

COPY

OCT 21 1988

DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND
EASEMENTS FOR BRIDLE WOODS LAKE LOTS

THIS DECLARATION, made this 26th of May, 1987 by FIRST NATIONAL BANK OF LAKE FOREST, as Trustee and not individually, under Trust Agreement dated April 30, 1986 and known as Trust No. 7980 and, Robert and Jane Crown, Marion and Barbara Groberski, and Raymond and Julie Rivard (herein after referred to as "DECLARANTS") Lots 1, 2 and 3 in Bridle Woods, Unit 1, being a Subdivision of part of the Southwest Quarter of Section 32, Township 44 North, Range 10, East of the Third Principal Meridian, and of part of Lot 2 in the Northwest Quarter of Section 5, Township 43 North, Range 10, East of the Third Principal Meridian, according to the Plat thereof, recorded July 3, 1986 as Document No. 2457325, in Lake County, Illinois and Lots 18, 19, 20, 21, 22, 36, 37, 38 and 39 in Bridle Woods, Unit 2, being a Subdivision of part of the Southwest Quarter of Section 32, Township 44 North, Range 10, East of the Third Principal Meridian, and of part of Lot 2 in the Northwest Quarter of Section 5, Township 43 North, Range 10, East of the Third Principal Meridian, according to the plat thereof, recorded July 3, 1986, as Document No. 2457326, in Lake County, Illinois and Lots 40, 41 and 42 in Brierwoods Estates, being a Subdivision of part of the Northeast Quarter of Section 6, Township 43 North, Range 10, East of the Third Principal Meridian, and part of the Southeast Quarter of Section 31, Township 44 North, Range 10, East of the Third Principal Meridian, according to the plat thereof, recorded July 3, 1980 as Document 2067054, in Lake County, Illinois.

WITNESSETH

WHEREAS, Declarants are the owners in fee simple the real estate described as follows:

Lots 1, 2 and 3 in Bridle Woods, Unit 1, being a Subdivision of part of the Southwest Quarter of Section 32, Township 44 North, Range 10, East of the Third Principal Meridian, and part of Lot 2 in the Northwest Quarter of Section 5, Township 43 North, Range 10, East of the Third Principal Meridian, according to the Plat thereof, recorded July 3, 1986 as Document No. 2457325, in Lake County, Illinois and Lots 18, 19, 20, 21, 22, 36, 37, 38 and 39 in Bridle Woods, Unit 2, being a Subdivision of part of the Southwest Quarter of Section 32, Township 44 North, Range 10, East of the Third Principal Meridian, and of part of Lot 2 in the Northwest Quarter of Section 5, Township 43 North, Range 10, East of the Third Principal Meridian, according to the Plat thereof, recorded July 3, 1986 as Document No. 2457326, in Lake County, Illinois and Lots 40, 41 and 42 in Brierwoods Estates, being a Subdivision of part of the Northeast Quarter of Section 6, Township 43 North, Range 10, East of the Third Principal Meridian, and part of the Southeast Quarter of Section 31, Township 44 North, Range 10, East of the Third Principal Meridian, according to the plat thereof, recorded July 3, 1980 as Document No. 2067054, in Lake County, Illinois, hereinafter referred to as the "Property"; and

WHEREAS, Declarants are desirous of submitting the Property to the provisions of this Declaration;

THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the covenants, conditions, restrictions, and easements (sometimes hereinafter collectively referred to as the "Declaration") hereinafter set forth.

ARTICLE I

1. The general purpose is that the Declarant wants to create a desirable single family development surrounding Bridle Woods Lake (hereinafter referred to as Lake or Common area) for the sole use of the Owners of the Property.

The Declarant further desires to protect the owners against liability, to protect the values of the property, guard against improper use, provide for proper maintenance and equal payment for same, provide for easements over water portions of each part of Property, to create rules for use of the Lake and an Association of all Owners to amend, change, administer, enforce and oversee the day to day business for maintenance and use of Lake, and furthermore to enhance the desirability, attractiveness and value of the property.

The following Covenants, conditions, restrictions and easements shall run with the land and shall be binding on all parties having the right, title, interest, or any of their heirs, or successors or assigns of the property.

ARTICLE II

1. Creation and purposes. There shall be formed a not for profit Association known as the Bridle Woods Lake Association (hereinafter referred to as BWLA) which shall provide for the maintenance and operation of the Lake (Common area) reserved by Declarant for the common use of all Owners of property therein and to insure the provision of services of common benefit and in general to maintain the Lake.

2. Election of Officers. The Association shall have a President, Vice President, Secretary and Treasurer elected at intervals as provided for in the By-Laws of Bridle Woods Lake Lots Association. The officers of the Association shall not be liable to the owners or others for any mistake of judgement or any acts or omissions made in good faith as such officers. The Owners shall indemnify and hold harmless each such officer against all contractual liability arising out of Contract made by such officers on behalf of the Owners of the Association, unless any such contracts shall have been made in bad faith or contrary to the provisions of the Declaration. The liability of any Owner arising out of any such contract made by the Association or Officers or out of the aforesaid indemnify in favor of the officers to the extent not covered by insurance, shall be limited to his proportionate share of the total liability.

3. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, including a contract seller, shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association. Ownership of such lot shall be the sole qualification of membership. Nothing herein contained shall be interpreted to exclude Declarant from membership while it or its successors in interest, if any, owns one or more lots.

4. Lake Lot Restrictions.

(a) Construction shall be prohibited in the fifty foot (50') lakeside setback requirement except as follows:

- (1) A patio may extend four feet (4') into this fifty foot (50') area as long as the patio does not contain any above-ground structures;
- (2) Sidewalks and/or pathways from the structure to the lake shall be permitted;
- (3) Seawalls shall not be permitted; and
- (4) Gas barbecues shall be permitted.

(b) All homes constructed on the Lake shall front on the street side of the Lot. The character normally associated with the entry of the style of the Dwelling in question shall be the determining factor as to whether or not this requirement has been met.

(c) No launching of any power boats shall be permitted from any portion of the Property.

(d) All fences, boathouses, ~~and~~^{any} obstruction in or under the water shall be prohibited.

(e) Temporary obstructions, such as rafts, piers, pier supports or buoys, shall be placed in the Lake, if at all, no earlier than April 1 and not later than September 1 of each year and such obstructions shall be removed from the Lake no later than November 15 of each year. Also, no piers shall extend into the lake more than ten (10) feet from the Water Line.

5. Powers and Duties of the Association. The Association shall have the following powers and duties:

(a) Maintain and otherwise manage all of the common areas and all facilities, improvements of the common area, and all other property acquired by the Association or which the Association agrees to maintain.

(b) The Association shall be responsible for the maintenance and clearing of weeds from the bottom of the lake unless prohibited by law. Upon failure of any Owner or the Association to maintain and clear as herein provided, the Village may, but is not obligated to, perform such maintenance and shall have a lien placed upon the property for the cost of the work performed.

(c) Grant easements where necessary for reasonable purposes over the Common Area.

(d) Have the authority to employ a manager or other persons and to contract with independent contractors or or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed as a manager or managing agent shall provide for the right of the Association to determine the same at the first annual meeting of the Members of the Association after said appointment.

(e) Have the power to establish and maintain a working capital and contingency fund in an amount to be determined by the Association.

(f) Have a duty to maintain all Common drainage facilities and easements owned by the Association in accordance with the reasonable and acceptable engineering requirements of the Village.

(g) To care for_x and maintain the Lake and remove rubbish from same and to do any other things necessary or desirable in the judgement of the Association to keep the Lake neat in appearance and in good order.

(h) To make such improvements to the Common Area and provide such other facilities and services as may be authorized from time to time by the affirmative vote of two-thirds (2/3) of the Members of the Association acting in accordance with the Declaration and By-Laws, provided, however, that any such action so authorized shall always be for the express purpose of keeping the Lake highly desirable.

(i) To adopt rules and regulations governing the Common Area.

(j) To elect the officers of the Association in the manner provided in the By-Laws.

(k) To exercise all other powers and duties vested in or delegated to the Association, and not specifically reserved to the Voting Members by the Declaration or By-Laws.

6. Maintenance Assessments.

- (a) The Declarant and each Owner, by acceptance of a deed or other conveyance from the Declarant, its successors or assigns, is deemed to covenant and agree to pay to the Association annual assessments or charges and special assessments for capital improvements and unforeseen expenses, to be collected from time to time as hereinafter in this Declaration, together with the By-Laws of the Association. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Property against which each such assessment is made. Each such assessment, together with such interests, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.
- (b) The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, and welfare of the residents in the Property and in particular for the improvement and maintenance of the Lake, services and facilities devoted to this purpose and related to the use and enjoyment of such Common Area. Such uses shall include, but are not limited to, the cost of the Association of all insurance, repair, replacement and maintenance and other charges required by this Declaration of Covenants, Conditions and Restrictions or that the Association shall determine to be necessary or desirable to meet the primary purpose of the Association, including the establishment and maintenance of a reserve for repair, maintenance, replacements, and other charges as specified herein.
- (c) In addition to the annual assessments authorized above the Association may levy in any assessment year a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, if any.
- (d) Both annual and special assessments must be fixed at a uniform amount for all Lots. Annual assessments shall be collected on a yearly basis.
- (e) The annual assessments provided for herein shall commence for all lots within the Property on first day of April each calendar year following the conveyance of the first lot. The Association shall fix the amount of the annual assessment of each annual assessment period and in lieu thereof, the amount of the prior year's annual assessment shall be the fixed amount. An Owner shall first be liable for payment of the full assessment (multiplied by a fraction whose denominator is 12 and whose numerator is the number of months, pro rating accordingly, remaining until the end of the fiscal year) on the date of conveyance of title to him. The Association shall upon demand, at any time, furnish a certificate in writing signed by an officer or agent of the Association setting forth whether the assessments on a specified lot have been paid. Such certification shall be conclusive evidence of payment of any assessment therein.
- (f) Any Assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate allowed by law or eighteen (18%) percent, whichever is less, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment.

To the extent permitted by any decision or statute now or hereafter effective, the amount of any delinquent and unpaid charges or assessments and interest, costs and fees as above provided, shall be and become a lien or charge against the Lot of the Owner involved when payable and may be foreclosed by an action brought in the name of the Association as in the case of foreclosure of liens against real estate. Each Owner, by his acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt, and to enforce the aforesaid lien by all methods available for the enforcement of such liens. Any court shall be authorized to restrain the defaulting Owner from reacquiring his interest at such judicial sale. In addition, if any Owner shall default in the payment, when same shall be due, of the aforesaid charges or assessments and said default shall continue for thirty (30) days after notice to said Owner by the Association setting forth the amount of unpaid charges or assessments together with a demand for payment thereof, the Board shall have the right to declare said default a Forcible Detainer of the Dwelling and shall have the right, on behalf of the other Owners, to enter and take possession of the Dwelling from said defaulting Owner, to put out the Owner, or any occupant or tenant claiming by, through or under the Owner, using such reasonable force as the Board shall deem necessary under circumstances and to exercise any of the rights and remedies set forth in the Forcible Entry and Detainer Act, Chapter 57, Illinois Revised Statutes.

(sp.)

(g) The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereinafter placed on the Lots prior to the effective dates of such liens. In the event of the issuance of a deed, pursuant to the foreclosure of such prior mortgage or in lieu of such foreclosure, the grantee of such deed shall take title free and clear of any lien herein provided which may accrue prior to the recording of such deed.

(h) The yearly assessment shall be determined by the affirmative vote of a majority of the Association, but the yearly rate of assessment may not be increased without the affirmative vote of two-thirds (2/3) of the voting membership ~~if~~ the amount of increase exceeds Two Hundred Fifty Dollars (\$250.00) per Lot per year.

7. All Owners hereby covenant and agree that in the event the Association herein provided for shall be dissolved, all restrictions and obligations created herein shall remain in full force and effect.

8. Member's Easements of Enjoyment. Every Member shall have a right of enjoyment in and to the Common Area and such right shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to limit the number of guests of Members.

(b) The right of the Association to establish uniform rules and regulations pertaining to the use of the Common Area and the recreational facilities thereof.

(c) The right of the Association, in accordance with its By-Laws, to improve the Common Area.

(d) The right of the Association to suspend the voting rights and right to use the recreational facilities by a Member for any period during which any assessment against his lot remains unpaid and delinquent; and to suspend the right to the use of the recreational facilities by a Member for a period not to exceed thirty (30) days for any single infraction of the rules and regulations of the Association, provided that the suspension of right to use the recreational facilities, except for failure to pay assessments, shall be made only by the association or a duly appointed committee thereof, after notice and hearing given and held in accordance with the By-Laws of the Association.

(e) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority for such purpose and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by Members entitled to cast two thirds (2/3) of the votes of the membership has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every Member not less than thirty (30) days in advance.

9. Insurance. The Association shall also have the authority to obtain comprehensive public liability insurance, including liability for injuries to and death of persons, and property damage, in such limits as it shall deem desirable, and workman's compensation insurance, and other liability insurance as it may deem desirable, insuring each Owner, the Association, its officers, the Declarant, and their respective employees and agents from liability and insuring the officers of the Association and members of the Association from liability for good faith actions within the scope of their respective authority. Such insurance coverage shall include cross liability claims of one or more insured parties against other insured parties. The premiums for such insurance shall be common expenses payable out of the proceeds of the assessments required by and collected in accordance with Section 5 of this Article. The Association shall be further responsible for maintaining such policies of insurance for the Common area against loss or damage and such other hazards contained in the customary liability and extended coverage, vandalism and malicious mischief endorsements as the Association may deem desirable, and may also obtain such other kinds of insurance as the Association shall from time to time deem prudent. Upon request, the Association shall furnish unto Owners, copies of certificates of insurance or other adequate evidence of such insurance as the Association is required or authorized to maintain by the provisions hereof.

10. Declaration of Maintenance Easement. An easement of ingress and egress is hereby reserved and granted unto the Association and the Village of Hawthorn Woods for the purpose of maintaining the Lake upon and along the ten (10) foot surrounding water line.

11. Interim Procedure.

(a) Until each of the various Lots shall have been conveyed by the Declarant to the first Owner thereof (or to such Owner's nominee) the beneficial owner of the Declarant shall, with respect to each such unsold Lot, have all the rights granted to the Owners.

ARTICLE III

GENERAL PROVISIONS

1. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Village of Hawthorn Woods, and of the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, subject to amendment as provided herein.

2. If and to the extent that any of the covenants would otherwise be unlawful or void for violation of (a) the rule against perpetuities, (b) the rule restricting restraints on alienation, or (c) any other applicable statute or common law rule analogous thereto or otherwise imposing limitations upon the time for which such covenants may be valid: SOMETHING OMITTED?

3. If at any time or times the Association shall deem it necessary or advisable to rerecord this Declaration or any part hereof in the Office of the Recorder of Deeds of Lake County, Illinois in order to avoid the expiration hereof or of any of the covenants, easements, agreements or other provisions herein contained under any of the provisions of Chapter 83 of the Illinois Revised Statutes presently in force commonly known as the Marketable Title Act, or any other law or statute of similar purpose, they shall submit the matter to a meeting of the Members of the Association called upon on less than ten (10) days notice, and unless at such meeting at least two-thirds (2/3) of said Members shall vote against such rerecording, the Association shall have, and is hereby granted, power to so rerecord this Declaration or such part thereof, and such rerecording shall be binding upon all Owners of any part of the Property in every way and with all the full force and effect as though such action were taken by each of said Owners and the rerecording document executed and acknowledged by each of them.

4. Each grantee of Declarant by the acceptance of a deed of conveyance, and each purchaser under any contract for such deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall insure to the benefit of such person in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance, or in any mortgage or trust deed or other evidence of obligation, and the rights described in this Section 4 or described in any other part of this Declaration shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgages and trustees of such Lot ownership as fully and completely as though such rights were recited fully and set forth in their entirety in such documents.

5. Declarant, the Village, and each Owner or Owners of any of the above land from time to time shall have the right jointly and separately to sue for and obtain a prohibitive or mandatory injunction to prevent the breach of, or to enforce the observance of, the covenants above set forth, or any of them, in addition to the right to bring an ordinary legal action for damages. A violation of the covenants above set forth, or any of them, for a period of 30 days after actual receipt of written notice of such violation from Declarant by the Owner of such Lot, then Declarant, Village, and such owners, shall have, in addition to the foregoing rights, the right to enter upon the property where such violation exists and summarily abate or remove the same at the expense of the Owner, and such entry and abatement or removal shall not be deemed a trespass. In no event shall the failure of Declarant, the Village, and such Owners to enforce any of the covenants herein set forth due to a particular violation be deemed to be a waiver of the right to do so as to any subsequent violation.

6. Subject to the provisions of Section 15 of this Article, the record owners in fee simple of the Lots in Bridle Woods Lake Lots Association may revoke, modify, amend, or supplement in whole or in part any or all of the covenants and conditions contained in this Declaration and may release from any part or all of said covenants all or any part of the real property subject thereto, but only at the following times and in the following manner:

(a) Any such change or changes may be made effective at any time within ten years from date of recording of this Declaration if the record owners in fee simple of at least three-fourths (3/4) of the Lots consent thereto.

(b) Any such change or changes may be made effective at the end of said initial ten (10) year period or any such successive ten (10) year period if the record owners in fee simple of at least two-thirds (2/3) of said Lots consent thereto at least one (1) year prior to the end of any such period.

Any such changes shall be effective only if expressed in a written instrument or instruments executed and acknowledged by each of the consenting Owners, certified by the Secretary of the Association and recorded in the Office of the Recorder of Deeds of Lake County, Illinois.

Upon and after the effective date of such change of changes, it or they shall be binding upon all persons, firms, and corporations then owning property on Bridle Woods Lake Lots and shall run with the land and bind all persons claiming by, through or under any one or more of them.

7. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for development.
8. In the event title to any lot is conveyed to a titleholding trust, under the terms of which all power of management, operation and control of the Lot remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all obligations, liens or indebtedness and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Lot. No claim shall be made against any such titleholding trustee personally for payment of any lien or obligation hereunder created and the trustee shall not be obligated ~~to~~ ^{to} sequester funds or trust property to apply, in whole or in part, against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Lot and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Lot.
9. All articles and section headings set forth herein are intended for convenience only and shall not be given ~~of~~ ^{of} construed to have any substantive effect on the provisions of this Declaration.
10. If a court of competent jurisdiction shall hold invalid or unenforceable any part ~~of any part~~ of any covenant or provision contained in this Declaration, such holding shall not impair, invalidate, or otherwise affect the remainder of this Declaration which shall remain in full force and effect.
11. At any time Declarant may assign any or all of its rights conferred on it as set forth in this Declaration and upon its execution of any assignment by Declarant, it shall be relieved from any liability arising from the performance or non-performance of such rights or obligations.
12. Each Owner of a Lot in Bridle Woods Lake Lots Association shall file the correct mailing address of such Owner with Declarant and shall notify Declarant promptly in writing of any subsequent change of address. Declarant shall maintain a file of such addresses and make the same available to the Association. A written or printed notice, deposited in the United States Post Office, postage prepaid, and addressed to any Owner at the last address filed by such Owner with Declarant shall be sufficient and proper notice to such Owner wherever notices are required in this Declaration.
13. The singular shall include the plural wherever the Declaration so requires, and the masculine, the feminine, and ~~ne^{er}~~ ^{er}, and vice versa.
14. Anything to the contrary herein notwithstanding, in no event shall this Declaration be abrogated without the prior written consent of the Village.

BY-LAWS OF

BRIDLE WOODS LAKE LOTS ASSOCIATION

ARTICLE I

Purposes and Powers

The Association shall be responsible for the general management and supervision of the Common Area (Lake) of the Property and shall have all of the powers to perform, and shall be responsible to perform, all of the obligations provided in the Declaration. Further, the Association shall have all powers now or hereafter granted by the Declaration which shall be consistent with purposes specified herein and in the Declaration.

ARTICLE II

Offices

2.01 Registered Office. The Association shall have and continuously maintain in the Village of Hawthorn Woods and a Registered Agent whose office shall be the home of the President of the Association.

ARTICLE III

Membership

3.01 Voting Members. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association (herein referred to as "Voting Member"). The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No Owner shall have more than one "Voting Membership". Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to an assessment by the Association. Ownership of such Lot shall be the sole qualification of membership. Nothing herein contained shall be interpreted to exclude Declarant from membership while it or its successors in interest, if any, owns one or more Lots.

3.02 Meetings.

(a) Quorum - Procedure. Meetings of the Voting Members shall be held at the principal office of the Association or at such other place in Bridle Woods, Hawthorn Woods, Illinois as may be designated in any notice of a meeting. The presence at any meeting, in person or by proxy, of a majority of the total votes determined pursuant to section 3.01 above shall constitute a quorum. Unless otherwise expressly provided herein, any action may be taken at any meeting of the Voting Members at which a quorum is present upon the affirmative vote of the Voting members having a majority of the total votes present at such meeting. Any Voting Member in writing may waive notice of a meeting, or consent to any action of the Association without a meeting.

(b) Initial and Annual Meeting. The initial meeting of the Voting Members shall be held at such time as may be designated upon not less than ten (10) days written notice given by the Declarant or its beneficiary, or provided that such initial meeting shall be held no later than sixty (60) days after recording of Declaration. Thereafter, there shall be an annual meeting of the Voting Members on the first Tuesday of April of each succeeding year, at 7:30 o'clock P.M. If the date for the annual meeting of Voting Members is a legal holiday, the meeting will be held at the same hour on the first day next succeeding such date which is not a legal holiday.

(c) Special Meetings. Special meetings of the Voting Members may be called at any time for the purpose of considering matters which, by the terms of the Declaration or By-Laws, require the approval of the Voting Members, or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by a majority of the Voting Members, and delivered not less than five (5) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered.

3.03 Notices of Meetings. Notices of meetings required to be given herein may be delivered either personally or by mail to the persons entitled to vote thereat, addressed to each such person at the address given by him to the Association for the purpose of service of such notice, or to the Dwelling of the Owner with respect to which such voting right appertains, if no address has been given to the Association.

3.04 Proxies. At any meeting of Voting Members, a member entitled to vote may either vote in person or by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.

ARTICLE IV

Officers of the Association

4.01 Direction and Administration. The direction and administration of the Property in accordance with the provisions of the Declaration shall be vested in the Officers of the Association of four (4) persons, Pres., Vice Pres., Sec. and Treasurer, who shall be elected in the manner hereinafter provided, except for the first Officers appointed by the Declarant (or its beneficiary or designee). The Voting Members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease the number and term of the office of the Officers at any annual meeting, provided that such number shall not be less than four (4), and that the terms of at least one-half (1/2) of the Officers shall expire annually. Each Officer, with the exception of the Officers initially appointed by the Declarant (or its beneficiary or designee) shall be one of the Owners (including the Declarant); provided, however, that in the event an Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any director or officer of such corporation, partner of such partnership, individual trustee or beneficiary of such trust or agent or employee of a beneficiary of such trust, or manager of such legal entity, shall be eligible to serve as an officer.

4.02 Determination of Association to be Binding. All matters of dispute or disagreement between Owners or with respect to interpretation or application of the provisions of the Declaration of these By-Laws shall be determined by the Association as hereinafter provided, which determination shall be final and binding on the Association and on all Owners.

4.03 Compensation. Members of the Association shall receive no compensation for their services, unless expressly allowed by the Association at the direction of the Voting Members having two-thirds (2/3) of the total votes. However, any Officer may be reimbursed for reasonable expenses incurred in the performance of his duties.

4.04 Vacancies in Association Vacancies in a particular office, other than as a result of removal pursuant to Paragraph 4.07, shall be filled by the Voting Members at the next annual meeting or at a special meeting of the Voting Members called for such purpose.

4.05 Election of Officers. The Association shall elect from among its members a President who shall preside over both its meetings and those of the Voting Members, and who shall be the chief executive officer of the Association, a Vice President who will assume the President's duties when he is absent, a Secretary who will keep the minutes of all meetings of the Voting Members and who shall, in general, perform all the duties incident to the office of Secretary, and a Treasurer to keep the financial records and books of account, and such additional officers as the Board shall see fit to elect. All officers shall be elected at each annual meeting of the Association and shall hold office to the pleasure of the Association.

4.06 Removal of Officers. Any Association member may be removed from office by affirmative vote of the Voting Members having at least two-thirds (2/3) of the total votes, at any special meeting called for the purpose in the manner aforesaid. A successor to fill the unexpired term of a Association member removed may be elected by the Voting Members at the same meeting or any subsequent meeting called for the purpose.

4.07 Execution of Instruments. All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Association and in such manner as from time to time shall be determined by written resolution of the Association. In the absence of such determination by the Association, such documents shall be signed by the President and countersigned by the Secretary.

ARTICLE V

Powers of the Association

5.01 General Powers of the Association. Without limiting the general powers which may be provided by law, the Declaration or these By-Laws, the Association shall have the following general powers and duties:

(a) Own, maintain and otherwise manage all of the Common Area and all facilities, improvements thereon, and all other property acquired by the Association or to which the Association agrees to so maintain.

(b) Grant easements where necessary for other reasonable purposes over the Common Area.

(c) Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed as a manager or managing agent shall provide for the right of the Association to terminate the same at the first annual meeting of the Members of the Association after said appointment.

(d) Have the power to establish and maintain a working capital and contingency fund in an amount to be determined by the Association.

(e) Have a duty to maintain all drainage facilities and easements owned by the Association in accordance with the requirements of the Village.

(f) To care for and maintain the Lake and remove rubbish from same and do any other things necessary or desirable in the judgement of the officers of the Association to keep the Lake neat in appearance and in good order.

(g) To make such improvements to the Association property and provide such other facilities and services as may be authorized from time to time by the affirmative vote of two-thirds (2/3) of the Members of the Association acting in accordance with its Declaration and By-Laws provided, however, that any such action so authorized shall always be for the express purpose of keeping the property and Lake highly desirable.

(h) To adapt rules and regulations governing the Lots and the use of the Lake thereof.

(i) To elect the officers in the manner provided herein.

(j) To exercise all other powers and duties vested in or delegated to the Association, and not specifically reserved to the Voting Members by the Articles of Incorporation, the Declaration or By-Laws.

5.02 Capital Additions and Improvements. The Association's powers hereinabove enumerated shall be limited in that the Association shall have no authority to acquire and pay for out of the maintenance fund any capital additions and improvements (other than for purposes of replacing or restoring portions of the Common Area, subject to all the provisions of the Declaration) having a total cost in excess of One Thousand Dollars (\$1,000.00), nor shall the Association authorize any structural alterations, capital additions to, or capital improvements to the Common Area requiring an expenditure in excess of One Thousand Dollars (\$1,000.00), without in each case the prior approval of the Voting Members holding two-thirds (2/3) of the total votes.

5.03 Tax Relief. In connection with the Common Area, the Association shall have the power to seek relief from of in connection with the assessment or levy of any real property taxes, special assessments and any other special taxes or charges of the State of Illinois or any political subdivision thereof, or any other lawful taking or assessing body, which are authorized by law to be assessed and levied on real property and to charge all expenses incurred in connection therewith to the maintenance fund.

5.04 Rules and Regulations: Management.

(a) Rules The Association may adopt such reasonable rules and regulations as it may deem advisable for the maintenance, conservation and beautification of the Lake, and for the health, comfort, safety and general welfare of the Owners and occupants of the Property. Written notice of such rules and regulations shall be given to all Owners and occupants, and the entire Property shall at all times be maintained subject to such rules and regulations.

(b) Management. The Declarant/or trust beneficiaries/or Association may engage the initial management organization under contracts expiring not later than ninety (90) days after the date the initial meeting of Voting Members is held. Thereafter, the Association may engage the services of an agent to manage the Property to the extent deemed advisable by the Board.

(c) Nothing hereinabove contained shall be construed to give the Association authority to conduct an active business for profit on behalf of all of the Owners or any of them.

5.05 Liability of the Association of Managers. The members of the Association and the officers of the Association shall not be personally liable to the Owners or others for any mistake of judgement or for any acts or omissions made in good faith by such officers. The owners shall indemnify and hold harmless each of the Members of the Association and each of the Officers against all contractual liability arising out of contracts unless any such contracts shall have been made in bad faith or contrary to the provisions of the Declaration. The liability of any Owner arising out of such contract made by the Association of officers or out of the aforesaid indemnity in favor of the members of the Association or officers, to the extent not covered by insurance, shall be limited to his proportionate share of the total liability thereunder.

ARTICLE VI

Assessments - Maintenance Fund

6.01 Preparation of Estimated Budget. Each year on or before March 1, the Association will estimate the total amount necessary to pay the cost of wages, materials, insurance, services and supplies which will be required during the ensuing fiscal year (April 1 to March 31) for the rendering of all services authorized by the Association together with a reasonable amount considered by the Association to be necessary for a reserve for contingencies and replacements, and shall, on or before March 15, notify each Owner in writing as to the amount of such estimate ("Estimated Cash Requirements"), with reasonable itemization thereof. The approved estimated Cash Requirement shall be assessed equally among all of the Owners. On or before the date of the Annual meeting of each calendar year, the Association shall supply to all Owners an itemized accounting of the maintenance expenses for the preceding fiscal year actually incurred and paid, together with a tabulation of the amounts collected from the Owners pursuant to assessments made during such year (including amounts collected from the Declarant) and showing the net amount over or short of the actual expenditures, plus reserves. The Association shall upon demand at any time furnish a certificate in writing signed by an officer or agent of the Association, setting forth whether the assessments on a specified Lot have been paid. Such certificates shall be conclusive evidence of payment of any assessment therein.

6.02 Extraordinary Expenditures. The Association shall build up and maintain a reasonable reserve for authorized capital expenditures, contingencies and replacements (Extraordinary Expenditures) not originally included in the annual estimate. Extraordinary expenditures which may become necessary during the year shall be charged first against such reserve. If such reserve proved inadequate for any reason, including nonpayment of any Owner's assessment, the Association may, at any time, levy a further assessment, which shall be assessed equally among the Owners, including the Declarant. The Association shall serve notice of further assessment on all such Owners by a statement in writing giving the amount and reasons therefore, and such further assessment shall become effective and fully payable ten (10) days after the delivery or mailing of such notice of further assessment. All such Owners shall be obligated to pay the adjusted amount.

6.03 Budget for First Year. When the first officers elected hereunder (or appointed by the Declarant or its beneficiary) takes office, it shall determine the Estimated Cash Requirement, as hereinabove defined, for the period commencing on the first day of the month following the conveyance of the first Lot and ending of March 31 of the fiscal year of said conveyance. The initial Estimated Cash Requirement shall be and assessed equally to all Owners.

6.04 Failure to Prepare Annual Budget. The failure or delay of the Association officers to prepare or serve the annual or adjusted estimate on an Owner shall not constitute a waiver or release in any manner of such Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and, in the absence of any annual estimate or adjusted estimate, the Owner shall continue to pay the maintenance charge at the then existing annual rate established for the previous fiscal year. Subject to adjustment at such time as the annual or adjusted estimate has been prepared and the Owners have been notified thereof.

6.05 Books and Records. The Association shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Common Area, specifying and itemizing the maintenance and repair expenses of the Common Area and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for inspection by any Owner or any representative of an Owner duly authorized in writing, or any holder of a mortgage lien on a Lot at such reasonable time or times during the normal business hours as may be requested by the Owner or by the holder of said first mortgage lien. Upon ten (10) days' notice to the Association, any owner shall be furnished a statement of his account, setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

6.06 Status and Collected Funds. All funds collected hereunder shall be held and expended for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held in trust for the benefit, use and account of all the Owners. All funds not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Association may select.

6.07 Remedies for Failure to Pay Assessments. Any assessments which are not paid when due shall be Delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the due date at 18% or the rate allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided, shall be and become a lien or charge against the Lot of the Owner involved when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of liens against real estate. Unless otherwise provided in the Declaration, the officers of the Association and their successors in office, acting on behalf of the other Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire and hold, lease, mortgage any convey the same. Any court shall be authorized to restrain the defaulting Owner from reacquiring his interest as such foreclosure sale.

6.08 Forcible Entry and Detainer. In addition to the rights and remedies set forth in Section 6.07, if any Owner shall default in the payment, when same shall be due, of the aforesaid charges or assessments and said default shall continue for thirty (30) days after notice to said Owner by the Association, setting forth the amount of unpaid charges or assessments together with a demand for payment thereof, the Association shall have the right to declare said default a Forcible Detainer of the Dwelling and shall have the right on behalf of the other Owners, to enter and take possession of the Dwelling from said defaulting Owner, to put out the Owner, or any occupant or tenant claiming by, through or under the Owner, using such reasonable force as the Board shall deem necessary under circumstances and to exercise any of the rights and remedies set forth in the Forcible Entry and Detainer Act, Chapter 57, Illinois Revised Statutes.

ARTICLE VII

Covenants and Restrictions as to Use and Occupancy

All Owners shall maintain, occupy and use their Dwelling and the Common Area only in accordance with the terms of the Declaration and any additional rules and regulations adopted by the Association.

The Association shall have full authority to enforce all such rules and regulations by taking all action as may be necessary.

ARTICLE VIII

Committees

8.01 Association Committees. The Association, by resolution, adopted by a majority of the Association Members and Officers, may designate one (1) or more committees, each of which shall consist of one (1) or more members; said committees, to the extent consistent with law and as provided in said resolution, shall have and exercise the authority of the Association in the management of the Association; but the designation of such committees and the delegation thereof of authority shall not operate to relieve the Association, or any individual officer, of any responsibility imposed upon it or him by law.

THIS DECLARATION is executed by The First National Bank of Lake Forest, not personally but solely as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee (and First National Bank of Lake Forest hereby warrants that it possesses full power and authority to execute this instrument), and solely for the purpose of subjecting only that portion of the trust property specifically described herein to the terms of this Declaration. It is expressly understood and agreed by every person, firm, corporation, trust or other entity hereafter claiming any interest under this Declaration that any and all obligations, duties, covenants and agreements of every nature herein set forth by First National Bank of Lake Forest, as Trustee as aforesaid, to be kept and performed, if any, are intended to be kept, performed and discharged by the beneficiaries under said Trust No. 7980 or their successors, and

ATTEST:

Connie J Snyder
SECRETARY

STATE OF ILLINOIS)
COUNTY OF LAKE) ss.

I, undersigned, a Notary Public in and for said County and State, do hereby certify that Thomas R. Ryan and Seni V. Lee President and Connie Snyder, appeared before me this day in person and acknowledged that they signed, sealed and delivered said instrument as their free and voluntary act, and as the free and voluntary act of said bank, for uses and purposes therein set forth.

Given under my hand and notarial seal this 6th day of September, 1988

Dana Spohn
Notary Public

NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES JUNE 5, 1991
ISSUED UNDER ILL. NOTARY ASSOC.
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This document was prepared by

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