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McHENRY COUNTY RECORDER
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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE GREENS OF BOULDER RIDGE

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR THE GREENS OF BOULDER RIDGE**

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR THE BOULDER RIDGE COUNTRY CLUB GREENS, herein the "Greens of Boulder Ridge Declaration", is made as of this first day of January, 1995, by Harris Bank Barrington, N.A., not individually but solely as Trustee under Trust Agreement dated November 1, 1992 and known as Trust Number 11-4344, the "Trustee" and "Declarant" herein.

WITNESSETH

WHEREAS, Trust 11-4344 is the owner of certain real property located in McHenry County, Illinois, as more particularly described in Exhibit A, attached hereto and incorporated herein by this reference, and Trustee desires to subject such property to the provisions of this Declaration and to have constructed in the Greens of Boulder Ridge community, a residential community with ancillary uses, and to provide a flexible and reasonable method for the administration and maintenance of such property.

NOW, THEREFORE, the Trustee and Declarant hereby declare that all of the property described in Exhibit A and any additional property whether or not now described as may by subsequent amendment hereto be subjected to this Greens of Boulder Ridge Declaration shall be held, transferred, sold, conveyed, leased, occupied and used subject to the following easements, restrictions, covenants, charges, liens and conditions which are for the purpose of protecting the value and desirability of and which shall touch and concern and run with title to the real property subjected to this Greens of Boulder Ridge Declaration, and which shall be binding on all parties having any right, title or interest in the described properties or any portion thereof, and their respective heirs, successors, successors-in-title and assigns, and shall inure to the benefit of each owner thereof and where provided herein, shall benefit the property on which aforesaid subdivision is located.

**ARTICLE I
DEFINITIONS**

1.01 Definitions. When used in this Greens of Boulder Ridge Declaration, unless the context shall prohibit or otherwise require the following words, shall have all the following meanings and all definitions shall be applicable to the singular and plural forms of such terms:

(a) "Articles of Incorporation - Boulder Ridge Country Club Greens Property Owners Association" or "Articles of Incorporation" shall mean and refer to the Boulder Ridge Country Club Greens Property Owners' Association, Articles of Incorporation, as amended from time to time.

(b) "Assessment" shall mean and refer to a Unit Owner's share of the Common Expenses or other charges from time to time assessed against an Owner by the Boulder Ridge Country Club Greens Property Owners' Association in the manner herein provided.

(c) "Association" shall mean and refer to the Boulder Ridge Country Club Greens Property Owners' Association, an Illinois not-for-profit corporation.

(d) "Board of Directors of the Greens of Boulder Ridge" or "Board of Directors" shall mean and refer to the Board of Directors of the Boulder Ridge Country Club Greens Property Owners' Association, which is the governing body of the Boulder Ridge Country Club Greens Property Owners' Association.

(e) "By-Laws of the Boulder Ridge Country Club Greens Property Owners' Association" or "Bylaws" shall mean and refer to those By-Laws of the Boulder Ridge Country Club Greens Property Owners' Association.

(f) "Club Owner" shall mean and refer to the owner of the property, and improvements thereon, on which the Country Club is located, and its successors, assigns, and successors-in-title with respect thereto.

(g) "Greens of Boulder Ridge Common Areas" or "Common Areas" shall mean and refer to all real and personal property now or hereafter owned by the Boulder Ridge Country Club Greens Property Owners' Association for the common use and enjoyment of the Greens of Boulder Ridge Owners. Included within the Greens of Boulder Ridge Common Areas are the pipes, drainage structures, detention ponds, open spaces, including any walkways thereon, drainage corridors, slopes, lakes, recreations, signage and any other similar or infrastructure improvements as provided in the Final Plat of Subdivision. The designation of any land and/or improvements as Greens of Boulder Ridge Common Areas shall not mean or imply that the public at large acquires any easement of use or enjoyment therein. Declarant may, but shall not be required, to designate and convey other property to the Greens of Boulder Ridge Property Owners' Association.

(h) "Greens of Boulder Ridge Common Expenses" or "Common Expenses" shall mean and refer to all expenditures lawfully made or incurred by or on behalf of the Greens of Boulder Ridge Homeowners' Association, together with all funds lawfully assessed for the creation or maintenance of reserves, pursuant to the provisions of this Greens of Boulder Ridge Property Owners' Declaration.

(i) "Country Club" shall mean and refer to the golf course and related club facilities developed by the Club Owner in conjunction with and adjacent to the Development, including the eighteen-hole golf course, golf practice area, putting green, golf cart paths,

tennis courts, swimming pool, clubhouse, tennis and golf pro shops, locker room facilities, food and beverage facilities and related facilities. Boulder Ridge Country Club, Inc. operates the Country Club and the Country Club is not part of the Common Areas nor is it governed by the provisions of this Declaration except as specifically provided herein. No Owner or Occupant nor the Association shall have any rights in and to, or obligations with respect to, the Country Club except as expressly and specifically provided herein.

(j) "Country Club Property" shall mean and refer to that certain property on which the Country Club is located, being more particularly described in Exhibit C to the original Declaration of Covenants, Conditions and Restrictions of the Boulder Ridge Property and incorporated herein by reference.

(k) "Declarant" shall mean and refer to the person who has executed this Declaration, or any successor-in-title to the entire interest of such person with respect to the Property at the time of such transfer to said successor-in-title, or any party who acquires said person's entire interest with respect to the Property at the time of such acquisition pursuant to foreclosure of a mortgage encumbering said person's interest in the Property.

(l) "Greens of Boulder Ridge Declaration" shall refer to this Declaration of Covenants, Conditions and Restrictions of the Boulder Ridge Country Club Greens Subdivision.

(m) "Developer" shall mean and refer to Harris Bank Barrington, N.A., as trustee under (i) trust agreement dated May 1, 1987 and known as trust number 11-3859, (ii) trust agreement dated November 1, 1992 and known as trust number 11-4344, and (iii) trust agreement dated February 1, 1993 and known as trust number 11-4346 and Par Development, Inc., an Illinois corporation, the beneficiary of the above named trusts, and shall also include such of their respective successors and assigns who are specifically assigned the respective rights and obligations of Developer hereunder. Developer shall have the sole and exclusive right to assign any or all of its rights or obligations hereunder to such successor or assign.

(n) "Development", with an initial capital letter, shall mean and refer to the Property and all improvements located or constructed thereon.

(o) "Dwelling", with an initial capital letter, shall mean and refer to any improved property intended for use as a single family detached dwelling located within the Development.

(p) "Greens of Boulder Ridge Area" shall (or as applicable, may) mean and refer to any portion of the Property in which common elements or common areas are owned by either the Owners residing in

the Greens of Boulder Ridge Area as tenants-in-common or by the Association composed of such Owners, as generally depicted on the development plan as currently approved for the Property by the Village of Lake in the Hills.

(g) "Lot", with an initial capital letter, shall mean and refer to any unimproved portion of the Property (and a subdivided lot of record) upon which it is intended that a Dwelling shall be constructed. A parcel of land shall be deemed unimproved and thus considered to be a Lot, rather than a Dwelling, until the improvements constructed thereon are sufficiently complete to reasonably permit habitation thereof. Upon such completion, such parcel and the improvements thereon shall collectively be considered to be a Dwelling for purposes of this Greens of Boulder Ridge Declaration.

(r) "Mortgage", with an initial capital letter, shall mean and refer to a security deed, deed of trust, mortgage, installment land sales contract or other similar security instrument granting, creating or conveying a lien upon, a security interest in, or a security title to a Lot or Dwelling.

(s) "Mortgagee", with an initial capital letter, shall mean and refer to the holder of a Mortgage.

(t) "Occupant" shall mean and refer to any person, including, without limitation, any Owner or any guest, invitee, lessee, tenant or family member of an Owner, occupying or otherwise using a Dwelling within the Development.

(u) "Owner", with an initial capital letter, shall mean and refer to the owner of an individual Dwelling or Lot in the Greens of Boulder Ridge Subdivision, or any beneficiary of a land trust, the trustee of which holds legal title to a Dwelling or Lot.

(v) "Property", with an initial capital letter, shall mean and refer to those tracts or parcels of land described in Exhibits A, B and C hereto, together with all improvements thereon, including the Common Areas, roads, utility systems, drainage systems and other improvements serving the Lots and Dwellings.

ARTICLE II

DEVELOPMENT OF GREENS OF BOULDER RIDGE SUBDIVISION AREA

2.01 Development of Greens of Boulder Ridge Subdivision Area. The Greens of Boulder Ridge Development shall be and is hereby restricted exclusively to residential use and shall be subject to the standards and restrictions set forth in Article XII hereof. Declarant shall have the right, but not the obligation, for so long as Declarant owns any Lot or Dwelling primarily for the purpose of sale, to make improvements and changes to all Greens of Boulder

Ridge Common Areas and to all Lots or Dwelling owned by Declarant, including, without limitation, (i) installation and maintenance of any improvements in and to the Greens of Boulder Ridge Common Areas, (ii) changes in the location of the boundaries of any Lots or Dwellings owned by Declarant or of the Greens of Boulder Ridge Common Areas, (iii) installation and maintenance of any water, sewer, roadway and storm water drainage improvements and other conditions set forth in the Annexation Agreement with the Village of Lake in the Hills, the "Village", and the Drainage Easement executed by the Greens of Boulder Ridge with respect to the Property as well as any other agreement entered into with a governmental unit having jurisdiction over or providing services to the Property and (iv) installation of limited access and monitoring services and/or refuse facilities. Any and all improvements of changes made, as aforesaid, shall not result in an encroachment on Lots not owned by Declarant.

2.02 Subjecting Greens of Boulder Ridge Subdivision Areas to the Amended and Restated Declaration of the Covenants, Conditions and Restrictions of the Boulder Ridge Property Association. In addition to being subject to the terms and provisions of the Greens of Boulder Ridge Declaration, the Development also shall be subject to the terms, provision, rights, privileges and obligations contained in the Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Boulder Ridge Property Association.

ARTICLE III **PROPERTY RIGHTS**

3.01 In General. Each Lot in the Greens of Boulder Ridge Area shall for all purposes constitute real property which shall be owned in fee simple and which, subject to the provisions of this Greens of Boulder Ridge Declaration, may be conveyed, transferred and encumbered to the same extent as any other real property. Each Owner shall be entitled to the exclusive ownership and possession of his Lot and Dwelling, subject to the provisions of this Greens of Boulder Ridge Declaration, including without limitation, the provisions of this Article III. If any chutes, flues, ducts, conduits, wire, pipes, plumbing or any other apparatus or facilities for the furnishing of utilities or other services to a Lot, Dwelling or Greens of Boulder Ridge Area in question lie partially within and partially outside of the designated boundaries of the Lot, Dwelling or Greens of Boulder Ridge Area, any portions thereof which serve only such Lot or Dwelling or such home areas shall be deemed to be a part of such Lot or Dwelling, and any portions thereof which serve more than one Lot or Dwelling or Greens of Boulder Ridge Area, or any portion of the Greens of Boulder Ridge Common Areas, shall be deemed to be a part of the Greens of Boulder Ridge Common Areas. The ownership of each Lot and Dwelling in the Greens of Boulder Ridge Area shall include, and

there shall pass with each such Lot as an appurtenance thereto, membership in the Greens of Boulder Ridge Property Owners' Association. Each Owner shall automatically become a member and remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Greens of Boulder Ridge Property Owners' Association shall automatically pass to his successor-in-title to his Lot. Lots shall not be subdivided, and, except as provided in Sections 2.01 and 3.06 hereof, the boundaries between Lots shall not be relocated, unless the relocation thereof is made with the consent of at least a majority of the Owners in the Greens of Boulder Ridge and of Declarant, so long as Declarant owns a portion of the Property, Lot or Dwelling primarily for the purpose of sale. Notwithstanding the foregoing, nothing herein shall prohibit the combination of two or more Lots into a larger parcel in order to create a Dwelling site larger than one Lot.

3.02 Greens of Boulder Ridge Owners' Easement of Enjoyment. Subject to the provisions of this Greens of Boulder Ridge Declaration and the rules, regulations, fees and charges from time to time established by the Board of Directors in accordance with the By-Laws and the terms hereof, every Owner, his family, tenants and guests shall have a non-exclusive right, privilege and easement of use and enjoyment in and to the Common Areas, such easement to be appurtenant to and to pass and run with title to each Lot and Dwelling subject to the following provisions:

(a) The right of the Association to borrow money (i) for the purpose of improving the Common Areas, or any portion thereof, (ii) for acquiring additional Common Areas, (iii) for constructing, repairing, maintaining or improving any facilities located or to be located within the Common Areas, or (iv) for providing the services authorized herein or in any agreement executed for the provisions of utilities or governmental services and subject to the provisions of Section 8.02 hereof, to give as security for the payment of any such loan a mortgage, or other security instrument conveying all or any portion of the Common Areas; provided, however, that the lien and encumbrance of any such security instrument given by the Association shall be subject and

subordinate to any and all rights, interests, options, licenses, easements, and privileges herein reserved or established for the benefit of Declarant, any Owner, or the holder of any mortgage, irrespective of when such mortgage is executed or given.

(b) The rights and easements reserved to Declarant in Sections 3.03, 3.04, 3.05, 3.06, 3.07, 3.08, 3.09, 3.10, 3.11 and 3.12, or as otherwise provided for in this Declaration.

(c) The right of the Declarant and the Association to grant and accept easements as provided in Section 3.06 hereof.

(d) The rights and easements reserved in Section 3.09 hereof for the benefit of the Club Owner, its successors, assigns and successors in title.

(e) The rights of the holder (and its successors and assigns) of any Mortgage which is prior in right or superior to the rights, interests, options, licenses, easements and privileges herein reserved or established.

3.03 Recreational Facilities. Subject to the terms and provisions of this Declaration and the rules, regulations, fees and charges from time to time established by the Board of Directors, every Owner and his family, tenants and guests shall have the non-exclusive right, privilege and easement of access to and the use and enjoyment of the recreational areas, if any, and such other recreational facilities and amenities as are now or hereafter located in the Common Areas. An Owner may assign to the tenant of his Lot or Dwelling such Owner's rights of access to and use of said recreational facilities so that such tenant, his family and guests shall be entitled to the access to and use and enjoyment of the recreational facilities on the same basis as an Owner and his family and guests.

3.04 Easements for Municipal Authorities. Declarant hereby grants to the relevant governmental authority or agency, as shall from time to time have jurisdiction over the Development with respect to law enforcement and fire protection, the perpetual, non-exclusive right and easement upon, over and across all of the Common Areas for purposes of performing such duties and activities related to law enforcement and fire protection in the Development as shall be required or appropriate from time to time by such governmental authorities under applicable law.

3.05 Easement for Development. Anything contained in this Declaration contrary notwithstanding, Developer hereby reserves for its agents, employees, contractors, subcontractors, workmen, materialmen and invitees, an easement under, over and across the Common Areas for the purpose of constructing, completing, repairing, maintaining and inspecting any of the improvements to be constructed upon the Common Areas of the Property.

3.06 Easements for Utilities and Public Services. There is hereby reserved for the benefit of the Declarant and the Association and their respective successors and assigns, the alienable, transferable and perpetual right and easement, as well as the power to grant and accept easements to and from McHenry County, Illinois, the Village of Lake in the Hills and the City of Crystal Lake, or any other public authority or agency, public service district, public or private utility or other person, upon, over, under and across (i) all or any portion of the Common Areas, (ii) all portions of the Greens of Boulder Ridge Area on which improvements are not constructed or erected, and (iii) those portions of all

Lots and all Dwellings not located within the Greens of Boulder Ridge Area, as are reasonably necessary for the purpose of installing, replacing, repairing, maintaining and using master television and/or cable antenna systems, security and similar systems and all utilities, including, but not limited to, storm sewers, drainage systems and retention ponds and facilities for the Development or any portion thereof, and electrical, gas, telephone, water and sewer lines, provided tht such easements shall not unreasonably affect the developability, marketability or value of any such Lot or Dwelling. Such easements may be granted or accepted by Declarant, its successors or assigns, or by the Board of Directors. To the extent possible, all utility lines and facilities serving the Development and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permissible for the providing utility company or other supplier or servicer, with respect to the portions of the Development so encumbered, (i) to erect and maintain pipes, lines, manholes, pumps and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes or shrubbery, (iii) to grade, excavate or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement and use of such utilities and systems, provided, however, to the extent practicable, Declarant and/or the Board of Directors shall endeavor to obtain an undertaking from such utility company or other supplier or servicer to take reasonable actions to repair any damage caused by such utility company or other supplier during the exercise of any rights conveyed under any easement granted hereunder.

3.07 Easement for Drainage. With respect to those Lots burdened by and subject to a Drainage Easement, dated March 1, 1994 and made in favor of the Village of Lake in the Hills and the City of Crystal Lake, the Owners of such Lots are required to perform such routine upkeep necessary to maintain the surface of the Drainage Easement area in a free and unobstructed condition, including mowing and removal of vegetation. The Association, its successors and assigns, shall have the obligation to keep and maintain any underground portion of the Drainage Easement area, including but not limited to culverts and pipe, free and unobstructed, and to remove any significant growth of trees and vegetation which has not been adequately maintained by the Owner. In the event that the Association does not so keep and maintain the underground portions of the Drainage Easement area or does not remove significant growth of trees and vegetation, then the Owners of Lots burdened by the Drainage Easement, and successively the Village of Lake in the Hills and the City of Crystal Lake, in that order, shall have the right (but not the obligation unless they so agree, determined respectively as to each) to repair and maintain a graded swale or retention/detention area located within the Drainage Easement area and such accessories and appurtenances used in connection therewith. An Owner may not change the grade of land included within the Drainage Easement area without the prior approval of the

Board of Directors upon submission and review of appropriate plans or drawings depicting the proposed change in grade. The Drainage Easement grants to the the City of Crystal Lake the right to place a lien against Lots burdened by said Easement in the event that any amounts due the City of Crystal Lake for costs or expenses which are incurred by the City of Crystal Lake and which are not reimbursed by the Association within ten days after notice of the claim for reimbursement.

3.08 Easement for Ingress and Egress of Developer. Developer and its invitees, employees, contractors, subcontractors, workmen, materialmen and successors and assigns shall have a perpetual easement of ingress and egress over, across and through the Common Areas.

3.09 Easements for Country Club Property. There is hereby reserved for the benefit of the Club Owner, its successors, assigns and successors-in-title with respect to the Country Club Property, the following transferrable, alienable and perpetual rights and easements:

(a) Utility Easements. The right and easement for the installation, maintenance, repair, replacement and use within the Common Areas and those portions of the Lots and Dwellings encumbered pursuant to Sections 3.06 and 3.07 hereof, of monitoring and security systems and utility facilities and distribution lines, including, without limitation, drainage systems, storm sewers, and electrical, gas, telephone, water, sewer and master television antenna and/or cable system lines, and the right and easement for the drainage of surface water onto and across the Property, provided that such drainage and discharge shall not materially damage or affect the Property or any improvements from time to time located thereof, such rights to be limited and restricted as set forth in Sections 3.06 and 3.07 hereof.

(b) Ingress and Egress. The right and easement on, over and across all of the roads, streets and sidewalks constructed and maintained as part of the Common Areas for ingress to and egress from the Country Club Property for the benefit of the Club Owner, its agents and employees as shall be mutually agreed upon by Declarant, the Association and the Club Owner.

(c) Pedestrian and Golf Cart Paths. The right and easement on, over and across the Common Areas, and such portions of the Lots and Dwellings, within ten (10) feet of any Lot boundary line which is adjacent to the Country Club Property and any other areas as are designated on any recorded plat of subdivision for all members, guests and other authorized users of the golf course located on the Country Club Property for the use of pedestrian and golf cart paths located in such portions of the Development and serving the golf course located on the Country Club Property.

(d) Construction, Maintenance and Repair. The right and easement on, over, under and across the Common Areas and such portions of the Lots and Dwellings as are described in Section 3.09(b) above for the purpose of constructing such improvements on the Country Club Property or such portions of the Development as Club Owner shall desire from time to time and for maintaining, repairing and replacing such improvements, provided that the only such improvements to be constructed on such portion of the Development shall be pedestrian and golf cart paths and related directional signage, and provided further that Club Owner shall not use such easement so as to unreasonably interrupt or interfere with any Owner's use of the Common Areas and such portions of the Lots and the Dwellings and shall promptly repair and restore any damage to said Common Areas and such portions of the Lots and Dwellings caused by the use of the right and easement granted herein. In addition, there is hereby reserved for the benefit of the Club Owner, its agents, employees, successors and assigns, the right and easement to enter upon any unimproved portions of the Lots and Dwellings which are located within thirty (30) feet from the water's edge of any lake, pond, wetland area or other body of water located on the Country Club Property, for the purpose of mowing such area and keeping the same free and clear from unsightly growth and trash, as well as for the purpose of maintaining such bodies of water and/or wetlands areas, such maintenance to include, without limitation, dredging and the maintenance of reasonable water quality standards.

(e) Golf Course Maintenance. The non-exclusive right and easement over and across portions of the Common Areas, each Lot, and all unimproved portions of each Dwelling which are adjacent to the golf course or courses located on the Country Club Property. This reserved right and easement shall permit, but shall not obligate, Club Owner and its agents, employees, successors and assigns with respect to the Country Club Property, to go upon any such portions of the Common Areas, and such Lot or Dwelling, to maintain or landscape the area encumbered by such easement. Such maintenance and landscaping shall include planting of grass, watering, application of fertilizer, mowing and the removal of underbrush, stumps, trash or debris, and trees of less than two (2) inches in diameter. The area encumbered by this easement shall be limited to the portion of the Common Areas and unimproved portions of such Lots and Dwellings within thirty (30) feet of those boundary lines of the Common Areas and such Lots and Dwellings which are adjacent to such Country Club Property or adjacent to lakes, ponds or other bodies of water abutting the golf course; provided, however, the entire Lot and all unimproved portions of such Dwelling shall be subject to such easement until the landscaping plan for such Lot or Dwelling has been approved and implemented according to Section 12.06 hereof.

(f) Entry by Golfers. Each Lot and Dwelling and any portion of the Common Areas which are adjacent to the golf course located on the Country Club Property shall be subject to the right and

easement on the part of registered golf course players and their caddies to enter upon the unimproved portion of any such Lot, Dwelling or Common Area which is within thirty (30) feet of any such golf course to remove a ball, subject to the official rules of the golf course, with such entering not being deemed to be a trespass. Golf course players or their caddies shall not be entitled to enter on any such Lots or Dwellings or portions of the Common Areas with a golf cart or other vehicle, nor to spend an unreasonable amount of time on any such Lot or Dwelling or the Common Area, or in any way commit a nuisance while on any such portion of the Development.

(g) Landscaping Plan Approval. In addition to the provisions of Article XII hereto, the landscaping plan for any Lots or Dwellings and the portions of the Common Areas adjacent to any golf course located on the Country Club Property shall, for that portion of such Lot, Dwelling or Common Area which is within thirty (30) feet of any such golf course, be in general conformity with the overall landscaping plan of such golf course, and shall be subject to Club Owner's prior right of approval, which approval shall not be unreasonably withheld. To promote a suitable and attractive open space atmosphere, no fence, wall, shrubbery, building or other structure will be permitted within said thirty (30) foot portion of those Lots and Dwellings or portions of the Common Areas which are adjacent to such golf course, without the prior written approval of the Architectural Review Committee and the Club Owner. There is hereby reserved over and across said thirty (30) foot portion of said Lots and Dwellings and the Common Areas the right and easement of light, air and view for the benefit of the adjacent golf course located on the Country Club Property.

3.10 Easement for Owner for Repairs to Dwelling. There is hereby reserved to each Owner, his invitees, employees, contractors, subcontractors, workmen, materialmen and successors and assigns a temporary easement of ingress and egress over, across and through that portion of the land adjoining a Lot, whether the adjoining land is another Lot or a Common Area, extending for ten feet on any side of the Lot owned by such Owner, for the purpose of performing any repairs or reconstruction to the Owner's Dwelling. The Owner performing such repair or reconstruction shall return the easement area to its preconstruction condition, including the replacement or return of any landscaping present on the easement area prior to the repair or reconstruction. This easement shall terminate at the time the repairs or reconstruction are completed and the easement area is returned to its preconstruction condition, but in no event shall this easement continue for more than fifteen (15) days subsequent to the completion of said repair or reconstruction.

3.11 No Partition. There shall be no judicial partition of the Development or any part thereof, nor shall any person acquiring any interest in the Development or any part thereof seek any such judicial partition unless the Development has been removed from the provisions of this Declaration and the Amended and Restated

Declaration of Covenants, Conditions and Restrictions for Boulder Ridge Property Association.

3.12 Burden Upon the Property. Declarant hereby declares that this Greens of Boulder Ridge Declaration and the covenants, restrictions and easements established herein shall be covenants to run with the land. Said covenants and restrictions shall inure to the benefit of and be binding upon each and every Owner, and his or her respective heirs, representatives, successors, purchasers, lessees, grantees and mortgagees. By the recording or acceptance of the conveyance of a Lot or Dwelling or any interest therein, the person or entity to whom such interest is conveyed shall be deemed to accept and agree to be bound by the provisions of this Greens of Boulder Ridge Declaration and the Bylaws of the Boulder Ridge Country Club Greens Property Owners' Association.

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

ARTICLE IV
MEMBERSHIP

4.01 Membership. Every Greens of Boulder Ridge Owner shall be deemed to have a membership in the Greens of Boulder Ridge Property Owners' Association. Any person, firm, association, trust, or other legal entity or a combination thereof, except the Declarant, owning any Dwelling, shall be a Class A Member of the Association. The Declarant shall be the Class B Member of the Association. Each Class A Member shall be entitled to one (1) vote per Dwelling owned at all meetings of the Association. The Class B member shall be entitled to three (3) votes for each Dwelling owned, provided that the Class B Member shall be entitled to only one (1) vote per Dwelling upon the happening of the earliest to occur of the following: (i) when seventy-five percent (75%) of the Dwellings have been sold and conveyed by Declarant; or (ii) five (5) years after the date the first Dwelling is conveyed by the Declarant; or (iii) upon written notice of election by the Declarant sent to the Association as of the date specified in said notice. Class A Members and the Class B Member shall be known as the Members. The Class B Member shall cease once Declarant has closed the sale of the last Dwelling and, from and after that date, the Class A Members shall constitute all of the members of the Association and shall be known as the "Members". Any provision to the contrary notwithstanding, co-Members or joint Members shall be deemed one (1) Member.

Membership shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling within the Greens of Boulder Ridge Area, and ownership of such Lot or Dwelling shall be the sole qualification for such membership. In the event that fee title to

such Lot or Dwelling is transferred or otherwise conveyed, the membership in the Association which is appurtenant thereto shall automatically pass to such transferee. The foregoing is not intended to include Mortgagees or any other persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate or otherwise affect an Owner's membership in the Association. Notwithstanding any of the foregoing to the contrary, no Owner, whether one or more persons, shall have more than one membership per Lot or Dwelling within the Greens of Boulder Ridge Area. In the event of multiple Owners of such Lot or Dwelling, votes and rights of use and enjoyment shall be as provided herein. The rights and privileges of membership, including the right to vote and to hold an office in the Association, may be exercised by a member or a member's spouse, but in no event shall more than one vote be cast or more than one office held for each such Lot or Dwelling, and further provided that a member casting a vote or holding an office with respect to his Lot or Dwelling shall not be entitled to cast an additional vote or hold an additional office for the Lot upon which his residential unit is located. When more than one person holds an interest in any such Lot or Dwelling, the vote for such Lot or Dwelling shall be exercised as those Owners of such Lot or Dwelling themselves determine and so advise the Secretary or an Assistant Secretary of the Association prior to any meeting. In the absence of such advice, the vote appurtenant to such Lot or Dwelling shall be suspended in the event more than one person seeks to exercise it. The voting weight appurtenant to each Lot or Dwelling is equal and each Lot and each Dwelling shall have one vote.

ARTICLE V **MAINTENANCE**

5.01 Unless specifically identified herein, all maintenance and repair of Lots and Dwellings, together with all other improvements thereon or therein and all lawns, landscaping and grounds on and within a Lot or Dwelling shall be the responsibility of the Owner of such Lot or Dwelling. Unless otherwise provided in the Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Boulder Ridge Property Association, the maintenance and repair of all common areas or common elements located within the Development (including all landscaping and grounds and all recreational facilities and other improvements located within such Development) shall be the responsibility of the Association. Each Owner and Association shall be responsible for maintaining his or its Lot, Dwelling or Greens of Boulder Ridge Area or Common Area, as the case may be, in a neat, clean and sanitary condition, and such responsibility shall include the maintenance and care of all exterior surfaces of all Dwellings, buildings and other structures and all lawns, trees, shrubs, hedges, grass and other landscaping. In the event that any Owner fails to maintain and care for the exterior surface of his Dwelling and all landscaping, the Association may perform said maintenance and assess the Owner for

the cost thereof, said cost to become a lien against the Lot and Dwelling as set forth in Section V(5.02) hereof. Also as provided in Section 5.02(b) hereof, each Owner or Association shall also be obligated to pay for the costs incurred by the Association for repairing, replacing, maintaining or cleaning any item which is the responsibility of such Owner or Association, but which responsibility such Owner or Association fails or refuses to discharge. No Owner or Association shall (1) decorate, change or otherwise alter the appearance of any portion of the exterior of a Dwelling or the landscaping, grounds or other improvements within a Lot or Greens of Boulder Ridge Area unless such decoration, change or alteration is first approved, in writing, by the Architectural Review Committee as provided in Article XII hereof, or (ii) do any work which, in the reasonable opinion of the Architectural Review Committee, would jeopardize the soundness and safety of the Development, reduce the value thereof or impair any easement or hereditament thereto, without in every such case obtaining the written approval of the Architectural Review Committee, or the Club Owner, as the case may be, directly affected thereby or benefitting from such easement or hereditament.

(a) Association's Responsibility. Except as may be herein otherwise specifically provided, or as otherwise provided in the Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Boulder Ridge Property Association, the Association shall maintain and keep in good repair all portions of the Common Areas, which responsibility shall include the maintenance, repair and replacement of (i) all detention ponds, open areas, including any walkways thereon, slopes, drainage corridors, trails, landscaped areas, recreational areas and other improvements made by Declarant or the Association situated within the Common Areas as easements encumbering the Greens of Boulder Ridge Area pursuant to Sections 3.04, 3.05, 3.06, 3.07, 3.08 and 3.09 hereof, (ii) such monitoring systems and utility lines, pipes, plumbing, wires, conduits and related systems which are a part of the Common Areas and which are not maintained by a public authority, public service district, public or private utility, the Association, or other person, (iii) all cul-de-sac plantings, lawns, trees, shrubs, hedges, grass and other landscaping and all lakes and ponds situated within or upon the Common Area, (iv) all retention areas and facilities constructed by Declarant wherever located, and (v) snow removal from all roads that are part of the Common Areas. Neither the Association, the Club Owner nor the Declarant shall be liable for injury or damage to any person or property (A) caused by the elements or by any Owner or any other person, (B) resulting from any rain or other surface water which may leak or flow from any portion of the Common Areas or the Country Club Property, or (C) caused by any pipe, plumbing, drain, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association, the Club Owner or the Declarant becoming out of repair. Nor shall the Association, the Club Owner or Declarant be liable to any Owner for loss or damage, by theft or otherwise, of

any property of such Owner which may be stored in or upon any portion of the Common Areas or the Country Club Property or any other portion of the property. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association or Club Owner to take some action or to perform some function required to be taken or performed by the Association or Club Owner under this Declaration, or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association or the Club Owner, or from any action taken by the Association or the Club Owner to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay such assessments being a separate and independent covenant on the part of each Owner.

(b) Association or Declarant Action on Behalf of Owner. In the event that Declarant or the Board of Directors determines that: (i) any Owner or the Association has failed or refused to discharge properly his or its obligations with regard to the maintenance, cleaning, repair or replacement of items for which he or it is responsible hereunder, or (ii) that the need for maintenance, cleaning, repair or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent acts of an Owner, his family, tenants, guests or invitees, and is not covered or paid for by insurance in whole or in part, then, in either event, Declarant or the Association, except in the event of an emergency situation, shall give such Owner or the Association written notice of Declarant's or the Association's intent to provide such necessary maintenance, cleaning, repair or replacement, at the sole cost and expense of such Owner, or the Association, and such Owner or the Association, as the case may be, shall have fifteen (15) days within which to complete the same in a good and workmanlike manner, or in the event that such maintenance, cleaning, repair or replacement is not capable of completion within said fifteen (15) day period, to commence said maintenance, cleaning, repair or replacement and diligently proceed to complete the same in a good and workmanlike manner. In the event of emergency situations or the failure of any Owner or the Association to comply with the provisions hereof after such notice, Declarant or the Association may provide (but shall not have the obligation to so provide) any such maintenance, cleaning, repair or replacement at the sole cost and expense of such Owner or the Association, as the case may be, and said cost shall be added to and become a part of the assessment to which such Owner and his Lot or Dwelling are subject and shall become a lien against such Lot or Dwelling, or, in the case of the Association, where the Declarant has performed the required maintenance, the cost thereof shall be added to and become a part of the assessments for all Owners within the Association and shall become a lien against the Owners' Lots or Dwellings. In the event that Declarant undertakes such maintenance, cleaning, repair or replacement, the Association shall promptly reimburse Declarant for Declarant's costs and expenses.

ARTICLE VI
INSURANCE AND CASUALTY LOSSES

6.01 Insurance. The Board of Directors or its duly authorized agents shall have the authority to and shall obtain and continue in effect adequate property insurance, in such form as the Board of Directors deems appropriate, for the benefit of the Association and insuring all insurable improvements in and to the Common Areas against loss or damage by fire or other hazards, including, without limitation, extended coverage, flood, vandalism and malicious mischief, such coverage to be in an amount to cover the full replacement cost (without depreciation but subject to such deductible levels as are deemed reasonable by the Board of Directors) of any repair or reconstruction in the event of damage or destruction from any such hazard.

(a) The Board of Directors or its duly authorized agents shall have the authority to and shall obtain and continue in effect a public liability policy covering all the Common Areas and all damage or injury caused by the negligence of the Association, its members, its directors and officers, or any of its agents. Such public liability policy shall provide such coverages as are determined to be necessary by the Board of Directors.

(b) The Board of Directors or its duly authorized agents shall have the authority and may obtain (i) workers' compensation insurance to the extent necessary to comply with any applicable laws and (ii) such other types and amounts of insurance as may be determined by the Board of Directors to be necessary or desirable.

(c) All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as trustee for each of the Owners and costs of all such coverage shall be a Common Expense. Exclusive authority to adjust losses under policies obtained by the Association and hereafter in force with respect to the Development shall be vested in the Board of Directors; provided, however, that no mortgagee or other security holder of the Common Areas having an interest in such losses may be prohibited from participating in the settlement negotiations, if

any, related thereto. Insofar as permitted by law, the Association shall be required to make every effort to secure insurance policies with the provision hereinafter set forth:

(i) All policies shall be written with a company licensed to do business in the State of Illinois and holding a rating of A-XI or better in such financial categories as established by Best's Insurance reports, if such a company is available or, if not available, its equivalent rating or the best rating possible.

(ii) All property insurance policies (naming the Association as insured) shall be for the benefit of the Owners and their Mortgagees as their interests may appear.

(iii) All policies shall contain a waiver of the insurer's right to cancel without first giving thirty (30) days' prior written notice of such cancellation to the Association and to any Mortgagee to which a mortgagee endorsement has been issued.

(iv) In no event shall the insurance coverage obtained and maintained by the Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners or their Mortgagees, and all policies shall contain a provision that the "other insurance" clauses in such policies exclude from consideration policies obtained by individual Owners or their Mortgagees.

(v) All policies shall contain a waiver of subrogation by the insurer as to any claims against the Association, the Association's directors and officers, the Owners and their respective families, servants, agents, tenants, guests and invitees, including, without limitation, the Association's manager.

(vi) All policies shall contain a provision that no policy may be canceled, invalidated, or suspended on account of the conduct of one or more of the individual Owners or their respective families, servants, agents, employees, tenants, guests and invitees, or on account of the Association or of its manager, without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured.

(vii) All liability insurance shall contain cross-liability endorsements to cover liability of the Association to an individual Owner and shall also name the Declarant as an additional insured.

(d) It shall be the individual responsibility of each Owner at his own expense to provide public liability, property damage, title and other insurance with respect to his own Lot and Dwelling. The Board of Directors may require all Owners and/or the Association to carry public liability and property damage insurance with respect to their respective Lots, Dwellings and property owned by the Association and to furnish copies of policies to the Association.

6.02 Damage or Destruction to Common Areas. Immediately after the damage or destruction by fire or other casualty to all or any part of the Common Areas covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance, and, in any such event, the Board of Directors shall obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Article VI, means repairing or restoring the damaged property to substantially the same condition in which it existed prior to the fire or other casualty. Unless within sixty (60) days following any damage or destruction to all or a part of the Common Areas, Declarant, for so long as Declarant owns a Lot or Dwelling primarily for the purpose of sale, together with at least seventy-five percent (75%) of the total vote of the Association, shall otherwise agree, the Association shall restore or replace such damaged improvements. If the insurance proceeds, if any, for such damage or destruction are not sufficient to defray the cost thereof, and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, the Board of Directors may levy a special assessment against all Owners, without the necessity of a vote pursuant to Section 9.04 hereof, such special assessment to be in an amount sufficient to provide funds to pay such excess cost of repair or reconstruction. Such a special assessment shall be levied against the Owners equally in the same manner as annual assessments are levied or as one lump sum payment, and additional assessments may be made at any time during or following the completion of any repair or reconstruction. Any and all sums paid to the Association under and by virtue of such assessments shall be held by and for the benefit of the Association together with the insurance proceeds, if any, for such damage or destruction. Such insurance proceeds and assessments shall be disbursed by the Association in payment for such repair or reconstruction pursuant to and in accordance with such method of distribution as is established by the Board of Directors. Any proceeds remaining after defraying such costs shall be retained by and for the benefit of the Association. If it is determined that the damage or destruction for which the insurance proceeds are paid shall not be repaired or reconstructed, such proceeds shall be retained by and for the benefit of the Association, and the ruins of the Common Areas damaged or destroyed by fire or other casualty shall be cleared and the Common Areas left in a clean, orderly, safe and sightly condition.

6.03 Damage or Destruction to Lots, Dwellings or Greens of Boulder Ridge Area. In the event of damage or destruction by fire or other casualty to any Lots, Dwellings or Greens of Boulder Ridge Area, and in the further event that either the Owner of such Lot or Dwelling or the Association is responsible for the repair or replacement of such Greens of Boulder Ridge Area, as the case may be, elects not to repair or rebuild the damaged or destroyed Lot, Dwelling or Greens of Boulder Ridge Area, such Owner or the

Association making such election shall promptly clear away the ruins and debris of any damaged improvements or vegetation and leave such Lot, Dwelling or Greens of Boulder Ridge Area in a clean, orderly, safe and sightly condition. Should such Owner or the Association elect to repair or rebuild such Lot, Dwelling or other improvements, such Owner or the Association shall repair such Lot, Dwelling or other improvements to substantially the same condition as existed prior to such fire or other casualty and in accordance with all applicable standards, restrictions and provisions of this Declaration (including, without limitation, Article X hereof) and all applicable zoning, subdivision, building or other governmental regulations. All such work of repair or construction shall be commenced promptly following such damage or destruction and shall be carried through diligently to conclusion.

ARTICLE VII **CONDEMNATION**

7.01 Condemnation of Common Areas. Whenever all or any part of the Common Areas of the Development shall be taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof by the Board of Directors acting on the agreement of at least seventy-five percent (75%) of the total vote of the Association (which conveyance may only occur with the approval of Declarant, for so long as Declarant owns a Lot or Dwelling primarily for the purpose of sale), the award or proceeds made or collected for such taking or sale in lieu thereof shall be payable to the Association and shall be disbursed or held as follows:

(a) If the taking or sale in lieu thereof involves a portion of the Common Areas on which improvements have been constructed, then, unless within sixty (60) days after such taking Declarant, for so long as Declarant owns a Lot or Dwelling primarily for the purpose of sale, together with at least seventy-five percent (75%) of the total membership of the Association, shall otherwise agree, the Association shall restore or replace such improvements so taken, to the extent practicable, on the remaining lands included in the Common Areas which are available therefore, in accordance with the plans approved by the Board of Directors, and by Declarant, for so long as Declarant owns a Lot or Dwelling primarily for the purpose of sale. If the awards or proceeds are not sufficient to defray the cost of such repair and replacement and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, the Board of Directors may levy a special assessment against all Owners without the necessity of a vote pursuant to Section 9.04 hereof, such special assessment to be in an amount sufficient to provide funds to pay such excess cost of repair or reconstruction. Such a special assessment shall be levied against the Owners equally in the same manner as annual assessments are levied, or as a lump sum payment, and

additional special assessments may be made at any time during or following the completion of any repair or reconstruction. If such improvements are not to be repaired or restored, the award or proceeds shall be retained by and for the benefit of the Association.

(b) If the taking or sale in lieu thereof does not involve any improvements to the Common Areas, or if there are net funds remaining after any such restoration or replacement of such improvements is completed, then such award, proceeds, or net funds shall be retained by and for the benefit of the Association.

(c) If the taking or sale in lieu thereof, includes all or any part of a Lot, Dwelling or Greens of Boulder Ridge Area and also includes any part of the Common Areas, then a court of competent jurisdiction shall apportion such award or proceeds and such award or proceeds shall be disbursed to the Association and the Owners so affected so as to give just compensation to the Owners of any Lot, Dwelling or Greens of Boulder Ridge Area taken for their interest in such Lot, Dwelling or Greens of Boulder Ridge Area; provided, however, such apportionment may instead be resolved by the agreement of (i) the Board of Directors, (ii) the Owners of all Lots, Dwellings or Greens of Boulder Ridge Area wholly or partially taken or sold, together with the Mortgagees for each such Lot, Dwelling or Greens of Boulder Ridge Area, and (iii) Declarant, for so long as Declarant owns a Lot or Unit primarily for the purpose of sale.

7.02 Condemnation of Lots, Dwellings or Greens of Boulder Ridge Area. In the event that all or any part of a Lot, Dwelling or Greens of Boulder Ridge Area is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and in the further event that the Owner of such Lot or Dwelling or the Association responsible for the maintenance and repair of such Lot, Dwelling or Greens of Boulder Ridge Area, as the case may be, elects not to restore the remainder of the Lot, Dwelling, or Greens of Boulder Ridge Area, then such Owner or Association making such election shall promptly clear away any remaining improvements damaged or destroyed by such taking or conveyance and shall leave such Lot, Dwelling or Greens of Boulder Ridge Area and any remaining undamaged improvements thereon in a clean, orderly, safe and sightly condition. In addition, if the size and configuration of such Lot, Dwelling or Greens of Boulder Ridge Area remaining after such taking or conveyance is insufficient to permit the restoration of the remaining improvements thereon or therein to their condition prior to such taking or conveyance in compliance with all applicable standards, restrictions and provisions of this Declaration and all applicable zoning, subdivision, building and other governmental regulations, then such Owner or Association shall have the option, after clearing away all remaining improvements or portions thereof and

placing the remainder in the clean, orderly, safe and sightly condition referred to above, of deeding the remaining portion of the Lot, Dwelling or Greens of Boulder Ridge Area to the Association (at no cost to the Association) as part of the Common Areas, and thereafter any such Owner shall not have any further voting rights or membership rights or privileges in the Association or with respect to the Development and shall not be subject to any further assessments imposed by the Association and payable after the date of such deeding.

(a) In the event that any part of a Lot, Dwelling or Greens of Boulder Ridge Area is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and if the Owner of such Lot or Dwelling or the Association, as the case may be, elects to restore the remainder of the Lot, Dwelling or Greens of Boulder Ridge Area, such Owner or the Association making such election shall restore such remainder of such Lot, Dwelling or Greens of Boulder Ridge Area as nearly as practicable to the same condition it was in prior to such taking or conveyance and in accordance with all applicable standards, restrictions and provisions of this Declaration and applicable zoning, subdivision, building or other governmental regulations. All such work of restoration shall be commenced promptly following such taking or conveyance and shall be carried through diligently to conclusion.

ARTICLE VIII ADMINISTRATION

8.01 Common Areas. The Association, subject to the rights of Declarant and the rights and duties of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Areas and all improvements thereon (including furnishings and equipment related thereto) and shall keep the same in a good, clean, attractive and sanitary condition, order and repair, pursuant to the terms and conditions hereof. Except to the extent otherwise required by the provisions of the laws of Illinois relating to nonprofit corporations, this Declaration, the By-Laws, or the Articles of Incorporation, the powers herein or otherwise granted to the Association may be exercised by the Board of Directors, acting through the officers of the Association, without any further consent or action on the part of the Owners. As provided in Section 11.01 hereof and notwithstanding any other provision to the contrary contained in any instruments evidencing or establishing the Development, Declarant shall have the right to appoint or remove any member or members of the Board of Directors and any officer or officers of the Association until such time as the first of the following events shall occur: (i) the expiration of ten (10) years after the date of the recording of this Declaration; or (ii) the surrender by Declarant of the authority to appoint and remove directors and officers of the Association by an express amendment to this Declaration executed and recorded by Declarant. Each Owner, by acceptance of a deed to or other conveyance of a Lot or Dwelling, vests in Declarant such authority

to appoint and remove directors and officers of the Association as provided by this Section 8.01 and by Section 11.01 hereof.

8.02 Duties and Powers. The duties and powers of the Association shall be those set forth in the provisions of the laws of Illinois relating to nonprofit corporations, condominium associations, homeowners' associations, this Declaration, the By-Laws and the Articles of Incorporation, together with those reasonably implied to effect the purposes of the Association; provided, however, that if there are conflicts or inconsistencies between the laws of Illinois, the Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Boulder Ridge Property Association, the Bylaws of the Boulder Ridge Property Association, this Declaration, the By-Laws or the Articles of Incorporation, the provisions of the laws of Illinois, the Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Boulder Ridge Property Association, the By-Laws of the Boulder Ridge Property Association, this Declaration, and the By-Laws, in that order, shall prevail, and each Owner of a Lot or Dwelling by acceptance of a deed or other conveyance therefore, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies. The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, together with every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege. Such powers of the Association shall include, but shall not be limited to, the power to purchase one or more Lots and/or Dwellings and to hold, lease, mortgage, sell and convey the same. Such duties may include, but shall not be limited to, providing for the Association, or arranging with governmental agencies, public service districts, public or private utilities, or others, as a Common Expense or by billing directly to Lots and Dwellings, to furnish trash collections, water, sewer and/or monitoring service for the Common Areas and/or the Lots, Dwellings and Greens of Boulder Ridge Areas. Notwithstanding the foregoing provisions of this Section 8.02 or any other provision of this Declaration to the contrary, and, for so long as Declarant shall own any Lot or Dwelling primarily for the purpose of sale, the Association shall not, without the consent of Declarant, borrow money or pledge, mortgage or hypothecate all or any portion of the Common Areas.

8.03 Agreements. Subject to the prior approval of Declarant for so long as Declarant owns a Lot or Dwelling primarily for the purpose of sale, all agreements and determinations lawfully authorized by the Board of Directors shall be binding upon all Owners, their heirs, legal representatives, successors and assigns, and all others having an interest in the Development or the privilege of possession and enjoyment of any part of the Development; and in performing its responsibilities hereunder, the Association through its Board of Directors, shall have the authority to delegate to persons of its choice such duties of the Association as may be determined by the Board of Directors. In furtherance of the foregoing and not in limitation thereof, the Association may obtain and pay for the services of any person or

entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall deem necessary or desirable for the proper operation of the Development, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. All costs and expenses incident to the employment of a manager shall be a Common Expense. During the term of such management agreement, such manager may, if authorized by the Board of Directors, exercise all of the powers and shall be responsible for the performance of all the duties of the Association, excepting any of those powers or duties specifically and exclusively reserved to the directors, officers or members of the Association by this Declaration or the By-Laws. Such manager may be an individual, corporation or other legal entity, as the Board of Directors shall determine, and may be bonded in such a manner as the Board of Directors may require, with the cost of acquiring any such bond to be a Common Expense. In addition, the Association may pay for, and the Board of Directors may hire and contract for, such legal and accounting services as are necessary or desirable in connection with the operation of the Development or the enforcement of this Declaration, the By-Laws, or the rules and regulations of the Association.

8.04 Management Agreement. Par Development, Inc. or an affiliate shall be employed as the manager of the Association for a one (1) year term, with the option on the part of Par Development, Inc. or its affiliate to renew such employment for two (2) successive one (1) year terms from and after the termination of such appointment and removal right. Every grantee of any interest in the Development, by acceptance of a deed or other conveyance of such interest, shall be deemed to ratify such management agreement.

8.05 Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire and hold tangible and intangible personal property and real property and may dispose of the same by sale or otherwise. All funds received and title to all properties acquired by the Association and the proceeds thereof, after deducting therefrom the costs incurred by the Association in acquiring or selling the same, shall be held by and for the benefit of the Association. The undivided interest of the Owners in the funds and assets of the Association cannot be individually assigned, hypothecated or transferred in any manner, except to the extent that a transfer of the ownership of a Lot or Dwelling also transfers the membership in the Association which is an appurtenance to such Lot or Dwelling.

8.06 Rules and Regulations. As provided in Article X hereof, the Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Lots, Dwellings, all Greens of Boulder Ridge Area and Common Areas, which rules and regulations shall be consistent with the rights and duties established by this Declaration.

8.07 Indemnification. The Association shall indemnify and hold harmless every officer and director of the Association against any and all expenses, including court costs and reasonable attorney's fees, reasonably incurred by or imposed upon any current or former officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the Board of Directors) to which he may be made a party by reason of being or having been an officer or director and which relates to any action affecting the Development by virtue of being an Owner. The officers and directors shall not be liable for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or nonfeasance. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association) and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein, shall not be exclusive of any other rights to which any officer or director or former officer or director may be entitled. The Association shall as a Common Expense maintain adequate general liability and officers' and directors' liability to fund this obligation.

ARTICLE IX **ASSESSMENTS**

9.01 Purpose of Greens of Boulder Ridge Assessments. The Assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, welfare, common benefit and enjoyment of the Owners and occupants of the Greens of Boulder Ridge Development and maintaining the Greens of Boulder Ridge Area and the Common Areas, all as may be more specifically authorized herein and from time to time by the Board of Directors. The Developer, in its sole discretion, may elect (but shall not be obligated to) compensate the Association for any shortfall or deficit in the amount required by the Association to carry out its financial responsibilities pursuant to this Declaration or to any other obligation of the Association.

9.02 Creation of Lien and Personal Obligation of Assessments. Each Owner of a Lot or Dwelling by acceptance of a deed or other conveyance thereof, whether or not it shall be so expressed in such deed or conveyance, is deemed to covenant and agree to pay to the Association: (a) annual assessments, such assessments to be established and collected as provided in Section 9.03 hereof, (b) special assessments, such assessments to be established and collected as provided in Section 9.04 hereof, (c) individual or specific assessments against any particular Lot or Dwelling which are established pursuant to the terms of this Declaration, including, but not limited to, fines as may be imposed against such Lot or Dwelling in accordance with Article XI hereof and (d) annual

and special assessments established and collected pursuant to the Amended and Restated Declaration of the Boulder Ridge Property Owners' Association. Any such assessments, together with late charges, simple interest at the rate of eighteen percent (18%) per annum, and court costs and attorneys' fees incurred to enforce or collect such assessments, shall be an equitable charge and a continuing lien upon the Lot or Dwelling, the Owner of which is responsible for payment. Each Owner shall be personally liable for assessments coming due while he is the Owner of a Lot or Dwelling, and his grantee shall take title to such Lot or Dwelling, subject to the equitable charge and continuing lien therefore, but without prejudice to the rights of such grantee to recover from his grantor any amounts paid by such grantee therefore; provided, however, the lien for unpaid assessments shall not apply to the holder of any first priority institutional Mortgage or to the holder of any mortgage securing a loan made by Declarant, its affiliates, successors or assigns, who takes title to a Lot or Dwelling through foreclosure, or to any purchaser of such Lot or Dwelling at such foreclosure sale. Any purchaser of a Lot or Dwelling through a foreclosure sale shall thereafter be a member of the Association and subject to all future assessments. In the event of co-ownership of any Lot or Dwelling, all of such co-Owners shall be jointly and severally liable for the entire amount of such assessments. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, provided that unless otherwise provided by the Board, the annual assessments shall be paid in equal semi-annual installments. In the event that ownership of any Lot or Dwelling shall become vested in a land trust, the persons who are or were the beneficiaries thereunder at the time that any such amounts became due shall be liable for the payment thereof.

9.03 Computation of Annual Assessments. It shall be the duty of the Board of Directors at least thirty (30) days prior to the Association's annual meeting to prepare a budget covering the estimated Common Expenses during the coming year, such budget to include a capital contribution or reserve account if necessary for the capital needs of the Association. The Board of Directors shall cause the budget and the proposed total of the annual assessments to be levied against Lots and Dwellings for the following year to be delivered to each Owner at least fifteen (15) days prior to such meeting. The total annual assessments shall be divided among the Lots and Dwellings equally, so that each Lot and Dwelling shall be subject to equal amount assessments. The budget and the annual assessments shall become effective unless disapproval at the annual meeting by either (i) Declarant, for so long as Declarant has the authority to appoint and remove directors and officers of the Association, or (ii) a vote of a majority of the votes of the Owners who are voting in person or by proxy at such meeting (provided that a minimum vote of fifty-one percent (51%) of all the votes of the Association shall be required to disapprove the budget). Notwithstanding the foregoing, in the event the proposed budget is not approved or the Board of Directors fails for any

reason to determine the budget, for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget and annual assessments in effect for the then current year shall be increased in proration to the percentage increase, if any, for the then current year, in the Consumer Price Index (all Urban Consumers, United States City Average, All Items [1967-69 = 100]), or its successor index, over the prior year, and such increased budget shall be implemented for the succeeding year, until a new budget shall have been approved as provided above. If any budget at any time proves inadequate for any reason, then the Board of Directors may call a meeting of the Association for the approval of a special assessment as provided in Section 9.04 hereof. The Common Expenses to be funded by the annual assessments may include, but shall not necessarily be limited to, the following:

- (a) management fees and expenses of administration, including legal and accounting fees;
- (b) utility charges for utilities serving the Common Areas and charges for other common services for the Development, including trash collection and monitoring services, if any such services or charges are provided or paid by the Association;
- (c) the cost of any policies of insurance purchased for the benefit of all the Owners and the Association as required or permitted by this Declaration, including fire, flood, and other hazard coverage, public liability coverage, and such other insurance coverage as the Board of Directors determines to be in the interests of the Association and the Owners;
- (d) the expenses of maintenance, operation and repair of those portions of the Common Areas which are the responsibility of the Association which activities are authorized or permitted under the provisions of this Declaration;
- (e) the expenses of maintenance, operation and repair of other amenities and facilities serving the Development, the maintenance, operation and repair of which the Board of Directors from time to time determines to be in the best interest of the Association, which specifically shall be deemed to include all operational and other costs related to security services provided for the Development;
- (f) ad valorem real and personal property taxes assessed and levied against the Common Areas;

(g) the expenses for conducting recreational, cultural, or other related programs for the benefit of the Owners and their families, tenants, guests and invitees;

(h) such other expenses as may be determined from time to time by the Board of Directors to be Common Expenses, including, without limitation, taxes and governmental charges not separately assessed against Lots or Dwellings; and

(i) the establishment and maintenance of a reasonable reserve fund or funds (A) for inspections, maintenance, repair and replacement of those portions of the Common Areas which are the responsibility of the Association and which must be inspected, maintained, repaired or replaced on a periodic basis, (B) to cover emergencies and repairs required as a result of casualties which are not funded by insurance proceeds, and (C) to cover unforeseen operating contingencies or deficiencies arising from unpaid assessments or liens, as well as from emergency expenditures and other matters, all as may be authorized from time to time by the Board of Directors.

9.04 Special Assessments. In addition to the annual assessments authorized above, the Association, acting through its Board of Directors, may levy, in any assessment year, special assessments for Common Expenses, applicable to that year only, provided that except as otherwise permitted in Sections 6.02 and 7.01 hereof, any such assessment shall be approved by (i) Declarant, for so long as Declarant owns any Lot or Dwelling primarily for the purpose of sale and (ii) by a majority of the Owners who are voting in person or by proxy at a meeting duly called for this purpose in accordance with the provisions of Section 9.06 hereof. The Board of Directors

may make such special assessments payable in installments over a period which may, in the Board of Director's discretion, extend in excess of the fiscal year in which adopted. Such special assessments are to be prorated among the Lots and Dwellings equally as provided with respect to annual assessments.

9.05 Individual Assessments. Any expenses of the Association occasioned by the conduct of less than all of the Owners or by the family, tenants, agents, guests or invitees of any Owner shall be specially assessed against such Owners and their respective Lots or Dwellings. The individual assessments provided for in this Section 9.05 shall be levied by the Board of Directors and the amount and due date of such assessment so levied by the Board of Directors shall be as specified by the Board of Directors.

9.06 Notice of Meeting and Quorum. Written notice of the annual meeting of the Association, as well as any other meeting called for the purpose of taking any action authorized under Sections 9.03 and 9.04 hereof shall be sent to all members not less than fifteen (15) days nor more than forty-five (45) days in advance of such meetings. With respect to annual meetings, the presence of members or proxies entitled to cast over fifty percent (50%) of all the votes of the Association 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 the presence in person or by proxy of members having one-third (1/3) of the total votes of the Association. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. Notwithstanding such reduced quorum requirement at a subsequent meeting, a minimum vote of fifty-one percent (51%) of all the votes of the Association shall be required to disapprove the Association's budget.

9.07 Liens. All sums assessed against any Lot or Dwelling pursuant to this Declaration, together with court costs, reasonable attorneys' fees, late charges and interest as provided herein, shall be secured by an equitable charge and continuing lien on such Lot or Dwelling in favor of the Association. Such liens shall be superior to all other liens and encumbrances on such Lot or Dwelling except only for (i) liens of ad valorem taxes, and (ii) liens for all sums unpaid on a first priority institutional Mortgage or on any mortgage to Declarant, or its affiliates, successors or assigns, and all amounts advanced pursuant to any such Mortgage and secured thereby in accordance with the terms of such instrument. Notwithstanding the foregoing to the contrary, the subordination of assessments to the lien of such Mortgages shall only apply to such assessments which have become due and payable prior to a foreclosure. All other persons acquiring liens or encumbrances on any Lot or Dwelling after this Declaration shall have been recorded shall be deemed to consent that such liens or encumbrances shall be inferior to such future liens for assessments as provided herein, whether or not such prior consent shall be specifically set forth in the instruments creating such liens or encumbrances.

9.08 Effect of Nonpayment; Remedies of the Association. Any assessments of a Owner or any portions thereof which are not paid when due shall be delinquent. Any assessment delinquent for a period of more than ten (10) days after the date when due shall incur a late charge in an amount as may be determined by the Board of Directors from time to time and shall also commence to accrue simple interest at the rate of eighteen percent (18%) per annum. A lien and equitable charge as herein provided for each assessment shall attach simultaneously as the same shall become due and payable, and if an installment of the assessment for such year has not been paid within thirty (30) days, the entire unpaid balance of the assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full. The continuing

lien and equitable charge of such assessment shall include the late charge established by the Board of Directors, interest on the principal amount due at the rate of eighteen percent (18%) per annum, all costs of collection (including reasonable attorneys' fees and court costs), and any other amounts provided or permitted hereunder or by law. In the event that the assessment remains unpaid after sixty (60) days from the original due date, the Association may, as the Board of Directors shall determine, institute suit to collect such amounts and to foreclose its lien. The equitable charge and lien provided for in this Article shall be in favor of the Association, and each Owner, by his acceptance of a deed or other conveyance to a Lot or Dwelling vests in the Association and its agents the right and power to bring all actions against him personally for the collection of such assessments as a debt and/or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The Association shall have the power to bid on the Lot or Dwelling at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. No Owner may waive or otherwise escape liability for the assessments provided for herein, including by way of illustration, but not limitation, non-use of the Common Areas or abandonment of his Lot or Dwelling and a Owner shall remain personally liable for assessments, interest and late charges which accrue prior to a sale, transfer, or other conveyance of his Lot or Dwelling.

9.09 Certificate. The Treasurer, any Assistant Treasurer, or the manager of the Association shall, within ten (10) days of a written request and upon payment of such fee as is from time to time reasonably determined by the Board of Directors, furnish to any Owner or such Owner's Mortgagee which requests the same, a certificate in writing signed by said Treasurer, Assistant Treasurer, or manager setting forth whether the assessments for which such Owner is responsible have been paid, and, if not paid, the outstanding amount due and owing, together with all fines, accrued interest, and other penalty charges. Such certificate shall be conclusive evidence against all but such Owner of payment of any assessments stated therein to have been paid.

9.10 Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to each Lot and Dwelling on the day on which such Lot or Dwelling is conveyed to a person other than Declarant and shall be due and payable in such manner and on such schedule as the Board of Directors may provide. Annual assessments and any outstanding special assessments shall be adjusted for such Lot or Dwelling according to the number of months then remaining in the then fiscal year of the Association and the number of days then remaining in the month in which such Lot or Dwelling is first conveyed. Anything contained herein to the contrary notwithstanding, Declarant shall not be responsible for the payment of annual or special assessments on Lots or Dwellings which it or its affiliates own and which do not contain occupied residences (except as hereinafter provided), provided that Declarant covenants and agrees to pay annual and special

assessments for each Lot and Dwelling owned by Declarant or an affiliate and containing occupied residences. Furthermore, Declarant shall have the option to either pay annual assessments on Lots and Dwellings owned by Declarant or fund any deficit which may exist between assessments and the annual budget of the Association for so long as Declarant has the authority hereunder to appoint and remove directors of the Association, provided, however, that the budget, assessments and deficits, if any, shall be annually reviewed by Declarant and the Board of Directors, and during such period Declarant's obligation for funding deficits shall only be up to the amount of the authority to appoint directors or officers to the Association, Declarant shall be obligated only to pass assessments on Lots and Dwellings owned by Declarant.

ARTICLE X **RULE MAKING**

10.01 Rules and Regulations. Subject to the provisions hereof, the Board of Directors may establish reasonable rules and regulations concerning the use of Lots, Dwellings, Greens of Boulder Ridge Areas and the Common Areas and facilities located thereon. In particular but without limitation, the Board of Directors may promulgate from time to time rules and regulations which shall govern activities which may, in the judgment of the Board of Directors, be environmentally hazardous to any wetland or other areas such as application of fertilizers, pesticides and other chemicals. Copies of such rules and regulations and amendments thereto shall be furnished by the Association to all Owners prior to the effective date of such rules and regulations and amendments thereto. Such rules and regulations shall be binding upon the Owners, their families, tenants, guests, invitees, servants and agents, until and unless any such rule or regulation be specifically overruled, canceled or modified by the Board of Directors or in a regular or special meeting of the Association by the vote of the Owners, in person or by proxy, holding a majority of the total votes in the Association, provided that in the event of such vote, such action must also be approved by Declarant, for so long as Declarant owns any Lot or Unit primarily for the purpose of sale.

10.02 Authority and Enforcement. Subject to the provisions of Section 11.03 hereof, upon the violation of this Declaration, the By-Laws, or any rules and regulations duly adopted hereunder, including, without limitation, the failure to timely pay any assessments, the Board of Directors shall have the power (i) to impose reasonable monetary fines which shall constitute an equitable charge and a continuing lien upon the Lot or Dwelling, the Owners or occupants of which are guilty of such violation, (ii) to suspend a Owner's right to vote in the Association, or (iii) to suspend an Owner's right (and the right of such Owner's family, guests, and tenants and of the co-Owners of such Owner and their respective families, guests and tenants) to use any of the recreational facilities located in the Common Areas, and the Board

of Directors shall have the power to impose all or any combination of these sanctions. An Owner shall be subject to the foregoing sanctions in the event of such a violation by such Owner, his family, guests, or tenants or by his co-Owners or the family, guests or tenants of his co-Owners. Any such suspension of rights may be for the duration of the infraction and for any additional period thereafter, not to exceed thirty (30) days per violation.

10.03 Procedure. Except with respect to the failure of a Owner to pay assessments, the Board of Directors shall not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of a Owner or other occupant of the Development for violations of the Declaration, the By-Laws, or any rules and regulations of the Association, unless and until the following procedure is followed:

(a) Written demand to cease and desist from an alleged violation shall be served upon the Owner responsible for such violation specifying:

- (i) The alleged violation;
 - (ii) The action required to abate the violation;
- and
- (iii) A time period of not less than ten (10) days during which the violation may be abated without further sanction, if such violation is a continuing one, or if the violation is not a continuing one, a statement that any further violation of the same provision of this Declaration, the By-Laws, or of the rules and regulations of the Association may result in the imposition of sanctions after notice and hearing.

(b) Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same violation subsequently occurs, the Board of Directors may serve such Owner with written notice of a hearing to be held by the Board of Directors in executive session. The notice shall contain:

- (i) The nature of the alleged violation;
- (ii) The time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice;
- (iii) An invitation to attend the hearing and produce any statement, evidence, and witnesses on his behalf; and
- (iv) The proposed sanction to be imposed.

(c) The hearing shall be held in executive session of the Board of Directors pursuant to the notice and shall afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer, director, or other individual who delivered such notice. In addition, the notice requirement shall be deemed satisfied if an alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction imposed, if any.

ARTICLE XI

GENERAL PROVISIONS

11.01 Control by Declarant. NOTWITHSTANDING ANY OTHER LANGUAGE OR PROVISION TO THE CONTRARY IN THIS DECLARATION, IN THE ARTICLES OF INCORPORATION, OR IN THE BY-LAWS OF THE ASSOCIATION, Declarant hereby retains the right to appoint and remove any member or members of the Board of Directors of the Association and any officer or officers of the Association as provided by and for the term set forth in Section 8.01 hereof. Every grantee of any interest in the Development, by acceptance of a deed or other conveyance of such interest, agrees that Declarant shall have the authority to appoint and remove directors and officers of the Association pursuant to the provisions of Section 8.01 and this Section 11.01, such right shall pass to the Owners, including Declarant if Declarant then owns one or more Lots or Dwellings, and a special meeting of the Association shall be called within a reasonable time thereafter.

At such special meeting the Owners shall elect a new Board of Directors which shall undertake the responsibilities of the Board of Directors, and Declarant shall deliver all books, accounts and records, if any, which Declarant has kept on behalf of the Association and any agreements or contracts executed by or on behalf of the Association during such period and which Declarant has in its possession.

11.02 Amendments by Declarant. During any period in which Declarant retains the right to appoint and remove any directors and officers of the Association, Declarant may amend this Declaration by an instrument in writing filed and recorded in the Office of the Recorder of Deeds of McHenry County, without the approval of any Owner or Mortgagee; provided, however, that, (i) in the event that such amendment materially alters or changes any Owner's right to the use and enjoyment of his Lot, Dwelling, Greens of Boulder Ridge Area or the Common Areas as set forth in this Declaration or adversely affects the title to any Lot, Dwelling or Greens of Boulder Ridge Area, such amendment shall be valid only upon the

written consent thereto by a majority in number of the then existing Owners affected thereby, or (ii) in the event that such amendment would materially and adversely affect the security title and interest of any Mortgagee, such amendment shall be valid only upon the written consent thereto of all such Mortgagees so affected. An amendment made pursuant to this Section 11.02 shall be certified by Declarant as having been duly approved by Declarant, and by such Owners and Mortgagees if required, and shall be effective only upon recordation or at such later date as shall be specified in the amendment itself. Each Owner, by acceptance of a deed or other conveyance to a Lot or Dwelling, agrees to be bound by such amendments as are permitted by this Section 11.02 and further agrees that, if requested to do so by Declarant, such Owner will consent to the amendment of this Declaration or any other instruments relating to the Development (A) if such amendment is necessary to bring any provision hereof or thereof into compliance or conformity with the provisions of any applicable governmental statute, rule, or regulation or any judicial determination which shall be in conflict therewith, (B) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any Lots, Dwellings, or portion of the Development subject to this Declaration, (C) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on any Lot, Dwelling or other improvements subject to this Declaration, or (D) if any such amendment is necessary to enable any governmental agency or reputable private insurance company to insure Mortgages on the Lots, Dwellings or other improvements subject to this Declaration.

11.03 Amendments by Association. Amendments to this Declaration, other than those authorized by Section 11.02 hereof, shall be proposed and adopted in the following manner:

(a) Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the Association at which such proposed amendment is to be considered and shall be delivered to each member of the Association.

(b) At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board of Directors or by members of the Association. Such amendment must be approved by Owners holding at least two-thirds (2/3) of the total votes in the Association; provided, however, (i) that any amendment which materially and adversely affects the security title and interest of any Mortgagee must be approved by such Mortgagee, and (ii) any period in which Declarant owns a Lot or Dwelling primarily for the purpose of sale, such amendment must be approved by Declarant.

11.05 Duration. The provisions of this Declaration shall run with and bind title to the Property, shall be binding upon and inure to the benefit of all Owners and Mortgagees and their respective heirs, executors, legal representatives, successors and assigns, and shall be and remain in effect for a period of twenty (20) years from and after the date of the recording of this Declaration, provided that rights and easements which are stated herein to have a longer duration shall have such longer duration. Upon the expiration of said twenty (20) year period, this Declaration shall be automatically renewed for successive ten (10) year periods. The number of ten (10) year renewal periods shall be unlimited, with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an addition ten (10) year period; provided however, that there shall be no renewal or extension of this Declaration, if, during the last year of the initial twenty (20) year period or the last year of any ten (10) year renewal period, seventy-five percent (75%) of the total votes of the Association are cast in favor of terminating this Declaration at the end of the then current term. In the event that the Association votes to terminate this Declaration, an instrument evidencing such termination shall be duly filed, such instrument to contain a certificate wherein the President of the Association swears that such termination was duly adopted by the requisite number of votes. Every purchaser or grantee of any interest in the Property, by acceptance of a deed or other conveyance therefore, thereby agrees that the provisions of this Declaration shall run with and bind title to the Property as provided hereby. Reference in the respective deeds of conveyance or in any mortgage or trust deed or other evidence of obligation or transfer, to the covenants, conditions, restrictions, easements, rights, benefits and privileges of every character contained herein, shall be deemed and taken to be appurtenant to and covenants running with such property, and shall be binding upon any such grantee, mortgagee or trustee and their successors and assigns as fully and completely as though the provisions of this Declaration were fully recited and set forth in their entirety in such documents.

11.06 Perpetuities. If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Raymond E. Plote.

11.07 Interpretation. In all cases, the provisions set forth or provide for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of Declarant or the Board of Directors will best effect the intent of the general plan of development. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective. The provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance, building

codes or other regulations which are less restrictive. The effective date of this Declaration shall be the date of its filing of record. The captions of each Article and Section are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article or Section to which they refer. This Declaration shall be construed under and in accordance with the laws of the State of Illinois.

For the purpose hereof, the Declarant shall be deemed to continue in legal existence and have each of the rights and privileges granted and reserved herein for so long as it is trustee under any one of the trusts identified herein which is then the owner of any portion of the property described in Exhibit A. In the event of a merger, transfer or business combination of the trust business of Harris Bank Barrington, N.A., then the legal successor thereto shall be deemed to have succeeded to all of the rights and privilege herein granted to the original trustee-Declarant.

11.08 Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes require to make the provisions hereof apply either to corporations or other entities or to individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

11.09 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

11.10 Rights of Third Parties. This Declaration shall be recorded for the benefit of Declarant, the Owners and their Mortgagees as herein provided, and by such recording, no adjoining property owner or third party shall have any right, title or interest whatsoever in the Development, except as provided herein, or in the operation or continuation thereof or in the enforcement of any of the provisions hereof, and, subject to the rights of Declarant, and Mortgagees as herein provided, the Owners shall have the right to extend, modify, amend or otherwise change the provisions of this Declaration without the consent, permission or approval of any adjoining owner or third party.

11.11 Notice of Sale, Lease or Mortgage. In the event an Owner sells, leases, mortgages or otherwise disposes of any Lot or Dwelling, the Owner must promptly furnish to the Association in

writing the name and address of such purchaser, lessee, mortgage or transferee.

11.12 No Trespass. Whenever the Association, Declarant and their respective successors, assigns, agents or employees are permitted by this Declaration to enter upon or correct, repair, clean, maintain, preserve or do any other action within any portion of the Development, the entering thereon and the taking of such action shall not be deemed to be a trespass.

11.13 Notices. Notices required hereunder shall be in writing and shall be delivered by hand or sent by United States mail, postage prepaid. All notices to Owners shall be delivered or sent to such addresses as have been designated in writing to the Association, or if no address has been so designated, at the addresses of such Owners' respective Lots or Dwellings. All notices to the Association shall be delivered or sent in care of Declarant at the following addresses:

Harris Bank Barrington, N.A.
as Trustee under Trust Agreement 11-4344
201 South Grove Avenue
Barrington, Illinois 60010

with a copy to:

Par Development, Inc.
1100 Brandt Drive
Elgin, Illinois 60120

or to such other address as the Association may from time to time notify the Owners. All notices to Declarant shall be delivered or sent to Declarant at the above address or to such other address as Declarant may from time to time notify the Association. Notices to Mortgagees shall be delivered or sent to such addresses as such Mortgagees specify in writing to the Association. All notices are deemed delivered when delivered by hand or when deposited in the United States mail.

11.14 Land Trust. In the event title to a Lot or Dwelling is held by a land trust under which all powers of management, operation and control remain vested in the trust beneficiaries, then the beneficiaries thereunder shall be considered Owners for all purposes hereunder and they shall be responsible for any obligation created under this Declaration against such Lot or Dwelling. No claim shall be made against any such title holder trustee personally for any claim or obligation created hereunder and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against any such obligation, but the amount thereof shall continue to be a charge of lien upon the Lot or Dwelling notwithstanding any transfers of beneficial interest or in the title to such Lot or Dwelling. By directing said trustee to

take title to said Lot or Dwelling, the beneficiaries agree to be bound by the provisions of this Section.

Notwithstanding the preceding, this Section shall not be applicable to nor impose any obligations upon any beneficiary of the Declarant without the separate written consent of each such beneficiary thereof.

11.15 Rights of the Village. The rights granted to Owners pursuant to this Declaration shall inure to and run to the benefit of and be exercisable by the Village of Lake in the Hills. This Declaration of Covenants, Conditions and Restrictions shall not be amended without approval of the Village of Lake in the Hills. The Village of Lake in the Hills specifically reserves the right to exercise its authority hereunder at its sole discretion. This provision shall apply notwithstanding the expiration of the Annexation Agreement between the Declarant and the Village of Lake in the Hills and any amendments thereto.

11.16 Construction with the Declaration. The terms and provisions of this Declaration, as well as the rights, privileges, obligations, assessments and other matters arising thereunder, are in addition to, and not in lieu of, those created and imposed upon the Lots and Dwellings within the Development in the Declaration. To the extent permitted by the context thereof, the terms and provisions of this Declaration and the Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Boulder Ridge Property Association shall be construed in a manner which is consistent and complimentary rather than contradictory or conflicting. However, if and to the extent that any conflict or inconsistency exists, the Amended and Restated Declaration of Covenants, Conditions and Restrictions of the Boulder Ridge Property Association, the Articles of Incorporation of the Boulder Ridge Property Association and the By-Laws of the Boulder Ridge Property Association, in that order, shall be deemed to control and govern over this Declaration, the Articles of Incorporation and the By-Laws.

ARTICLE XII

ARCHITECTURAL GUIDELINES AND USE RESTRICTIONS

12.01 Purpose. In order to preserve the natural setting and beauty of the Development, to establish and preserve a harmonious and aesthetically pleasing design for the Development, and to protect and promote the value of the Property, the Lots and Dwellings, the Common Areas, and any and all improvements located therein or thereon shall be subject to the restrictions set forth in this Article XII. Every grantee of any interest in the Property, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article XII.

12.02 Architectural Review Committee. The Board of Directors shall establish the Architectural Review Committee which shall

consist of three (3) members, all of whom shall be Owners and who may or may not be members of the Board of Directors, provided that prior to the termination of Declarant's right to appoint and remove officers and directors of the Association, such members do not have to be Owners. The regular term of office for each member shall be one (1) year, coinciding with the fiscal year of the Association. Any member appointed by the Board of Directors may be removed with or without cause by the Board of Directors at any time by written notice to such appointee, and a successor or successors appointed to fill such vacancy shall serve the remainder of the term of the former member. Notwithstanding the foregoing to the contrary, any member appointed to the Architectural Review Committee by the Board of Directors shall be subject to prior approval of Declarant until that date which is one (1) year from and after the date on which Declarant's right to appoint and remove officers and directors from the Association is terminated. The Architectural Review Committee shall elect a chairman and he, or in his absence, the vice chairman, shall be the presiding officer at its meeting. The Architectural Review Committee shall meet at least once in each calendar month, as well as upon call of the chairman, and all meetings shall be held at such places as may be designated by the chairman. Three (3) members shall constitute a quorum for the transaction of business, and the affirmative vote of a majority of those present in person or by proxy at a meeting of the Architectural Review Committee shall constitute the action of the Architectural Review Committee on any matter before it. The Architectural Review Committee is authorized to retain the services of consulting architects, urban designers, engineers, inspectors, landscape architects and/or attorneys in order to advise and assist the Architectural Review Committee in performing its functions set forth herein. Each member of the Architectural Review Committee may be paid a stipend or honorarium as from time to time determined by the Board of Directors. The Architectural Review Committee shall act consistently with and in furtherance of the Architectural Guidelines as adopted by the Association or Declarant, attached hereto as Exhibit D.

12.03 Permitted Improvements; Architectural Guidelines. No improvements of any nature whatsoever shall be constructed, altered, added to or maintained upon any part of the Property except (i) for Dwellings and other improvements which are constructed by Declarant, (ii) such improvements as are approved by the Architectural Review Committee in accordance with this Article XII or (iii) improvements which pursuant to this Article XII do not require the consent of the Architectural Review Committee.

(a) The Architectural Review Committee is hereby authorized to promulgate from time to time written architectural standards, policies and guidelines (the "Architectural Guidelines") governing the construction, location, landscaping and design of improvements, the contents of submissions of plans and specifications and other information required to evidence compliance with and obtain

approval pursuant to Sections 12.05, 12.06 and 12.08 hereof, consistent with the Architectural Guidelines attached hereto as Exhibit A. Any such Architectural Guidelines published by the Architectural Review Committee shall be binding and enforceable on all Owners with respect to all improvements in the Development requiring approval of the Architectural Review Committee.

(b) No improvements of any nature whatsoever shall be commenced, constructed, altered, added to or maintained upon any part of the Property (except for Dwellings and other improvements which are constructed by Declarant and for improvements which pursuant to this Article XII do not require the consent of the Architectural Review Committee) unless and until the Architectural Review Committee has approved in writing the proposed architect and builder of any such improvements.

12.04 Construction of Improvements. No construction of improvements on any Lots, Dwellings or Greens of Boulder Ridge Area shall be undertaken or conducted on Sundays, except for (i) construction activities of Declarant, (ii) emergency situations involving the potential loss, injury or damage to persons or property and (iii) as otherwise permitted by the Architectural Review Committee.

(a) Dwellings may not be temporarily or permanently occupied until the exteriors thereof and the landscaping of the Lot on which the Dwelling is located have been completed, or adequate provisions have been made for the completion of landscaping where the weather conditions prohibit immediate completion, and a certificate of occupancy for such Dwelling has been issued. No temporary house, shack, tent, barn or other outbuilding shall be permitted on any Lot, Dwelling or within any Greens of Boulder Ridge Area at any time, except for temporary structures for social functions as may be permitted by rules and regulations promulgated by the Board of Directors, nor shall any stable, poultry house or yard, rabbit hut or other similar yard structure be constructed or allowed to remain on any Lot or Dwelling or within any Greens of Boulder Ridge Area. Construction of all Dwellings shall be completed within one (1) year of the commencement date of said construction. During the continuance of construction by an Owner of a Dwelling or by the Association of any Greens of Boulder Ridge Area, such Owner or Association, as the case may be, shall require its contractors to maintain the Lot, Dwelling or Greens of Boulder Ridge Area in a reasonably clean and uncluttered condition, and, to the extent possible, all construction trash and debris shall be kept within refuse containers. Upon completion of construction, such Owner or Association, as the case may be, shall cause its contractors to immediately remove all equipment, tools and construction material and debris from the Lot, Dwelling or Greens of Boulder Ridge Area on which such construction has been completed.

12.05 Architectural Approval. To preserve the architectural and aesthetic appearance of the Development, no construction or improvements of any nature whatsoever shall be commenced or maintained by any Owner or Association other than Declarant, with respect to the construction or affecting the exterior appearance of any Dwelling or with respect to any other portion of the Property, including, without limitation, the construction or installation of sidewalks, driveways, parking lots, decks, patios, courtyards, exterior lights or garages, nor shall any exterior addition to or change or alteration therein be made (including, without limitation, painting or staining of any exterior surface), unless and until two (2) copies of the plans and specifications and related data (including, if required by the Architectural Review Committee, a survey showing the location of trees of six [6] inches in diameter at a height of four [4] feet and other significant vegetation on such Lot, Dwelling or Greens of Boulder Ridge Area, showing the nature, color, type, shape, height, materials and location of the same) shall have been submitted to and approved in writing by the Architectural Review Committee as to the compliance of such plans and specifications with the Architectural Guidelines, including the harmony of external design, location and appearance in relation to surrounding structures and topography. One copy of such plans, specifications and related data so submitted shall be retained in the records of the Architectural Review Committee, and the other copy shall be returned to the Owner or Association, marked "Approved", "Approved as Noted", or "Disapproved". The Architectural Review Committee shall establish a fee sufficient to cover the expense reviewing the plans and related data and to compensate any consulting architects, landscape architects, urban designers, inspectors or attorneys retained in accordance with the terms hereof. The fee initially established for such review shall be for each submission, and the Architectural Review Committee shall have the right to increase this amount from time to time. Notwithstanding the foregoing, an Owner may make interior improvements and alterations within his Dwelling that do not affect the exterior appearance and the Association may make interior improvements or alterations within any building or structures which it owns or maintains that do not affect the exterior appearance, without the necessity of approval or review by the Architectural Review Committee. The Architectural Review Committee shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to the Association. In connection with approval rights and to prevent excessive drainage or surface water run-off and in order to comply with any restrictions imposed from time to time on the Development, or portions thereof, by the applicable governmental authorities, the Architectural Review Committee shall have the right to establish a maximum percentage of a Lot, Dwelling or Greens of Boulder Ridge Area which can be cleared or graded and a maximum percentage of a Lot, Dwelling or Greens of Boulder Ridge Area which may be covered by Dwellings, buildings, structures or other improvements, which standards shall be promulgated on the basis of topography,

percolation rate of the soil, soil types and conditions, vegetation cover and other environmental factors. Following approval of any plans and specifications by the Architectural Review Committee, representatives of the Architectural Review Committee shall have the right during reasonable hours to enter upon and inspect any Lot, Dwelling, Greens of Boulder Ridge Area or other improvements with respect to which construction is underway to determine whether or not the plans and specifications therefore have been approved and are being complied with. In the event the Architectural Review Committee shall determine that such plans and specifications have not been approved or are not being complied with, the Architectural Review Committee shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved plans and specifications. In the event the Architectural Review Committee fails to approve or disapprove in writing any proposed plans and specifications within thirty (30) days after such plans and specifications are submitted, such plans and specifications shall be deemed to have been expressly approved, provided the proposed improvements are generally in harmony with the scheme of the Development as set forth in this Declaration and the Architectural Guidelines. Upon approval of the plans and specifications, no further approval under this Article XII shall be required with respect thereto, unless such construction has not been substantially commenced within twelve (12) months of the approval of such plans and specifications (e.g., clearing and grading, pouring of footings, etc.) or unless such plans and specifications are materially altered or changed. Refusal of approval of plans and specifications may be based by the Architectural Review Committee upon any ground which is consistent with the objectives and purposes of this Declaration, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious.

12.06 Landscaping Approval. To preserve the aesthetic appearance of the Development, no landscaping, grading, excavation or filling of any nature whatsoever shall be implemented and installed by any Owner or Association, other than Declarant, unless and until the plans therefor have been submitted to and approved in writing by the Architectural Review Committee. The provisions of Section 12.05 hereof regarding time for approval of plans, right to inspect, right to enjoin and/or require removal, etc., shall also be applicable to any proposed landscaping, clearing, grading, excavation or filling. The landscaping plan for any Lots, Dwellings or Greens of Boulder Ridge Area adjacent to golf courses located on Country Club Property shall, in addition, be subject to the rights of Club Owner as set forth in Section 3.09 hereof. Furthermore, no hedge or shrubbery planting or tree which obstructs sight-lines of streets and roadways within the Development shall be placed or permitted to remain on any Lot, Dwelling or Greens of Boulder Ridge Area where such hedge, shrubbery or tree interferes with traffic sight-lines, including sight-lines at the intersection of a driveway and a road or street in the Development. No Owner or

Association, other than Declarant, shall be entitled to cut, remove or mutilate any trees, shrubs, bushes or other vegetation having a trunk diameter of six (6) inches or more at a point of four (4) feet above ground level, without obtaining the prior approval of the Architectural Review Committee, except as set forth in the preceding sentence and provided further, that dead or diseased trees which are inspected and certified as dead or diseased by the Architectural Review Committee or its representatives, as well as other dead or diseased shrubs, bushes or other vegetation, shall be cut and removed promptly from any Lot, Dwelling or Greens of Boulder Ridge Area by the Owner of such Lot or Dwelling or the Association, as the case may be. All of the landscaping of Lots and Dwellings must be completed prior to occupancy of the Dwelling, except as provided in Section 12.04(b). All landscaping within Greens of Boulder Ridge Areas must be completed in accordance with a landscaping schedule approved by the Architectural Review Committee.

12.07 Approval Not a Guarantee. No approval of plans and specifications and no publication of Architectural Guidelines shall be construed as representing or implying that such plans, specifications or Architectural Guidelines will, if followed, result in properly designed improvements. Such approvals and Architectural Guidelines shall in no event be construed as representing or guaranteeing that any Dwelling or other improvement built in accordance therewith will be built in a good and workmanlike manner. Neither Declarant, the Association, nor the Architectural Review Committee shall be responsible or liable for any defects in any plans or specifications submitted, revised or approved pursuant to the terms of this Article XII, any loss or damage to any person arising out of the approval or disapproval of any plans or specifications, any loss or damage arising from the noncompliance of such plans and specifications with any governmental ordinances and regulations, nor any defects in construction undertaken pursuant to such plans and specifications.

12.08 Building Restrictions. All dwellings and other structures shall be constructed in compliance with any and all applicable state, county and municipal zoning and building restrictions and any applicable regulations and restrictions of applicable governmental agencies. All grading, clearing, construction of impervious surfaces and other construction activity performed on Lots or Dwellings shall be performed in accordance with the standards promulgated by the Architectural Review Committee. Prior to any such grading, clearing, construction of impervious surface or other construction activity, the Owner of any Lot or Dwelling shall receive the prior written approval of the Architectural Review Committee. Any Owner that performs any grading, clearing, construction of impervious surface or other construction activity in violation of the above, shall be liable to Declarant for any damages incurred by Declarant arising out of such violation and Declarant hereby expressly reserves the right to sue any such Owner

for monetary damages and for specific performance of the above covenants and restrictions. In addition, the Architectural Review Committee is authorized to promulgate from time to time as part of the Architectural Guidelines described in Section 12.03(b) hereof, additional restrictions applicable to the Development, including, without limitation, restrictions relating to height of improvements above grade, roof pitch and minimum square footage of living space in each Dwelling. No exterior portion of any building, structure or other improvement (excepting sidewalks and driveways) located on or with respect to any Lot, Dwelling or Greens of Boulder Ridge Area, shall be located other than as permitted by the applicable set-back line restrictions as set forth in the recorded plat; provided that the Architectural Review Committee shall be empowered to grant variances with respect to such set-back line restrictions, including variances for any Lot or Dwelling located within a Greens of Boulder Ridge Area, in its sole and absolute discretion but subject to approval of the Village of Lake in the Hills, if required. To assure that Dwellings and other structures will be located so that the maximum view, privacy and breeze will be available to each Dwelling or structure, Dwellings and structures will be located with regard to the topography of each Lot, Dwelling and Greens of Boulder Ridge Area, taking into consideration the location of trees and vegetation and other aesthetic and environmental considerations, as well as the precise site and location of any other Dwellings or structures within the Development and the Architectural Review Committee shall have the authority to determine such locations of Dwellings and structures. In addition, all residential structures constructed on a Lot shall (i) have at a minimum first floor elevation the level of the 100-year flood as designated on official flood plain maps and (ii) be designed and constructed in compliance with the requirements of any building code related to construction in flood hazard areas, if any are applicable. All exterior lighting shall be in compliance with the Architectural Guidelines.

12.09 Use of Lots and Dwellings. Except as permitted by Sections 3.10 and 12.19 hereof, each Lot and Dwelling shall be used for residential purposes only, and no trade or business of any kind may be carried on thereon. No more than one (1) Dwelling shall be located on any Lot. The use of a portion of a Dwelling as an office by an Owner or his tenant shall not be considered to be a violation of this covenant if such use does not create regular customer, client or employee traffic. The use of a Dwelling or a portion thereof for business meetings, entertainment or the enjoyment or business of the Owner's employees, trustees, agents, clients or customers shall not be considered to be a violation of this covenant if such use does not create regular customer, client or employee traffic. Lease or rental of a Dwelling for residential purposes shall also not be considered to be a violation of this covenant so long as the lease (i) is not for less than the entire Dwelling and all the improvements thereon, (ii) is for a term of at least six (6) months, and (iii) is otherwise in compliance with the

rules and regulations as may be promulgated and published from time to time by the Board of Directors. All leases shall be required to be in writing, and, prior to the commencement of any such lease, the Owner shall provide the Secretary of the Association and the managing agent of the Association, if any, with copies of such lease. Any lessee or tenant shall in all respects be subject to the terms and conditions of this Declaration and the rules and regulations adopted hereunder. Notwithstanding any provision of this Section 12.09 to the contrary, Declarant, its successors and assigns, if the right is so transferred by Declarant, shall have the perpetual right to designate in writing to the Association from time to time Dwellings in the Development which may be leased for such period of time as Declarant shall determine, including daily and weekly rentals, and for these Dwellings, Declarant or the Owner shall not be required to supply copies of the leases therefor to the Association.

12.10 Exterior Appearance. No chainlink fence shall be permitted within the Development, except with regard to maintenance areas within the Common Areas and the Country Club Property and those fences erected by Declarant. Further, no foil or other reflective materials shall be used on any windows for sunscreens, blinds, shades or other purpose, nor shall any window-mounted heating or air-conditioning units be permitted. Outside clotheslines or other outside facilities for drying or airing clothes are specifically prohibited and shall not be erected, place or maintained, nor shall any clothing, rugs or other items be hung on any railing, fence, hedge or wall. No projections of any type shall be placed or permitted to remain above the roof of any improvements except approved chimneys or vent stacks.

12.11 Signs. Except as may be required by legal proceedings, no signs or advertising posters of any kind shall be maintained or permitted within any windows, on the exterior of any improvements located within the Development or elsewhere on any portion of the Property, without the express written permission of the Architectural Review Committee. The approval of any signs and posters, including, without limitation, name and address signs, shall be upon such conditions as may be from time to time determined by the Architectural Review Committee and may be arbitrarily withheld. Notwithstanding the foregoing, the restrictions of this Section 12.11 shall not apply to Declarant. In addition, the Board of Directors, on behalf of the Association, shall have the right to erect reasonable and appropriate signs on any portion of the Common Areas and within those easement areas established in Sections 3.06, 3.07 and 3.09 hereof.

12.12 Antennae. No television antenna, radio receiver, satellite dish or other similar device shall be attached to or installed on any portion of the Development, unless contained entirely within the interior of a building or other structure, nor shall radio or television signals, nor any other form of electromagnetic

radiation, be permitted to originate from any Lot, Dwelling or Greens of Boulder Ridge Area which may unreasonably interfere with the reception of television or radio signals within the Development; provided, however, that Declarant and the Association shall not be prohibited from installing equipment necessary for master antenna, security, cable television, mobile radio or other similar systems within the Development, and should cable television services be unavailable and adequate television reception not be otherwise available, then an Owner or the Association may make written application to the Architectural Review Committee for permission to install a television antenna.

12.13 Security Monitoring Systems. In the event that either Declarant or the Association shall install a central security monitoring system within the Development, with the capability of providing security monitoring services to each Dwelling within the Development, then any Owner or the Association shall be entitled, or required as the case may be, to utilize the central security monitoring system pursuant to the rules and regulations established therefore, provided, however, that nothing contained herein shall be construed to obligate either Declarant or the Association to install such a central security monitoring system, and, provided further, in the event of such an installation, neither Declarant nor the Association shall have any responsibility to prevent, and shall not be liable to any Owner or any other person for any loss or losses due to theft, burglary or damage, or any injury to persons or property caused by persons gaining access to the Development, and each Owner hereby releases Declarant, the Association and their agents from all liability resulting from any of the foregoing acts.

12.14 Water Wells and Septic Tanks. No private water wells may be drilled or maintained, and no septic tanks or similar sewage facilities may be installed or maintained on any Lot, Dwelling or Greens of Boulder Ridge Area. The provision herein shall not apply to temporary utilities permitted by the Village of Lake in the Hills under the terms of the Annexation Agreement for the Property.

12.15 Pets. No animals, livestock, birds, bees or poultry of any kind shall be raised, bred or kept by any Owner upon any portion of the Development or on any Lot, provided that generally recognized house pets may be kept in Dwellings, subject to rules and regulations adopted by the Association, through its Board of Directors, and further provided that such pet or pets are kept and maintained solely as domestic pets and not for any commercial purpose. No pet shall be allowed to make an unreasonable amount of noise or to become a nuisance. No structure for the care, housing or confinement of any pet shall be constructed or maintained on any part of the Common Areas or on any Lot. Pets shall be under leash at all times when walked or exercised in any portion of the Common Areas, and no pet shall be permitted to leave its excrement on any portion of the Common Areas, and the Owner of such pet shall

immediately remove the same. Upon the written request of the Owner, the Board of Directors may conclusively determine, in its sole and absolute discretion, whether, for purposes of this Section 12.15, a particular pet is a generally recognized house pet or such pet is a nuisance, and the Board of Directors shall have the right to remove such pet from the Development if such pet is found to be a nuisance or to be in violation of these restrictions. The Board of Directors shall have the further right, subject to Section 11.04 hereof, to fine any Owner (in an amount not to exceed \$50.00 per violation) for the violation of these pet restrictions by such Owner or an occupant of his Lot or Dwelling, and an Owner shall be liable to the Association for the cost of repair of any damage to the Common Areas caused by the pet of such Owner or of an occupant of such Owner's Lot or Dwelling. Any such fine or cost of repair shall be added to and become a part of that portion of any assessment next coming due to which such Lot or Dwelling and its Owner are subject.

12.16 Nuisances. No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of the Development, nor shall any nuisance or odors be permitted to exist or operate upon or arise from the Development, so as to render any portion thereof unsanitary, unsightly, offensive or detrimental to persons using or occupying any other portions of the Development. No burning of rubbish or other debris shall be permitted on any Lot or in any Common Area or Greens of Boulder Ridge Area. Noxious or offensive activities shall not be carried on in any Lot, Dwelling or Greens of Boulder Ridge Area or in any part of the Common Areas, and each Owner, his family, guests, tenants, invitees, servants and agents shall refrain from any act or use of a Lot, Dwelling or Greens of Boulder Ridge Area or of the Common Areas which could cause disorderly, unsightly or unkempt conditions, or which could cause embarrassment, discomfort, annoyance or nuisance to the occupants of other portions of the Development, or which would be in violation of any law or governmental code or regulation. Without limiting the generality of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except security and fire alarm devices used exclusively for such purposes, shall be located, used or placed within the Development. Any Owner, or his family, guests, tenants, invitees, servants or agents, who dumps, places or burns any trash or debris upon any portion of the Development shall be liable to the Association for the actual costs of removal thereof or the sum of \$150.00, whichever is greater, and such sum shall be added to and become a part of that portion of any assessment next becoming due to which such Owner and his Lot or Dwelling are subject.

12.17 Golf Course Areas. Owners of Lots and Dwellings adjacent to all golf course areas, as well as their families, tenants, guests, invitees and pets, shall be obligated to refrain from any actions which would distract from the playing qualities of any golf courses located on the Country Club Property. Such prohibited activities

shall include, but not be limited to, burning materials, maintenance of dogs or other pets under conditions which interfere with golf course play due to their loud barking or other actions, playing of loud radios, televisions, stereos or musical instruments, running or walking on the fairways, picking up balls or other similar interference with play.

12.18 Motor Vehicles, Trailers, Boats, Etc. Each Owner shall provide for parking of at least two (2) automobiles in garages, equipped with garage doors, prior to occupancy of the Dwelling owned or maintained by such Owner. All automobiles owned or used by Owners or occupants other than temporary guests and visitors shall be parked in garages to the extent that garage space is available, and garages shall not be used for storage or otherwise so that they become unavailable for parking cars therein. The Board of Directors shall have the authority to promulgate rules and regulations to govern or prohibit the outside storage or parking upon any Lot, Dwelling or Greens of Boulder Ridge Area or within any portion of the Common Areas (other than areas provided therefor within the Common Areas, if any) of any mobile home, trailer (either with or without wheels), motor home, tractor, truck (other than pick-up trucks), commercial vehicles of any type, camper, motorized camper or trailer, boat or other watercraft, boat trailer, motorcycle, motorized bicycle, motorized go-cart or any other related forms of transportation devices. Furthermore, although not expressly prohibited hereby, the Board of Directors at any time may prohibit mobile homes, campers, trailers of any kind, motorcycles, motorized bicycles, motorized go-carts and other similar vehicles, or any of them from being kept, placed, stored, maintained or operated upon any portion of the Development if in the opinion of the Board of Directors such prohibition shall be in the best interests of the Development. No Owners or other occupants of any portion of the Development shall repair or restore any vehicle of any kind upon or within any Lot, Dwelling or Greens of Boulder Ridge Area or within any portion of the Common Areas, except (i) within enclosed garages or workshops or (ii) for emergency repairs, and then only to the extent necessary to enable the movement thereof to a proper repair facility. Declarant hereby reserves the right (without any obligation to do so) to designate a portion of the Common Areas as a parking area for boat trailers, motor homes and similar vehicles.

12.19 Sales and Construction Activities. Notwithstanding any provision or restriction contained in this Declaration to the contrary, it shall be expressly permissible for Declarant and its agents, employees, successors and assigns to maintain and carry on such facilities and activities as may be reasonably required, convenient or incidental to the completion, improvement and sale of Lots and/or Dwellings or the developing of Lots, Dwellings, Greens of Boulder Ridge Areas and Common Areas, including, without limitation, the installation and operation of sales and construction trailers and offices, signs and model dwellings, all

as may be approved by Declarant from time to time, provided that the location of any construction trailers of any assignees of Declarant's rights under this Section 12.20 shall be subject to Declarant's approval. The right to maintain and carry on such facilities and activities shall include specifically the right to use Dwellings as model residences, and to use any Dwelling as an office for the sale of Lots and/or Dwellings and for related activities.

12.20 Multiple Ownership. No Lots or Dwellings may be sold under any time-sharing, time-interval or similar right-to-use programs.

12.21 Traffic Regulations. All vehicular traffic on the private streets and roads in the Development shall be subject to the provisions of the laws of the State of Illinois and the Village of Lake in the Hills concerning operation of motor vehicles on public streets. The Association is hereby authorized to promulgate, administer and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including reasonable safety measures and speed limits and including modifications of those in force on public streets, within the Development. The Association shall be entitled to enforce same by establishing such enforcement procedures as it deems appropriate, including levying fines for the violation thereof. In the event of a conflict between such provisions of the laws of the State of Illinois and the Village of Lake in the Hills, and such rules and regulations promulgated by the Association, the rules and regulations of the Association shall govern. Only drivers licensed to operate motor vehicles by the State of Illinois or by any other state in the United States may operate any type of motor vehicle, including golf carts, within the Development. In order to operate a golf cart in the Development, the owners or users thereof shall have complied with any regulations and requirements for the operation thereof as may be required by the Association and the Club Owner. All vehicles of any kind and nature which are operated on the streets in the Development shall be operated in a careful, prudent, safe and quiet manner and with due consideration for the rights of all residents of the Development. Notwithstanding the preceding provisions of this Section 12.21, the Association may enter into such agreement for police services with the Village of Lake in the Hills concerning motor vehicles as they may deem to be appropriate under the circumstances which may exist from time to time.

12.22 Repurchase Option. Subject to the provisions of Section 11.06 hereof, Declarant hereby reserves unto itself and its successors and assigns the right and option to purchase any Lot or Dwelling within the Development which is offered for sale by the Owner thereof, such option to be at the price and on the terms and conditions of any bona fide offer for such Lot or Dwelling which is acceptable to such Owner and which is made to such Owner by a third party (or any offer made by such Owner that is acceptable to a third party). Upon the receipt (or making) of any such offer by an

Owner, such Owner shall promptly submit a copy of the same to Declarant, and Declarant shall have a period of three (3) business days from and after Declarant's actual receipt of such copy from such Owner in which to exercise its purchase option by giving such Owner written notice of such exercise. If Declarant fails to respond or to exercise such purchase option within said three (3) business day period, Declarant shall be deemed to have waived such purchase option. If Declarant declines to exercise such option, Declarant shall execute an instrument evidencing its waiver of its repurchase option, which instrument shall be in recordable form. In the event that Declarant does not exercise its purchase option and such sale to a third party is not consummated on such terms within six (6) months of the date in which the offer is transmitted to Declarant, the terms and limitations of this Section 12.22 shall again be imposed upon any sale by such Owner. If Declarant shall elect to purchase such Lot or Dwelling, the transaction shall be consummated within sixty (60) days following delivery of written notice by Declarant to such Owner of Declarant's decision to so purchase such Lot or Dwelling.

12.23 Condition Precedent. The provisions contained within this Declaration with respect to architectural control are mandatory. By acceptance of a deed of conveyance to any Lot or Dwelling, the Owner understands, acknowledges, agrees and consents to the Village of Lake in the Hills requiring approval of the Architectural Review Committee prior to the issuance of any building permit, as provided in the Annexation Agreement and its amendments as applicable to the Property.

IN WITNESS WHEREOF, duly authorized officers of the undersigned Declarant have executed this Declaration under seal, as of the day and year first above written.

DECLARANT:

Harris Bank Barrington, N.A., TUTA
11-4344 & not individually

By:

Its:

Gerald A. Wiel
Gerald A. Wiel, Trust Officer



Charlene K. Wilke
(Assistant) Secretary

Charlene K. Wilke, Assistant Trust Officer

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95-04-1063

EXHIBIT A

PARCEL 1:

That part of the southeast quarter of Section 24, Township 43 North, Range 7 East of the Third Principal Meridian, and part of the southwest quarter of Section 19, Township 43 North, Range 8 East of the Third Principal Meridian, described as follows:

Beginning at a point on the east line of said southeast quarter of Section 24, which is 40.00 feet south of the northeast corner thereof; thence south 00 degrees 07 minutes 50 seconds west along said east line, a distance of 1309.43 feet to the southwest corner of the north half of Government Lot 2 of the southwest quarter of Section 19; thence north 89 degrees 18 minutes 14 seconds east along the south line of said north half of Government Lot 2 a distance of 1291.07 feet to the west line of Government Lot 1 of said southwest quarter of Section 19; thence south 00 degrees 25 minutes 14 seconds west along said west line of Government Lot 1, a distance of 328.01 feet; thence south 89 degrees 12 minutes 44 seconds west 1549.48 feet; thence north 45 degrees 19 minutes 43 seconds west 98.21 feet; thence north 00 degrees 07 minutes 50 seconds east 1334.77 feet; thence north 39 degrees 35 minutes 01 seconds west 87.69 feet to the easterly line of Mason Lane in Boulder Ridge Country Club Estates - Unit 1, according to the plat thereof recorded October 26, 1989 as document number 89R036196 and corrected by Certificate of Correction recorded November 27, 1989 as document number 89R040418; thence northeasterly along said easterly line, said line being a curve concave to the northwest, having a radius of 180.00 feet, an arc distance of 155.70 feet to a point of tangency, the chord of said arc having a length of 150.89 feet and a bearing of north 25 degrees 38 minutes 08 seconds east; thence north 00 degrees 51 minutes 16 seconds east along said easterly line, a distance of 38.99 feet to the south line of Miller Road, dedicated per said plat of Boulder Ridge Country Club Estates - Unit 1; thence south 89 degrees 23 minutes 44 seconds east along said south line, a distance of 320.57 feet to the place of beginning, all in McHenry County, Illinois.

PIN's: 19-19-300-006-0030
18-24-426-002-0020

PARCEL 2:

That part of the north 1/2 of Lot 2 in the southwest quarter of Section 19, Township 43 North, Range 8 East of the Third Principal Meridian, in McHenry County, Illinois described as follows:

Commencing at the northeast corner of said Lot 2; thence south 00 degrees 11 minutes 02 seconds west, 20.26 feet on the east line of said Lot 2 to the point of beginning; thence south 89 degrees 12

95-04-1064