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DECLARATION OF COVENANTS AND RESTRICTIONS

FOR

**ASHWOOD PARK NORTH TOWNHOMES
HOME OWNERS ASSOCIATION**

Chicago Title Insurance Co.

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DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
ASHWOOD PARK NORTH TOWNHOMES
HOME OWNERS ASSOCIATION

This Declaration is made this 10th day of May, 2006, by Crestview Builders, Inc., (hereinafter referred to as "Covenantor").

WITNESSETH:

WHEREAS, the Covenantor is the owner of the real property commonly known as Ashwood Park North Townhomes and legally described in **Exhibit A** of this Declaration, which exhibit is attached hereto and incorporated herein by reference (hereinafter referred to as "Development Tract"); and

WHEREAS, Ashwood Park North Townhomes will be developed as an age-restricted residential community of single-family attached dwelling units; and

WHEREAS, the Covenantor desires to promote the orderly development of the Development Tract and to provide for the maintenance of common areas by subjecting the Development Tract as described herein to the covenants, restrictions, conditions, reservations, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property; and

WHEREAS, the Covenantor has deemed it desirable, for the efficient preservation of the values and amenities in the Development Tract, to create an association to which should be delegated and assigned the powers of administering and enforcing the covenants, restrictions, conditions, reservations, easements, charges, and liens as delineated in this Declaration; and

WHEREAS, the Covenantor intends by this Declaration to subject all of the Development Tract to the terms of this Declaration;

NOW, THEREFORE, Crestview Builders, Inc. declares that the real property legally described in **Exhibit A** to this Declaration is and shall be held, sold, conveyed, transferred, mortgaged, used, and encumbered subject to the terms, provisions, covenants, restrictions, conditions, reservations, easements, charges, and liens hereinafter set forth, all of which are declared to be for the purpose of enhancing and protecting the value, desirability, attractiveness, and harmonious and proper use of and administration of the Development Tract. These easements, covenants, restrictions, provisions, conditions, reservations, charges, and liens set forth in this Declaration shall run with the property and shall be binding upon all the parties having or acquiring any right, title, or interest in the Development Tract or any part thereof, their heirs, successors, successor-in-title, and assigns and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Age Qualified Occupant" shall mean and refer to any Person who is fifty-five years of age or older who occupies a Dwelling Unit.

Section 2. "Association" shall mean and refer to the Ashwood Park North Townhomes Home Owners Association, an Illinois not-for-profit corporation, its successors and assigns, which is also sometimes referred to herein as the "Home Owners Association".

Section 3. "Board" shall mean and refer to the Board of Directors of the Home Owners Association.

Section 4. "Building" shall mean and refer to a self-contained structure containing three, four or five dwelling units.

Section 5. "Common Area" shall mean and refer to all the real property and improvements thereon, owned by the Home Owners Association for the common use, enjoyment, and convenience of the members of the Home Owners Association, i.e. Outlot A and all of the area of each Lot excluding the Dwelling Units.

Section 6. "Covenantor" shall mean and refer to Crestview Builders, Inc., its successors or assigns (other than the purchaser of a Dwelling Unit).

Section 7. "Covenants and Restrictions" shall mean and refer to the covenants, restrictions, conditions, reservations, easements, charges, and liens specified in this Declaration.

Section 8. "Development Tract" shall mean and refer to the property herein referred to and legally described in **Exhibit A** which is hereby subjected to the covenants, restrictions, conditions, reservations, easements, charges, and liens herein described.

Section 9. "Dwelling Unit" shall mean and refer to one of the twenty-four attached residential housing units constructed on the Development Tract designed and constructed for the use and occupancy by a single family upon the Development Tract. Each Dwelling Unit shall be attached to another Dwelling Unit by a Party Wall.

Section 10. "Final Plat" shall mean and refer to the Final Plat of Subdivision and Planned Unit Development for Ashwood Park North Townhomes recorded on February 21, 2006 as Document No. R2006-029553 in Will County, Illinois, which is attached hereto as **Exhibit B** and made a part hereof.

Section 11. "Home Owners Association" shall mean and refer to the Ashwood Park

North Home Owners Association, an Illinois not-for-profit corporation, its successors and assigns.

Section 12. "Member" shall mean and refer to a person(s) or entity which holds membership in the Home Owners Association due to ownership of a Dwelling Unit.

Section 13. "Occupy" or "Occupies" or "Occupancy" or "Occupant" shall mean and refer to a Person twenty-one years of age or older, including an Owner, in lawful possession of a Dwelling Unit and staying overnight in the same Dwelling Unit for at least ninety days in a consecutive twelve month period or a person under twenty-one years of age staying overnight in the same Dwelling Unit for more than thirty days during the period from August 15 through June 15, inclusive, more than fourteen of which days are consecutive.

Section 14. "Owner" shall mean and refer to the Person or Persons or entity whose estates or interests, individually or collectively, aggregate fee simple ownership of a Dwelling Unit within the Development Tract, and their successors and assigns. For the purpose of this Declaration, unless otherwise specifically provided herein, the word "Owner" shall include a) any trust and beneficiary of a trust, shareholder of a corporation, or partner of a partnership holding legal title to a Dwelling Unit and b) the Covenantor as to all unsold Dwelling Units which are or will be constructed on the Development Tract.

Section 15. "Party Wall" shall mean and refer to every wall, including the foundations therefore, which is built as a part of the original construction of a Building and placed between separate Dwelling Units in a Building, shall constitute and be a "Party Wall".

Section 16. "Person" shall mean and refer to a natural individual, corporation, partnership, or other entity capable of holding title to, or any lesser interest in, real property.

Section 17. "Record" or "Place of Record" shall mean to record a document in the Office of the Recorder of Deeds of Will County, Illinois.

Section 18. "Reside" or "Resides" or "Residency" shall mean and refer to a Person twenty-one years of age or older staying overnight in the same Dwelling Unit for at least ninety days in a consecutive twelve month period or a person under twenty-one staying overnight in the same Dwelling Unit for more than thirty days during the period from August 15 through June 15, inclusive, more than fourteen of which days are consecutive. "Reside" or "Resides" or "Residency" shall also have the same meaning as that term is defined in Section 10-20.12b of the Illinois School Code (105 ILCS 5/10-20.12b) or case law in the State of Illinois promulgated thereunder, relating to the enrollment of pupils in the public schools.

Section 19. "Qualified Occupant" shall mean and refer to any Person who occupies a Dwelling Unit and

- a. is an Age-Qualified Occupant;
- b. is a Person twenty-one years of age or older occupying a Dwelling Unit with an Age-Qualified Occupant; or
- c. is a Person twenty-one years of age or older who occupied a Dwelling Unit with an Age-Qualified Occupant and who continues, without interruption, to occupy the same Dwelling Unit after termination of the Age-Qualified Occupant's occupancy thereof.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Existing Subdivided Property. The real property legally described in **Exhibit A**, is and shall be held, sold, conveyed, transferred, occupied, mortgaged, and encumbered subject to this Declaration.

Section 2. Burden Upon the Property. The Covenantor declares that this Declaration and the covenants, restrictions, conditions, reservations, easements, charges, and liens established herein shall be covenants to run with the land. Said Covenants and Restrictions shall inure to the benefit of and shall be binding upon each and every Owner and his or her respective mortgagees, heirs, administrators, executors, legal representatives, successors and assigns, purchasers, and lessees. By the recording or acceptance of the conveyance of property 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.

Section 3. Non-Severability of Rights. The rights, liabilities, and obligations set forth herein shall attach to and run with the ownership of a Dwelling Unit as more specifically set forth below, and may not be severed or alienated from such ownership.

ARTICLE III

GENERAL PURPOSE

The purpose of this Declaration is to provide for high standards of maintenance in the Development Tract so as to insure a residential community of the highest quality and character for the benefit and convenience of all Owners of Dwelling Units and all residents of Ashwood Park North Townhomes.

ARTICLE IV

HOME OWNERS ASSOCIATION

Section 1. Creation. Within forty-five days of the recording of this Declaration, the Covenantor shall cause to be incorporated under the laws of the State of Illinois a not-for-profit corporation to be named the Ashwood Park North Townhomes Home Owners Association.

Section 2. Membership. Every Owner of a Dwelling Unit in the Development Tract and every beneficiary of a land trust holding title to a Dwelling Unit in the Development Tract shall be a Member of the Home Owners Association irrespective of the inclusion, exclusion, incorporation by reference, or any specific expression or lack thereof to the effect in the deed or other documents of conveyance. Membership is appurtenant to and shall not be separated from ownership of a Dwelling Unit. Thus, membership shall automatically terminate upon the sale, transfer, or other disposition by a Member of its ownership of a Dwelling Unit in the Development Tract at which time the new Owner shall automatically become a Member of the Home Owners Association.

Such membership may not be sold or transferred other than in conjunction with the sale or transfer of the title interest in the Dwelling Unit to which it is appurtenant. No Member shall have any right or power to disclaim, terminate, or withdraw from his or her membership in the Home Owners Association or from any of his or her obligations as such Member for any reason.

If more than one Person is the record Owner of a Dwelling Unit, or a beneficiary of a land trust holding title to a Dwelling Unit in the Development Tract, all such Persons shall be considered collectively as one Member.

Each Member of the Home Owners Association shall be bound by and shall observe the terms and provisions of this Declaration, the Articles of Incorporation, the By-Laws of the Home Owners Association, and the rules and regulations promulgated from time to time by the Home Owners Association or its Board of Directors.

No Person who holds an interest in a Dwelling Unit in the Development Tract merely as a security for the performance of an obligation or is in possession of a Dwelling Unit under a

contract to purchase such Dwelling Unit shall be a Member of the Home Owners Association.

No Member shall have any right or power to disclaim, terminate, or withdraw from its membership in the Home Owners Association or from any of its obligations as such Member by abandonment of its Dwelling Unit or for any other reason.

Ownership of a Dwelling Unit in the Development Tract shall be the sole qualification for membership and there shall be one membership for each Dwelling Unit.

Section 3. Voting Rights. The Home Owners Association shall have two classes of voting Members:

a. Class A: Class A Members shall be all record Owners of Dwelling Units in the Development Tract and all beneficiaries of land trusts holding title to Dwelling Units in the Development Tract with the exception of the Covenantor.

b. Class B: The sole Class B Member shall be the Covenantor.

The Class A Members shall be entitled to one vote for each Dwelling Unit owned. If more than one Person is the record Owner or beneficiary of the title-holding land trust of a Dwelling Unit in the Development Tract, then the vote for that Dwelling Unit shall be exercised as those Persons amongst themselves determine. No more than one vote shall be cast with respect to any Dwelling Unit.

The Class B Member shall be entitled to five votes for each Dwelling Unit it owns.

The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first: a) upon conveyance of the title to a Dwelling Unit in Development Tract owned by Covenantor or b) whenever the Class B Member elects to do so.

The Home Owners Association shall have the right to suspend the voting rights of any Member for any period during which an assessment levied by the Home Owners Association against the Member's Dwelling Unit remains unpaid.

Section 4. Powers, Duties and Responsibility. The Home Owners Association is created to carry out the purpose of this Declaration of Covenants and Restrictions. In order to carry out that purpose, the Home Owners Association shall be the governing body for all of the Owners and beneficiaries of title-holding land trusts of Dwelling Units in Development Tract. It shall exercise the following powers and shall assume the following duties and responsibilities:

- a. to provide for the highest standards of maintenance of the Development Tract and to make and promote the desired quality and character of Ashwood Park North Townhomes;
- b. to receive property of every kind, whether real or personal, and to administer and apply such property and the income there from exclusively for the purposes of the Home Owners Association;
- c. to receive any gift, bequest, or devise of any property for any purpose specified by the donor or testator or for any of the purposes of the Home Owners Association;
- d. to maintain, repair, and replace the following in the Development Tract:
 - i. the exterior facades of all Dwelling Units as specified in Article VI, Section 2 herein;
 - ii. Ashwood Park Court (i.e. the common driveway/private street) plus all parking areas including, but not limited to snow plowing;

- iii. all driveways of all Dwelling Units including, but not limited to, snowplowing and seal coating;
 - iv. all sidewalks and service walks, including, but not limited to, snow shoveling;
 - v. all vegetation, landscaping and grass planted by the Covenantor or Home Owners Association or accepted by the Home Owners Association pursuant to Article VI, Section 1 herein;
 - vi. irrigation system, if any, for the Development Tract;
 - vii. the entrance monument(s);
 - viii. fencing, if any, installed by the Covenant or the Home Owners Association;
 - ix. the storm water management facilities located on Outlot A;
 - x. any structures, located on the Common Area;
 - xi. any property owned or leased by the Home Owners Association including the Common Area;
- e. to provide for a general fund to enable the Home Owners Association to exercise its powers, duties, and responsibilities as delineated in this Declaration, including those items specified in Article IV, Section 4d herein, its Articles of Incorporation, and its By-Laws by levying an annual assessment or special assessment;
- f. to establish and maintain a reserve fund for contingencies and replacement of those items specified in Article IV, Section 4d;

- g. to enforce any lien for non-payment of any assessment;
- h. to take any action necessary to effectuate the purposes of this Declaration.

Section 5. Board of Directors. The affairs in the Home Owners Association shall be managed by a Board of Directors.

The initial control and management of the Home Owners Association shall be entrusted to an initial Board of Directors which shall consist of three directors. Said Initial Board of Directors shall be selected by the Covenantor and the members need not be Owners of Dwelling Units in the Development Tract. Until the Initial Board of Directors transfers control and management of the Home Owners Association to a Member-elected Board of Directors (as specified herein), the Covenantor may replace any directors of said Initial Board of Directors and said action shall not be deemed to transfer control and management to a second Board of Directors nor shall the reconstituted Board of Directors be deemed to be the second Board of Directors. The Initial Board of Directors shall hold office until a membership meeting to be held on the first Monday in October of the year following the completion and occupancy of all twenty-four Dwelling Units in the Development Tract. Said meeting, hereinafter being known as the Annual Membership Meeting, may be held at such other reasonable time or date not more than thirty days before or after said date as may be designated by written notice of the Board of Directors delivered to the membership not less than ten days prior to the date fixed for said rescheduled meeting. Prior to the completion and occupancy of all twenty-four Dwelling Units in the Development Tract, the Initial Board of Directors reserves the right to transfer control and management of the Home Owners Association to the second Board of Directors at any time it so decides irrespective of the criteria set forth in this paragraph.

When the Initial Board of Directors shall cease to hold office as specified herein, there shall be a meeting of the Members of the Home Owners Association for the purpose of electing a second Board of Directors. Said Board of Directors shall consist of three directors who shall hold office for two-year terms. However, in the Initial Member-elected Board of Directors, two of the three directors receiving the highest number of votes shall hold office for two years and the remaining director shall hold office for one year only.

The By-Laws of the Home Owners Association shall set forth the general powers of the Board, the number, tenure and qualifications of directors, their term of office, manner of election and removal, and method of operation of the Board. Except for the Initial Board of three Directors as specified above, all directors shall be Members of the Home Owners Association.

There shall be an annual election to fill the offices of the directors whose terms are expiring. Said election shall occur at the Annual Membership Meeting. Cumulative voting shall not apply in the election of the directors. Each Dwelling Unit shall have the number of votes as is specified in Article IV, Section 3 herein.

The Board of Directors shall have the power to fill any vacancy that may occur in their own number or in any office of the Home Owners Association. The directors or officers so appointed shall serve for the unexpired term of the director replaced.

If any director fails to attend a majority of the meetings of the Board in any fiscal year the Board may in its sole discretion declare his or her office vacant.

The regular meeting of the Board of Directors shall be held immediately after and at the same place as each Annual Membership Meeting. The Board of Directors shall establish a regular schedule and same shall be made available to the membership as the Board of Directors

deem appropriate. Special meetings may be called on the order of the president or on the motion in writing of a majority of the directors. At least two days' notice of such special meeting, specifying its purpose, shall be given by mail or personal service to each director.

A majority of the Board of Directors shall constitute a quorum for the transaction of business and the action of a majority of such quorum shall be the action of the Board of Directors. If a quorum is not present, a lesser number may reschedule the meeting to another date.

The officers of the Home Owners Association shall be president, vice president, and secretary/treasurer. They shall all be directors and elected by the directors at the regular meeting of the Board of Directors subsequent to the annual election of directors and shall hold their respective office for one year and/or until their successors are elected and qualified. The officers shall be subject to the control of the Board of Directors and may be removed by the majority of the directors at any regular meeting or any special meeting called for that purpose. The Board of Directors may elect such other officers as it deems necessary. The officers shall exercise their functions according to the By-Laws of the Home Owners Association.

In all other respects, the Home Owners Association, its directors, officers and members shall be governed by the Illinois General Not-For-Profit Corporation Act.

The members of the Board (including the Initial Board of Directors and the subsequent Member-elected Boards of Directors) and the officers of the Home Owners Association shall not be liable to the Home Owners Association for any mistake of judgment or acts or omissions made in good faith while acting in their capacity as directors or officers. The Home Owners Association shall indemnify and hold harmless the members of the Board and the officers thereof

against all contractual liability to others arising out of contracts made by them, unless such contracts shall have been made in bad faith or with knowledge that same was contrary to the provisions of this Declaration. The liability of any Owner shall be limited to an amount determined by dividing the total liability by the total number of Dwelling Units subject to the terms of this Declaration. All contracts and agreements entered into by the Board or by individual officers shall be deemed executed by said person or persons as agent for the Owners or the Home Owners Association.

In the event of any disagreement between the Board and any Member of the Home Owners Association a) relating to the maintenance, repair, or replacement of improvements as specified in Section 4 of this Article or b) any questions or interpretation or application of the provisions of this Declaration or the By-Laws of the Home Owners Association, the determination thereof by the Board shall be final and binding on each and all such Members of the Home Owners Association.

Section 6. Meetings. The initial meeting of the voting Members of the Home Owners Association shall be held as specified in Article IV, Section 5 herein. The Covenantor or the Initial Board of Directors shall notify the Members of said initial meeting at least ten days prior to the date of the meeting. Thereafter, there shall be an Annual Membership Meeting of the voting Members on the first Monday in October or at such other reasonable time or date no more than thirty days before or after said date as may be designated by written notice of the Board of Directors delivered to the membership not less than ten days prior to the date fixed for said meeting. The purpose of the Initial Annual Membership Meeting and all subsequent Annual Membership Meetings shall be to elect directors and to conduct Home Owners Association

business. Special meetings of the voting Members may be called at any time for the purpose of considering matters which by the terms of this Declaration require the approval of all or some of the voting Members, or for any other reasonable purpose. Said meetings may be called by the president, the Board of Directors, or the voting Members having, in the aggregate, not less than twenty-five percent of the total votes of the Home Owners Association. Special meetings shall be held as provided in the Home Owners Association By-Laws.

The presence in person or by written proxy at any meeting of the voting Members having fifty percent of the total votes of the Home Owners Association shall constitute a quorum for the transaction of business. Unless otherwise expressly provided herein or required by the General Not-For-Profit Corporation Act or the Articles of Incorporation of the Home Owners Association, any action may be taken at any meeting of the voting Members at which a quorum is present upon the affirmative vote of the voting Members having a majority of the total votes present at such meeting.

Section 7. Loans and Encumbrances. The Association through the Board of Directors may not obtain a loan, whether secured or unsecured, or encumber the assets of the Association without approval of not less than seventy-five percent of Members of the Home Owners Association. There shall be a membership meeting called for the purpose of discussing the proposed loan or encumbrance and the voting may be either in person or by written proxy. This provision shall not restrict the power of the Board or the Home Owners Association to contract for goods or services in the ordinary course of the Home Owners Association's operations.

This provision may not be amended except by approval of not less than seventy-five percent of the total membership of the Home Owners Association. There shall be a membership

meeting called for the purpose of discussing the proposed amendment and the voting may be either in person or by written proxy, all in accordance with Article XIII of this Declaration.

Section 8. Mechanic's Liens. The Home Owners Association, through the Board of Directors, may cause to be discharged any mechanic's lien or other encumbrances 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, the Owners responsible shall be jointly and severally liable for the amount necessary to discharge the same, and for all costs and expenses including attorney's fees and court costs incurred by reason of the lien.

Section 9. Rules and Regulations. The Board of Directors shall have the authority from time to time to adopt rules and regulations governing the administration and operation of the Development Tract, subject to the terms of this Declaration.

Section 10. Management. The Board of Directors may retain a professional management company, professional manager, or full time employee to a) collect assessments and b) manage the Common Area and supervise the maintenance and operation thereof. The Board of Directors may itself subsequently elect to assume management responsibility for the Association and the Common Area and terminate any professional management.

The Board shall enter into management contracts only if such contracts shall a) permit the termination thereof for cause by the Home Owners Association upon sixty days prior written notice and b) be for a period of not more than two years. Such contracts may permit renewals thereof for periods not to exceed one year at a time by mutual consent.

ARTICLE V**MAINTENANCE ASSESSMENTS FOR THE ASHWOOD PARK NORTH TOWNHOMES**

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of a Dwelling Unit in the Development Tract by acceptance of a deed or other document of conveyance therefore, whether or not it shall be so expressed in any deed or other document or conveyance, shall be deemed to covenant and agree to pay to the Home Owners Association regular assessments of charges and special assessments for capital improvements and maintenance expenses as provided herein. Such assessments shall be fixed, established, and collected from time to time as hereinafter provided. The regular and special assessments together with such interest thereon and costs of collection thereof as hereinafter provided shall be a charge against and a continuing lien upon the Dwelling Unit against which such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who is the Owner of such Dwelling Unit at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Home Owners Association shall be used for the purpose of promoting the health, safety, and welfare of the residents in the Development Tract and for any purpose of the Home Owners Association as specified in this Declaration or in the Articles of Incorporation. All funds collected (except for such special assessment as may be levied against less than all of the Members and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held in trust for the benefit, and account of each of the Members in the ratio that the number of Dwelling Units owned by each Member bears to the total number of Dwelling Units in the

Development Tract as the same is constituted from time to time.

Section 3. Regular Assessments. The Home Owners Association, through the Board of Directors, shall levy for each assessment year an assessment, applicable to that year only, for the purpose of enabling the Home Owners Association to exercise its powers and duties and to fulfill its responsibilities as delineated herein.

Section 4. Procedure. The Board of Directors of the Home Owners Association shall determine the amount of the assessment against each Dwelling Unit, including vacant Dwelling Units, for each assessment year. The assessment shall be allocated equally against all Dwelling Units in the Development Tract, except for those Dwelling Units owned by the Class B Member; the Class B Member shall not be obligated to pay any such annual assessments except as provided in Section 8 below. The Board of Directors shall notify in writing each Member of the Home Owners Association of the amount of the assessment against the Member's Dwelling Unit no later than November 30th of each calendar year. On or before January 1 of the ensuing calendar year, and on the first day of each and every month of said year, or otherwise as provided by the Board of Directors, each Owner, jointly and severally, shall be personally liable for and obligated to pay to the Home Owners Association one-twelfth of the annual assessment.

On or before April 1 of each calendar year, the Board shall supply all Members with an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus allocations to reserves. Any amount accumulated in excess of the amount of required expenses and allocations to reserves shall be either a) deposited in the reserve and contingency fund of the Association or

b) refunded to each Owner according to each Owner's share of the total assessment or c) remain in the operating account or d) distributed in a combination of a), b) or c); the Board of Directors in its sole discretion shall make said election. If there is a net shortage in excess of five percent of the actual expenses plus budgeted allocations to reserves for the prior year, then said net shortage shall be billed to each Owner according to each Owner's share of the total assessments and same shall be payable within thirty days of billing. If there is a net shortage of less than five percent of the actual expenses plus budgeted allocations to reserves for the prior year, then said net shortage shall be included in the budget for the next fiscal year. The Board of Directors shall prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Home Owners Association and shall be open to inspection by any Owner.

The Home Owners Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer or managing agent of the Home Owners Association setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 5. Change in Basis of Regular Assessments. The Board of Directors of the Home Owners Association may change the amount of the regular assessment during any assessment year provided that any increase in the assessment shall be approved by a majority of the Board of Directors at a meeting duly called for this purpose with appropriate notice and information provided to the Members prior to said meeting.

Section 6. Special Assessment for Maintenance Expenses. In addition to the regular assessments authorized by Section 3 hereof, the Home Owners Association, through the Board of Directors, may levy in any assessment year a special assessment, applicable to that year only for

the purpose of defraying, in whole or in part, the cost of any taxes or any unexpected repair or replacement of any vegetation or improvements which are the responsibility of the Home Owners Association as specified herein, provided that any such assessments shall be approved by a majority of the Board of Directors, at a meeting duly called for this purpose with appropriate notice and information provided to the Members prior to said meeting.

The special assessment shall be allocated equally against all Dwelling Units in the Development Tract, except for those Dwelling Units owned by the Class B Member; the Class B Member shall not be obligated to pay any such special assessments except as provided in Section 8 below.

Section 7. Special Assessment for Capital Improvements. In addition to the regular assessments authorized by Section 3 hereof, the Home Owners Association, through the Board of Directors, may levy in any assessment year a special assessment, applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction of any improvements which are the responsibility of the Home Owners Association as specified herein, provided that any such assessment shall be approved by a majority of the total votes of the Home Owners Association present in person or by written proxy at a membership meeting called for this purpose.

This provision may not be amended except by approval of not less than seventy-five percent of the Members of the Home Owners Association. There shall be a membership meeting called for the purpose of discussing the proposed amendment and the voting may be either in person or by written proxy, all in accordance with Article XIII of this Declaration.

The special assessment shall be allocated equally against all Dwelling Units in the

Development Tract, except for those Dwelling Units owned by the Class B Member; the Class B Member shall not be obligated to pay any such special assessments except as provided in Section 8 below.

Section 8. Assessments To Be Paid by Class B Member. With regard to any Dwelling Units which are a) proposed and not yet under construction or b) being constructed, the Class B Member shall not be obligated to pay any annual or special assessments for those Dwelling Units. For those Dwelling Units which are completed but title has not been conveyed and which the Class B Member is not utilizing the Dwelling Unit, the assessment respecting any such Dwelling Unit shall be limited to the aggregate amount of actual operating expenses from time to time required to be paid with respect to such Dwelling Unit. For those Dwelling Units which are completed but title has not been conveyed and which the Class B Member is utilizing the Dwelling Unit or the Class B member enters into a lease or installment contract for the Dwelling Unit, then the Class B Member shall be responsible for any payment of any annual or special assessments on those Dwelling Units on the same basis as any other Owner as provided herein. Actual operating expenses shall mean those ordinary expenses attributable only to the period in question covering the maintenance and operations of the Development Tract and shall not include capital expenditures, amounts set aside as a reserve for contingencies or replacements, prepaid items or inventory items to the extent attributable to subsequent periods. Until such time as title to eighty percent of the Dwelling Units have been conveyed to the purchasers thereof, the assessments covering the Dwelling Units which have not been sold by the Class B Member may be paid on a monthly basis or, at its option, paid to the Association at the close of each calendar year without interest.

Section 9. Reserve and Contingency Fund. The Board shall build up and maintain a reasonable reserve for contingencies and replacements. Upon the conveyance of title to a Dwelling Unit to the first purchaser of said Dwelling Unit, the grantee thereof shall pay to the Home Owners Association the sum of \$_____ which shall be deposited in the reserve and contingency fund; said payment is not in lieu of any annual assessment and is not refundable to the purchaser upon sale of its Dwelling Unit.

The Board shall have the right to annually budget an amount to be allocated to the reserve and contingency fund; said amount to be determined at the sole discretion of the Board. The Board may also transfer excess annual operating funds to the reserve and contingency fund.

In the event that there is a deficit in the operating account of the Association, the Board may borrow from the reserve and contingency fund in order to reduce or eliminate said operating account deficit; the amount borrowed shall be repaid in a reasonable period of time as determined by the Board.

Section 10. Effect of Non-Payment of an Assessment. If any regular or special assessment is not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and reasonable costs of collection including reasonable attorneys' fees, thereupon become a continuing lien on the property and an equitable charge running with the land touching and concerning it, which shall bind upon the property in the hands of the then owner, his grantees, heirs, administrators, executors, legal representatives, assigns and successors, and the limitation thereof shall coincide with the statutory limitation of the State of Illinois for the enforcement of oral agreements. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation for the statutory

period and shall not pass as a personal obligation to his successors in title unless a) expressly assumed by them, or b) said successors in title fail to require the then Owner to provide an assessment letter from the Association at the time of conveyance. If title to a Dwelling Unit is held by a land trust, the trustee shall not have any personal liability for the assessment, but all beneficiaries of the trust shall be jointly and severally so liable. In the event title to a Dwelling Unit is held by more than one Owner, all Owners shall be jointly and severally liable. The lien shall attach to rents due from parties in possession to the record Owners provided that it shall be subordinate to an assignment of rent held by a mortgagee delivered in connection with a first mortgage loan on the Dwelling Unit.

Any assessments, other charges or expenses, including but not limited to regular assessments, special assessments and duly imposed fines, which an Owner is required to make or is liable for hereunder which are not paid when due shall be deemed delinquent. If an assessment, charge or expense is not paid within thirty days after the due date it shall bear interest from the due date at the maximum rate of interest per annum permitted by the usury laws of the State of Illinois and the Board may bring suit for and on behalf of themselves and as representatives for all Owners, to enforce collection of the amount due, the costs of said suit, and other fees and expenses together with interest and attorneys fees. Without limiting the forgoing, if any Owner shall fail to pay any assessments, charges or expense required to be paid, the Board shall have the following rights and remedies: a) the right to enforce the collection of such defaulting Owner's assessments, charges or expense, together with interest thereon, and all fees and costs including attorneys fees and court costs, incurred in the collection thereof; b) the right by giving such defaulting Owner five days' written notice of the election of the Board to do so to

accelerate the maturity of the unpaid installments of such assessment, charge or expense accruing with respect to the balance of the assessment year; and c) the right to take possession of such defaulting Owner's interest in their Dwelling Unit, to maintain for the benefit of all the Owners an action for possession in the matter described in the Forcible Entry and Detainer Act (735 ILCS 5/9-101 et. seq.), as amended, and to execute leases of such defaulting Owner's interest in his/her Lot and apply rents derived there from against such unpaid assessments, charges or expenses. In the event a personal judgment or decree of foreclosure is obtained, such judgment or decree shall include interest on the assessment as above provided and a reasonable attorney's fee and administrative fee to be fixed by the court together with all reasonable costs of the action. The venue for all legal action shall be in Will County Illinois. The persons in possession shall be authorized to accept the summons for the Owner of the Dwelling Unit.

In the event that title to any Dwelling Unit is conveyed to a land trustee, upon the demand of the Home Owners Association, the trustee shall furnish the Home Owners Association with a certified copy of the trust agreement so that the Home Owners Association shall be advised of the beneficiaries entitled to vote and who will be personally liable for the regular and special assessments.

Section 11. Continuing Obligation The failure or delay of the Board of Directors to prepare or serve notice of the annual or adjusted assessment on the Owners shall not constitute a waiver or release in any manner of such Owner's obligation to pay the assessments herein described including the maintenance costs and necessary allocations to reserves for the Home Owners Association as herein provided whenever the same shall be determined, and in the absence of notice of the annual or adjusted assessment, each Owner shall continue to pay the

assessment at the then existing rate established for the previous period until such annual or adjusted assessment shall have been mailed or delivered.

Section 12. Accounting. The Board shall keep full and correct books of account of receipts and expenditures specifying and itemizing the maintenance and repair expenses of the Development Tract and any other expenses incurred. Such records and the vouchers authorizing the payment therefore shall be available for inspection by any Owner or any representative of any Owner duly authorized in writing at such reasonable time or times during normal business hours as may be requested by the Owner. Upon ten days' notice to the Board and payment of a reasonable fee, any Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or any other charges due and owing from such Owner.

Section 13. Non-Escape from Obligation. No Owner may waive or otherwise escape liability for the assessments provided for herein for any reason. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or undertaking or performing the maintenance and other responsibilities of the Association as provided in Article IV with respect to his/her own Dwelling Unit. The obligation to pay any assessment is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed by reason of any alleged failure of the Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the By-Laws, or for the inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, the Declaration or with any order of directive of any municipality, other governmental authority or the Association.

Section 14. Subordination of the Lien to the Mortgage. The lien for the assessments provided for herein shall be subordinated by the Home Owners Association by written document executed by its duly authorized officers and shall without any writing be subordinated to the lien of any mortgage placed upon the Dwelling Unit subject to assessments for the purpose of purchasing the Dwelling Unit provided, however, that such automatic subordination shall apply only to the assessments which arise subsequent to the lien of the mortgage or mortgages; and provided further such subordination shall apply only to the assessments which have become due and payable prior to the sale or transfer of such Dwelling Unit pursuant to the decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such Dwelling Unit from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment. The Owners agree upon accepting title that the lien of the assessments shall be prior to the homestead right of the Owners since it runs with the land and is in existence before commencement of ownership interests.

ARTICLE VI

MAINTENANCE AND REPAIR

Section 1. Responsibility of Owner. Each Owner of a Dwelling Unit in the Development Tract shall provide at his own expense, all of the maintenance, decorating, repairs, and replacement with regard to his/her own Dwelling Unit, except for those items which are to be maintained by the Home Owners Association in accordance with Section 2 below, and shall keep same in good condition.

Any Owner may make alterations, or improvements within his Dwelling Unit without the prior written approval of the Board, but in any event such Owner shall be responsible for any

damage to other Dwelling Units, the property to be maintained by the Home Owners Association or the Common Area as a result of such alterations, or improvements.

No addition to a Dwelling Unit or any other structure shall be commenced or erected, nor shall any addition to or change or alteration therein be made, except interior alterations, nor shall any openings be made on any exterior facade or roof of a Building until the plans and specifications of such building or other structure shall have been submitted to and approved in writing by the Board of Directors. The plans and specifications shall show the nature, kind, shape, height, materials and color scheme of such building or other structure. A plat of survey (drawn to scale) shall also be submitted showing the existing improvements and the location of the proposed building or other structure. The Board of Directors shall have the right to refuse to approve any such plans or specifications which are not suitable or desirable, in its opinion, due to aesthetic or other reasons. In so passing on such plans and specifications, the Board of Directors shall have the right to take into consideration a) the suitability of the proposed building or other structure with the surroundings and b) the effect of the building or other structure on the outlook from adjacent or neighboring properties. The review of any plans and specifications shall be based on the architectural guidelines established by the Home Owners Association. All necessary governmental permits shall be obtained and any work undertaken shall comply with all applicable governmental regulations.

No Owner of a Dwelling Unit in the Development Tract shall plant any landscaping material without the prior approval of the Association. If the Association approves the requested landscaping, the Owner of the Dwelling Unit shall cause said landscaping to be installed at his or her own expense. Upon completion of the landscaping to the satisfaction of the Board of

Directors and acceptance of the landscaping by the Board, the landscaping shall thereafter be maintained by the Association.

Section 2. Responsibility of Home Owners Association. The Home Owners Association shall be responsible for the maintenance, repair, and replacement of the Dwelling Units and the Common Area as specified in Article IV, Section 4d of this Declaration.

The Association shall provide all material, labor, and service to maintain, repair and replace the exterior of all Dwelling Units including the roof, flashing, gutters, downspouts, cornices, outer surface of the exterior walls (except window washing and window glass replacement) garage and front entry doors, decks, service walks and steps of each Dwelling Unit and the landscaping, vegetation, grass, driveways, sidewalks, service walks and other exterior improvements lying outside of the perimeter of the foundation of each Dwelling Unit and to keep same in good condition and repair. Said maintenance shall include snowplowing of driveways and snow shoveling of sidewalks and service walks. The Association shall also repair or replace any deck if the deck is damaged by any utility company, unless same is the responsibility of the utility company. The cost and expense thereof shall be part of the operation expense of the Association and shall be paid from the annual or special assessments from time to time made by the Association. This paragraph shall not apply to the extent that an Owner is required to repair and rebuild a Dwelling Unit under Article IX hereof. Each Owner shall provide all material, labor and services required to maintain, repair and replace such Owner's Dwelling Unit and to keep the same in good condition and repair, except to the extent the Association is responsible therefore as provided above.

Section 3. Liability for Damage to Property. Each Owner in the Development Tract shall be liable for the expense of any maintenance, repair, or replacement of any of the property the Home Owners Association is responsible to maintain in the Development Tract rendered necessary by his act, neglect, or carelessness or by that of any member of his family or his guests, employees, agents, or lessees. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a Dwelling Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

ARTICLE VII

PARTY WALL

Section 1. Party Wall. Every wall, including the foundations therefore, which is built as a part of the original construction of a Building and placed between separate Dwelling Units in a Building, shall constitute and be a "Party Wall" and the Owner of a Dwelling Unit immediately adjacent to a Party Wall shall have the obligation and be entitled to the rights and privileges of these covenants and to the extent not inconsistent herewith, the general rules of law regarding Party Walls.

Section 2. Rights in Party Wall. Each Owner of a Dwelling Unit, which is adjacent to a Party Wall, shall have the right to use the Party Wall for support of the structure originally constructed thereon and all replacements thereof and shall have the right to keep, maintain, repair and replace therein all pipes, conduit, and ducts originally located therein and all replacements thereof.

Section 3. Damage to Party Wall. If any Party Wall is damaged or destroyed through the act or acts of any Owner of a Dwelling Unit, which is adjacent to such Party Wall, or his agents, servants, tenants, guests, invitees, licensees, or members of his family whether such act is willful, negligent or accidental, such Owner shall forthwith proceed to rebuild or repair the same to as good a condition as in which such Party Wall existed prior to such damage or destruction without costs therefore to the Owner of the other adjoining Unit, and as promptly as is reasonably possible. Any Party Wall damaged or destroyed by some act or event other than one caused by the adjacent Owner, his agents, servants, guests, invitees, licensees, or family, shall be rebuilt or repaired by both Owners of adjoining Dwelling Units to as good a condition as in which such Party Wall existed prior to such damage or destruction at the joint and equal expense of such Owners, and as promptly as is reasonably possible.

Section 4. Change in Party Wall. Any Owner of a Dwelling Unit who proposes to modify, rebuild, repair or make additions to his Dwelling Unit in any manner which requires the extension, alteration or modification of any Party Wall, shall first obtain the written consent thereto, as to said Party Wall, of the Owner of the other adjacent Dwelling Unit, in addition to meeting any other requirements which may apply.

Section 5. Arbitration. In the event of a disagreement between Owners of Dwelling Units adjoining a Party Wall with respect to their respective rights or obligations as to such Party Wall, upon the written request of either of said Owners to the other the matter shall be submitted to arbitration in Will County, Illinois, in accordance with the rules of the American Arbitration Association before an arbitrator selected by any judge of the Circuit Court of Will County, Illinois. The costs of arbitration shall be borne by the parties in the manner determined by the

arbitrator. A determination of the matter by the arbitrator shall be a final binding determination thereof upon all parties and shall be enforceable in any court of competent jurisdiction.

ARTICLE VIII

COMMON AREA

Section 1. Members' Easement of Enjoyment. Every Member, as specified and limited in Article IV, Section 2 hereof, who is the Owner of a Dwelling Unit in the Development Tract shall have a right and easement of enjoyment in and to the Common Area which right and easement shall include but not be limited to easements for pedestrian ingress and egress and the use of the Common Area. Such right and easement shall be appurtenant to and shall pass with the title to every Dwelling Unit subject to the following provisions:

- a. the right of the Association to pass reasonable rules including rules pertaining to use of the Common Area;
- b. the right of the Home Owners Association, in accordance with this Declaration and its Articles of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Area and in aid thereof to mortgage said property;
- c. the right of the Home Owners Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members;
- d. as part of the overall development of the Development Tract into a residential community and to encourage the marketing thereof, the

Covenantor shall for sales purposes only, have the right of use of the Common Area, during the sales and construction period on the Development Tract to aid in its marketing. Further, during the period of construction or sales, the Covenantor, its successors and assigns, shall have an easement over, across, and through the Common Area for the purpose of marketing and/or the development of any portion of the Development Tract.

Section 2. Delegation of Use. Any Member may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area (other than the right to vote) to the members of his family who reside in the Dwelling Unit.

Section 3. General Uses. The Common Area is restricted to ancillary uses of the Dwelling Units all for the benefit of the Owners of Dwelling Units in the Development Tract. No alterations may be made to the Common Area except as may be authorized by the Board of Directors or made by the Covenantor.

Section 4. Ownership. The Home Owners Association shall own the Common Area. The Home Owners Association shall be responsible for the maintenance, repair, and replacement of the Common Area as specified in this Declaration.

At any time after the recording of this Declaration, the Covenantor may, but in any event, no later than six months after the completion, sale and occupancy of the last Dwelling Unit in the entire Development Tract, the Covenantor shall convey the Common Area to the Home Owners Association.

Section 5. Improvements. Until the Covenantor has completed its development, the Covenantor shall have the right to improve the Common Area as the Covenantor, in its discretion, deems appropriate; provided, however, that all costs and expenses thereof shall be borne by the Covenantor, except for maintenance assessments to be borne by Owners in accordance with the provisions herein.

Section 6. The Association's Rights. The Association shall have the right to build, construct, reconstruct, plant and replant, repair and maintain the Common Area as it deems appropriate.

Section 7. Damage, Destruction, or Condemnation. In the event any portion of the Common Area is taken by eminent domain proceedings or conveyed in lieu thereof or in the event any of the improvements located on the Common Area or any portion thereof shall suffer damage or destruction from any cause including condemnation, the proceeds of any policy or policies insuring against any such loss or damage and payable by reason thereof, or any condemnation awarded received shall be applied in the following order:

- a. in accordance with the terms and conditions of any instrument or agreement constituting a lien or other security interest in the Common Area or any improvements located thereon;
- b. if the balance of such insurance proceeds or award is sufficient to do so, then so much of the balance then remaining of such proceedings or award as is necessary shall be applied to the repair, restoration, or reconstruction of such improvements and the acquisition if possible of an equal amount of land, in order to restore the improvements and the integrity of the parcel

of land comprising the Common Area to substantially the same condition existing prior to the damage, destruction, or taking; and

- c. any funds then remaining shall be distributed to the Members of the Home Owners Association in the same proportion as their share of the assessments of the Home Owners Association and any such distribution to the Members shall be first applied to any delinquent assessments. In the event the balance of such proceeds or award is insufficient to complete restoration or repair as aforesaid, then the use or disposition of such funds or the levying of a special assessment to raise additional funds shall be determined by Members of the Association at a meeting duly called in accordance with the terms of this Declaration and the By-Laws of the Home Owners Association.

Section 8. No Dedication to Public Use. Nothing contained in this Declaration shall be construed or be deemed to constitute a dedication, expressed or implied, of any part of the Common Area to or for any public use or purpose whatsoever.

Section 9. Storage. There shall be no storage of anything in the Common Area without the prior consent of the Association; provided, however, that Covenantor may store construction material on the Common Area when necessary in connection with the development of the Development Tract.

Section 10. Landscaping. No Owner shall cut, trim, spray, change, move, alter, work on, add or harm any landscaping, vegetation, grass, monuments or lights located in the Common Area, except upon the written consent of the Board.

Section 11. Additional Uses. The Common Area shall not be obstructed in any manner whatsoever by any Owner; and no other use shall be made of the Common Area without the prior written consent of the Board.

Section 12. Patios/Decks. Notwithstanding any provisions herein to the contrary, if a patio or deck appurtenant to a Dwelling Unit is located within the Common Area, then any provisions herein to the contrary, only the Owner or Occupant of the Dwelling Unit shall have the right and easement of enjoyment and access to said patio or deck.

ARTICLE IX

INSURANCE AND REBUILDING

Section 1. Casualty Insurance. Each Owner of a Dwelling Unit shall be responsible for and shall procure fire and all risks coverage insurance upon such Owner's Dwelling Unit for not less than the full insurable replacement value thereof under a policy or policies of insurance with such company or companies, in such form, and for such premiums and periods as he may determine to be appropriate. Each Owner shall also be responsible for his own insurance on the contents of his Dwelling Unit and furnishings and personal property therein.

Section 2. Maintenance of Insurance. Each Owner shall deliver to the Association a certificate of insurance certifying that a policy of insurance, as required under Section 1 hereof, is in effect, and that said policy shall not be canceled except upon ten days' prior written notice thereof to the Association and that the Association shall be listed as an additional insured as its interest may appear. In the event an Owner fails to procure or to keep in effect a policy of insurance, as required under Section 1 hereof, for thirty days after written demand for the same is made upon such Owner by the Association, then the Association may on behalf of and as agent

for such Owner procure such insurance on the Owner's Dwelling Unit with a company, in a form, for a premium and period as determined by the Board to be appropriate. The premium for such insurance shall be charged to such Owner, and in the event of non-payment thereof, the same may be recovered and the collection thereof enforced in the manner provided for non-payment of assessments under Article V.

Section 3. Rebuilding. In the event the damage to or destruction of any Dwelling Unit by fire or other casualty, the Owner thereof shall within a reasonable time after such damage or destruction, repair or rebuild the same in a substantial and workmanlike manner and in conformity in all respects to the laws or ordinances regulating the construction of buildings in force at the time of such repair or reconstruction. The exterior of such Dwelling Unit, when rebuilt, shall be of the same architectural design, materials and exterior colors as the said Unit prior to damage or destruction.

Until the Covenantor turns over control of the Association and the Initial Member-Elected Board of three directors is elected, the Covenantor shall have the right, but not the obligation, to restore and/or rebuild any part of the damaged or destroyed Dwelling Unit. In the event that the Covenantor elects to restore or rebuild the Dwelling Unit, the Owner of the Dwelling Unit shall authorize the Covenantor to adjust, collect and compromise, in its discretion, all claims made under the Owner's insurance policy and the Owner agrees to sign, upon demand, all proofs of loss, receipts, vouchers, releases and proceeds checks required by the insurance carrier. Also, the Covenantor shall not be required to commence restoration or rebuilding until funds are received from the insurance carrier.

Section 4. Association Right to Rebuild. In the event that any Owner shall fail, within ninety days after the occurrence of damage or destruction referred to in Section 3 above, to perform the necessary repair or rebuilding, then, and in any such event the Association may cause such repairs or rebuilding to be furnished, provided and installed, in the manner as provided in said Section 3. And in any event, the Association shall have, and is hereby given, a continuing lien on the Dwelling Unit in the aggregate amount of a) the cost of the Dwelling Unit, b) interest at the rate of two percent over the prevailing prime rate per annum from the date of the Association's payment of such costs, and c) reasonable attorneys' fees, administrative costs and any court or other costs incurred by the Association in connection therewith. The lien upon the Dwelling Unit shall be a claim against the Owner, his heirs, devisees, personal representatives, grantees and assigns. In the event such Owner does not forthwith fully pay the Association, as aforesaid, the lien may be foreclosed by the Association against the Dwelling Unit, in the same manner as hereinafter provided in connection with unpaid assessments. The Association's lien hereunder shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the Dwelling Unit.

Section 5. Cancellation of Coverage. No Owner shall cause or permit anything to be done or kept inside or outside of the Owner's Dwelling Unit which will result in the cancellation of insurance on the Dwelling Unit or on any other Dwelling Unit or on the Building of which it is a part or which would be in violation of law or do or allow to be done anything which may cause increased risk or liability.

Section 6. Association Insurance. The Association shall be further responsible for maintaining such policies of insurance against public liability, vandalism and malicious mischief

endorsements as the Association may deem desirable insuring the Association and the Members from liability in connection with the ownership and/or use of the Common Areas, provided that policies shall provide that such policies may not be canceled or substantially modified without at least ten days' written notice to the Association. The Association may also obtain such other kinds of insurance as the Association shall from time to time deem prudent.

ARTICLE X

ARCHITECTURAL STANDARDS AND USE RESTRICTIONS FOR DWELLING UNITS

Section 1. Accessory Buildings and Structures. No accessory buildings or structures shall be erected, installed, or maintained anywhere on the Development Tract. No basketball hoops, backboards, dog runs, clotheslines, above-ground tanks, garbage cans, storage sheds, flagpoles, masts or other similar items shall be located on the outside of any Dwelling Unit. No gazebos or wood piles may be located outside of any Dwelling Unit without the prior consent of the Board of Directors. No swingsets, playhouses, or play equipment shall be installed, constructed or located outside of any Dwelling Unit.

Section 2. Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept anywhere on the Development Tract except that dogs, cats, or other household pets may be kept provided that they are not kept, bred, or maintained for any commercial purpose. The number of pets shall not exceed two. No pet kennels or enclosures of any type shall be kept or maintained outside the Dwelling Unit and no household pets of any type whatsoever shall be kept, maintained, or housed anywhere except inside the Dwelling Units or garages.

No household pets shall be allowed unattended outside the Dwelling Unit. Animals shall

not be allowed to run loose. If a pet is taken off of the Owner's property, the pet must be on a leash. Owners of household pets shall clean up after their pets and shall be responsible to repair and to pay for any damage caused by the animal. Owners in the Development Tract shall likewise be responsible for and be subject to these provisions for the household pets of their guests.

In the sole discretion of the Board, those pets which make objectionable noise, endanger the health or safety, or constitute a nuisance or inconvenience to the Occupants or Owners of other Dwelling Units shall be removed upon request of the Board. If the pet owner fails to honor such request, the Board may remove the pet.

Section 3. Antennae and Satellite Dishes. Towers, antennas, or other apparatus for the transmission or reception of television, radio, satellite or other signals shall not be installed or mounted on the outside of any Dwelling Unit or Building containing Dwelling Units. The foregoing, however, does not prohibit direct broadcast satellite receiving discs or dishes no larger than twenty-four inches in diameter provided that such over-the-air reception devices are installed or mounted in compliance with all conditions established by the Home Owners Association pertaining to the location, screening and manner of installation of such devices and provided that such conditions do not cause unreasonable cost or delay and do not preclude reception of an acceptable quality signal. In no event shall free-standing transmission or receiving towers which support satellite dishes larger than one meter in diameter or non-standard television antennae be permitted within the Development Tract.

Section 4. Condition of Property. No weeds, underbrush, or other unsightly growths shall be permitted to grow or remain on the Development Tract and no refuse pile or unsightly object shall be allowed to be placed or maintained anywhere on the Development Tract. Trash, garbage, or other waste shall not be kept except in sanitary containers which must be properly maintained. No trash, garbage, or other waste shall be stored, kept, or maintained anywhere except within the Dwelling Units or the garages, except on such days as such trash, garbage, or other waste material is to be collected and removed. In addition, no object of any kind shall be stored, kept, or maintained anywhere except within the Dwelling Units or the garages. Notwithstanding the foregoing, said provision shall not apply to the Covenantor during the construction of the Development Tract.

Section 5. Exterior Facades. Owners shall not cause or permit anything to be placed on the outside walls of any Dwelling Unit and no sign, awning, or canopy, shall be affixed to or placed upon the exterior walls or roof of any parts thereof without prior approval of the Board of Directors. Any additions to a Dwelling Unit shall be approved by the Board of Directors as provided herein.

Section 6. Fences and Walls. Any fence and/or wall which is erected, installed, or maintained outside of a Dwelling Unit shall comply with a) the guidelines established by the Home Owners Association and b) the ordinances of the appropriate governmental authority, except as limited by this Section. All required permits shall be obtained prior to installation of any fence and/or wall. Also, prior to installation of any fence and/or wall, the Owner of the Dwelling Unit must obtain approval by the Board of Directors. If a fence and/or wall is damaged or destroyed, it shall be replaced with a fence and/or wall designated by the Home Owners

Association, unless the entire fence and/or wall are removed and the property restored.

No cyclone or stockade fences shall be permitted within the Development Tract.

No fence and/or wall shall be erected, installed, or maintained within a front yard or corner side yard setback from a publicly dedicated road right-of-way.

The provisions of this Section 6 shall not apply to any fence and/or wall, if any, constructed by the Covenantor or the Home Owners Association. There will not be any restrictions regarding said fences and/or walls.

Section 7. Garage Doors. All garage doors shall be kept closed at all times except when vehicles are actually entering or exiting the garage or when the garage is being cleaned.

Section 8. Home Occupations. All Dwelling Units in the Development Tract may be used only for residential purposes. An Owner may conduct his or her occupation in the residence provided that the following conditions are met:

- a. no commercial activities shall be permitted;
- b. only office use shall be allowed;
- c. only the Owner of the residence and any resident thereof shall be permitted to conduct the home occupation;
- d. no clients shall be permitted to come to the residence;
- e. no signs shall be permitted;
- f. all ordinances and regulations of the appropriate governmental authority shall be complied with.

Section 9. Mailboxes. All mailboxes in the Development Tract shall be of the design selected by the Board and exceptions are not permitted.

Section 10. Parking. Overnight parking of any vehicles on any street within the Development Tract is prohibited.

Section 11. Recreational Vehicles. Camping trailers, boats, tractors, trucks, motorcycles, mobile homes, snowmobiles, personal water craft, trailers, motorized golf carts or other recreational vehicles of any type whatsoever shall be not stored, permanently or temporarily, anywhere on the Development Tract, except in an enclosed garage. Notwithstanding the foregoing, a) camping trailers, boats and mobile homes may be parked for loading/unloading purposes; said vehicles may be parked for a maximum of seventy-two hours within a thirty day period, and b) camping trailers and mobile homes may be parked on a driveway of a Dwelling Unit if the occupants of the trailer or mobile home are visiting the Owner or Occupant of the Dwelling Unit; said vehicles may be parked for a maximum of seven days within a six month period provided that the Owner or Occupant of the Dwelling Unit has obtained the prior written approval of the Board of Directors. Notwithstanding the above, only one such vehicle may be parked at any given time and the total time of all vehicles parked within a six month period cannot exceed seven days. The repair and/or maintenance of said vehicles shall not be permitted except within the confines of the garage.

Section 12. Signs. No signs of any kind shall be erected or displayed in Ashwood Park North Townhomes, except one "For Sale" sign shall be permitted in accordance with the ordinances of the appropriate governmental authority. No "For Sale" sign shall be permitted on any Common Areas. This Section shall not apply to the Covenantor or to signs approved by the Covenantor.

Section 13. Swimming Pools. No swimming pools (both above-ground and in-ground) shall be erected, installed, or maintained anywhere on the Development Tract.

All outdoor jacuzzis, hot tubs or other water features must be integrated into the design for the Dwelling Unit and screened from view and shall be approved by the Board of Directors prior to installation.

Section 14. Trucks. Trucks with Class B or higher license plates shall not be parked, stored, or left unattended, permanently or temporarily, anywhere in the Development Tract, except in an enclosed garage or other enclosed structure. Notwithstanding this provision, trucks used by service companies or construction trades may be parked while providing its service to the Owner of the Dwelling Unit.

The provisions of this Section 14 shall not apply to any trucks or trailers used by the Covenantor, its employees, contractors, subcontractors, or material men in the construction of the Development Tract.

Section 15. Vehicles. All vehicles, including but not limited to automobiles, vans, recreational vehicles, trucks, motorcycles, mobile homes, trailers, junk cars, or other vehicles of any type whatsoever shall not be parked, or stored, or left unattended, permanently or temporarily, anywhere on the Development Tract, except in an enclosed garage and as regulated in Section 14 herein. Notwithstanding the foregoing, the operable automobiles being used by the Owners, occupants, and their invitees of any of the Dwelling Units in the Development Tract may be parked on the Owners' driveway.

Section 16. Impairment of Structural Integrity of Building. Nothing shall be done in any Dwelling Unit, or in, on or to the Common Area which will impair the structural integrity of any

Building.

Section 17. Quiet Enjoyment. No unlawful, noxious, immoral, or offensive activity shall be conducted anywhere on the Development Tract, or in any Dwelling Unit nor shall anything be done therein either willfully or negligently which may become an annoyance or nuisance to any neighboring residents within the Development Tract.

No Owner or Occupant shall overload the electric wiring in a building or operate any machines, appliances, accessories, or equipment in such manner as to cause, in the judgment of the Board of Directors, an unreasonable disturbance to others.

Section 18. Application of Government Regulations. All structures to be erected shall comply with all government regulations, including zoning and building codes, unless said non-compliance is approved by the appropriate governmental authority.

ARTICLE XI

COVENANTOR'S RESERVED RIGHTS

Section 1. Easements. Notwithstanding any provisions contained herein to the contrary, the Covenants and Restrictions created by this Declaration shall be subject to easements of record on the date hereof and any easements which may hereafter be granted by the Covenantor.

Section 2. General Rights. The Covenantor shall have the right to execute all documents or undertake any actions affecting the Development Tract which in its sole opinion are either desirable or necessary to fulfill or implement, either directly or indirectly, any of the rights granted or reserved to it in this Declaration.

The Covenantor shall have the right to maintain its sales facilities and construction facilities on the Development Tract without payment of any rent or other fee or charge therefore

during the construction and sales period for the Development Tract. The Covenantor shall also have the right to erect and maintain any and all signs in connection with the development of the Development Tract and the advertising of Dwelling Units for sale in the Development Tract which the Covenantor determines in its sole opinion are either desirable or necessary for the development of the Development Tract.

The Covenantor shall have the right to amend this Declaration in whole or in part without complying with Article XIII of this Declaration. This right shall cease upon the election of the Initial Member-Elected Board of three Directors.

Section 3. Utility Usage. Covenantor is hereby given the right to take and use reasonable amounts of electricity and water from all Dwelling Units during construction.

Section 4. Use During Construction and Sale Period. During the period of construction of the Buildings on the Development Tract by the Covenantor, the Covenantor, contractors, and sub-contractors, and their respective agents and employees, shall be entitled to access and ingress to and egress from such Buildings as may be required in connection with said construction. During the period of sales of Dwelling Units by the Covenantor, the Covenantor may occupy or grant permission to any person or entity to occupy, with or without rental, one or more Dwelling Units for business or promotional purposes, including all business activities of the Covenantor regardless of any connections with the herein described real estate, including clerical activities, sales offices, model units for display and the like and maintain customary signs in connection therewith.

The Board of Directors and/or the Home Owners Association shall not amend this Declaration or the By-Laws of the Association, nor adopt any rules and regulations which pertain

to the Covenantor's use of the Development Tract during the period of construction and/or marketing of the Development Tract without the prior written consent of the Covenantor.

ARTICLE XII

EASEMENTS

Section 1. Easement Rights. The Covenantor, its successors and assigns, and any party for whose benefit easements are granted pursuant to the terms hereof, shall have the right to do whatever may be required for the enjoyment of the easement rights herein granted, including the right to clear said easement areas of timber, trees, or shrubs, or any building, fence, structure, or paving erected on or installed within the easement areas, and no charge, claim, or demand may be made against such parties for any such activities in the exercise of such rights.

Section 2. Easements for Covenantor. During the period of construction and/or marketing of the Development Tract, the Covenantor shall have the right of ingress and egress, and the right to install any improvements, over, across, and through the Common Area. Further, the Covenantor shall have the right to store such equipment and materials as the Covenantor deems necessary for the purpose of construction and marketing during said period.

Section 3. Easement for Ingress and Egress. The Covenantor and every Owner of a Dwelling Unit, and their guests, agents, invitees and licensees shall have an easement for ingress and egress over, across and through the Common Area.

Section 4. Easements for the Association. The Home Owners Association, its contractors, employees, and agents, shall have an easement to perform any and all work for which the Association has responsibility as set forth in Article IV, Section 4 and Article VI, Section 2 herein.

Section 5. Easements to Run With the Land. All easements and rights described herein are easements appurtenant, running with the land, perpetually in full force and effect, and at all times shall inure to the benefit of and be binding on the undersigned, its successors and assigns the Home Owners Association, and any Owner, purchaser, mortgagee and any other Person having any interest in the Development Tract or any part or portion thereof.

ARTICLE XIII

AMENDMENTS

Section 1. Amendments. The provisions of this Declaration may be changed, modified, or rescinded by an instrument in writing setting forth such change, modification, or rescission, certified by the Secretary of the Board of Directors. Said change, modification, or rescission shall be approved by not less than seventy percent of the total membership of the Home Owners Association unless a higher percentage for certain amendments is required by specific provisions of this Declaration. There shall be a membership meeting called for the purpose of discussing the proposed change, modification, or rescission and the voting may be either in person or by written proxy.

Section 2. Notice of Amendment. Any change, modification, or rescission, accomplished under the provisions of the preceding paragraph, shall be effective upon recordation of such instrument in the Office of the Recorder of Deeds of Will County, Illinois.

Section 3. Rights of Covenantor. No amendment which shall adversely affect the rights of the Covenantor (including, but not limited to, the right to maintain sales facilities, signs, and access for construction set forth in this Declaration) shall be effective without the Covenantor's express written consent thereto.

ARTICLE XIV**AGE RESTRICTIONS**

Section 1. Age Restriction. The Development Tract shall only provide housing for Qualified Occupants as defined herein. The Development Tract shall be operated as an age restricted community in compliance with all applicable State and Federal laws. No Persons under the age of twenty-one years of age shall be allowed to occupy or reside in any Dwelling Unit within the Development Tract.

Each Dwelling Unit, if occupied, shall be occupied by at least one Person fifty-five years of age or older. If a Dwelling Unit is occupied by an Age-Qualified Occupant, then other Qualified Occupants may occupy that Dwelling Unit. If an Age-Qualified Occupant's Occupancy is terminated and the only remaining Occupants of the Dwelling Unit are Qualified Occupants, then a Qualified Occupant may continue to occupy that Dwelling Unit provided that the Qualified Occupant is either a) the spouse of the Age-Qualified Occupant; or b) forty years of age or older. If the Qualified Occupant does not meet either of these criteria, the said Qualified Occupant shall vacate the Dwelling Unit within one year from the date of the termination of the Age-Qualified Occupant's Occupancy.

Section 2. Policies and Procedures. The Board shall establish, publish and adhere to policies and procedures which demonstrate an intent to provide housing for persons fifty-five years of age or older as necessary to maintain its status as an age restricted community under State and Federal law. The Association shall provide, or contract for the provision of, those facilities and services designated to meet the physical and social needs of older Persons as may be required under such laws. The Board shall have the power and authority to enforce this

Section by any legal or equitable means available, as the Board deems appropriate.

Section 3. Verification of Age. Prior to a Person purchasing a Dwelling Unit within the Development Tract, said Person shall advise the Association of his age and the ages of all Persons who will reside in the Dwelling Unit. He shall attest to said information under oath and shall provide the Association with evidence which supports said information.

Further, at any time, the Association may request any Member to verify the ages of all Persons residing in his Dwelling Unit. The Member shall attest to said information under oath and shall provide the Home Owners Association with evidence which supports said information.

Section 4. Survival. The provisions of this Article may only be modified by the concurrence of all of the following: a) a majority of the then current owners of the Development Tract, b) the City of Naperville, and c) Indian Prairie School District No. 204, or their respective successors or assigns.

ARTICLE XV

GENERAL PROVISIONS

Section 1. Duration. The Covenants and Restrictions created by this Declaration shall run with and bind the land so as to insure the Owners of the Dwelling Units and beneficiaries or trust holding title to the Dwelling Units in the Development Tract full enjoyment and benefit of their property. They shall inure to the benefit of and be enforceable by the Home Owners Association, or the Owner of any Dwelling Unit subject to this Declaration, their respective grantees, heirs, administrators, executors, legal representatives, successors and assigns, for a term of thirty years from the date this Declaration is recorded, after which time these Covenants and Restrictions shall be automatically extended for successive periods of ten years unless an

instrument signed by the then Owners of seventy percent of the Dwelling Units in the Development Tract has been recorded agreeing to change said Covenants and Restrictions, in whole or in part. No such agreement to change shall be effective unless made and recorded ninety days in advance of the effective date of such change and unless written notice of the proposed agreement is sent to every Owner at least ninety days in advance of any action taken.

Section 2. Notices. Any notice required to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly given if said notice was either a) sent by mail with postage prepaid to the last known address of the person or entity who appears as the Owner of a Dwelling Unit on the records of the Home Owners Association at the time of such mailing or b) personally delivered to the last known address of the person or entity who appears as the Owner of a Dwelling Unit on the records of the Home Owners Association at the time of such delivery.

Section 3. Model Homes. It shall not be deemed to be a violation of these Covenants and Restrictions for the Covenantor to erect or maintain model homes anywhere within the Development Tract. However, model homes may not be maintained for a period of more than five years after the completion, sale and occupancy of one hundred percent of the total number of Dwelling Units to be constructed in the Development Tract.

Section 4. Leasing of Dwelling Units. Any Dwelling Unit within the Development Tract may be leased only in accordance with the terms and provisions of this Declaration. If any Owner shall lease his residence, such lease shall be in writing and shall provide that the lease and lessee shall be subject to all of the terms, conditions, and restrictions of this Declaration, the applicable By-Laws, and any Association rules and any breach thereof shall constitute a default

under such lease by lessee. The Owner shall remain bound by all obligations set forth in this Declaration during the term of a lease.

Dwelling Units may be leased only in their entirety. No fraction or portion may be leased. No transient tenants may be accommodated in a Dwelling Unit. All leases shall be in writing and shall be for an initial term of no less than six months, except with the prior written consent of the Board of Directors. Notice of any lease, sublease or assignment, together with such additional information as may be required by the Board, shall be given to the Board by the Owner within ten days of execution of the lease. The Owner must make available to the lessee copies of the Declaration, By-Laws, and the rules and regulations. "Leasing," for purposes of this Declaration, is defined as regular, exclusive occupancy of a Dwelling Unit by any person, other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument.

Section 5. Rights and Obligations. Each grantee by the acceptance of a deed of conveyance, and each purchaser under any contract for such deed or other conveyance, accepts the same subject to a) all Covenants and Restrictions, and the jurisdiction, rights, and powers created by this Declaration, and b) all rights, benefits, and privileges of every character hereby granted, created, reserved, or declared. All impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land and shall inure to the benefit of such Person in the same manner as if said Person had been the original grantee under the deed of conveyance, or any mortgage or trust deed, or other evidence of obligation, to the rights described in this Declaration and shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees, and trustees of such Owners as fully and

completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

Further, the impositions, obligations and restrictions set forth in Article XIV, herein shall, in addition to being covenants running with the land and inuring to the benefit of each Person as described in the preceding sentence, also be covenants running with the land and inuring to the benefit of the City of Naperville and Indian Prairie School District 204, their respective successors and assigns.

Section 6. Waiver of Claims. Each Owner hereby waives and releases any and all claims which he may have against any other Owner, the Association, its officers, members of the Board, the Covenantor, the manager and managing agent for the Association, if any, and their respective employees and agents, for damage to the Dwelling Units, caused by fire or other casualty, to the extent that such damage is covered by fire or other form of casualty insurance.

Section 7. Liberal Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a residential community of the highest quality and character.

Section 8. Covenant to Abide by this Declaration. The Covenantor covenants to abide by each and every Covenant and Restriction, set forth herein and agrees that all conveyances shall be subject to this Declaration as though each and every provision herein was set forth in each and every deed or document affecting title to the property.

Section 9. Covenant in Event of Dissolution of the Home Owners Association. In the event the Home Owners Association is dissolved, the Owners of the Dwelling Units in the Development Tract agree that all provisions contained herein regarding maintenance, repair, and

replacement in the Development Tract shall still apply and that those provisions of this Declaration shall be in full force and effect. Prior to the dissolution of the Home Owners Association, provisions shall be made as to how the responsibilities and obligations of the Home Owners Association shall be handled by the Owners in the Development Tract.

Section 10. Property Ownership in Trust. In the event title to any Dwelling Unit is conveyed to a title-holding trust, under the terms of which all powers of management, operation, and control of the property remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all obligations, liens, or indebtedness and for the performance of all agreements, covenants, and undertakings chargeable or created under this Declaration against such Dwelling Unit ownership. No claim shall be made against any such title holding trustee personally for payment of any lien or obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or a lien upon the property ownership and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such property ownership.

Section 11. Termination of Restriction. No action by the Home Owners Association or any Owner, whether by amendment or otherwise, shall be effective to remove the Development Tract (once subjected by recording to the terms hereof) from the terms and conditions of this Declaration, without the express written consent of a majority of all of the institutional holders of the mortgage liens records against the Dwelling Units, which consent shall not be unreasonably withheld.

Section 12. Fines. The Board of Directors of the Home Owners Association shall have the right to establish and levy fines against an Owner for an infraction of any a) rule or regulation promulgated by the Association or the Board, b) requirement set forth in this Declaration, or c) provisions set forth in the By-Laws of the Home Owners Association.

Section 13. Enforcement. Enforcement of these Covenants and Restrictions, shall be by any proceeding at law or in equity against any Person or Persons violating or attempting to violate any Covenants and Restrictions, either to restrain violation or to recover damages, and against the land to enforce any lien created by these Covenants and Restrictions. All reasonable costs of enforcement, including litigation expenses, administrative costs, title reports, and attorney's fees, shall be paid by the person violating or attempting to violate any of these Covenants and Restrictions and any judgment or decree shall so provide for payment of these reasonable costs. Failure by the Covenantor, the Home Owners Association, or any Owner of a Dwelling Unit in the Development Tract to enforce any Covenant or Restriction shall in no event be deemed a waiver of the right to do so thereafter. The Covenants and Restrictions contained in this Declaration or the By-Laws shall not be deemed to be abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may have occurred.

The Covenantor reserves the right to enforce these Covenants and Restrictions for so long as they shall exist. If an Owner in the Development Tract fails to pay any fee, charge or fine imposed by the Board of Directors or the Home Owners Association, then the same may be considered as additional assessment applicable to said Dwelling Unit and enforced against said Dwelling Unit as provided in Article V, Section 10, herein.

In addition to the Covenantor and the Board, the City of Naperville (hereinafter referred to as the "City") and Indian Prairie School District 204 (hereinafter referred to as the "School District") are given the right to enforce the restrictions set forth herein by any proceeding at law or in equity against any Person or Persons violating or attempting to violate said Covenants and Restrictions regarding the provisions of Article XIV. In the event that any Person or Persons violate or attempt to violate the age restrictive covenants and restrictions provided herein and further enrolls or attempts to enroll a child or children in the schools of the School District, then the Covenantor, the Board, the City and the School District each covenant and agree among themselves that any one of them may commence a proceeding at law or in equity against said Person or Persons in order to secure compliance with the aforesaid age restrictive covenants and restrictions and in order to bar such enrollment. In such event, the Person or Persons violating or attempting to violate the age restrictive covenants and restrictions and enrolling or attempting to enroll a child or children in the schools of the School District shall be liable to the School District for the cost of educating any child or children so enrolled from the Development Tract in an amount determined in accordance with Section 10-20.12a of the Illinois School Code (105 ILCS 5/10-20.12a) and shall also be liable for all reasonable costs of enforcement, including litigation expenses, title reports, and attorney's fees incurred by the Covenantor, the Board, the City or the School District to enforce the age restrictive covenants and any judgment or decree shall so provide. If the Covenantor or the Board shall, after a reasonable period of time, fail or refuse to participate in such proceeding, then the party or parties so failing or refusing shall be jointly and severally liable for the cost of educating any child or children who may be enrolled in the School District from the Development Tract in an amount determined in accordance with

Section 10-20.12a of the Illinois School Code (105 ILCS 5/10-20.12a) and shall also be liable for all reasonable costs of enforcement, including litigation expenses, administrative costs, title reports, and attorney's fees incurred by the City or the School District in doing so. In addition, in the event that a child or children may be enrolled in the School District from the Development Tract for a period of more than one year, the Covenantor and Board shall also be jointly and severally liable for all land-cash contributions provided for by the City of Naperville's Subdivision Control Ordinance which may have been deferred because of the status of the Development Tract as an active adult community. In the event that any court of competent jurisdiction enters a final order declaring the age restrictive covenants and restrictions set forth herein as void, unlawful or unconstitutional, then the Covenantor and Board shall be jointly and severally liable to the School District for an amount equal to the cost of tuition as determined in accordance with Section 10-20.12a of the Illinois School Code for each child enrolled from the Development Tract and for all land-cash contributions provided for by the City of Naperville's Subdivision Control Ordinance which were deferred because of the Development Tract status as an active adult community.

The provisions of this Section regarding the enforcement of the age restriction shall survive the expiration of the Annexation Agreement for Ashwood Park North Townhomes and may only be modified by the concurrence of all of the following: a) a majority of the then current owners of the Development Tract, b) the City of Naperville, and c) Indian Prairie School District No. 204, or their respective successors or assigns.

Section 14. Severability. Invalidation of any one of the Covenants and Restrictions created by this Declaration by judgment or court order shall in no way affect any other

provisions which shall remain in full force and effect.

IN WITNESS WHEREOF, Crestview Builders, Inc. has caused this Declaration to be executed by its legally authorized officers, whose signatures are hereunto subscribed and to affix its corporate seal on the day first above written.

CRESTVIEW BUILDERS, INC.

By: *Ronald J. Wehrli*
Ronald J. Wehrli, President

Attest: *Michael Steck*
Michael J. Steck, Secretary

STATE OF ILLINOIS)
) SS
 COUNTY OF DUPAGE)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify, that Ronald J. Wehrli, and Michael J. Steck of Crestview Builders, Inc., personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Corporation for the uses and purposes therein set forth; and the said Secretary did also then and there acknowledge that he, as custodian of the corporate seal of said Corporation, caused the corporate seal of said Corporation to be affixed to said instrument as his own free and voluntary act and as the free and voluntary act of said Corporation for the uses and purposes therein set forth.



Karen Maxam

 NOTARY PUBLIC

This Document Prepared By and Mail To:

Kathleen C. West
 Dommermuth, Brestal, Cobine and West, Ltd.
 123 Water Street, Post Office Box 565
 Naperville, Illinois 60566-0565
 (630) 355-5800

EXHIBIT A

LEGAL DESCRIPTION

LOTS 1-6, INCLUSIVE, AND OUTLOT A IN ASHWOOD PARK NORTH-TOWNHOMES, BEING A SUBDIVISION AND PLANNED UNIT DEVELOPMENT OF PART OF THE NORTHEAST ¼ OF SECTION 17, TOWNSHIP 37 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT RECORDED FEBRUARY 21, 2006 AS DOCUMENT NO. R2006-029553, IN WILL COUNTY, ILLINOIS

LOCATION: SOUTHWEST CORNER OF 248TH AVENUE AND 103RD STREET, NAPERVILLE

PERMANENT INDEX NUMBER: 01-17-200-002 (UNDERLYING)

PLANNED UNIT DEVELOPMENT FOR ASHWOOD PARK NORTH - TOWNHOMES

STORMWATER MANAGEMENT EASEMENT AND COVENANT PROVISIONS
STORMWATER MANAGEMENT EASEMENT AND COVENANT PROVISIONS
STORMWATER MANAGEMENT EASEMENT AND COVENANT PROVISIONS

EMERGENCY VEHICLE AND MUNICIPAL ACCESS EASEMENT
EMERGENCY VEHICLE AND MUNICIPAL ACCESS EASEMENT
EMERGENCY VEHICLE AND MUNICIPAL ACCESS EASEMENT

PUBLIC ROADWAY EASEMENT PROVISIONS
PUBIC ROADWAY EASEMENT PROVISIONS
PUBIC ROADWAY EASEMENT PROVISIONS

EXCLUSIVE SPECIAL UTILITY, DRAINAGE AND SIDEWALK EASEMENT PROVISIONS
EXCLUSIVE SPECIAL UTILITY, DRAINAGE AND SIDEWALK EASEMENT PROVISIONS
EXCLUSIVE SPECIAL UTILITY, DRAINAGE AND SIDEWALK EASEMENT PROVISIONS

PUBLIC UTILITIES AND DRAINAGE EASEMENT PROVISIONS
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COUNTY OF COOK

PLAN COMMISSION CERTIFICATE
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DEPARTMENT OF COMMUNITY DEVELOPMENT CERTIFICATE
STATE OF ILLINOIS
COUNTY OF COOK

CITY TREASURER'S CERTIFICATE
STATE OF ILLINOIS
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OWNER'S AND SCHOOL DISTRICT CERTIFICATE
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NOTARY'S CERTIFICATE
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DESIGN NO.: AV4500507
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