

THIS DOCUMENT PREPARED  
BY AND MAIL TO:

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MASTER DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS  
AND RESTRICTIONS FOR THE PRESERVE AT CARDINAL CREEK IN  
BEECHER, ILLINOIS

THIS MASTER DECLARATION of Covenants, Conditions, Easements and Restrictions for The Preserve at Cardinal Creek (the "Master Declaration") made this 28<sup>th</sup> day of July, 2004, by MGM Construction, Inc., an Illinois Corporation ("Declarant").

RECITALS

- A. The capitalized terms used in these Recitals, if not otherwise defined herein, shall have the meanings set forth in Article I hereof ("Definitions").
- B. Declarant is the record owner of certain real estate legally described on Exhibit A, attached hereto and by this reference made a part hereof, commonly known as The Preserve at Cardinal Creek (the "Property" or "Subdivision" or "The Preserve at Cardinal Creek").
- C. MGM Construction, Inc., an Illinois corporation, its successors and/or assigns is the Developer herein ("Developer").
- D. This Master Declaration sets forth the covenants, conditions, easements and restrictions with regard to the Property, legally described on Exhibit A, in The Preserve at Cardinal Creek.

- E. Developer intends to submit the Property to the provisions of this Master Declaration and to form an Illinois not-for-profit corporation known as The Preserve at Cardinal Creek Maintenance Association, for the purpose of owning, maintaining and administering certain portions of the Property (as defined herein) and the facilities and improvements thereof, as hereinafter provided.
- F. The Property shall be developed in accordance with the terms of that certain Development Agreement, as amended, ("Development Agreement") between Shady Lawn Golf Course, L.L.C., A Delaware Limited Liability Company, its successors and assigns and the Village of Beecher. The development of the Property shall consist of one or more single family components ("Single Family Parcel"), one or more townhome components ("Townhome Parcel") and one or more, if any, condominium components ("Condominium Parcel").
- G. Declarant intends that the Townhome Parcel and the Condominium Parcel, if any, will be submitted to further Declarations that will establish the further governance of the particular dwelling units within such Parcels in a manner consistent with the terms of this Master Declaration.
- H. Declarant is also the record owner of a portion of the real estate described on Exhibit B, attached hereto (the "Additional Property"), which is adjacent to the Existing Property.
- I. Developer may, but need not, cause Declarant to submit to the provisions of this Declaration all or portions of the Additional Property which may be developed and improved with dwellings and with improvements for the common use and enjoyment of the owners and occupants thereof.

NOW, THEREFORE, Declarant, his, her, their, its successors and assigns, hereby declare that all of the Property and such portions of the Additional Property as may be annexed thereto in the manner hereinafter provided shall be held, sold and conveyed subject to the following covenants, conditions, easements and restrictions, all of which shall run with the land and be binding on all parties having or acquiring any rights, title or interest therein or any part thereof, and shall inure to the benefit of each Owner thereof

**ARTICLE 1**  
**RECITALS AND DEFINITIONS**

The foregoing Recitals are hereby incorporated by reference in the body of this Master Declaration as if fully set forth herein.

The following words when used in this Master Declaration or in any Supplementary Master Declaration (as defined herein) shall, unless the context shall prohibit, have the following meanings:

- 1.01 A.R.C. Architectural Review Committee
- 1.02 Access Area. The unenclosed sidewalks from time to time or at any time located or constructed upon the Units/Lots and utilized for ingress, egress and access to, from and through the Property.
- 1.03 Additional Property. The real estate legally described on Exhibit B attached hereto.
- 1.04 Association. The Preserve at Cardinal Creek Maintenance Association, an Illinois not-for-profit corporation, its successors and assigns.
- 1.05 Bike Path. That portion of the Property that is designated in the Development Agreement as a Bike Path, shall be maintained by the applicable governmental entity, and if required dedicated and/or conveyed to the applicable governmental entity. In the event the applicable governmental entity determines that it will not maintain or that it will not retain ownership of the Bike Path, then in such event maintenance and/or conveyance, as the case may be, shall be assumed and become the obligation of the Association.
- 1.06 Board. The Board of Directors of the Association.
- 1.07 Common Interest Property. Real Estate with respect to which, any person, by virtue of his or her ownership, of a partial interest, or Unit/Lot, in the property, is obligated to pay for maintenance, improvement, insurance premiums, or real estate taxes, of other real estate, described in a declaration, that is administered by an association.
- 1.08 Condominium Parcel. Condominium Parcel shall have the meaning set forth in paragraph G of the Recitals.

- 1.09 Condominium Declaration. Any declaration of condominium ownership and of easements, restrictions, covenants and by-laws which submits any portion of the Condominium Parcel or the Townhome Parcel to the provisions of the Illinois Condominium Property Act.
- 1.10 Declarant. MGM Construction, Inc., an Illinois Corporation, its successors and assigns. Declarant may assign a partial interest or its entire interest as Declarant to any Person so long as such assignment is in writing and is signed by MGM Construction, Inc. Other than the foregoing no-one and nothing herein shall be construed as a successor to or an assignee of the Declarant.
- 1.11 Developer. MGM Construction, Inc., an Illinois Corporation, its successors and assigns. Developer may assign a partial interest or its entire interest as Developer to any Person so long as such assignment is in writing and is signed by MGM Construction, Inc. Other than the foregoing no-one and nothing herein shall be construed as a successor to or an assignee of the Developer.
- 1.12 Dwelling. A Dwelling shall mean and refer to an improved Unit/Lot single-family residence, single-family townhome residence, or single-family condominium residence, designed and constructed for the use and occupancy by a single-family.
- 1.13 First Mortgagee. A bona fide lender holding a validly recorded mortgage or trust deed on a Unit/Lot or the Maintenance Area which mortgage or trust deed was recorded prior in time to all other mortgages or trust deeds against said Unit/Lot or Maintenance Area.
- 1.14 Improvements. Improvements shall mean and include any and all Maintenance Area improvements including but not limited to installation and construction of any and all entrance monument features, clubhouse, swimming pool, aerators, sprinkling systems, lighting facilities, landscaping, island medians, planters, trees, flowers, bushes, shrubs, and such other amenities installed by the Developer from time to time in the Maintenance Area. Improvements shall also mean and include certain Public Improvements including installation and construction of Cardinal Creek Boulevard, Park, and Bike Path.
- 1.15 Initial Purchaser of a Dwelling. The first grantee under a Deed to a Dwelling. In the event that the first grantee is an Illinois land trust, the term Initial Purchaser of a Dwelling shall jointly and severally include the beneficiary of such land trust.

- 1.16 Maintenance Area. That portion of the Property, and such portions of the additional property as may be annexed in the manner hereinafter provided, designated herein, designated on the Plat(s), if any, designated on the Plat of Subdivision, if any, designated on the Plats of Resubdivision and/or designated in the Development Agreement, if any, including but not limited to the following if applicable: (i) entrance monuments and/or features; (ii) aerator and non-aerator ponds (located in the detention/retention areas); (iii) detention/retention areas (including the aerator and non-aerator ponds); (iv) storm water management facilities; (v) wetlands; (vi) swales, culverts, inlets, drainage pipes, appurtenant drainage lines and ditches; (vii) landscaping, landscaped berms, landscaped buffers and/or landscaped medians located anywhere on the Property; (viii) parkway trees located along the Cardinal Creek Boulevard; (ix) clubhouse, pool and playground, (x) Outlots and other areas that shall not be retained by the Developer or the Declarant and/or conveyed or dedicated to the applicable governmental entity, and (xi) all improvements and facilities at any time located on the Maintenance Area herein described.
- 1.17 Master Declaration. Master Declaration shall mean and refer to this document, including all its exhibits, as amended.
- 1.18 Member. Every Owner of a Unit/Lot.
- 1.19 Owner. The record owner, whether one or more persons, individuals or entities, of a fee-simple ownership title to any Unit/Lot, including contract purchasers having such interest merely as security for the performance of any obligations.
- 1.20 Outlot. Any plot of land shown upon the Plat of Subdivision, the Plat or Plats of Re-subdivision and/or defined in Exhibit D attached hereto and by this reference incorporated herein that is designated as a separate Outlot thereon and which may not be improved with a Dwelling. Outlot H shall be conveyed to the applicable governmental entity. All other Outlots shall be conveyed to the Association, unless, in the case of the Parks, the applicable governmental entity agrees to accept title and/or agrees to be responsible to maintain same.

- 1.21 Parks. That portion of the Property that is designated in the Development Agreement, designated in the Ordinance amending the Subdivision Code, designated in any Plat of Subdivision or designated in any Plat of Re-Subdivision as a Park, shall be dedicated, conveyed and/or maintained by the applicable governmental entity Park District. In the event the applicable governmental entity Park District determines that it will not accept or retain ownership and/or be responsible to maintain the Park or Parks, then in such event the Park or Parks shall be conveyed to and maintained by the Association and the aforesaid Park or Parks shall be assumed by and become the obligation of the Association.
- 1.22 Parkway Trees. The Owner shall maintain the Parkway Trees located in front of their house, whether or not located in a Right of Way except for those Parkway Trees located along the Cardinal Creek Boulevard, which shall be the responsibility of the Association to maintain.
- 1.23 Plat. Any Plat of Subdivision, Plat of Re-subdivision, Plat of Condominium, Plat of Townhome or any Plat dividing, subdividing, re-subdividing, legally describing and delineating the Property or any portion thereof in the Preserve at Cardinal Creek, which may or may not be recorded in the Office of the Recorder of Deeds of Will County, Illinois.
- 1.24 Property. The real estate described in Exhibit "A", attached hereto.
- 1.25 Purchaser of a Vacant Unit/Lot. The grantee under a Deed to a Unit/Lot or multiple Unit/Lots (and said grantee does not qualify as a Secondary Developer) of a Single Family Parcel, a Condominium Parcel or a Townhome Parcel that does not contain a Dwelling. In the event that a grantee is an Illinois land trust, the term Purchaser of a Vacant Unit/Lot shall jointly and severally include the beneficiary of such land trust.
- 1.26 Recapture Fee. A One Thousand Five Hundred and 00/100 (\$1,500.00) Dollar fee payable to the Developer at the time of purchase by each Initial Purchaser of a Dwelling as set forth in Article 11 herein.
- 1.27 Secondary Association. Secondary Association shall mean an Illinois not-for-profit corporation formed as a homeowner's common interest community pursuant to a Condominium Declaration or a Townhome Declaration affecting any part of the Property.

- 1.28 Secondary Developer. The grantee under a Deed to the **entire portion of a phased** Single Family Parcel, Condominium Parcel or Townhome Parcel. In no event shall a Secondary Developer be considered a successor or assign of the Declarant or the Developer unless they obtain an assignment, in writing, signed by MGM Construction, Inc. all as set forth in section 1.10 and 1.11 hereinabove. In the event that a grantee is an Illinois land trust, the term Secondary Developer shall jointly and severally include the beneficiary of such land trust.
- 1.29 Single Family Parcel. Single Family Parcel shall have the meaning set forth in paragraph G of the Recitals.
- 1.30 Storm Water Detention Facilities. The Storm Water Detention Facilities shall mean the storm water detention facilities located anywhere on the Property
- 1.31 Structure. Structure shall mean anything other than a building erected or constructed on a Unit/Lot, the use of which requires more or less permanent location on or in the ground. Decks, gazebos, patios, ornamental masonry walls and fences shall be construed to be structures.
- 1.32 Townhome Declaration. Any declaration that may be recorded against the Townhome Parcel (or portion thereof) for purposes of submitting the Lots within the Townhome Parcel to the terms of said Declaration.
- 1.33 Townhome Parcel. Townhome Parcel shall have the meaning set forth in paragraph G of the Recitals.
- 1.34 Unit/Lot. Any plot of land shown upon the Plat of Subdivision of the Preserve at Cardinal Creek Subdivision Units 1, 2, 3, 4, 5 and 6, and/or shown upon any Plat of Townhome or Condominium Survey which is designated as a separate Unit or Lot thereon and which may be improved with a Dwelling.

**ARTICLE 2**  
**ANNEXATION OF ADDITIONAL PROPERTY**

- 2.01 Developer's Right to Annex. Developer may, in its sole discretion, at any time and from time to time, annex or cause Declarant to annex to the Property and submit to the terms, conditions and provisions of this Declaration, in the manner hereinafter provided, all or any portion of the Additional Property. Any additional Property so annexed shall be developed substantially in accordance with the final plan approved by the Village of Beecher as the same may be revised or modified from time to time. Notwithstanding anything to the contrary herein, Developer shall not be obligated to annex to this Declaration any portion of the Additional Property, regardless of how or by whom improved.
- 2.02 Supplementary Declaration. The annexation of any part of the Additional Property to this Declaration and to the Property shall be made by filing of record a Supplementary Declaration describing the portion of the Additional Property to be so annexed, provided that if the record owner thereof is not the Declarant executing this Declaration, such Supplementary Declaration must be approved in writing by Developer. Immediately upon such recording, that portion of the Additional Property annexed as provided herein shall be subject to the terms, covenants, conditions, easements and restrictions of this Declaration and the jurisdiction of the Association with the same force and effect as though such portion was a part of the Property when this Declaration was recorded.
- 2.03 Additional Provisions and Modifications. Notwithstanding the foregoing, any such Supplementary Declaration may contain such additions and modifications of the provisions of this Declaration as Declarant may deem necessary including without limitation additions and modifications affecting the use of the portion of the Additional Property being annexed and the rights and obligations with respect thereto of owners of lots within such Additional Property, including an obligation to pay additional assessments applicable only to those lots, as may be appropriate to reflect the different character, if any, of such portion being annexed or of the improvements erected or to be erected thereon by Developer, and may designate what portion, if any, of such portion being so annexed shall be Maintenance Area, and may grant non-exclusive perpetual easements of use and enjoyment and a right of access to and of ingress an egress and such other easements over the Property as Developer may deem necessary.



**ARTICLE 3**  
**MEMBERSHIP AND BOARD OF DIRECTORS**

- 3.01 Membership. Every owner of a Unit/Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit/Lot. Ownership of a Unit/Lot shall be the sole qualification for membership.
- 3.02 Voting Rights. The Association shall have one class of membership and each member shall have one vote for each Unit/Lot such member owns, provided that in no event shall more than one (1) vote be cast with respect to any Unit/Lot. If more than one person is the record owner of any Unit/Lot, or if an Owner is a trustee, corporation, partnership or other legal entity, the vote for such Unit/Lot shall be exercised as such Owner of that Unit/Lot shall designate. Such designation shall be made in writing to the Board (as defined herein) or in such other manner as may be provided in the by-laws of the Association attached hereto as Exhibit "C" (the "By-Laws"). Developer shall designate the person who shall exercise the voting rights with respect to the Units/Lots owned by Declarant.
- 3.03 Board of Directors. The Association shall be governed by, the Board of Directors (the "Board"). The Board shall be comprised of no less than three (3) persons, duly appointed or elected as provided herein or in the By-laws. Except for directors appointed by Developer, all directors shall be Members of the Association. The Board shall govern the Association in the exercise of the rights of the Association and performance of the Association's obligations in accordance with the terms and provisions of this Master Declaration and the By-laws, as amended from time to time. Prior to the appointment of the first Board, the Developer shall appoint Directors who shall exercise all rights, powers and privileges and act in the capacity of the Board and may perform all its functions as set forth in this Master Declaration and in the By-laws.
- 3.04 Appointment of Directors by Developer. Notwithstanding anything in this Master Declaration or the By-laws to the contrary, the first and each subsequent Board shall consist of, and vacancies on the Board shall be filled by, such persons as Developer shall from time to time appoint, who may but need not be Members of the Association, until the first to occur of any one of the following events: (a) the expiration of ninety (90) days after the sale and transfer of title by Declarant of one hundred (100%) percent of the total number of Units/Lots; (b) ten (10) years from the recording of this Master Declaration; (c) Developer, by written notice to the

Association, voluntarily elects to release its right to appoint all Members of the Board. Without the prior written consent of Developer, neither the Articles of Incorporation of the Association nor the By-laws shall be amended, modified or changed to in any way diminish the authority of the Board while the Developer has the right to appoint any Members of the Board. Developer may, from time to time, by written notice to the Association, elect to relinquish its right to appoint any one or more directors, and continue to exercise its right to appoint the remaining Members of the Board for the period heretofore specified. All directors not appointed by Developer shall be elected as hereinafter provided.

- 3.05 Election of Directors by Members. Upon termination of Developer's right to appoint any or all of the directors as provided in the preceding paragraph, those directors not subject to appointment by Developer shall be elected by the Members of the Association at a meeting called by the President of the Association, by Developer, or by any three (3) Members of the Association. Such meeting shall be called by notice sent in accordance with the By-laws. Notwithstanding the foregoing, vacancies, on the Board of directors, which occur in the interim of the Members regularly scheduled meetings, may be filled by the Board of Directors.
- 3.06 Director and Officer Liability. Neither the Developer, who in their representative capacity acts as either a director and/or officer, nor the directors, nor the officers, shall be personally liable to the Owners or the Association for any mistake of judgment or for any other acts or omissions of any nature whatsoever, including but not limited to deficiencies in the reserve account and/or failure to fund the reserve account, while acting in the capacity of such directors or officers, except for any acts or omissions found by a court to constitute gross negligence or fraud. The Association shall indemnify and hold harmless the directors and officers, their heirs and legal representatives, against all contractual and other liabilities to third parties arising out of the contracts made by or other acts of the directors and officers on behalf of the Owners or the Association or arising out of their status as directors or officers, unless any such contract or act shall have been made fraudulently or with gross negligence. The foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, attorneys fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative or other, in which any such director or officer may be involved by virtue of being or having been such director or officer; provided, however, that such indemnity shall not

be operative with respect to (i) any matter as to which any such person shall have finally been adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such director or officer, or (ii) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person being adjudged liable for gross negligence or fraud in the performance of his duties as such director or officer.

- 3.07 Governing Law. Except as otherwise provided in this Master Declaration, the Association, its Board, the officers and Members of the Association shall be governed by the Illinois general not for profit corporation act.

#### **ARTICLE 4 EASEMENTS AND PROPERTY RIGHTS**

- 4.01 Easements of Use and Enjoyment. Declarant hereby grants a perpetual, non-exclusive easement, over and upon the Maintenance Area for the benefit of the Property, and every Owner shall have a right and easement, of use and enjoyment and a right of access to and of pedestrian, and if appropriate vehicular, ingress and egress on, over, across, in, upon and to the Maintenance Area, and such right easement shall be appurtenant to and shall pass with title to every Unit/Lot, subject to the rights of Declarant and Developer reserved in this Master Declaration, and the rights of others granted in this Master Declaration and the following rights of the Association exercised in the manner provided in the By-laws:
- a. To adopt rules and regulations governing the use, operation and maintenance of the Maintenance Area.
  - b. To dedicate or transfer all or any part of the Maintenance Area, or any utility thereon, to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members provided that so long as the Developer has the power to appoint any director of the Association and/or so long as the Developer still owns a Unit/Lot, then such instrument must also be signed by Developer.
  - c. To pay for, out of the assessment funds, all taxes and assessments and other liens and encumbrances that are assessed or charged against the Maintenance Area.

- 4.02 Golf Course Easements of Access. The neighboring Golf Course is hereby granted and reserved a perpetual nonexclusive easement to, through, over and across those portions of the Maintenance Area adjacent to the Golf Course for the benefit of the Golf Course (i) to enable golfers to play and retrieve golf balls, (ii) to enable greens-keepers and other employees and agents of the Golf Course to carry out normal maintenance of such golf facilities, (iii) to enable all golfers to pass from one hole to another on foot or in vehicles normally used for such purposes, and (iv) for such other reasonable purposes which in the normal use, operation and maintenance of a golf course it is convenient and reasonable to go upon or pass over those portions of the Maintenance Area adjacent to the Golf Course.
- 4.03 Association, Declarant and Developer Easements of Access. The Association, Declarant, and Developer, and each of them, is hereby granted and reserved perpetual non-exclusive easements to, through, over and across the Property, including the Maintenance Area, for the purposes of exercising the rights, performing the functions, and discharging the responsibilities, permitted or required to be performed or discharged by any of them pursuant to any provision of this Master Declaration.
- 4.04 Municipal Service Easements. Declarant hereby grants a perpetual non-exclusive easement to the applicable governmental entity over the Property, including the Maintenance Area, to enforce all applicable laws, ordinances and regulations and for the purpose of providing police and fire protection and such other municipal services as the Association may request and the applicable governmental entity may agree to furnish. Furthermore, the applicable governmental entity and any other governmental authority having jurisdiction over the Property are hereby granted an easement to enter upon, on and over the Property, including the Maintenance Area, for the purpose of inspecting the Property to determine whether the Maintenance Area improvements, facilities and systems have been and are being properly maintained in conformity with the applicable ordinances and regulations. If it is determined that inadequate maintenance exists, the governmental authority shall give the Association written notice of such determination, including a description of the actions that must be taken to perform the necessary maintenance. If the Association fails to perform the necessary maintenance within a reasonable time after receiving notice of the determination, the governmental authority shall have the right, but not the obligation to perform such maintenance or other operations it deems necessary. If the governmental authority is required to perform such service, it shall be entitled to reimbursement by the Association (including expenses, reasonable attorneys' fees and

court costs). In the event the Association fails to pay such bill within the time required, the governmental authority may place and enforce a lien, pro-rata, against each Unit/Lot, which lien and right of recovery shall include expenses, reasonable attorneys' fees, and court costs. Failure of the governmental authority to exercise or enforce its rights in any particular circumstances shall not be deemed a waiver of its rights. Notwithstanding any other provision of this Master Declaration, the rights granted to the governmental authority under this section shall not be modified in any manner without the written approval of the governmental authority.

4.05 Implied Easements. Declarant hereby acknowledges that, due to the length and complexity of this Master Declaration, certain omissions may have occurred in connection with the grants of various easements including, but not limited to, those for access, ingress and egress, use and enjoyment, utilities, light and air, support and maintenance. Declarant therefore hereby grants any easement omitted herein which easement is reasonably implied from and by the provisions and scheme of this Master Declaration and is reasonably necessary for the purpose of furthering the beneficial purposes and intentions of Declarant as expressed in this Master Declaration.

4.06 Encroachments. In the event that (a) by reason of design, construction, location, repair, settlement, shifting or movement, any dwelling or other improvement as originally constructed by Developer on any Unit/Lot or upon the Maintenance Area overhangs or otherwise encroaches or shall hereafter encroach upon any other Unit/Lot or upon the Maintenance Area, or (b) by reason of such design, construction, location, repair, settlement, shifting or movement it shall be necessary or advantageous to an Owner to use or occupy any portion of the Maintenance Area for any reasonable use appurtenant thereto which will not unreasonably interfere with the use or enjoyment of the Maintenance Area by other Owners, or (c) by reason of the design or construction of utility, ventilation and exhaust systems, as originally constructed by Developer, any mains, pipes, ducts or conduits servicing any Unit/Lot or more than one Unit/Lot, encroach or shall hereafter encroach upon any part of any Unit/Lot, or the Maintenance Area, then, in any such case, valid easements for the maintenance of such encroachment and for such use of the Maintenance Area, together with the right to enter upon such other Unit/Lot or Maintenance Area to maintain, repair and replace such encroachment are hereby established and shall exist for the benefit of such Unit/Lot or the Maintenance Area, as the case may be, so long as such dwelling or other improvement shall remain standing; provided, however, that if any such dwelling or other

improvement is partially or totally destroyed and thereafter repaired or rebuilt, the same encroachment may be reestablished and the easements herein granted for the maintenance, repair and replacement thereof shall continue in force, provide further that in no event shall a valid easement for any encroachment or use of the Maintenance Area be created in favor of any Owner if such encroachment or use is detrimental to or interferes with the reasonable use and enjoyment of the Maintenance Area by others or if it occurred due to the willful conduct of any Owner.

- 4.07 Transfer of Maintenance Area to Association. Declarant will convey to the Association and the Association shall accept the Maintenance Area herein described and any additions thereto, together with such facilities and improvements as the Developer may elect to install thereon and subject to such easements as the Developer may cause to be placed thereon, and at such time or times as the Developer shall determine. At the time of any such conveyance to the Association, the Association shall assume and agree to perform the obligations of Declarant, Developer and the Association under this Master Declaration with respect to the property so conveyed.
- 4.08 Agreement for Grant of Easements. In the event, at any time after the recording of this Master Declaration, Declarant or Developer shall deem it necessary to do so, Declarant may (i) reserve or grant easements for the benefit of the Property in, over, under, to and across the Property for the installation, construction and maintenance of any and all public and private utility conduits, wires, ducts, pipes, cables and other lines, and all associated equipment for the provision of utilities services for the Property, including without limitation, those for the transmission and distribution of water, electricity, gas, telephone, sewage, drainage, cable or satellite television, and (ii) dedicate any portion of the Maintenance Area to any public or quasi-public utility or to any governmental authority for the installation, construction and maintenance of any such utilities and for ingress and egress thereto. For so long as Declarant owns a Unit/Lot subject to the terms hereof, Developer shall have the right to connect to all utilities serving the Property.
- 4.09 Rights of Occupants. All persons who reside on a Unit/Lot shall have the same rights to use and enjoy the Maintenance Area and all improvements situated thereon as the Owner of that Unit/Lot.

- 4.10 Easements to Run with the Land. All easements and rights described herein are easements and rights appurtenant, running with the land, perpetually in full force and effect, and at all times shall inure to the benefit of and be binding upon the Declarant, its successors or assigns, and any Owner, purchaser, mortgagee or other person having an interest in the Property, or any part or portion thereof. Reference in the respective deeds of conveyance or in any mortgage or trust deed or title commitment or other evidence of obligation to the easements and rights described in this Article or in any other part of this Master Declaration shall be sufficient, but not necessary, to reserve such easements and rights to the respective grantees, mortgagees, or trustees as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.
- 4.11 No Dedication to Public Use. Nothing contained in this Master Declaration shall be construed or be deemed to constitute a dedication, express or implied, of any part of the Property to or for any public use or purpose whatsoever.
- 4.12 Certain Rights Reserved to Developer. The right is reserved by Declarant for Developer, or its agents, employees, successors and/or assigns, to place and maintain on the Property all models, sales offices, advertising signs and banners and lighting in connection therewith, and other promotional facilities at such locations and in such forms as shall be determined by Developer. There is also reserved to Developer, and prospective purchasers and tenants, the right of ingress, egress and transient parking in and through the Property. Declarant also reserves the right for Developer to maintain on the Property without charge (i) a general office for the purpose of exercising the development and management rights, (ii) appropriate permanent and transient parking facilities for the employees of Developer and of Developer's agents and for prospective purchasers of Units/Lots in the Property and (iii) to have access to and upon every Unit/Lot as may be reasonably necessary to complete the site development, installation of public improvements as required by the applicable governmental entity and to complete the maintenance areas. Developer's aforesaid reserved rights shall exist at any time Developer is engaged in the sale or leasing of Units/Lots on the Property, and no charge shall be made with respect thereto. In connection therewith, Declarant hereby reserves for the benefit of Developer a non-exclusive easement to, through, over and across the Property for the purpose of exercising the rights reserved to Developer pursuant to this Master Declaration. Such rights of Developer shall continue until the sale or rental of all Units/Lots

located on the Property unless Developer, by written notice to the Association, elects to terminate such rights prior to such date. All rights and easements created by this Master Declaration are subject and subordinate to the development rights of Developer, whether or not inconvenience to any Owner shall result therefrom. None of the foregoing rights and easements of the Developer shall be prohibited as a violation of this Declaration or abated hereunder as a trespass or a nuisance.

**ARTICLE 5**  
**OBLIGATIONS OF ASSOCIATION WITH RESPECT**  
**TO MAINTENANCE AND ADMINISTRATION OF THE MAINTENANCE**  
**AREA AND WITH RESPECT TO UNDIVIDED TAX BILLS**

- 5.01 Association's Obligations. In addition to all other rights, powers and duties of the Association under applicable law or as otherwise set forth in this Master Declaration and in the By-Laws of the Association, the Association shall have the following rights, powers and duties with regard to the Maintenance Area, the cost and expense of which shall be paid for by the Association from assessment funds:
- a. Maintenance Area. The Association shall maintain, insure, repair, replace and manage the Maintenance Area, and all facilities and improvements thereon, and, without limiting the generality of the foregoing, provide for
- (i) The adoption of rules and regulations governing the use, maintenance and administration of the Maintenance Area and for the health, comfort, safety and general welfare of persons utilizing the Maintenance Area. Such rules and regulations may include a restriction or absolute prohibition against access by pets to specified portions of the Maintenance Area;
  - (ii) The improvement and maintenance of the services and facilities devoted to such purpose and related to the use and enjoyment of the Maintenance Area, including the provision of reasonable reserves for replacement;
  - (iii) The repair, replacement, maintenance, improvement and additions to the Maintenance Area and all facilities and improvements located thereon;



- (iv) The retention and compensation of a person or firm to manage the Maintenance Area or any separate portion thereof, and the provision of such other personnel as the Board shall determine to be necessary or proper for the operation of the Maintenance Area, whether such personnel are employed directly by the Board or by such manager;
- (v) The material, supplies, insurance, furniture, equipment, fixtures, labor, services, maintenance, repairs, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of this Master Declaration, by law, or which in the opinion of the Board shall be necessary or proper for the operation or protection of the Maintenance Area and its members;
- (vi) And to execute, on behalf of all Owners, all divisions of ownership for tax assessment purposes with regard to the Maintenance Area, the Property, or any portion thereof;
- (vii) And to borrow funds to pay costs of operation secured by assignment or pledge of rights against delinquent Owners;
- (viii) And to enter into contracts, maintain one or more bank accounts granting authority as the Board shall desire to one or more persons (including the managing agent of the Maintenance Area or a portion thereof);
- (ix) And to adjust the amount of, collect and use any insurance proceeds to repair or replace damaged or lost property;
- (x) Snow removal, above a minimum level, as defined by the Board;
- (xi) All landscaping and lawn mowing;

- (xii) To procure and maintain such fire and extended coverage, public liability, workmen's compensation, fidelity, directors' and officers' liability and other insurance in such amounts and insuring against such risks as the Board deems desirable, necessary and/or customary to the incidental use and ownership of the Maintenance Area;
- (xiii) And pay all taxes, assessments and other liens and encumbrances which are assessed to or charged against the Maintenance Area or other property owned by the Association;
- (xiv) And to enforce the provisions of this Master Declaration and rules and regulations made hereunder and to enjoin and seek damages from any Owner for violation of such provisions and/or rules and regulations;
- (xv) And pay all sums due the Applicable governmental entity for the enforcement of local laws; and
- (xvi) Such other services for the Maintenance Area as the Board deems to be in the best interests of the Association and its Members

5.02 Maintenance of the Maintenance Area Prior to Conveyance to Association. Notwithstanding the retention by Declarant, or the applicable governmental entity Park District, of title to all or any portion of the Property designated as Maintenance Area, the Association shall pay or reimburse the Developer for all real estate taxes and all other costs and expenses arising out of or incident to the ownership, maintenance and repair of such portion of the Maintenance Area that is available for use by the Owners to the same extent as though such costs and expenses would be the obligation of the Association if it were the record owner thereof.

5.03 Condemnation. In the case of a condemnation or taking by eminent domain (a "taking") by competent authority of any part of the Maintenance Area, the Association shall, if necessary, restore the improvements in the remaining portion of the Maintenance Area to conform as closely as possible to the general design, structure and materials used with respect to the improvements as they existed prior to the taking. Any proceeds or awards made to the Association in connection with any such taking shall be applied first to the cost of

any restoration, with the balance to be used by the Association to carry out its obligations under this Master Declaration

- 5.04 Real Estate Taxes. It is understood that real estate taxes are to be separately taxed to each Owner on their individual Unit/Lot. In the event the Unit/Lot real estate taxes are not issued a separate real estate tax bill, then, in such case, the amount due from each Owner shall be allocated between each Owner and the Developer as follows and shall be determinative as to each Owners share whether or not said calculations are in conflict with the Assessors' calculations: (i) The Developers' Exemption Portion of the Vacant Land estimated or final tax bill shall be determined by multiplying the current developers' exemption vacant land assessment by the most recent ascertainable state and local equalizer (developers' exemption portion) and by then dividing the developers' exemption portion of the tax bill by the number of Units/Lots in the Subdivision or in the Tax Divided Parcel, as the case may be, and by then dividing same by 365/366 to obtain the per diem (per diem). The per diem shall then be multiplied by the number of days the Developer and the Owner each owned the Unit/Lot during which time the Developer Exemption Relief Assessment was in place to obtain the Developers and each Owners' share of the Developer Exemption Portion of the Vacant Land Tax Bill, (ii) The vacant (not subject to developers' exemption) and/or improvement estimated or final tax bill shall be allocated between the Owners only (not including the Developer who shall not be responsible for payment of any taxes assessed on a vacant basis (not subject to developers' exemption) or an improvement basis) and shall be determined by dividing the number of days each Owner owned their Unit/Lot into the multiple of 365/366 multiplied by the number of Units/Lots in the Subdivision or in the Tax Divided Parcel, as the case may be, to obtain each Owners' percentage share of the total vacant and/or improvement assessment (Owners Percentage) and each Owners Percentage shall be multiplied by the current vacant land and/or improvement assessment multiplied by the most recent ascertainable state and local equalizer to obtain each Owners vacant and/or improvement share.

In the event the tax bill is assessed against more than one Unit/Lot, and in the further event an Owner fails to pay his/her share within a reasonable time after the tax bill is issued, the Board shall pay the outstanding tax bill and charge the cost thereof to such Owner as his/her personal obligation. Any real estate tax payment made by the Association shall be a continuing lien upon the nonpaying Owners' Unit/Lot in the aggregate amount of (i) the cost thereof, (ii) penalties and interest lawfully assessed by the County and (iii) reasonable

attorneys' fees and any court or other costs incurred by the Association in connection therewith, which lien shall bind such Unit/Lot in the hands of such Unit/Lot Owner(s), their heirs, devisees, personal representatives, grantees and assigns. In the event the Unit/Lot Owner does not fully repay the Association within 30 days after payment of a Units'/Lots' real estate taxes, such lien may be foreclosed against the Unit/Lot and shall be enforceable in the manner and to the extent herein set forth in this Master Declaration and the failure of such Owner to pay such costs shall carry with it the same consequences as the failure to pay any assessments levied hereunder when due, as herein provided.

## **ARTICLE 6**

### **COVENANT FOR ASSESSMENTS**

- 6.01 Creation of the Lien and Personal Obligation for Assessments. Each Owner of a Unit/Lot (excluding Declarant and its successors or assigns), by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, hereby covenants and agrees and shall be deemed to covenant and agree to pay to the Association, for each Unit/Lot owned by such Owner, all assessments and charges levied pursuant to this Master Declaration. Such assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge and a continuing lien upon the Unit/Lot against which such assessment is made. Each such assessment, together with such interest and costs, shall also be the continuing personal obligation of the person who was the Owner of such Unit/Lot at the time when such assessment fell due.
- 6.02 Purpose of Assessments. The assessments levied by the Association shall be used for the purpose of promoting the recreation, health, safety and welfare of the Members of the Association and, in particular, without limiting the foregoing, for maintenance, repair, replacement, improvement and additions of and to the Maintenance Area and the improvements thereon, for all taxes, insurance, utilities, professional and other services, materials, supplies, equipment and other costs and expenses incident to the ownership of the Maintenance Area and all facilities and improvements thereon and for otherwise carrying out the duties and obligations of the Board and of the Association as stated herein and in its Articles of Incorporation and By-laws.



- c. When the first Board elected hereunder takes office, it shall prepare a budget for the period commencing thirty (30) days after said election and ending on December 31 of the year in which said election occurs. Annual/semiannual/quarterly/monthly assessments shall be levied against all Units/Lots subject to assessment during said period as provided in Section 6.01 hereof.
- d. The failure or delay of the Board to prepare or serve the annual or adjusted-estimate on any Owner shall not constitute a waiver or release in any manner of such Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Owner shall continue to pay his annual/semiannual/quarterly/monthly installment at the then existing rate established for the previous period until the annual/semiannual/quarterly/monthly installment which is due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

6.04 Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Board may levy special assessments for the purpose of defraying, in whole or in part, the cost of constructing or purchasing a specified capital improvement upon or to the Maintenance Area, and for the necessary fixtures and personal property related thereto, provided that, unless otherwise provided in the By-laws, any such assessments which in one year exceed Ten Thousand and 00/100 (\$10,000.00) DOLLARS shall first be approved by a majority of the Board and thereafter by a majority of the votes cast by Members at a general or special meeting duly called for that purpose or, in lieu of such member's meeting, by an instrument signed by the Members owning two-thirds (2/3) of the Units/Lots. Special assessments levied hereunder shall be due and payable at such time or times and in such manner as shall be fixed by the Board, or, where applicable, as approved by the Members and shall be used only for the specific purpose for which such assessment was levied.

- 6.05 Capital Reserves. To the extent the annual budget includes an amount specifically designated as a capital reserve, each Owner shall, as to each installment of the annual assessment paid by him, be deemed to have made a non-refundable capital contribution to the Association in the proportion that the amount of such designated capital reserve bears to the total annual budget. Such proportion of each annual assessment installment paid to the Association shall be earmarked as a special capital reserve account to be used solely for making major repairs and replacements to the Maintenance Area, and the improvements thereon which the Association is obligated to repair and replace in accordance with the provisions of this Master Declaration, and for the purchase of equipment to be used by the Association in connection with its duties hereunder. **AT THE ELECTION OF THE DEVELOPER, THE RESERVE ACCOUNT MAY OR MAY NOT BE FUNDED, AND THE ANNUAL BUDGET MAY OR MAY NOT PROVIDE FOR THE COLLECTION OF CAPITAL RESERVES DURING THE PERIOD THAT THE DEVELOPER CONTROLS THE ASSOCIATION, EXCEPT AS SET FORTH IN 6.06 HEREINBELOW.**
- 6.06 Initial Capital Contribution. After the recording of this Master Declaration and at the time of closing, only those Owners who are also an "Initial Purchaser of a Dwelling" as that term is defined in Article 1 herein, shall be required to make a nonrefundable capital contribution to the Association in the amount of \$300.00. Such payment shall be held and used by the Association as a working capital reserve.
- 6.07 Interim Assessment. Until the Board establishes its budget, the assessment shall be \$300.00 per Unit/Lot per year. Notwithstanding anything to the contrary, in the year 2005, the Association shall collect from each Owner at their initial closing the prorated sum of \$150.00 as an assessment from July 1, 2005 through December 31, 2005. Said sum shall be non-refundable, however, in the event the Board establishes the budget between July 1, 2005 and December 31, 2005, then the amount previously collected shall be credited against the amount established pursuant to the Adopted Budget.

- 6.08 Notice and Quorum. Written notice of any meeting called for the purpose of authorizing special assessments which require approval of the Members shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of such meeting. At the first such meeting called, the presence of voting Members, in person or by proxy, having twenty percent (20%) of the votes entitled to be cast shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.
- 6.09 Uniform Assessments. Both annual and special assessments must be fixed as a uniform rate for all Units/Lots, whether Vacant or Improved with a Dwelling, provided that no Unit/Lot owned by the Declarant, including its successor or assigns, shall be subject to assessment unless the Dwelling thereon is completed and is occupied.
- 6.10 Commencement of Annual Assessments. After the recording of this Master Declaration, and at Declarants' option, annual/semiannual/quarterly/monthly assessments shall commence upon conveyance of the first Unit/Lot by Declarant, shall commence at such time as the Developer elects or shall commence as set forth in Article 6, subsection 6.07
- 6.11 Assessments on Units/Lots Owned by Declarant or Developer. While the Declarant or Developer, including its successors or assigns, holds title to unoccupied Units/Lots and in lieu of paying assessments on unsold Units/Lots, the Declarant or Developer, including its successors or assigns, shall pay to the Association only the amount, if any, by which actual operating expenses exceed the aggregate of the assessments established and received from Owners (excluding declarant, developer, their successors or assigns) pursuant to this paragraph. Actual operating expenses means those expenses actually incurred that are reasonably necessary to normal maintenance and operation of the Maintenance Area, and does not include capital expenditures, reserves, prepaid items, inventory items or similar expenses to the extent attributable to any subsequent period. Except as set forth herein, neither the declarant nor the developer, including its successors or assigns, shall have an obligation to pay assessments for unsold or unoccupied Units/Lots.



- 6.12 Collection of Assessments. If a Owner is in default in the payment of the annual installment of the aforesaid charges or assessments for thirty (30) days, the members of the Board may bring suit for and on behalf of themselves and as representatives of all Owners, to enforce collection thereof or to foreclose the lien therefor as hereinafter provided; and there shall be added to the amount due the costs of said suit, and other fees and expenses together with legal interest and reasonable attorneys' fees to be fixed by the court. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs, and fees as above provided, shall be and become a lien or charge against the Owner involved when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of liens against real estate. Such lien shall take effect and be in force when and as provided in the Act; provided, however, that encumbrances owned or held by any bank, insurance company, savings and loan association, or other lender shall be subject as to priority after written notice to said encumbrancer of unpaid Assessments only to the lien of all Assessments on the encumbered Units/Lots which become due and payable subsequent to the date the encumbrancer either takes possession of the Unit/Lot, accepts a conveyance of any interest in the Unit/Lot or has a receiver appointed in a suit to foreclose its lien. In addition to the foregoing, the Board or its agents shall have such other rights and remedies to enforce such collection as shall otherwise be provided or permitted by law from time to time. Without limiting the generality of the foregoing, if any Owner shall fail to pay the annual installment of the Assessment attributable to their Unit/Lot or of any other expenses required to be paid hereunder upon due, such rights and remedies shall include: (i) the right to enforce the collection of such defaulting Owner's share of such expenses (whether due by acceleration or otherwise), together with penalties as approved by the Board and interest thereof, at the maximum rate permitted by law, and all fees and costs (including attorneys' fees) incurred in the collection thereof; (ii) the right, by giving such defaulting Owner five (5) days' written notice of the election of the Board to do so, to accelerate the maturity of the unpaid installments of such expenses accruing with respect to the balance of the assessment year; and (iii) the right to take possession of such defaulting Owner's interest in the Property, to maintain for the benefit of all the other Owners an action for possession in the manner prescribed in the act in regard to Forcible Entry and Detainer, approved February 16, 1874, as amended, and to execute leases of such defaulting Unit/Lot Owner's interest in the Property and apply the rents derived therefrom against such expenses.

- 6.13 No Waiver of Liability. No Owner may waive or otherwise escape liability for assessments provided for herein by any act or omission including without limitation non-use of the services provided by the Association, the Maintenance Area or abandonment of his Unit/Lot except as provided in Section 6.14 hereinbelow.
- 6.14 Subordination of the Lien or Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage placed at any time on a Unit/Lot by a bona fide lender. Each holder of a first mortgage on a Unit/Lot who obtains title, or comes into possession of that Unit/Lot pursuant to the remedies provided in the mortgage, foreclosure of the mortgage, or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, will take the Unit/Lot free of any claims for unpaid assessments or charges which have accrued prior to such acquisition of title or possession.
- 6.15 User Charges. The Board (including the Declarant or the Developer while under their control) may establish, and each Owner shall pay, user charges to defray the expense of providing services, facilities or benefits which may not be used equally or proportionately by all of the Owners of which, in the sole and absolute judgment of the Board (including the Declarant or the Developer while under their control) should not be charged to every Owner. Such expense may include, without limitation, (i) fees for the use of the facilities located in the Maintenance Area, (ii) charges predicated on the negligence of any member or the abuse of any part of the Maintenance Area; (iii) and fees for such other services and facilities provided to Owners which should not reasonably be allocated among all of the Owners in the same manner as assessments. Such user charges may be billed separately to each Owner benefited thereby, or may be added to such Owners' assessments as otherwise determined and collected as a part thereof pursuant to Section 6.03 (a) - (d) hereinabove. Nothing herein shall require the establishment of user charges as hereinabove authorized, and the Board or Declarant may elect to treat all or any portion thereof as expenses to be defrayed by assessments.
- 6.16 Declarations and Contracts of Townhome or Condominium. Each Secondary Developer shall cause their respective Condominium Declarations and Contract and Townhome Declarations and Contracts to conform to this Master Declaration and specifically to require payment of the Assessments and the Recapture Fee as provided in Articles 1, 6 and 11 herein.

- 6.17 Roster. Upon the request of the Declarant, the Developer, the Association, the Board or its Managing Agent, each Secondary Association shall furnish a roster of the names and addresses of its Members.
- 6.18 Secondary Association Collects Assessments on behalf of the Association. At any time and from time to time, the Developer, Declarant, the Association, the Board or its Managing Agent may request the Secondary Association and the Secondary Association shall comply with and shall collect on behalf of the Association all assessment, charges, fees and/or recapture fees assessed or due pursuant to Article 6 and/or Article 11.

**ARTICLE 7  
RIGHTS OF FIRST MORTGAGEES**

In addition to all other rights of first mortgagees pursuant to this Master Declaration, and notwithstanding any other provisions herein to the contrary:

- 7.01 Right of Approval. Unless at least 75% of the first mortgagees (based upon one vote for each Unit/Lot encumbered by a mortgage) of individual Units/Lots ("First Mortgagees") have given their prior written approval, the Association shall not
  - a. By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association for the benefit of the Units/Lots and the Owners. (The granting of easements for public utilities or for other purposes consistent with the intended use of such property by the Association shall not, for purposes of the foregoing, be deemed to be a transfer.)
  - b. Change the method of determining the obligations, assessments, dues or other charges which may be levied against a Unit/Lot and the Owner thereof as provided in Article 6, subject, however, to the provisions in Section 6.03 thereof, if applicable.
- 7.02 Examination of Books and Records. First Mortgagees shall have the right to examine the books and records of the Association at reasonable times during normal business hours.

- 7.03 Option to Pay Taxes, Insurance Premiums First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Maintenance Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for the Maintenance Area and First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.
- 7.04 Notice of Default Any First Mortgagee, at its written request, shall be entitled to written notice from the Board of any default by an Owner in the performance of such Owner's obligations hereunder or under the By-laws or rules and regulations of the Association which has not been cured within thirty (30) days.
- 7.05 Amendment This Article 7 may be amended only with the written consent of 75% of the First Mortgagees (based upon one vote for each Unit/Lot encumbered by a mortgage).

**ARTICLE 8A**  
**COVENANTS AND RESTRICTIONS AS TO USE OF THE**  
**MAINTENANCE AREA**

The Board shall have the following rights with respect to the use of the Maintenance Area:

- 8.01A Rules and Regulations The Board shall have the right to pass reasonable rules and regulations with respect to the use of the Maintenance Area including the right to admit non-resident Members.
- 8.02A Guest Usage The Board shall have the right to limit the number of guests of the Members and to establish rules and fees with respect to guest usage.
- 8.03A Admission & Fees The Board shall have the right to charge reasonable admission and other fees for the use of any portion of the Maintenance Area.
- 8.04A Suspension The Board shall have the right to suspend the use of the Maintenance Area by a Member for the period during which any assessment against his Unit/Lot remains unpaid and for a reasonable period for any infraction of its rules and regulations.

- 8.05A Assessments. The Board shall have the right to levy assessments with respect to the Maintenance Area as provided in this Master Declaration.
- 8.06A Improvements to the Maintenance Area. The Board shall have the right to change, improve or modify the Maintenance Area, or any portion thereof and shall have the right to mortgage, or otherwise encumber the Maintenance Area, or any portion thereof, to secure any indebtedness or obligation of the Association whether or not the proceeds of such mortgage or encumbrance shall be used for the improvement of the Maintenance Area.
- 8.07A Parking in the Maintenance Area. The Board shall have the right to set aside parking areas on certain portions of the Maintenance Area and to proscribe rules and regulations and user fees with regard to same.
- 8.08A Clubhouse and Pool. The Clubhouse shall not contain a stove or an oven. The Clubhouse may contain a refrigerator with attached freezer, a microwave and a kitchenette/dinette area. Moreover, the Board shall have the right to proscribe rules and regulations with respect to the use of the Clubhouse and Pool.

**ARTICLE 8B**  
**COVENANTS AND RESTRICTIONS**  
**AS TO USE AND OCCUPANCY OF THE PROPERTY**

The Units/Lots shall be occupied and used only as follows:

- 8.01B Residential Use. No part of the Property, except for the Maintenance Area, shall be used for purposes other than housing and related common purposes for which the Property was designed. Each dwelling shall be used as a residence for a single family and for no other purposes, subject to such reasonable rules and regulations as may be adopted by the Board.
- 8.02B No Temporary Buildings, Out Buildings, Campers, Trailers, Etc. No temporary house, campers, habitable motor vehicles, pet enclosures, batting cages, sheds, trailer, tent, stand, recreational appurtenances, shack, basement or other structure or building of a temporary character shall be constructed, placed, allowed to exist or used on any Unit/Lot at any time as a residence. No vehicles shall be repaired except inside a garage.



- 8.09B Weed Cutting And Unit/Lot Clean Up. The Owner of each Unit/Lot shall insure that the Unit/Lot shall at all times be kept in a clean and sightly condition. No trash, litter, junk, boxes, containers, bottles or cans shall be permitted to collect or remain exposed on any Unit/Lot except as is necessary during the period of construction. The Owner of each Unit/Lot shall be responsible for the cutting or removal of weeds each year on such Unit/Lot so as to conform with the requirements, ordinances and regulations of the Applicable governmental entity.
- 8.10B Swimming Pools, Therapy Pools, Hot Tubs And Spas. No exterior swimming pools, therapy pools, spas and/or hot tubs shall be permitted unless approved by the Architectural Review Committee and unless in compliance with all state and local ordinances. Exterior pool lighting shall be designed to produce a subdued, tranquil effect. Written approval by the Architectural Review Committee and a Permit, issued by the applicable governmental entity, shall be obtained by the Owner, prior to commencement of construction.
- 8.11B Basketball Hoops. Basketball hoops will be permitted subject to the rules and regulations of the Association.
- 8.12B Exterior Antennas And Satellite Dishes. Exterior antennas and/or satellite dishes will be permitted provided that they are attached to the rear of the dwelling, are not visible from the street, and further provided that they do not exceed 18 inches in diameter.
- 8.13B Animals. No animals of any kind shall be raised, bred or kept for any commercial purposes on any Unit/Lot, except that customary household pets may be kept subject to the rules and regulations of the association, provided they are not kept, bred or maintained for any commercial purposes. Any pet causing or creating a disturbance shall be permanently removed from the Property upon three (3) days' written notice from the Board.
- 8.14B Noxious Activities. No noxious or offensive activity shall be conducted on any Unit/Lot or in the Maintenance Area nor shall anything be done therein or thereon, either willfully or negligently, which may be or become an annoyance or a nuisance to other Owners or occupants.

- 8.15B Conduct of Business. No industry, business, trade, occupation or profession of any kind, commercial, religious, education or otherwise, designated for profit, altruism, exploration or otherwise, shall be conducted, maintained or permitted on any Unit/Lot; provided, however, that nothing herein shall preclude an Owner from (i) maintaining a personal professional library on his Unit/Lot (ii) keeping his personal business records or accounts on his Unit/Lot (iii) handling his personal business or professional calls or correspondence therefrom or iv) using his residence or a portion thereof for business meetings, entertainment, or the enjoyment or business of the Owners' employees, trustees, agents, clients, or customers, if such use does not create regular customers, client or employee traffic, unless approved in writing by the Board.
- ANYTHING TO THE CONTRARY NOTWITHSTANDING, NOTHING HEREIN CONTAINED SHALL BE CONSTRUED SO AS TO PREVENT AN OWNER IN THE BUSINESS OF THE DEVELOPMENT AND SALE OF HOMES FROM ERECTING A SINGLE FAMILY RESIDENTIAL BUILDING ON ANY UNIT/LOT OR UNITS/LOTS IN THE SUBDIVISION AND USING AND MAINTAINING, SUCH BUILDING AS A SALES OFFICE, MODEL HOME, BUSINESS OFFICE, STORAGE AREA, CONSTRUCTION OFFICE, FOR THE PURPOSE OF THE DEVELOPMENT AND SALE OF HOMES IN SAID SUBDIVISION.***
- The number and type of single family residential buildings to be erected on any Unit/Lot for the foregoing purposes shall be subject to approval of the Architectural Review Committee
- 8.16B Signs. No signs (including without limitation "For Sale" or "For Rent" signs), advertising or other displays shall be maintained or permitted on any part of the Property, except at such location and in such form as the Board may, in its sole discretion, approve. Notwithstanding the foregoing, the right is reserved by Developer or its agents to place and maintain on the Maintenance Area or any Unit/Lot it owns, as long as Developer is engaged in sales or leasing activities in connection with the Property, sales models, a sales or leasing office, advertising signs or banners and lighting in connection therewith, at such locations and in such forms as the Developer shall determine. Declarant hereby grants to Developer, its agents and prospective purchasers and lessees, the right of ingress and egress in and through the Maintenance Area and Access Area, for or incident to such sales or leasing purposes and, during construction by the Developer, the right of ingress and egress in and through the Maintenance Area in connection with such construction. The provisions of this paragraph shall inure to the benefit of any assignee of Developer.





location of the proposed Dwelling and all other Structures or Improvements;

- b. one sample of the brick, roof, stone, and other selections; and
- c. one site plan showing the placement and top of foundation of the proposed improvement on the Unit/Lot.

Further the Owner shall deliver a \$200.00 fee, payable to the Developer, to defray the costs of review and shall furnish the address to which notices from the A.R.C. should be delivered.

9.04 Variations and Departures Declarant hereby reserves the absolute unqualified right to enter into agreements with the Owner or Owners of any Unit/Lot or Units/Lots, without the consent of the Owner or Owners of any other Unit/Lot or Units/Lots, to depart from or vary any and all of the covenants set forth above, provided there are practical difficulties or other good and sufficient reasons evidenced by the Owner making the request; and any such departure or variation, which shall be manifested by an agreement in writing, shall not constitute a waiver of any such covenant as to the other Units/Lots in the Subdivision, provided that any such departure or variation shall not result in harm or diminution in value of the Subdivision as a whole.

9.05 Architectural Review Committee: The Architectural Review Committee shall consist of the Developer and the appointees, successors, or nominees of same, as well as certain independent architects, if any, to be appointed by the Developer. Said Committee may, at its discretion, provide and formulate its own rules and provide for its own succession including the following that shall apply only to the Single Family Parcel.

a. The Design Style of the Residence

The basic concept of The Preserve at Cardinal Creek provides that each individual home design conserve and enhance the natural beauty of each individual site, and the aesthetic harmony of the community as a whole. Modernistic or futuristic designs shall not be permitted.

- i. Appropriateness of Design Style: The Committee shall have the sole discretion to determine whether the proposed design will reflect the intended distinguished character of The Preserve at Cardinal Creek.

- ii. Authenticity of Design. Each home will be reviewed for the purpose of determining if the design is reasonably faithful to the intended style. Items to be considered will include plan layout, exterior elevations, detailing and use of color and materials.

b. The Siting of the Residence Upon the Homesite

The siting of a house is a critical and important design decision. The site plan concept developed for each homeowner should reflect functional needs, but also be sensitive to the site's unique characteristics and inherent design opportunities. The location of a home on a homesite will be affected by and should take into consideration the following factors:

Building Front Setback Lines

Existing Topographic Features

Existing Vegetation and Landscape Features

Existing Drainage

Conservation and Utility Easements

Proposed Design Style of the Home

Location of Adjacent Homes

Views from Adjacent Homes, Common Areas and Streets within The Preserve at Cardinal Creek

The Owner must use a surveyor or architect to plot the home and show other site conditions including but not limited to all trees of a diameter of three inches and larger.

c. Approved Landscaping Plan

All home site locations and construction shall be in accordance with the Applicable governmental entity approved landscaping plan.

- i. The basements will be excavated with backhoe equipment and excess material hauled off site.
- ii. The only allowable ingress and egress to the site will be at the proposed driveway locations.



h. Monotony

Each Dwelling (except in the case of the Condominium Parcel or the Townhome Parcel) shall be of a different design and appearance than that of another dwelling on the same street. The A.R.C. shall determine, in its sole discretion, whether a Dwelling is different within the meaning of this Section.

9.06 Construction Regulations: It shall be the responsibility of the parcel Owner to assure his/her/their/its Builder's compliance with all construction regulations whether building in the Single Family Parcel, the Townhome Parcel or the Condominium Parcel:

a. Roadway and Parking Restrictions

- i. Only rubber-tired vehicles are allowed on the roads; "tracked" equipment will not be permitted to run on the roads.
- ii. The driveways of homes under construction and any area available for parking are to be kept stoned for access by suppliers and parking for contractor's vehicles. All vehicles shall be parked within the homesite boundaries whenever possible.
- iii. If the homesite driveway is filled up, parking on one side of the road will be allowed.

b. Delivery and Storage of Materials

Supplies and equipment shall be unloaded in an orderly manner within the homesite boundaries, and whenever possible, located in the rear of the residence.

c. Site Maintenance

- i. The Owner shall be required to keep the entire site and adjacent streets clean at all times. The Owner is required to provide one or more dumpsters at the site, as the case may be. Failure to comply with this regulation may be provided by the developer and the cost deducted from the security deposit.

- ii. The burning of construction debris or of removed landscape material is prohibited.
- iii. Debris or materials which drift or are windblown onto the roadway or adjacent homesites shall be collected by the Builder and removed from the homesite.
- iv. All excess earth removed from excavations must be removed after backfilling has been completed.

d. Temporary Structures

Temporary structures, such as construction trailers are not permitted.

e. Owners' Obligations and Damage Escrow

In the event the Unit/Lot is not improved with a Dwelling at the time of purchase, then the Owner shall be responsible to repair any damage to subdivision improvements, including but not limited to streets, street lights, mailboxes, structures, curbs, gutters, b-boxes etc. located on or off the Owners' Unit/Lot and caused by the Owner or any of his subcontractors. The Owner shall also be responsible to install parkway trees and to install public sidewalks, on the Unit/Lot, according to the terms of this Master Declaration and according to the terms of the applicable governmental entity. The Owner shall also be responsible for their proportionate share of the street cleaning expense, for the entire subdivision, that is incurred during construction of their residence. The Developer shall deduct the Owners' proportionate share of the street cleaning expense, as incurred, from the damage escrow. At the initial closing of each Unit/Lot, the Owner shall be required to pay the sum of One Thousand Five Hundred (\$1,500.00) DOLLARS ("Damage Escrow"), per buildable Unit/Lot, to the Developer to secure Owners' obligations hereunder. In the event the Owner fails to repair any damage, caused by Owner or Owners' subcontractors, to the subdivision improvements, fails to install any parkway trees or public sidewalks, then the Developer may, at its option, but is in no way obligated to, repair, replace and/or install same and the cost thereof shall be subtracted from the Damage Escrow. The Damage Escrow, less deductions herein set forth, shall be released upon the later to occur of the completion of the single family



**ARTICLE 10**  
**RIGHTS RESERVED TO DEVELOPER**

- 10.01 Lease of Dwelling. Any lease agreement between an Owner and a Lessee shall be in writing and be for a period of not less than one year for a minimum of one year and shall provide that the terms of such lease are subject to, and such lessee shall comply with, the provisions of this Master Declaration and the Articles of Incorporation, By-laws and rules and regulations of the Association and that failure by the lessee to comply with the terms of such documents, rules and regulations shall be a default under said lease. Other than the foregoing, there is no restriction on the right of any Owner, including Declarant, to lease any Dwelling it owns.
- 10.02 Sales Activity. Declarant and Developer reserve those rights to market and sell the Property as set forth in Article 4 herein.
- 10.03 Right of First Refusal. Owner acknowledges purchasing the Vacant Unit/Lot with the intention of building a dwelling or dwellings thereon for Owner's use or for Owner's resale of the Dwelling to a Initial Purchaser of a Dwelling for their personal use as a residence. Owners' rights are subject to the following conditions:
- a. In the event the Owner of a Unit/Lot desires to sell an unimproved Unit/Lot, he/she/they/it must provide in the contract of sale that the contract is subject to the Declarant's right of first refusal and must within three (3) business days of Contract Execution notify Declarant in writing of the pending sale and include a copy of the Contract. Upon notice, Declarant must exercise its Right of First Refusal within sixty (60) days by giving written notice to the Owner of his intention to exercise his right of first refusal or to decline to exercise his right of first refusal. In the event that the Developer does not exercise its Right of First Refusal and the Initial Purchaser of a Dwelling fails to close on the sale of the Vacant Unit/Lot, the Right of First Refusal shall apply to any subsequent contract for the Vacant Unit/Lot;
  - b. In the event, either a building permit has not been issued and construction of the residence has not been commenced or completed as set forth hereinabove in Article 9 then at any time thereafter, without waiving any of its rights hereunder, Declarant may by giving written notice to the Owner exercise his right of first refusal,



- e. Upon receipt of Declarants' notice of its intent to exercise its Right of First Refusal, Owner shall, within 30 days, reconvey the property to Declarant at a price equal to the original purchase price of the Unit(s)/Lot(s), from Declarant to Owner. Owner shall convey to Declarant title at least equal to or better than the title conveyed by Declarant to Owner hereunder. Owner shall pay all costs of transfer including title fees, escrow fees, state, county, local fees, recording fees, and other fees. Real estate taxes shall be prorated as of the date of the reconveyance based on the latest available assessment multiplied by the latest available state equalized and the latest available local rate.
- d. In all cases Owner's written notice shall be sent via personal delivery only. Declarant's written notice shall be sent via personal delivery or pursuant to Article 12.

**ARTICLE 11**  
**RECAPTURE OF COSTS OF CONSTRUCTION**  
**OF THE MAINTENANCE AREAS**

- 11.01 Purpose of Recapture Fee. The Recapture Fee levied by the Developer shall be used for the purpose of improving, constructing and landscaping certain Public Improvements being Cardinal Creek Boulevard, the Park and the Bike Path and for the purpose of improving, constructing and landscaping the Maintenance Area including, but not limited to the entrance monument features, the clubhouse, the swimming pool, the detention ponds, the landscaped medians, the landscaped outlots and all other areas. The recoverable costs shall include but not be limited to the costs of construction, engineering costs, material cost, supplies and suppliers costs, equipment costs, labor costs, landscaping costs, surveying costs, bonding fees, legal fees and all other costs and expenses ("Improvement Costs").
- 11.02 Dedication or Conveyance of Public Improvements. Upon construction and dedication, by Developer, and acceptance of said improvements by the applicable governmental entity, the applicable governmental entity will be the Owner of Cardinal Creek Boulevard, the Park and the Bike Path, unless otherwise set forth herein in this Master Declaration.
- 11.03 Conveyance of Maintenance Area. Upon construction and conveyance, by Developer, the Association shall be the Owner of the Maintenance Area and the Association shall be responsible for maintenance of the Maintenance Area as set forth in this Master Declaration.

- 11.04 Benefit. The Improvements to the Maintenance Area and Cardinal Creek Boulevard, the Park and the Bike Path and shall be a valuable and substantial improvement and enhancement to the Property that will directly benefit the Initial Purchaser of a Dwelling.
- 11.05 Benefiting Owners. Developer shall be entitled to recapture the costs of construction of the Improvements to the Maintenance Area and the Improvements to Cardinal Creek Boulevard, the Park and the Bike Path from the benefiting Owners being the Initial Purchaser of a Dwelling.
- 11.06 Creation of the Lien and Personal Obligation for Payment. An Initial Purchaser of a Dwelling (excluding Declarant), by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, hereby covenants and agrees and shall be deemed to covenant and agree to pay to the Developer a one-time nonrefundable One Thousand Five Hundred and 00/100 (\$1,500.00) Dollar Recapture Fee.
- 11.07 Other Security. A Secondary Developer or a Purchaser of a Vacant Unit/Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, hereby covenants and agrees and shall be deemed to covenant and agree to guaranty an Initial Purchaser of a Dwelling's obligation to pay a Recapture Fee for any Initial Purchaser of a Dwelling who purchases a Unit/Lot from said Secondary Developer or said Purchaser of a Vacant Unit/Lot ("Guaranty"). In addition to the foregoing covenant and guaranty, Developer may, at its sole option, require a Secondary Developer, or a Purchaser of a Vacant Unit/Lot, to execute certain documentation, including but not limited to a Continuing Personal Guaranty and/or a Second Mortgage, securing the Secondary Developer or the Purchaser of a Vacant Unit/Lot covenant and guaranty set forth herein.
- 11.08 One Time Fee. The Recapture Fee shall be a one time fee due and payable at the time of purchase of a Unit/Lot in the Cardinal Creek Subdivision by an Initial Purchaser of a Dwelling.
- 11.09 Continuing Personal Obligation. Said Recapture Fee shall be the Continuing Personal Obligation of the Person who was the Owner of such Unit/Lot at the time when such Recapture Fee fell due.

11.10 Collection of Recapture Fee. If an Owner or a Bulk Owner is in default in the payment of the Recapture Fee for more than thirty (30) days, the Developer may bring suit for and on behalf of itself, to enforce collection thereof or to foreclose the lien therefor as hereinafter provided; and there shall be added to the amount due the costs of said suit, and other fees and expenses together with legal interest and reasonable attorneys' fees to be fixed by the court. To the extent permitted by any decision or any statute or law now or hereinafter effective, the amount of any delinquent and unpaid Recapture Fee, interest, cost and fees as above provided, shall be and become a lien or charge against the Unit/Lot and shall be and become a lien or charge against the Owner or Bulk Owner involved when due and payable and may be foreclosed by an action brought in the name of the Developer as in the case of foreclosure of liens against real estate. Such lien shall take effect and be in force when and as provided in the Illinois Foreclosure Act, provided, however, that encumbrances owned or held by any bank, insurance company, savings and loan association, or other lender shall be subject as to priority after written notice to said encumbrancer of the unpaid Recapture Fee only to the lien of the Recapture Fee on the encumbered Units/Lots which become due and payable subsequent to the date the encumbrancer either takes possession of the Unit/Lot, accepts a conveyance of any interest in the Unit/Lot or has a receiver appointed in a suit to foreclose its lien. In addition to the foregoing, the Developer or its agents shall have such other rights and remedies to enforce such collection as shall otherwise be provided or permitted by law from time to time. Without limiting the generality of the foregoing, if any Owner or Bulk Owner shall fail to pay the proportionate share of the Recapture Fee or of any other expenses required to be paid hereunder upon due, such rights and remedies shall include: (i) the right to enforce the collection of such defaulting Owner's or Bulk Owner's share of such expenses (whether due by acceleration or otherwise), together with interest thereof, at the maximum rate permitted by law, and all fees and costs (including attorneys' fees and court costs) incurred in the collection thereof; and (ii) the right to take possession of such defaulting Owner's or Bulk Owner's interest in the Property, to maintain for the benefit of Developer an action for possession in the manner prescribed in the act in regard to Forcible Entry and Detainer, approved February 16, 1874, as amended.

11.11 Interest. In the event the Recapture Fee is not timely paid, said Recapture Fee shall accrue interest at the rate of eighteen per cent (18%) per annum.

- 11.12 No Waiver of Liability. No Owner may waive or otherwise escape liability for the Recapture Fee provided for herein by any act or omission including without limitation non-use of the services provided by the Developer or abandonment of their Unit/Lot.

## ARTICLE 12 GENERAL PROVISIONS

- 12.01 Management and other Contracts. The Developer hereby reserves the right, from time to time, for and on behalf of the Association, to engage a manager for the Association and its property during all or any portion of the period Developer has the right to appoint directors to the Board. Thereafter, the Board may engage the services of an agent to manage the Property to the extent deemed advisable by the Board. Any management agreement shall be terminable by either party for cause upon thirty (30) days written notice, and the term of any such agreement may not exceed one year, renewable by agreement of the parties for successive one-year periods. Any other contract providing for services by the Developer must provide for termination on ninety (90) days written notice and be for a maximum contract term of three years.
- 12.02 Enforcement. The Board of Directors of the Association shall have standing and capacity to act in a representative capacity on behalf of the Owners. In furtherance of the foregoing, and in addition to all other rights herein granted to the Association, the Board of Directors of the Association may enforce the provisions of this Master Declaration and the Articles of Incorporation, By-laws and rules and regulations of the Association by any proceeding at law or in equity against any person or persons violating or attempting to violate any such provisions. All rights and remedies may be exercised at any time and from time to time, cumulatively, or otherwise, and failure of the Association to enforce any such provisions shall in no way be deemed a waiver of the right to do so thereafter. All expenses incurred by the Association in connection with any such proceedings, including court costs and attorneys' fees, together with interest thereon at 18% per annum, shall be charged to and assessed against any Owner violating any such provisions and shall be added to and deemed a part of his assessment and constitute a lien on his Unit/Lot and be enforceable as provided in Article 6.
- 12.03 Severability. If any term, restriction or covenant of this instrument is deemed illegal or unenforceable, all other terms, restrictions or covenants and the application thereof shall remain unaffected to the extent permitted by law.

- 12.04 Title in Land Trust. In the event title to any Unit/Lot is conveyed to a title-holding trust, under the terms of which all powers of management, operation and control of the Unit/Lot remain vested in the trust beneficiary or beneficiaries, then the beneficiary or 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 Master Declaration against such Unit/Lot. 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 lien upon the Unit/Lot and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Unit/Lot.
- 12.05 Amendment, Change, Modification, or Rescission. No provision of this Master Declaration affecting or creating any of the rights, options, privileges or duties of the Declarant or Developer may be amended, changed, modified or rescinded in any way without the prior written consent of the Trustee and Developer. The provisions of this Paragraph 12.05 may only be amended, changed, modified, or rescinded by an instrument in writing setting forth such amendment, change, modification or rescission and signed, acknowledged and approved by the Board, the Developer and all of the Owners and all mortgagees having bona fide liens of record against any of the Unit/Lot Ownerships. Except for amendments to this Paragraph 12.05, and except as elsewhere provided in this Master Declaration, the provisions of this Master Declaration may only be amended, changed, modified or rescinded by an instrument in writing setting forth such amendment, change, modification or rescission and signed and acknowledged by the Developer, the Board and approved by the Owners having at least seventy-five percent (75%) of the total vote at a meeting called for that purpose and approved by any mortgagees required hereunder and containing an affidavit by an officer of the Board certifying that a copy of such instrument (without such affidavit) has been mailed by certified mail to all mortgagees having bona fide liens of record against any Unit/Lot not less than ten (10) days prior to the date of such affidavit. Each instrument of amendment, change, modification or rescission, made in accordance with this Master Declaration, shall be effective upon the recording of such instrument in the office of the Will County, Illinois Recorder

12.06 Special Amendment. Notwithstanding any other provision of this Master Declaration, the Declarant and the Developer and each of them singly reserves and shall have the right at any time and from time to time to record a Special Amendment to this Master Declaration to (i) conform this Master Declaration with the requirements of any applicable local ordinance or the requirements of any institutional lender issuing a commitment to the Declarant, to the Developer or to a Purchaser or (ii) correct clerical or typographical errors in this Master Declaration, or (iii) complete the data on the plat after improvements constructed at any time on the Parcel are completed by the Developer or (iv) modify or amend this Master Declaration so long as such modifications and amendments shall not materially impair the rights of Owners. In furtherance of the foregoing, each Owner and each holder of mortgage, trust deed, or lien affecting any Unit/Lot and each person having any other interest in the Property hereby grants to the Declarant and Developer and each of them (and the Declarant hereby reserves for each of them) an irrevocable power of attorney coupled with an interest on behalf of each Owner and each such holder or person to make, sign and record on behalf of each Owner and each such holder and person any amendment described in this Paragraph 12.06. Each deed, mortgage, trust deed, other evidence of obligation or other instrument affecting a Unit/Lot or the property and the acceptance of any such instrument shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the aforescribed power of attorney to the Declarant, Developer, and each of them, to make, sign and record on behalf of each of the Owners, holders and persons described in this Paragraph any amendment described in this Paragraph. No amendment shall be effective until recorded in the Office of the Recorder of Deeds of Will County, Illinois.

12.07 Notices. Any notice required or desired to be given under the provisions of this Master Declaration to any Owner shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, directed to the person who appears as the Owner at his last known address, as shown in the records of the Association at the time of such mailing.



MGM CONSTRUCTION, INC.  
An Illinois Corporation

BY: [Signature]  
President

ATTEST:

[Signature]  
Secretary

STATE OF ILLINOIS )  
                                  ) ss.  
COUNTY OF COOK )

I, the undersigned, a Notary Public in and for the County and State aforesaid Do  
Hereby  
Certify that John J. Mayher, President and Secretary of MGM Construction, Inc.,  
personally known to me to be the same person whose name is subscribed to the foregoing  
instrument as such Officer, appeared before me this day in person and acknowledged that  
he signed, sealed and delivered said instrument as his free and voluntary act, and as the  
free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 22 day of June  
2005

[Signature]  
Notary Public

My Commission Expires:

10-28-05





CONSENT TO DECLARATION

J. Plano Preserve Developers, I.L.C, Owner/Purchaser, pursuant to the terms of that certain Contract dated July 31, 2003 of the real property known as Lots 48-122, inclusive in the Preserve at Cardinal Creek - Unit 2 hereby consent to the execution and recording of the Master Declaration of Covenants, Conditions, Easements and Restrictions for the Preserve at Cardinal Creek Subdivision in Beecher, Illinois and agrees that said property is subject to the provisions of said Declaration.

J PLANO PRESERVE DEVELOPERS, LLC

Its Duly Authorized Member/Manager

STATE OF ILLINOIS)

) ss.

COUNTY OF COOK )

I, the undersigned, a Notary Public in and for the County and State aforesaid Do Hereby Certify that Jack Plano, of J PLANO PRESERVE DEVELOPERS, LLC and personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Officer appeared before me this day in person and acknowledged that he signed, sealed and delivered said instrument as his free and voluntary act, and as the free and voluntary act of said Limited Liability Company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 5 day of January, 2005.

Notary Public

My Commission Expires:

3/28/06





EXHIBIT A

**THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 1**

LOTS 1 – 47, INCLUSIVE, AND OUTLOTS F, G, H, I, CC, DD, EE, FF, GG, HH AND II IN THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 1, BEING A RESUBDIVISION OF LOT 1 IN CARDINAL CREEK GOLF COURSE SUBDIVISION, BEING A SUBDIVISION OF THE WEST THREE-FOURTHS OF THE SOUTH HALF OF SECTION 15, THE WEST HALF OF SECTION 15 AND PART OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 33 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, THE PLAT OF WHICH WAS RECORDED DECEMBER 21, 2004 AS DOCUMENT R2004-228642, ACCORDING TO THE PLAT OF THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 1, RECORDED MAY 16, 2005 AS DOCUMENT R2005-080646, IN WILL COUNTY, ILLINOIS

**THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 2**

LOTS 48-122, INCLUSIVE, AND OUTLOTS A, J, K, L, M, N, JJ, KK, LL AND MM IN THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 2, BEING A RESUBDIVISION OF LOT 2 IN CARDINAL CREEK GOLF COURSE SUBDIVISION, BEING A SUBDIVISION OF THE WEST THREE-FOURTHS OF THE SOUTH HALF OF SECTION 15, THE WEST HALF OF SECTION 15 AND PART OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 33 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, THE PLAT OF WHICH WAS RECORDED DECEMBER 21, 2004 AS DOCUMENT R2004-228642, ACCORDING TO THE PLAT OF THE PRESERVE AT CARDINAL CREEK SUBDIVISION- UNIT 2, RECORDED DECEMBER 21, 2004 AS DOCUMENT R2004-228643, IN WILL COUNTY, ILLINOIS

**THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 3**

LOTS 123-162, INCLUSIVE, AND OUTLOTS B, O, P, Q, R, S, NN, OO, PP, QQ, RR AND SS IN THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 3, BEING A RESUBDIVISION OF LOT 3 IN CARDINAL CREEK GOLF COURSE SUBDIVISION, BEING A SUBDIVISION OF THE WEST THREE-FOURTHS OF THE SOUTH HALF OF SECTION 15, THE WEST HALF OF SECTION 15 AND PART OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 33 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, THE PLAT OF WHICH WAS RECORDED DECEMBER 21, 2004 AS DOCUMENT R2004-228642, ACCORDING TO THE PLAT OF THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 3, RECORDED MAY 16, 2005 AS DOCUMENT R2005-080647, IN WILL COUNTY, ILLINOIS.

**THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 4**

LOTS 163-253, INCLUSIVE, AND OUTLOTS C, T, U, V, X, Y, VV, WW, XX AND YY IN THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 4, BEING A RESUBDIVISION OF LOT 4 IN CARDINAL CREEK GOLF COURSE SUBDIVISION, BEING A SUBDIVISION OF THE WEST THREE-FOURTHS OF THE SOUTH HALF OF SECTION 15, THE WEST HALF OF SECTION 15 AND PART OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 33 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, THE PLAT OF WHICH WAS RECORDED DECEMBER 21, 2004 AS DOCUMENT R2004-228642, ACCORDING TO THE PLAT OF THE PRESERVE AT CARDINAL CREEK SUBDIVISION UNIT 4, RECORDED MAY 16, 2005 AS DOCUMENT R2005-080648, IN WILL COUNTY, ILLINOIS.

**THE PRESERVE AT CARDINAL CREEK SUBDIVISION – UNIT 5**

LOTS 254-340, INCLUSIVE AND OUTLOTS D, W, Z, AA, TT, UU AND ZZ IN THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 5, BEING A RESUBDIVISION OF LOT 5 IN CARDINAL CREEK GOLF COURSE SUBDIVISION, BEING A SUBDIVISION OF THE WEST THREE-FOURTHS OF THE SOUTH HALF OF SECTION 15, THE WEST HALF OF SECTION 15 AND PART OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 33 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, THE PLAT OF WHICH WAS RECORDED DECEMBER 21, 2004 AS DOCUMENT R2004-228642, ACCORDING TO THE PLAT OF THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 5, RECORDED DECEMBER 21, 2004 AS DOCUMENT R2004-228644, IN WILL COUNTY, ILLINOIS.

**THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 6**

LOTS 341-382, INCLUSIVE, AND OUTLOTS E, BB, AAA AND BBB IN THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 6, BEING A RESUBDIVISION OF LOT 6 IN CARDINAL CREEK GOLF COURSE SUBDIVISION, BEING A SUBDIVISION OF THE WEST THREE-FOURTHS OF THE SOUTH HALF OF SECTION 15, THE WEST HALF OF SECTION 15 AND PART OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 33 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, THE PLAT OF WHICH WAS RECORDED DECEMBER 21, 2004 AS DOCUMENT R2004-228642, ACCORDING TO THE PLAT OF CARDINAL CREEK SUBDIVISION - UNIT 6 RECORDED DECEMBER 21, 2004 AS DOCUMENT R2004-228645, IN WILL COUNTY, ILLINOIS.



EXHIBIT B  
ADDITIONAL PROPERTY

LOTS 385 AND 386, INCLUSIVE, IN THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 1, BEING A RESUBDIVISION OF LOT 7 IN CARDINAL CREEK GOLF COURSE SUBDIVISION, BEING A SUBDIVISION OF THE WEST THREE-FOURTHS OF THE SOUTH HALF OF SECTION 15, THE WEST HALF OF SECTION 15 AND PART OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 33 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, THE PLAT OF WHICH WAS RECORDED DECEMBER 21, 2004 AS DOCUMENT R2004-228642, ACCORDING TO THE PLAT OF THE PRESERVE AT CARDINAL CREEK SUBDIVISION - UNIT 1, RECORDED MAY 16, 2005 AS DOCUMENT R2005-080646, IN WILL COUNTY, ILLINOIS.

EXHIBIT C

BY-LAWS OF

THE PRESERVE AT CARDINAL CREEK MAINTENANCE ASSOCIATION  
AN ILLINOIS NOT-FOR-PROFIT CORPORATION

ARTICLE I  
NAME OF CORPORATION

The name of this corporation is The Preserve at Cardinal Creek Maintenance Association (the "Association").

ARTICLE 2  
DEFINITIONS

All terms used herein shall have the meanings set forth in the Master Declaration including, without limitation

- 2.01 A.R.C. Architectural Review Committee
- 2.02 Access Area. The unenclosed sidewalks from time to time or at any time located or constructed upon the Units/Lots and utilized for ingress, egress and access to, from and through the Property.
- 2.03 Additional Property. The real estate legally described on Exhibit B attached hereto.
- 2.04 Association. The Preserve at Cardinal Creek Maintenance Association, an Illinois not-for-profit corporation, its successors and assigns.
- 2.05 Bike Path. That portion of the Property that is designated in the Development Agreement as a Bike Path, shall be maintained by the applicable governmental entity, and if required dedicated and/or conveyed to the applicable governmental entity. In the event the applicable governmental entity determines that it will not maintain or that it will not retain ownership of the Bike Path, then in such event maintenance and/or conveyance, as the case may be, shall be assumed and become the obligation of the Association.
- 2.06 Board. The Board of Directors of the Association.
- 2.07 Common Interest Property. Real Estate with respect to which, any person, by virtue of his or her ownership, of a partial interest, or Unit/Lot, in the property, is obligated to pay for maintenance, improvement, insurance premiums, or real estate taxes, of other real

- estate, described in a declaration, that is administered by an association.
- 2.08 Condominium Parcel. Condominium Parcel shall have the meaning set forth in paragraph G of the Recitals
- 2.09 Condominium Declaration. Any declaration of condominium ownership and of easements, restrictions, covenants and by-laws which submits any portion of the Condominium Parcel or the Townhome Parcel to the provisions of the Illinois Condominium Property Act.
- 2.10 Declarant. MGM Construction, Inc., an Illinois Corporation, its successors and assigns. Declarant may assign a partial interest or its entire interest as Declarant to any Person so long as such assignment is in writing and is signed by MGM Construction, Inc. Other than the foregoing no-one and nothing herein shall be construed as a successor to or an assignee of the Declarant.
- 2.11 Developer. MGM Construction, Inc., an Illinois Corporation, its successors and assigns. Developer may assign a partial interest or its entire interest as Developer to any Person so long as such assignment is in writing and is signed by MGM Construction, Inc. Other than the foregoing no-one and nothing herein shall be construed as a successor to or an assignee of the Developer.
- 2.12 Dwelling. A Dwelling shall mean and refer to an improved Unit/Lot single-family residence, single-family townhome residence, or single-family condominium residence, designed and constructed for the use and occupancy by a single-family.
- 2.13 First Mortgagee. A bona fide lender holding a validly recorded mortgage or trust deed on a Unit/Lot or the Maintenance Area which mortgage or trust deed was recorded prior in time to all other mortgages or trust deeds against said Unit/Lot or Maintenance Area.
- 2.14 Improvements. Improvements shall mean and include any and all Maintenance Area improvements including but not limited to installation and construction of any and all entrance monument features, clubhouse, swimming pool, aerators, sprinkling systems, lighting facilities, landscaping, island medians, planters, trees, flowers, bushes, shrubs, and such other amenities installed by the Developer from time to time in the Maintenance Area. Improvements shall also mean and include certain Public Improvements including installation and construction of Cardinal Creek Boulevard, Park, and Bike Path.

- 2.15 Initial Purchaser of a Dwelling. The first grantee under a Deed to a Dwelling. In the event that the first grantee is an Illinois land trust, the term Initial Purchaser of a Dwelling shall jointly and severally include the beneficiary of such land trust.
- 2.16 Maintenance Area. That portion of the Property, and such portions of the additional property as may be annexed in the manner hereinafter provided, designated herein, designated on the Plat(s), if any, designated on the Plat of Subdivision, if any, designated on the Plats of Resubdivision and/or designated in the Development Agreement, if any, including but not limited to the following if applicable: (i) entrance monuments and/or features; (ii) aerator and non-aerator ponds (located in the detention/retention areas); (iii) detention/retention areas (including aerator and non-aerator ponds); (iv) storm water management facilities; (v) wetlands, (vi) swales, culverts, inlets, drainage pipes, appurtenant drainage lines and ditches; (vii) landscaping, landscaped berms, landscaped buffers and/or landscaped medians located anywhere on the Property; (viii) parkway trees located along the Cardinal Creek Boulevard; (ix) clubhouse, pool and playground; (x) Outlots and other areas that shall not be retained by the Developer or the Declarant and/or conveyed or dedicated to the applicable governmental entity, and (xi) all improvements and facilities at any time located on the Maintenance Area herein described
- 2.17 Master Declaration. Master Declaration shall mean and refer to this document, including all its exhibits, as amended.
- 2.18 Member. Every Owner of a Unit/Lot.
- 2.19 Owner. The record owner, whether one or more persons, individuals or entities, of a fee-simple ownership title to any Unit/Lot, including contract purchasers having such interest merely as security for the performance of any obligations.
- 2.20 Outlot. Any plot of land shown upon the Plat of Subdivision, the Plat or Plats of Re-subdivision and/or defined in Exhibit D attached hereto and by this reference incorporated herein that is designated as a separate Outlot thereon and which may not be improved with a Dwelling. Outlot H shall be conveyed to the applicable governmental entity. All other Outlots shall be conveyed to the Association, unless, in the case of the Parks, the applicable governmental entity agrees to accept title and/or agrees to be responsible to maintain same.

- 2.21 Parks. That portion of the Property that is designated in the Development Agreement, designated in the Ordinance amending the Subdivision Code, designated in any Plat of Subdivision or designated in any Plat of Re-Subdivision as a Park, shall be dedicated, conveyed and/or maintained by the applicable governmental entity Park District. In the event the applicable governmental entity Park District determines that it will not accept or retain ownership and/or be responsible to maintain the Park or Parks, then in such event the Park or Parks shall be conveyed to and maintained by the Association and the aforesaid Park or Parks shall be assumed by and become the obligation of the Association.
- 2.22 Parkway Trees. The Owner shall maintain the Parkway Trees located in front of their house, whether or not located in a Right of Way except for those Parkway Trees located along the Cardinal Creek Boulevard, which shall be the responsibility of the Association to maintain.
- 2.23 Plat. Any Plat of Subdivision, Plat of Re-subdivision, Plat of Condominium, Plat of Townhome or any Plat dividing, subdividing, re-subdividing, legally describing and delineating the Property or any portion thereof in the Preserve at Cardinal Creek, which may or may not be recorded in the Office of the Recorder of Deeds of Will County, Illinois.
- 2.24 Property. The real estate described in Exhibit "A", attached hereto.
- 2.25 Purchaser of a Vacant Unit/Lot. The grantee under a Deed to a Unit/Lot or multiple Unit/Lots (and said grantee does not qualify as a Secondary Developer) of a Single Family Parcel, a Condominium Parcel or a Townhome Parcel that does not contain a Dwelling. In the event that a grantee is an Illinois land trust, the term Purchaser of a Vacant Unit/Lot shall jointly and severally include the beneficiary of such land trust.
- 2.26 Recapture Fee. A One Thousand Five Hundred and 00/100 (\$1,500.00) Dollar fee payable to the Developer at the time of purchase by each Initial Purchaser of a Dwelling as set forth in Article II herein.
- 2.27 Secondary Association. Secondary Association shall mean an Illinois not-for-profit corporation formed as a homeowner's common interest community pursuant to a Condominium Declaration or a Townhome Declaration affecting any part of the Property.

- 2.28 Secondary Developer. The grantee under a Deed to the **entire portion of a phased** Single Family Parcel, Condominium Parcel or Townhome Parcel. In no event shall a Secondary Developer be considered a successor or assign of the Declarant or the Developer unless they obtain an assignment, in writing, signed by MGM Construction, Inc. all as set forth in section 1.10 and 1.11 hereinabove. In the event that a grantee is an Illinois land trust, the term Secondary Developer shall jointly and severally include the beneficiary of such land trust.
- 2.29 Single Family Parcel. Single Family Parcel shall have the meaning set forth in paragraph G of the Recitals.
- 2.30 Storm Water Detention Facilities. The Storm Water Detention Facilities shall mean the storm water detention facilities located anywhere on the Property.
- 2.31 Structure. Structure shall mean anything other than a building erected or constructed on a Unit/Lot, the use of which requires more or less permanent location on or in the ground. Decks, gazebos, patios, ornamental masonry walls and fences shall be construed to be structures.
- 2.32 Townhome Declaration. Any declaration that may be recorded against the Townhome Parcel (or portion thereof) for purposes of submitting the Lots within the Townhome Parcel to the terms of said Declaration.
- 2.33 Townhome Parcel. Townhome Parcel shall have the meaning set forth in paragraph G of the Recitals.
- 2.34 Unit/Lot. Any plot of land shown upon the Plat of Subdivision of the Preserve at Cardinal Creek Subdivision Units 1, 2, 3, 4, 5 and 6, and/or shown upon any Plat of Townhome or Condominium Survey which is designated as a separate Unit or Lot thereon and which may be improved with a Dwelling.

ARTICLE 3  
PURPOSES AND POWERS

- 3.01 Purposes: The purposes of this Association are to perform all the obligations of the Association as set forth in the Master Declaration, including without limitation, owning, maintaining and administering the Maintenance Area and the facilities and improvements thereon; to promote the health, safety and welfare, and the Common use and enjoyment thereof by its Members; and to exercise all the rights and powers granted the Association in the Master Declaration, all on a not-for-profit basis, subject to and in accordance with the terms and provisions of the Master Declaration.
- 3.02 Powers: The Association shall have and exercise all powers as are now or may hereafter be granted by the General Not-For Profit Corporation Act of the State of Illinois, the Master Declaration and these By-Laws.

ARTICLE 4  
OFFICES

- 4.01 Registered Offices: The Association shall have and continuously maintain in the State of Illinois a registered office and registered agent whose office shall be identical with such registered office, and may have other offices within or without the State of Illinois as the Board of Directors may from time to time determine.
- 4.02 Principal Office: After the turnover Date (as defined herein), as hereinafter defined, the principal office of the Association shall be maintained as determined from time to time by the Board. Prior to the Turnover Date the location of the principal office shall be determined from time to time by Developer.

ARTICLE 5  
MEMBERSHIP AND VOTING RIGHTS

- 5.01 Membership: Every Owner of a Unit/Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Unit/Lot. Ownership of a Unit/Lot shall be the sole qualification for membership.

5.02 Voting Rights: The Association shall have one class of membership and each Member shall have one vote for each Unit/Lot such member owns, provided that in no event more than one (1) vote be cast with respect to any Unit/Lot. The person entitled to vote with respect to each Unit/Lot is hereinafter referred to as the Voting Member. If more than one person is the record owner of any Unit/Lot, or if an Owner is a trustee, corporation, partnership or other legal entity, the vote for such Unit/Lot shall be exercised as such Owner or Owners of that Unit/Lot shall designate in writing to the Board, except that Developer shall designate who shall exercise the voting rights with respect to Units/Lots owned by Declarant. Such designation shall be revocable at any time by actual notice to the Board of the death or judicially declared incompetence of any Owner of that Unit/Lot or by written notice of revocation to the Board by any such Owner. In the absence of such written designation, the vote for any Unit/Lot may be exercised at any meeting of Members as the Owner or Owners of that Unit/Lot present at such meeting shall agree; provided, however, if all Owners of a Unit/Lot cannot agree as to how their vote shall be exercised, no vote shall be cast with respect to that Unit/Lot. In the event that a Unit/Lot is owned by more than one person and no designation is given, then the Board in its discretion may recognize one of those persons as the Voting Member for such Unit/Lot.

- 5.03 Annual Meetings: The initial meeting of Members shall be held upon no less than thirty (30) days' written notice given by the Developer, the President of the Association or any three (3) Members after the first to occur of any of the following (the "Turnover Date"):
- a. The expiration of ninety (90) days after the sale and transfer of title by Declarant of one hundred percent (100%) of the total Units/Lots.
  - c. Ten (10) years after the recording of this Master Declaration;
  - d. Developer, by written notice to the Association, voluntarily elects to release its right to appoint all Members of the Board of Directors.

Therefore there shall be an annual meeting of the Members of the same day of the same month of each succeeding year, at 7:30 p.m. or at such other reasonable time or date as may be designated by written notice of the Board delivered to the Members.

- 5.04 Special Meetings: Special meetings of the Members may be called at any time by the President of the Association, by the Board of





ARTICLE 6  
BOARD OF DIRECTORS

- 6.01 In General: The affairs of the Association shall be managed by the Board which, except as provided in Section 6.02 hereof, shall consist of not less than three (3) persons. The initial Board of Directors elected at the initial meeting shall serve for a period of no less than six months and no more than one year. Thereafter, the Board of Directors shall serve for a period of one year. Except as provided elsewhere in the Master Declaration or in these By-Laws, all directors elected by the Members shall be Owners.
- 6.02 Appointment of Directors by Developer: Anything herein to the contrary notwithstanding, as provided in the Master Declaration, until the initial meeting of Members has been held following the Turnover Date, the Board shall consist of, and vacancies on the Board shall be filled by, such persons, not less than three (3), as Developer shall from time to time, appoint. Prior to the Turnover Date, Developer may, from time to time, by written notice to the Association, elect to relinquish its right to appoint any one or more directors, and continue to exercise its right to appoint the remaining directors.
- 6.03 Election of Directors: At the initial meeting of Members after the Turnover Date the Voting Members shall elect the number of directors then in effect. In all elections for directors each Voting Member shall be entitled to vote on a cumulative basis.
- 6.04 Annual Meetings: The Board shall hold an annual meeting of the Board within ten (10) days after each annual meeting of the Members, at such time and place as shall be fixed by the directors at the annual meeting of Members and no further notice to the directors of their annual meeting shall be necessary.
- 6.05 Regular Meetings: In addition to its annual meeting, regular meetings of the Board shall be held at such time and place as a majority of the Board shall by resolution determine, provided that there shall be not less than one regular meeting each calendar quarter. Notice of such regular meetings of the Board shall be given to each director personally, by mail or by telephone at least five (5) days prior to the meeting.

- 6.06 Special Meetings: Special meetings of the Board may be called by the President or a majority of the directors. The person or persons authorized to call such special meetings of the Board may fix the place, located reasonably and geographically near to the property, for holding any special meeting of the Board called by them.
- 6.07 Notice of Special Meetings: Notice of any special meeting of the Board shall be given at least three (3) days prior to any such meeting, by personal delivery or by telephone or by written notice delivered personally or by facsimile or by mail to each director at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid.
- 6.08 Waiver of Notice; Contents of Notice: Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice of such meeting, unless specifically required by law or by these By-Laws.
- 6.09 Informal Action: Any action required to or which may be taken at a meeting of the Board, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all directors entitled to vote with respect to the subject matter thereof. Any such signed consent shall have the same effect as a unanimous vote of the directors.
- 6.10 Quorum: A majority of the directors serving from time to time on the Board shall constitute a quorum for the election of officers and for the transaction of business at any meeting of the Board, provided that if less than a quorum is present a majority of the directors present may adjourn the meeting from time to time without further notice.
- 6.11 Manner of Acting: Except as otherwise expressly provided by law or by the Master Declaration of these By- Laws, any action of the directors may be taken upon the affirmative vote of a majority of the directors at which a quorum is present.

- 6.12 Compensation; Reimbursement for Expenses: Directors shall receive no compensation for their services but shall be reimbursed for reasonable out-of-pocket expenses incurred in the course of the performance of his duties upon presentation of receipts or other appropriate evidence of such expense.
- 6.13 Removal or Resignation of Directors: Any director elected by the Members may be removed from office, with or without cause, by the affirmative vote of at least two-thirds (2/3) of the Voting Members at any annual meeting or at a special meeting called for such purpose. Any director may resign at any time by submitting his written resignation to the Board. If a director elected by the Members ceases to be a Member of the Association, he shall be deemed to have resigned as of the date of his membership ceased. A successor to fill the unexpired term of a director elected by the Members who resigns or is removed may be elected by the Voting Members at any annual meeting or at any special meeting called for such purpose and any successor so elected shall serve the balance of his predecessor's term.

ARTICLE 7  
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

- 7.01 The Board shall maintain and administer the Maintenance Area as provided in the Master Declaration, and have all the powers and duties granted and imposed upon it by the Illinois general Not-For-Profit Corporation Act, the Master Declaration and these By-Laws, including, without limiting the foregoing, the following:
- a. By vote of a majority of the Board, and without approval of any of the Voting Members except as hereinafter set forth, to adopt and publish reasonable rules and regulations governing the use, operation and maintenance of the Property, including the Maintenance Area, and as otherwise authorized by the Master Declaration, and to amend or modify any existing rules and regulations. Written notice of such rules and regulations and of any amendments or modifications thereof shall be given to all Owners. If, within thirty (30) days from the date of such written notice to the Owners of the adoption of any such rule and regulation, or any such rule and regulation, or any amendment or modification thereof, the Voting Members having at least one-fourth (1/4) of the total votes shall file with the Board a written objection thereto then such rule and regulation shall be deemed rescinded until approved by the Voting Members having at least two-thirds (2/3) of the total votes, provided, however, that the provisions of this sentence shall not apply, and no consent of any Voting Members shall be required with respect to any rules or

regulations, or any amendments or modifications thereof adopted by the Board prior to the Turnover Date.

- b. To cause the annual budget to be prepared, each owner to be notified of the annual and any special assessments against his Unit/Lot and to collect the same all in accordance with and as more fully set forth in the Master Declaration.
- c. To formulate policies for the administration, management, maintenance, improvement and operation of the Property, including the Maintenance Area
- e. To provide for the designation, hiring and removal of employees and other personnel, including lawyers, engineers, architects and accountants, and to engage or contract for services to the Property, including the Maintenance Area.
- f. To procure and maintain such fire and extended coverage, public liability, workmen's compensation, fidelity, directors' and officers' liability and other insurance in such amounts and insuring against such risks as the Board deems desirable.
- g. Subject to the provisions of the Master Declaration, to engage the services of a professional manager for the Association and the Property, and such other personnel and services, including accountants and attorneys, as the Board may, in its discretion, deem appropriate.
- h. To provide for the maintenance, repair, replacements, improvements and additions of and to the Maintenance Area and the facilities and improvements thereon, and to the extent set forth in the Master Declaration.
- i. To pay all taxes and other costs and expenses incident to the ownership of the Maintenance Area and all facilities and improvements thereon.
- j. To cause all officers or employees having fiscal responsibility to be bonded, as it may deem appropriate.
- k. To cause to be executed and delivered, in the name and on behalf of the Association, such agreements in favor of mortgagees of Units/Lots or others as may be required to qualify said mortgages in accordance with the requirements of Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Department of

Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration, or any other governmental agency or public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such organizations, or any institutional lender issuing a commitment to make first mortgage loans covering twenty percent (20%) or more of the Units/Lots located on the Property.

- 1 To exercise all other rights, powers, duties and authority vested in or delegated to the Board or the Association by the Illinois Not-For-Profit Corporation Act, the Master Declaration, or these By-Laws, not expressly reserved to the Members.

## ARTICLE 8 OFFICERS

- 8.01 Officers: The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as the Board may deem appropriate. All officers shall be elected at each annual meeting of the Board and shall hold office at the pleasure of the Board. Notwithstanding the foregoing, the Members shall elect the Officers at the initial meeting and the newly elected Officers shall serve for a term of no less than six months subject to Section 8.02 hereinbelow.
- 8.02 Vacancy of Office: Any officer may be removed at any meeting of the Board by the affirmative vote of the majority of the directors in office, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.
- 8.03 Powers of Officers: The respective officers of the Association shall have such powers and duties as are usually vested in such office of a not-for-profit corporation, including but not limited to the following:
  - a. The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the Members and of the Board;
  - b. The Vice President shall, in the absence or the disability of the President, perform the duties and exercise the powers of such office;
  - c. The Secretary shall keep minutes of all meetings of the Members and of the Board and shall have custody of the Association Seal, all correspondence, and such other books, papers and documents as the board may proscribe;

- d. The Treasurer shall be responsible for Association funds and securities and for keeping full and accurate accounts of all receipts and disbursements in the Association books of account kept for such purpose.
- 8.04 Officer's Compensation: The officers shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the Board.

## ARTICLE 9 COMMITTEES

- 9.01 Board Committees: The Board, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two or more directors; said committees, to the extent consistent with law and as provided in said resolution, shall have the exercise the authority of the Board in the management of the Association; but the designation of such committees and the delegation thereof of authority shall not operate to relieve the Board, or any individual directors, of any responsibility imposed upon it or him by law
- 9.02 Special Committees: Other committees not having and exercising the authority of the Board in the management of the Association may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, Members of each such committee shall be Members of the Association, and the President of the Association shall appoint the Members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal
- 9.03 Term: Each member of a committee shall continue as such until the next annual meeting of the Board and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.
- 9.04 Chairman: One member of each committee shall be appointed chairman.
- 9.05 Vacancies: Vacancies in the membership of any committee may be filled by appointed made in the same manner as provided in the case of the original appointments.

- 9.06 Quorum: Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee may be filled by appointment made in the same manner as provided in the case of the original appointments.
- 9.07 Rules: Each committee may adopt rules for its own government not inconsistent with the Master Declaration, these By-Laws or with rules adopted by the Board.

ARTICLE 10  
CONTRACTS, CHECKS, DEPOSITS AND FUNDS

- 10.01 Contracts: The Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances.
- 10.02 Payments: All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association, and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Association.
- 10.03 Bank Accounts: All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may select.
- 10.04 Special Receipts: The Board may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.



ARTICLE 11  
FISCAL MANAGEMENT

- 11.01 Fiscal Year The fiscal year of the Association shall begin on the first day of January each year, except that the first fiscal year shall begin at the date of incorporation, and shall end on the last day of December of each year.
- 11.02 Financial Statements: On or before April 15 of each year following the initial meeting of Members, the Association shall furnish its Members with a statement of the income and disbursements of the Association for such fiscal year and such other information set forth in the Master Declaration. As provided in the Master Declaration, an annual budget shall be adopted and communicated to the Members by December 15 of the prior year.
- 11.03 Annual Assessments: The Board in its sole discretion shall determine the annual, semi-annual or monthly assessments subject to the terms, conditions and limitations set forth in the Master Declaration.
- 11.04 Special Assessments: Special assessments may be authorized pursuant to the terms set forth in the Master Declaration.

ARTICLE 12  
BOOKS AND RECORDS

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

ARTICLE 13  
SEAL

The Board may provide for a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Association.

ARTICLE 14  
WAIVER OF NOTICE

Whenever any notice whatever is required to be given under the provisions of the General Not-For-Profit Corporation Act of Illinois, the provisions of these By-Laws or the Master Declaration, a waiver in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 15  
AMENDMENTS

The By-Laws may be amended or modified at any time or from time to time at any meeting of the Board, by a majority of the directors then serving on the Board, provided that (i) no amendments affecting the rights granted by these By-Laws to Developer shall be effective unless consented to in writing by the Developer; (ii) no provision of these By-Laws shall conflict with the Master Declaration; and (iii) no amendment shall diminish the authority of the Board while Developer has the right to appoint any Members of the Board.

EXHIBIT D

OUTLOT DESIGNATION

Unit	Outlot	Ownership & Maintenance	Use
2	A	Park District	Park
3	B	Park District	Park
4	C	Park District	Park
5	D	Park District	Park
6	E	Park District	Park
1	F	Master HOA	Entry Monument, Gazebo
1	G	Master HOA	Pond, Gazebo
1	H	Village	Lift Station
1	I	Master HOA	Landscaping
2	J	Master HOA	Landscaping
2	K	Master HOA	Pond
2	L	Master HOA	Landscaping
2	M	Master HOA	Landscaping
2	N	Master HOA	Pond
3	O	Master HOA	Landscaping
3	P	Master HOA	Landscaping
3	Q	Master HOA	Landscaping
3	R	Master HOA	Landscaping
3	S	Master HOA	Pond, aerator
4	T	Master HOA	Pond
4	U	Master HOA	Clubhouse, pool



4	WW	Master HOA	Landscape Medians
4	XX	Master HOA	Landscape Medians
5	ZZ	Master HOA	Landscape Medians
6	AAA	Master HOA	Landscape Medians
6	BBB	Master HOA	Landscape Medians
	ZZZ&YYY	Jack Mayher Village	Jack Mayher to retain ownership Bikepath *