privileges as may be granted to them at law or in equity.

Section 4. Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for development.

Section 5. Land Trusts. In the event title to a Lot is held by a land trust under which all powers of management, operation and control remain vested in the trust beneficiary or beneficiaries, then the trust estate under said trust and the beneficiaries thereunder from time to time shall be liable for payment of any obligation created under this Declaration against the Lot. No claim shall be made against any such title holder trustee personally for any claim or obligation created hereunder and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against any such lien or obligation, but the amount thereof shall continue to be a charge or lien upon the premises

notwithstanding any transfers of beneficial interest or in the title to such real estate.

Section 6. Captions. The articles and section captions are intended for convenience only and shall not be construed with any substantive effect in this Declaration.

Section 7. Limitation of Liability. It is expressly understood and agreed that any liability of Developer (including any partnership, joint venture or other entity that succeeds to its interest), which may be incurred pursuant to the terms hereof, shall be limited solely to the assets of Developer relating to the Property.

Section 8. Rights and obligations. By the acceptance of a deed of conveyance, and each purchaser under any contract for such deed of conveyance, accepts said deed or contract for himself, his heirs, representatives, successors, lessees, grantees and mortgagees, subject to all restrictions, conditions, covenants, reservations, easements and liens and the jurisdiction, rights and powers created or reserved by this Declaration. Reference in the respective deeds of conveyance or in any mortgage or trust deed or other evidence of obligation or transfer, to the covenants, conditions, restrictions, easements, rights, benefits and privileges of every character contained herein, shall be deemed and taken to be appurtenant to and covenants running with each Residence, and shall be binding upon any such grantee, mortgagee or trustee and their successors and assigns as fully and completely as though the provisions of this Declaration were fully recited and set forth in their entirety in such documents. Further, the rights, liabilities and obligations set forth herein shall attach to and run with the ownership of a Residence and may not be severed or alienated from such ownership.

Section 9. Conflict Between Covenants and Municipal Regulations. In the event there is at any time a conflict between any term or provision in this

Declaration and any provision of any then effective ordinance, rule or regulation of the Village, then the most restrictive pertinent provision shall prevail.

ARTICLE XVI

RESALES AND RECORDS

Section 1. Resale. In the event of any sale of a Lot by an Owner, such Owner shall obtain from the Board and shall make available for inspection to the prospective purchaser, upon demand the following:

a. A Copy of the Declaration, By-Laws and any rules and regulations.

b. A statement of any liens, assessments due or other charges due and owing.

c. A statement of any capital expenditures anticipated by the Association within the current or succeeding two fiscal years.

d. A statement of the status and amount of any reserve or replacement fund or any portion of such fund earmarked for any specified project by the Board

e. A copy of the statement of financial condition of the Association for the last fiscal year for which such statement is available.

f. A statement of the status of any pending suits or judgments in which the Association is a party.

g. A statement setting forth what insurance coverage is provided for all owners by the Association.

The President of the Association or such other officer as is specifically designated shall furnish the above information when requested to do so in writing and within thirty (30) days of the request. A reasonable fee covering the direct out-of-pocket cost of providing such information and copying may be charged by the Association or the Board to the seller for providing such information.

Section 2. Records of the Association. The Board shall maintain the following records of the Association available for examination and copying at convenient hours of weekdays by the Owner or their Mortgagees and their duly authorized agents or attorneys.

a. Copies of the recorded Declaration and By-Laws and any amendments, Articles of Incorporation of the Association, annual reports and any rules and regulations adopted by the Association or its Board shall be available.

b. Detailed accurate records in chronological order of the receipts and expenditures affecting the Common Areas specifying and itemizing the maintenance and repair expenses of the Common Areas and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the Association 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 seven (7) years

d. Such other records of the Association as are available for inspection by members of a non-profit corporation pursuant to Section 25 of the General Not-For-Profit Corporation Act, approved July 19, 1943, as amended, shall be maintained.

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

ARTICLE XVII

COMMON INTEREST COMMUNITY

The Association shall act and operate as a Common Interest Community Association as defined in Illinois Compiled Statues 765 ILCS 160, as from time to time amended. The Declaration and By-Laws shall be deemed to be amended as necessary to comply with any statute relating to Common Interest Communities, and the Board may record such documents as are necessary to effect this compliance.

IN WITNESS WHEREOF, the Association has affixed its hand the day and year first above written.

DUNHAVEN WOODS SOUTH HOMEOWNERS' ASSOCIATION

By:_____

_

Its: _____

PROXY FOR

DUNHAVEN WOODS SOUTH OF PALATINE HOMEOWNERS' ASSOCIATION

MEETING OF _____, 2017

I, (print name)_____, owner of the home listed below of Dunhaven Woods South of Palatine Homeowners' Association, do hereby constitute and appoint _____, or the Board of Directors if no name is specified, as agent for me, and in my name, place and stead, to vote as my proxy at the Association meeting to be held _____, 2017, unless sooner revoked, with full power to cast my vote as if I were then personally present, and authorize my agent to act for me and in my name and stead as fully as I could act if I were present.

In addition to the foregoing, I specifically direct my agent to cast my vote as follows:

_____ I AGREE THAT THE PROPOSED SECOND AMENDED AND RESTATED DECLARATION SHOULD BE PASSED.

_____ I DO NOT AGREE THAT THE PROPOSED SECOND AMENDED AND RESTATED DECLARATION SHOULD BE PASSED.

I understand that if I should attend the meeting, I will be entitled to revoke this Proxy and will receive a ballot for that meeting only. This proxy will expire eleven (11) months from the date of execution unless revoked prior thereto. The proxy giver's selection(s) will be strictly adhered to as if he or she voted in person.

IN WITNESS WHEREOF, I have executed this proxy on the _____ day of _____, 2017.

_____
_ Signature line

_____
_ Printed Name

Property Address: _____
Palatine, Illinois 60074

DUNHAVEN WOODS SOUTH OF PALATINE HOMEOWNERS' ASSOCIATION

BALLOT

Regarding the proposed Amended and Restated Declaration of Covenants, Conditions and Restrictions for Dunhaven Woods South of Palatine Homeowners' Association:

_____ I AGREE THE SECOND AMENDED AND RESTATED DECLARATION SHOULD BE PASSED.

_____ I DO NOT AGREE THE SECOND AMENDED AND RESTATED DECLARATION SHOULD BE PASSED.

OWNER:

_____

Property Address: _____
Palatine, Illinois 60074

VILLAGE OF PALATINE, ILLINOIS
RESOLUTION

As part of the initial approval of the development commonly known as Dunhaven Woods South of Palatine Homeowners' Association (the "Association"), the Village of Palatine approved and the developer executed and recorded a Declaration of Covenants, Conditions and Restrictions for Dunhaven Woods South of Palatine Homeowners' Association in the Office of the Recorder of Deeds of Cook County as Document Number 0010177888 (the "Declaration").

Article XIII, Section 2 of the Original Declaration authorizes the Board and owners of the Association to amend the Declaration, provided such amendments are approved by the Village of Palatine.

The Owners of the Association have proposed amending the Declaration in accordance with the attached Amended and Restated Declaration. The Village has reviewed the Amended and Restated Declaration and has found that it is consistent with the original intent of the Village approval of the Association. The Village of Palatine reviewed the Amended and Restated Declaration and agrees that the Amended and Restated Declaration is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Village of Palatine, County of

Cook and State of Illinois, THAT:

Section 1. The Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for the Dunhaven Woods South of Palatine Homeowners' Association is hereby approved in substantially the form attached to this Resolution.

Section 2. The Village Attorney of the Village of Palatine is authorized to execute this Resolution approving the Second Amended and Restated Declaration, which document shall be recorded with the Office of Recorder of Deeds of Cook County, Illinois.

APPROVED THIS _____ DAY OF _____, 2017.

Village of Palatine

By: _____

Title: _____

CDUN001:00100\3227122.1

EXHIBIT A
Property

PARCEL 1: THAT PART OF THE SOUTHEAST 1⁄4 0F THE NORTHWEST 1/4 OF SECTION 3, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 2: LOTS 2 TO 6 ALL INCLUSIVE, AND LOTS 10 TO 12 ALL INCLUSIVE IN DUNHAVEN WOODS, BEING A SUBDIVISION OF THE WEST 1/2 OF LOT 1 OF THE NORTHWEST 1/4 SECTION 3, TOWNSHIP 42 NORTH,

RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE NORTH 12 ACRES) ACCORDING TO THE PLAT THEREOF FILED FOR RECORD FEBRUARY 18, 1947 IN BOOK 384 OF PLATS PAGE 3 AS DOCMENT NUMBER 13997863 IN THE OFFICE OF THE RECORDER OF DEEDS AND FILED APRIL 24, 1947 IN BOOK 35 OF PLATS PAGE 2 AS FILE NUMBER 1148288 IN THE REGISTRAR OF TITLES OFFICE, TOGETHER WITH VACATED RUHL ROAD ADJACENT TO LOTS 11 AND 12 LAYING NORTH OF THE SOUTH LINE OF LOTS 10 AND 11 EXTENDED EAST: ALONG WITH A PARCEL OF LAND ROUNDED ON THE SOUTH LINE OF SAID DUNHAVEN WOODS SUBDIVISION EXTENDED EAST TO THE EAST LINE OF SAID DUNHAVEN WOODS SUBDIVISION EXTENDED SOUTH, (EXCEPT THAT PART OF LOTS 6 AND 10 IN SAID DUNHAVEN WOODS DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 6; THENCE NORTH 80 DEGREES 12 MINUTES 21 SECONDS EAST, ALONG THE NORTH LINE OF SAID LOT 6, A DISTANCE OF 113.94 FEET TO A POINT; THENCE SOUTH 07 DEGREES 25 MINUTES 47 SECONDS EAST, A DISTANCE OF 161.37 FEET TO A POINT; THENCE SOUTH 04 DEGREES 54 MINUTES 20 SECONDS EAST, A DISTANCE OF 30.48 FEET TO A POINT OF CURVE; THENCE SOUTHWESTERLY ALONG A CURVE CONCAVE TO THE WEST, SAID CURVE HAVING A RADIUS OF 99.84 FEET, AN ARC LENGTH OF 69.06 FEET OF CHORD BEARING OF SOUTH 14 DEGREES 54 MINUTES 37 SECONDS WEST, AND A CHORD DISTANCE OF 87.69 FEET TO A POINT OF TANGENCY; THENCE SOUTH 34 DEGREES 43 MINUTES 43 SECONDS WEST, A DISTANCE OF 107.79 FEET TO A POINT OF CURVE; THENCE SOUTHWESTERLY ALONG A CURVE CONCAVE TO THE SOUTHEAST. SAID CURVE HAVING A RADIUS OF 117.50 FEET, AN ARC LENGTH OF 81.24 FEET, A CHORD BEARING OF SOUTH 14 DEGREES 55 MINUTES 31 SECONDS WEST, AND CHORD DISTANCE OF 79.65 FEET TO A POINT OF TANGENCY ON THE WEST LINE OF SAID LOT 10: THENCE NORTH 05 DEGREES 29 MINUTES 57 SECONDS WEST, A DISTANCE OF 173.38 FEET TO THE NORTHWEST CORNER OF SAID LOT 10 (ALSO BEING THE SOUTHWEST CORNER OF SAID LOT 8): THENCE NORTH 04 DEGREES 58 MINUTES 04 SECONDS WEST ALONG

THE WEST LINE OF SAID LOT 6, A DISTANCE OF 230.25 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 3: THAT PART OF THE WEST I/2 OF THE GOVERNMENT LOT 1 OF THE NORTHWEST 1/4 OF SECTION 3, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTHEASTERLY OF THE SOUTHEASTERLY LINE OF RUHL ROAD, DESCRIBED BY DOCMENT NUMBER LR 1146288 AND DOCUMENT NUMBER 13997863, (EXCEPT THAT PART THEREOF LYING IN THE SOUTH 3 ACRES OF THE WEST 1/2 OF GOVERNMENT LOT 1 AFORESAID) IN COOK COUNTY, ILLINOIS.

PARCEL 4: ALL OF RUHL ROAD RIGHT OF WAY LYING SOUTH AND ADJACENT TO LOTS 10 AND 11 IN THE ABOVE DESCRIBED DUNHAVEN WOODS SUBDIVISION.

Palatine, Illinois**Address PIN Number** 768 W Rosiland Dr
02-03-105-027 756 W Rosiland Dr 02-03-105-028 744 W Rosiland Dr 02-03-105-029 744 W Rosiland Dr 02-03-105-029 711 W Meryls Ct 02-03-105-030 723 W Meryls Ct 02-03-105-031 735 W Meryls Ct 02-03-105-032 747 W Meryls Ct 02-03-105-033 759 W Meryls Ct 02-03-105-034 771 W Meryls Ct 02-03-105-035 770 W Meryls Ct 02-03-105-036 758 W Meryls Ct. 02-03-105-037 746 W Meryls Ct 02-03-105-038 734 W Meryls Ct 02-03-105-039 722 W Meryls Ct 02-03-105-040 710 W Meryls Ct 02-03-105-041 698 W Meryls Ct 02-03-105-042 686 W Meryls Ct 02-03-105-043 674 W Meryls Ct 02-03-105-044 662 W Meryls Ct 02-03-105-045 650 W Meryls Ct 02-03-105-046 638 W Meryls Ct 02-03-105-047 590 W Rosiland Dr 02-03-105-048 578 W Rosiland Dr 02-03-105-049

1966 N Meryls Ter 02-03-106-019 1954 N Meryls Ter 02-03-106-020 1942 N Meryls Ter 02-03-106-021 1930 N Meryls Ter 02-03-106-022 1918 N Meryls Ter 02-03-106-023 660 W Ruhl Rd 02-03-106-024 530 W Ruhl Rd 02-03-112-002 540 W Ruhl Rd 02-03-112-003 550 W Ruhl Rd 02-03-112-004 560 W Ruhl Rd 02-03-112-005 570 W Ruhl Rd 02-03-112-006 580 W

Ruhl Rd 02-03-112-007 610 W Ruhl Rd 02-03-112-008 1919 N Meryls Ter 02-03-112-009 1931 N Meryls Ter 02-03-112-010 1943 W Meryls Ct 02-03-112-011 1955 N Meryls Ter 02-03-112-012 1967 W Meryls Ter 02-03-112-013 591 W Rosiland Dr 02-03-112-014 553 W Rosiland Dr 02-03-112-015 521 W Rosiland Dr 02-03-112-016 1996 N Troons Crossing 02-03-112-017 1986 N Troons Crossing 02-03-112-018 1976 N Troons Crossing 02-03-112-019 641 W Ruhl Rd 02-03-113-001 629 W Ruhl Rd 02-03-113-002 617 W Ruhl Rd 02-03-113-003 605 W Ruhl Rd 02-03-113-004 593 W Ruhl Rd 02-03-113-005 583 W Ruhl Rd 02-03-113-006 573 W Ruhl Rd 02-03-113-007 563 W Ruhl Rd 02-03-113-008 553 W Ruhl Rd 02-03-113-009 515 W Haleys Hill Ct 02-03-113-010 415 W Haleys Hill 02-03-113-011 414 W Haleys Hill Ct 02-03-113-012 420 W Haleys Hill Ct 02-03-113-013 426 W Haleys Hill 02-03-113-014 438 W Haleys Hill 02-03-113-015 444 W Haleys Hill 02-03-113-016 450 W Haleys Hill Ct 02-03-113-017 460 W Haleys Hill 02-03-113-018 472 W Haleys Hill 02-03-113-019 484 W Haleys Hill Ct 02-03-113-020 496 W Haleys Hill 02-03-113-021

520 W Haleys Hill Ct 02-03-113-022 523 W Ruhl Rd 02-03-113-023 495 W Falkirk Place 02-03-113-024 483 W Falkirk Place 02-03-113-025 471 W Falkirk Place 02-03-113-026 459 W Falkirk Place 02-03-113-027 447 W Falkirk Place 02-03-113-028 435 W Falkirk Place 02-03-113-029 432 W Haleys Hill Ct 02-03-113-038

EXHIBIT B

Mail Box

Standards

Hanover Lantern, Inc.
Model No. BM18
Silver

o
r

Gaines Manufacturing, Inc.
Original Keystone Series
Consisting of the following:

Model KS-20A (bronze box with antique bronze hardware)

Keystone Deluxe Post Standard
Port Plaque for Address

EXHIBIT
C

SECOND AMENDED AND RESTATED BY-LAWS OF THE DUNHAVEN WOODS SOUTH OF PALATINE HOMEOWNERS' ASSOCIATION AN ILLINOIS NOT-FOR-PROFIT CORPORATION

ARTICLE I NAME OF CORPORATION

The name of this corporation is Dunhaven Woods South of Palatine

Homeowners' Association.

ARTICLE II PURPOSE AND POWERS

2.01 PURPOSES: The purposes of this Association are to act on behalf of its members collectively, as their governing body, with respect to the preservation, care, maintenance, replacement, improvement, enhancement, operation and administration of both real and personal property and for the promotion of the health, safety and welfare and the common use and enjoyment thereof by members of the Association, all on a not-for-profit basis. These By- Laws are subject to the provisions of the Declaration of Covenants, Conditions and Restrictions for Dunhaven Woods South of Palatine Homeowners' Association ("Declaration") recorded with the Office of the Recorder of Deeds for Cook County, Illinois. All terms used herein shall have the meanings set forth in the Declaration.

2.02 POWERS: The Association shall have and exercise all powers as are now or may hereafter be granted by the General Not-For-Profit Corporation Act of the State of Illinois, the Declaration and these By-Laws.

ARTICLE III OFFICES

3.01 REGISTERED OFFICE: The Association shall have and continuously maintain in this state a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Illinois as the Board may from time to time determine.

3.02 PRINCIPAL OFFICE: The Association's principal office shall be maintained in Cook County, Illinois, or the community that the Association's management company is located.

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ARTICLE IV MEETINGS OF MEMBERS

4.01 VOTING RIGHTS: Any or all members may be present at any meeting of the members, but the voting rights shall be vested exclusively in the Voting Members. Each Voting Member shall be entitled to one vote for each Lot which the Voting Member represents. The Voting Members may vote in person, by proxy or by electronic means as provided in the Act. All proxies shall be in writing, revocable, valid only for eleven (11) months from the date of execution and filed with the Secretary.

4.02 PLACE OF MEETING; QUORUM: Meetings of the members shall be held at the principal office of this Association or at such other place in Cook County, Illinois, as may be designated in any notice of a meeting. All meetings shall be conducted in accordance with the rules and provisions set forth in Roberts Rules of Order as from time to time published. The presence of Members or of proxies entitled to cast twenty percent (20%) of the votes of the membership shall constitute a quorum for any meeting of the Members of the Association. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements set forth herein, and the required quorum at such subsequent meeting shall be fifty percent (50%) of the required quorum of the preceding meeting. Unless otherwise expressly provided herein or in the Declaration, any action may be taken at any meeting of the Owners at which a quorum is present upon the affirmative vote of a majority of the members present at such meeting.

4.03 ANNUAL MEETINGS: The Annual meeting of the Members shall be on such a date and time and at such place as designated in the notice from the Board.

4.04 SPECIAL MEETINGS: Special meetings of the members may be called at any time for the purpose of considering matters which, by the terms of the Declaration, require the approval of all or some of the Owners or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by a majority of the Board, or by twenty percent (20%) of the Voting Members, and delivered not less than ten (10) days prior to the date fixed for said meeting. The notices shall specify the date, time, and place of the meeting and the matters to be considered.

4.05 NOTICE OF MEETINGS: Notices of meetings required to be given herein may be delivered either personally, by mail or by electronic means as provided in the Act to the members, addressed to such member at the address

given by him to the Board for the purpose of service of such notice or to the Residence of the Owner, if no address has been given to the Board. A notice of meeting shall include an agenda of business and matters to be acted upon or considered at the meeting.

ARTICLE V BOARD OF DIRECTORS

5.01 IN GENERAL: The affairs of the Association shall be vested in the Board of directors (the "Board"), which shall consist of no less than three (3) persons ("Directors") or on a maximum of ten (10) persons. Each Director shall be an Owner or a Voting Member.

5.02 BOARD: Each member of the Board shall be an Owner or a Voting Member or both.

5.03 ELECTION: At the first annual election, the two (2) candidates receiving the greatest number of votes were elected for a two year term and the candidate receiving the next greatest number of votes was elected for a one year term. Thereafter, each Director has served and shall serve a two year term. Each Director shall hold office until his/her term expires or until his/her successor shall have been elected and qualified. Directors may succeed themselves in office. In all elections for members of the Board, the Voting Member for each Lot shall be entitled to the number of votes equal to the number of Directors to be elected (cumulative voting shall not be permitted).

5.04 ANNUAL MEETINGS: The Board shall hold an annual meeting within ten (10) days after the annual meeting of the members.

5.05 REGULAR MEETINGS: Regular meetings of the Board shall be held at such time and place as shall be determined at the annual meeting or, from time

to time, by a majority of the Directors. Not less than three (3) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, at least two (2) days prior to the day named for any such meeting and such notice shall state the time and place of such regular meeting.

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

5.07 ATTENDANCE AT MEETINGS BY OWNERS: Owners shall have the right to attend meetings of the Board, with the exception of Executive board Meetings, in the same manner as provided for members of condominium associations under the Illinois Condominium Property Act.

5.08 WAIVER OF NOTICE: Before or at any meeting of the Board any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

5.09 QUORUM: A majority of the Directors serving from time to time shall constitute a quorum for the election of officers and for the transaction of business at any meeting of the Board, provided, that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. Except as otherwise expressly provided herein or in the Declaration, any action may be taken upon the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present.

5.10 COMPENSATION/REIMBURSEMENT FOR EXPENSES: Directors shall receive no compensation, except as expressly provided in a resolution duly adopted by 75% of the Voting Members. Upon the presentation of receipts or other appropriate documentation, a Director shall be reimbursed by the

Association for reasonable out-of-pocket expenses incurred in the course of the performance of his duties as a Director.

5.11 REMOVAL OR RESIGNATION OF A DIRECTOR: Any Director may be removed from office, with or without cause, by the affirmative vote of at least two-thirds (2/3) of the Directors then serving at any annual meeting or at a special meeting called for such purpose. Any Director may resign at any time by submitting his written resignation to the Board. If a Director ceases to be an Owner or Voting Member, he shall be deemed to have resigned as of the date of such cessation. A successor to fill the unexpired term of a Director who resigns may be appointed by a majority of the remaining Directors at any regular meeting or a special meeting called for such purpose and any successor so appointed shall serve the balance of his predecessor's term.

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

(a) To engage the services of a manager or managing agent upon such terms and with such authority as the Board may approve;

(b) To provide for the designation, hiring and removal of such employees and such other personnel, including attorneys and

accountants, as the Board may, in its discretion, deem necessary or proper;

(c) To provide for any maintenance, repair, alteration, addition, improvement or replacement of the Common Area for which the Association is responsible under the Declaration and these By-Laws;

(d) To procure insurance as provided for under the Declaration;

(e) To estimate and provide each Owner with an annual budget showing the Common Expenses;

(f) To set, give notice of, and collect Assessments from the Owners as provided in the Declaration;

(g) To pay the Common Expenses:

(h) Subject to the provisions of the Declaration, to own, convey, encumber or otherwise deal with any real property conveyed to or purchased by the Association;

(i) To adopt and, from time to time, to amend such reasonable rules and regulations as the Board may deem advisable for the use, enjoyment, administration, management, maintenance, conservation and beautification of the Common Area, and for the health, comfort, safety and general welfare of the Owners. Written notice of any such rules and regulations or amendments thereto shall be given to all Owners affected thereby;

(j) To delegate the exercise of its power to committees appointed pursuant to Article Seven of these By-Laws; and

(k) To borrow money and pledge the assets of the Association, including the right to receive future assessments, as collateral for repayment thereof.

(l) To assess a late fee for non-payment of assessments and, after notice and an opportunity for a hearing, to charge a fine for violations of the Declaration and Rules and Regulations (which may include a daily fine).

ARTICLE
VI
OFFICERS

6.01 OFFICERS: The officers of the Association shall be a President, Secretary, Vice President/Treasurer, and such assistants to such officers as the Board may deem appropriate. All officers shall be Directors and shall be elected at each annual meeting of the Board and shall hold office at the discretion of the Board.

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

6.03 POWERS OF OFFICERS: The respective officers of the Association shall have such powers and duties as are from time to time prescribed by the Board and as are usually vested in such officers, including but not limited to, the following:

(a) The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the members and at all meetings of the Board and shall execute amendments to the Declaration and these By-Laws as provided in the Declaration and these By-Laws;

(b) The Secretary shall keep minutes of all meetings of the Owners and of the Board and have charge of such other books, papers and documents as the Board may prescribe;

(c) The Vice President/Treasurer shall be responsible for Association funds and securities and for keeping full and accurate accounts of all receipts and disbursements in the Association books of accounts kept for such purpose.

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

ARTICLE VII COMMITTEES

DESIGNATED BY BOARD

7.01 BOARD COMMITTEES: The Board, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent consistent with law and as provided in said resolution, shall have and exercise

the authority of the Board in the management of the Association; but the designation of such committees and delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or him by law.

7.02 SPECIAL AND STANDING COMMITTEES: Other committees not having and exercising the authority of the Board in the management of the Association may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Owners or representative of Owners and the President of the Association shall appoint the members of such committee and shall designate a Director to act as a liaison between such committee and the Board. Any member of such committee may be removed by the President of the Association whenever in his judgment the best interests of the Association shall be served by such removal. The powers and the duties of any such standing committee shall be as set from time to time by resolution of the Board. The chairman of each standing committee shall be a Director (who shall act as the liaison between the committee and the Board), and the other members of the committee (which need not be Directors) shall be appointed and removed from time to time by such chairman.

7.03 TERM: Each member of a committee shall continue as such until the next annual meeting of the Board and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

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

7.05 VACANCIES: Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments to such committee.

7.06 QUORUM: Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

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

ARTICLE VIII CONTRACTS, CHECKS, DEPOSITS AND FUNDS

8.01 CONTRACTS: The Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances. In the absence of any such authorization by the Board, any such contract or instrument shall be executed by the President or a Vice President and attested to by the Secretary or an Assistant Secretary of the Association.

8.02 PAYMENTS: All checks, drafts, vouchers or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association, and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board such instruments shall be signed by the Treasurer or an Assistant Treasurer and

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

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

8.04 SPECIAL RECEIPTS: The Board may accept on behalf of the Association any contribution or gift for the general purposes or for any special purpose of the Association.

8.05 ETHICS OF THE BOARD MEMBERS. Board Members shall have the duty of a fiduciary of the Association. All Board Members shall comply with any and all ethical standards and policies set by the Board and avoid any conflict of interests.

ARTICLE IX FISCAL MANAGEMENT

9.01 FISCAL YEAR: The fiscal year of the Association shall be established by the Association and may be changed from time to time by a resolution adopted by two-thirds (2/3) of the Board.

9.02 ANNUAL STATEMENT: Within a reasonable time after the close of each fiscal year the Board shall furnish each Owner with a statement of the income and disbursements of the Association for such fiscal year.

9.03 SPECIAL STATEMENT: Within ten (10) days after receipt of a written request from an Owner (together with payment of a reasonable fee, if any,

set by the Board) the Board shall provide the Owner with a statement containing the following information:

(a) The status of the Owner's account and the amount of any unpaid assessments or other charges due and owing from the Owner; and

(b) The status and amount of any and all Capital Reserves.

9.04 ASSESSMENT PROCEDURE: Assessments shall be made and collected as provided in the Declaration.

ARTICLE X BOOKS AND RECORDS

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

ARTICLE XI AMENDMENTS

These By-Laws may be amended or modified at any time, or from time to time by the affirmative votes of Directors having more than two-thirds (2/3) of the total votes. No provision of these By-Laws may be amended or modified so as to conflict with the provisions of the Declaration.