

This Instrument was Prepared by,
and after recording should be
returned to:

Lisa M. Waggoner, Esq.
The Waggoner Law Firm, P.C.
Four North Walkup Avenue
Crystal Lake, IL 60014

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MARY ELLEN VANDERVENTER
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**DECLARATION OF PROTECTIVE COVENANTS
FOR
HAWTHORN WOODS BUSINESS PARK
HAWTHORN WOODS, ILLINOIS**

This Declaration is made on March 5, 2002 by Hawthorn Woods Venture, Inc., an Illinois corporation, (hereinafter referred to as "Declarant"), as owner of the real property, located in the Village of Hawthorn Woods, State of Illinois, known as Hawthorn Woods Business Park, and hereinafter described in Article Three.

WITNESSETH

WHEREAS, development standards and protective covenants are essential to ensuring the quality of a development, and

WHEREAS, it is the further desire of the Declarant to protect the property values of the individual land owners in Hawthorn Woods Business Park, and

WHEREAS, it is the Declarant's further intent to place certain additional requirements on structures in Hawthorn Woods Business Park above and beyond those mandated by the Village of Hawthorn Woods Building and Zoning Ordinances and in addition to other authorized governmental authorities' regulations; and

WHEREAS, Declarant desires to subject the real property to the covenants, conditions, and restrictions hereinafter set forth for the benefit of each portion of such property and each present and future owner thereof during the term of this Declaration; and

WHEREAS, Hawthorn Woods Venture, Inc. is the record owner of the real property subject to this Declaration described in Exhibit "A"; and

NOW, THEREFORE, Declarant declares that all of the lots in Hawthorn Woods Business Park shall be held, sold and conveyed subject to all of the easements of record on the plat, restrictions, covenants and conditions for the express purpose of protecting the value, desirability and attractiveness of the properties; and all covenants, conditions, restrictions, easements, reservations, liens, charges, rights, benefits, and privileges which are granted, created, reserved, or declared by this Declaration and which shall be deemed covenants appurtenant, running with the land and shall at all times inure to the benefit of and be binding on any person having at any time any interest or estate in any part of the Hawthorn Woods Business Park.

ARTICLE I

PROPERTY SUBJECT TO DECLARATION

SECTION 1.1 The real property (the "Property") that is and shall be held, transferred, sold, conveyed, leased and occupied, subject to this Declaration, is located in the Village of Hawthorn Woods, County of Lake, State of Illinois and is known as the Hawthorn Woods Business Park.

ARTICLE II

GENERAL PURPOSE OF THIS DECLARATION

SECTION 2.1 THE GENERAL PURPOSE OF THIS DECLARATION IS TO:

- (a) Insure the quality of the Property;
- (b) Protect the present and future Property Owners and Occupants of Buildings against improper development and use of surrounding lots, which could have a depreciating effect on the value of each Owner's parcel.
- (c) Prevent the erection or construction of Improvements with improper or unsuitable materials or of improper quality.
- (d) Encourage and insure the erection of attractively designed, innovative, permanent improvements, appropriately located within the Property in order to achieve harmonious appearance and function.
- (e) Provide for adequate off-street parking and loading facilities.
- (f) Provide for maintenance of open space areas, water detention areas, landscaping and other common areas to promote an attractive and aesthetically pleasing corporate environment.
- (g) Promote a planned business environment that stresses employee amenities, maintained in a high quality fashion consistent with first class office developments.

- (h) To complement local government and municipal regulations and where conflicts occur, the most rigid requirements shall prevail.

ARTICLE III

DEFINITION OF TERMS

SECTION 3.1 Unless the context otherwise specifies or requires, the words and terms defined in this Article III shall, for all purposes of this Declaration, have the meanings herein specified.

"Applicant" shall mean an Owner or the agent of an Owner or a Person possessing a valid power of attorney or other proxy or authorization of an Owner sufficient in the reasonable judgment of the Committee, to empower such Person to act on Owner's behalf.

"Architect" shall mean a person holding a valid and effective license to practice architecture in the State of Illinois.

"Architectural and Site Review Committee" (herein sometimes referred to as the "Committee") shall mean the so named committee as originally created by this Declaration and as from time to time hereafter constituted and its successor as hereinafter provided having the powers and duties hereinafter described.

"Association" an Illinois not-for-profit corporation to be known as Hawthorn Woods Business Park Association or by such other name as may be available at the time of its incorporation, formed for the purpose of owning and/or maintaining the Common Areas and for other purposes hereinafter set forth.

"Beneficiary" shall mean with respect to any Deed of Trust on any portion of the Property, the holder of Record of the security interest under such Deed of Trust. The word, "Beneficiary", shall also include a mortgagee under a mortgage.

"Building" shall mean and include the principal structure or structures on any Site, including all projections or extensions thereof, and all garages, outside platforms, out buildings, decks and other ancillary structures and facilities except where herein ancillary structures and facilities are otherwise specifically referred to.

"Building Setback Areas" are those areas lying between the Building Setback Lines and the Site Boundary Lines.

"Building Setback Lines" are those lines so designated on the Plat and/or in the Guidelines.

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"Common Area" Those areas of land within the Property intended for the common use or benefit of the Owners and occupants which are so designated by the Developer in a duly recorded instrument. To the extent any area designated as a Common Area (excepting the Easements for Water Detention) is within a Lot, the Owner of such Lot shall have the right to approve such designation. Common Areas may be owned by the Developer, the Association, an Owner, the Village or dedicated to the Village or other public or quasi-public authority. The Easements for Water Detention shall be part of the Common Area.

"Covenants" shall mean the covenants, conditions, restrictions and easements set forth in this Declaration and as it may be amended or supplemented from time to time hereafter.

"Declarant" shall mean Hawthorn Woods Venture, Inc., an Illinois corporation, its successors and assigns, and Declarant's assigns shall be deemed to include any party whom Declarant designates, by means of a notice Recorded in the Official Records, as the party who, from and after the date such notice is Recorded, will perform Declarant's functions under this Declaration. Any such designation may be made with respect to all or any portion of the Property; provided that in the event that any Person or entity is so designated as Declarant for only a portion of the Property, then the right and power to make, give or take any consent, approval or other action required of the Declarant under this Declaration with respect to such portion of the Property, and any rights of the Declarant under this Declaration with respect to such portion of the Property, shall be deemed lodged solely and exclusively in the Person or entity so designated as Declarant with respect to such portion of the Property shall have no right, power or authority hereunder with respect thereto.

"Deed" Each deed conveying a Lot to an Owner.

"Developer" shall mean Hawthorn Woods Venture, Inc., an Illinois Corporation.

"Easements for Water Detention" Those areas within the Property, whether or not within one or more Lots, identified as "Water Detention Easement" on any plat of subdivision of any portion of the Hawthorn Woods Business Park.

"Guidelines" shall mean the written Guidelines promulgated by the Declarant for the development of the Property as the same may be modified or supplemented by the Declarant or the Committee, from time to time, which set forth in much greater specificity and detail design standards and requirements for the construction and maintenance of Improvements on a Site, which Guidelines shall be referred to by Declarant and the Committee in determining the acceptability of a particular proposed Improvement and/or the use of a Site.

"Hawthorn Woods Business Park" (sometimes herein referred to as the "Park") is the name of the Property and the Improvements located thereon, and subject to this Declaration.

"Improvements" shall mean and include Buildings, structures, Signs, Site Furniture, driveways, parking, loading and/or storage areas, fences, sidewalks, or other walk and/or bicycle ways, paved areas, curbs, gutters, antennae, walls, screens and barriers, retaining walls, drainage structures, stairs, decks, landscaping, water hydrants, poles, grading changes, loading areas and all

other structures or improvements of every type and kind, name and nature and all additions, alterations and changes thereto except where herein such specific improvements are individually referred to.

“Lot” shall mean any parcel of real estate contained within the Property as divided or subdivided on a Subdivision Plat or map Recorded in the Official Records.

“Mortgagee” shall mean, the mortgagee under a Mortgage on any portion of the Property and with respect to a Trust Deed on any portion of the Property, the holder of Record of the security interest under such Trust Deed.

“Net Square Footage Owned” shall mean that square footage of contiguous area of land within the property which is owned of record by the same owner.

“Occupant” shall mean any Person, other than an Owner, and the successors and assigns of any thereof that is in possession of or otherwise occupying one or more Sites, at any particular time or times, whether as a lessee, sublessee, licensee or pursuant to any lease, sublease, license or other right of occupancy with or through the Owner of such Site or Sites.

“Official Records” shall mean the deed records of the Recorder’s Office of Lake County, Illinois.

“Owner’s Association” (sometimes herein referred to as the “Association”) shall mean the association of Owners created and described.

“Property Owners” shall mean, at any particular time or times, any Person, including Declarant, and the successors and assigns of any thereof that owns fee simple title to one or more Sites, as shown by the official Records; provided, however, that a Beneficiary shall not be deemed to be an Owner so long as its interest in the particular Site or Sites is for purposes of security only.

“Parking Setback Areas” are those areas lying between the Parking Setback Lines and the site Boundary Lines.

“Parking Setback Lines” are those lines so designated in the Guidelines.

“Property” shall mean all of the real property described in Exhibit “A” hereto.

“Record” or “Recorded” shall mean, with respect to any document, the recordation of said document in the Official Records.

“Sign” shall mean any structure, device or contrivance and all parts thereof which are erected or used for advertising, directional or identification purposes or any poster, bill, bulletin, printing, lettering, painting, device or other advertising of any kind whatsoever, which is placed, posted or otherwise fastened or affixed to the ground and/or structures within the boundaries of the Property.

"Site" shall mean a contiguous area of land within the Property which is owned of Record by the same Owner, whether or not shown as one Lot or whether shown as a combination of contiguous Lots or portions of contiguous Lots on any Recorded subdivision or parcel map or Record of survey map of all or any portion of the Property.

"Site Boundary Line" shall mean a line bounding a Site as shown on a survey or Subdivision Plat.

"Site Furniture" shall mean any man-made or natural object used on the Site for decorative or incidental purposes and which is not a Building, sign, parking areas, railroad tracks, driveway, or landscaping. By way of illustration and not limitation flagpoles, fountains, statues, benches, tables and decorative walls are "Site Furniture."

"Storm Water Facilities" The storm water system serving the Property, but not necessarily exclusively, including conduit, catch basins, inlets, inlet leads, catch basin leads, detention basins and retention ponds and the immediate adjacent table land to such basins and ponds, and also including off-site storm water collection facilities serving other property in addition to the Park. There shall be excluded from Storm Water Facilities the storm water collecting sewers and facilities within a Lot, the principal purpose of which is to serve such parcel, but there shall be included all Easements for Water Detention.

"Street" shall mean any publicly dedicated thoroughfare within or adjacent to the Property and shown on any Recorded subdivision or parcel map, or Record of survey, whether designated thereon as a street, boulevard, place, drive, road, terrace, way, lane, patch, cul-de-sac, circle, court or any similar designation.

"Subdivision Plat" shall mean any plat Recorded pursuant to Chapter 765, Act 205 of the Illinois Compiled Statutes, as amended.

"Trust Deed" and "Mortgage" shall each mean, an instrument which has been Recorded and which creates a lien on the portion of the Property or leasehold estate in the Property described therein.

"Village" shall mean the Village of Hawthorn Woods, State of Illinois.

ARTICLE IV

GENERAL RESTRICTIONS

SECTION 4.1 OWNER RESPONSIBILITIES Each Owner shall maintain or cause to be maintained its Lot and all Improvements located thereon, including the exterior of any building or buildings, pedestrian walks, parking lots and landscaped areas, in a clean, sightly and safe condition, and it shall at all times cause the prompt removal of all papers, debris and refuse therefrom and the removal of snow and ice from paved areas other than for paved public area, when and as required.

SECTION 4.2 CASUALTY TO IMPROVEMENTS. In the event of damage or destruction to any Improvements by reason of fire or other casualty, the Owner of the Lot on which such Improvements were located shall thereafter promptly restore such Improvements to the condition existing prior to such damage or destruction, or raze and remove such Improvements and landscape the Lot in a sightly manner, or construct new Improvements after complying with the provisions of Article VI.

SECTION 4.3 CESSATION OF BUILDING ACTIVITY Subject to the consent of the holder of any Mortgage, in the event construction of any building on a Lot ceases for a period of six (6) months prior to the enclosure of such building, the Owner, upon written demand of the Association, shall raze and remove such building, and landscape the Lot in a sightly manner. In the event construction of any building ceases for a period of six (6) months after the building is enclosed, the Owner, upon written demand of the Association, shall landscape the Lot in a sightly manner.

SECTION 4.4 UNLAWFUL ACTIVITY No Property Owner shall conduct, or permit any Person to conduct, any unlawful activity on the Lot owned by such Owner.

SECTION 4.5 LOT DEVELOPMENT ACTIVITY All equipment used in clearing, excavating or construction on a Lot that is not rubber-tired shall be loaded or unloaded only within the boundary lines of the Lot. During clearing, excavating or construction, the Property Owner of the Lot on which the work is performed shall cause the roads within or bordering on the Property to be kept reasonably clear of dirt and debris caused by such clearing, excavating or construction and the Property Owner shall be responsible for the cost of damage to any and all public improvements, including but not limited to curbs, sidewalks, and pavement. In the event the Developer repairs any damage to public improvements described in this Section 4.5, the cost of said repair shall constitute an assessment and lien against the Lot and shall be collected in accordance with ARTICLE IX hereof.

SECTION 4.6 LIMIT ON TEMPORARY STRUCTURES No trailer, temporary building or structure of any kind shall be permitted except temporary buildings or structures used during construction of a permanent Improvement. Such temporary building or structures shall be removed as promptly as practicable and in any event not later than thirty (30) days after the issuance by the Village of Hawthorn Woods of an occupancy permit for such permanent Improvement.

SECTION 4.7 USE RESTRICTION The recording of this Declaration shall create a restrictive covenant prohibiting the use of any Lot as a bank, savings and loan, credit union or finance company, other than Lot 8, which Lot shall have no such restriction.

ARTICLE V

IMPROVEMENT AND SITE RESTRICTIONS

SECTION 5.1 SETBACKS

- (a) Front Yard Setback - Thirty (30) foot for building, thirty (30) foot for parking (30 foot green space between front parking curb and right-of-way)
- (b) Side Yard Setback - Twenty (20) foot building ten (10) foot parking (10 foot green space from parking lot to property line)
- (c) Rear Yard Setback - Forty (40) foot building, thirty (30) foot parking (30 foot green space from parking lot to property line)
- (d) The floor/land area ratio shall not exceed .25
- (e) In the event that parking is placed in the front yard, then the building shall be set back a minimum from the back curb of the parking area to allow for a ten (10) foot buffer between the parking area and the building. The front parking area shall be partially screened from view from the street by berming or landscaping.

SECTION 5.2 PARKING AND LOADING REQUIREMENTS

No parking shall be permitted on any street or at any other place other than on paved parking spaces to be constructed on each lot. Parking requirements shall be as per Village ordinance in effect as of the date of this Declaration or any subsequent revisions thereof.

SECTION 5.3 LANDSCAPE REQUIREMENTS

In an attempt to unify the building sites and their architecture in the Park, landscaping as a design element will play the key role in creating and conveying the park-like working environment. All requirements provided herein are in addition to any requirements as may be found in the Village code.

(a) Purpose:

The purpose of the requirements in this section is to provide for appropriate landscaping and screening of parking and other outdoor areas that will:

- (1) Protect residential environments from effects of more intensive adjacent uses.
- (2) Protect users of parking areas from excessive wind, glare, and temperature extremes.

- (3) Reduce the adverse effects on public streets and adjacent properties of noise, blowing dust and debris, and motor vehicle headlight glare.
 - (4) Discourage unsafe access to and circulation within off-street parking areas.
 - (5) Contribute to improved community appearance and maintenance of property values.
- (b) Committee approval of the landscaping plans and specifications must be procured prior to construction of a building on a Site.
 - (c) At a minimum, Lot Owners shall install perimeter landscaping, as required by the Village's Subdivision Control Ordinance, in areas where a Lot boundary line is also the perimeter boundary line of the Park. Landscaping must be completed within sixty (60) days of occupancy unless weather and ground conditions do not permit, or unless the Developer grants written permission for an extension of the completion date for reasonable cause.
 - (d) All landscaping must be maintained in a well-kept condition. The Developer shall notify the Property Owners or Occupant, in writing, of any infractions of this requirement. If remedial action is not completed within fifteen (15) days of such notification, the Developer or Association in accordance with Article VII may enter the Lot or Site, perform the required remedial work and charge the owner for same at cost plus a twenty percent (20%) administration charge. The charges, if not paid, shall constitute a lien on the real property, the improvements thereon and such mechanic's lien may be satisfied through foreclosure.
 - (e) Types of Landscaping Materials Permitted:

Varieties of living landscape materials used shall be healthy, hardy, and drought-resistant; be suitable for climate and environmental influences on the Site, such as exposure to sun, wind, water, heat, automobile exhaust fumes, and road salt; and be compatible with the slope of the site, with existing vegetation to be preserved, and with utilities below ground level. Where appropriate, materials used shall be protected from damage from pedestrian or vehicular traffic by tree grates, pavers, or other measures.
 - (f) Ground Cover in Landscaped Strips:

Grass or other ground cover shall be planted over all landscaped strips including berms, except in areas planted in flowers, shrubs, or trees, so as to present a finished appearance and reasonably complete coverage within three months after planting.
 - (g) Installation Procedures:

All living landscaping materials shall be installed in conformance with the most current procedures established by the American Association of Nurserymen.

(h) Berming:

For optimum screening effectiveness and improved landscape design, parking screening strips shall be bermed so as to partially conceal parked cars from view of the street except where in the judgment of the Committee the size or configuration of existing or proposed topography of the lot makes this infeasible or unnecessary or where erosion, drainage, or maintenance problems might result. Berms, where installed, shall be a minimum of 2 feet in height with a desired average of 4 feet in height wherever professionally acceptable.

(i) Maintenance of Landscaping:

The Owner, Occupant, tenant, and the respective agent of each, if any, shall be jointly and severally responsible for the maintenance, repair, and replacement of all landscaping and screening so as to preserve at least the same quantity and quality as initially approved.

(j) Curbing:

All parking island strips and parking screening strips shall be separated on all sides from the parking surface by curbing.

(k) Uses Requiring Landscaping or Screening:

A minimum of 10 percent of the parking area shall consist of landscaping. Any landscaped strip required hereunder may be credited toward this requirement.

A screen for off-street loading shall be a minimum of 6 feet high.

(l) Size of Minimum Plant Materials:

- (1) Shade Tree: A deciduous tree with a minimum caliper of 2 inches.
- (2) Conifer: A coniferous tree with a minimum 6 foot height.
- (3) Ornamental: A deciduous tree or large shrub with a minimum caliper of 2 inches or minimum height of 6 feet.
- (4) Caliper Average: 3 inches for all deciduous tree plantings.

(m) Street Plantings:

The standards are expressed in terms of shade trees required per lineal foot of roadway, easement, or buffer strip, and include the full width of each. For determining numbers of conifers and ornamentals applicable to the standard, a conifer at least 10 feet in height shall equal a shade tree, and two (2) ornamentals as specified above shall equal a shade tree.

(1) Major Entry:

(i) Boulevards (first 400 lineal feet): One tree each side per 40 lineal feet of roadway.

(ii) Median: Two (2) trees per 40 l.f. of medium length plus one (1) tree for each 25 l.f. of median where median is wider than 30 feet.

(2) Preservation of Trees: All reasonable efforts shall be made to preserve the existing trees on each Lot.

(3) Building Site Plantings: Each building shall include a minimum of one (1) shade tree in frontage areas for each 50 l.f. of Lot or Site frontage. It is recommended that trees be grouped in clusters.

SECTION 5.4 UNDERGROUND UTILITIES

All exterior on-site utilities, including drainage systems, sewers, gas lines, water lines, and electrical, telephone, and communications wires shall be installed and maintained underground.

SECTION 5.5 WATER RETENTION/DETENTION AREAS

To increase the maximum allowable building-to-gross land area ratio, water retention areas will be provided in one or more locations in the Park and offsite from the Park to handle storm water drainage from all improved sites within the Park. The water retention areas shall be adequately landscaped as to maintain aesthetic conformity with the entire Park landscape design. Any on-site water retention areas and any on-site lot retention/detention areas shall be maintained to achieve a high-quality environment, by the Developer until such time as the Association comes into being.

SECTION 5.6 MAINTENANCE OF UNIMPROVED SITES AND CONDITION OF IMPROVED LOTS

Sites that are not improved or built upon shall be maintained in a clean and neat appearance by the Property Owner. Weeds and brush should be removed semi-annually. The Owner or Occupant of any Lot should at all times keep it and the buildings, improvements, and appurtenances

thereon in a safe and clean condition and comply with all applicable governmental, health, fire, and safety ordinances and regulations. (Trash to be removed expeditiously).

SECTION 5.7 SIGNAGE

No permanent signs, billboards or advertising devices of any kind shall be placed or otherwise installed on any Lot or Improvement, except such signs as may be necessary to identify the business conducted on such Lot such as Directional signs, informational signs, and signs offering the premises for sale or lease.

In no event, shall there be erected on any location on the Property any pole sign, neon sign, flashing sign, signs with moving lights, backlit signs, or signs which revolve, move or have moving parts. No rooftop sign shall be permitted. Individual exterior signs shall contribute to the aesthetic integrity of the Park, shall be in monument form and shall be predominantly of masonry construction.

No signs, billboards, or advertising shall be erected, placed or maintained on any improvements on any Parcel without the prior specific written approval of the Committee.

SECTION 5.8 STORAGE AREAS

Storage, service, maintenance, and loading areas must be constructed, maintained, and used in accordance with the following conditions:

No materials, supplies or equipment shall be stored upon a site except inside a closed building or behind a durable material wall not less than six (6) feet in height, screening such material, supplies or equipment from adjacent sites so as not to be visible from neighboring properties and streets. No stored items shall protrude above the screen. The outdoor storage of uncontained bulk material is prohibited. Any outdoor storage areas shall be located in the side or rear yard adjacent to the main structure.

All trash receptacles and storage areas, service yards, electrical cage enclosures, incinerators and similar equipment for the disposal of materials and storage tanks, shall be screened from view from access streets and front yards of adjacent properties by means of a fence, berm, wall or dense opaque landscaping materials. Deposited refuse shall not be visible from outside the refuse enclosure. All trash receptacles shall be confined to the rear yard of all lots. Storage areas shall be kept in a neat and orderly manner. The contents of all storage and trash areas must be directly related to the primary use of the business. Refuse collection enclosures shall be designed of durable materials with finishes and colors which are unified and harmonious with the overall architectural theme.

SECTION 5.9 ARCHITECTURE

(1) Exterior Walls

Full dimension face brick and cut stone are the recommended wall materials and must be utilized on all elevations. Stucco and wood may be used only in trim or accent

applications. Quoins, when utilized in design, should be expressed on all elevations. Exterior materials should blend with other structures in the Park.

(2) Windows

Windows must be wood or aluminum-clad; vinyl windows are not permitted. No glass curtain walls, tinted or reflective glass windows are permitted. Consistency of detailing on all elevations should be maintained. Windows should be properly balanced and proportioned. Window treatments should be in keeping with the architectural style. Shutters are suggested and should be sized to match the opening. Bay windows should be carried down to grade.

(3) Roofs

The main roof pitch should be a minimum of 10/12. Roof forms should be well-organized and demonstrate the same character on all sides of the building. Acceptable roofing materials are cedar shake and architectural (dimensional) asphalt or fiberglass shingles. Dormers shall be in keeping with the architectural character; properly proportioned and balanced on all roof surfaces. Roof vents and plumbing vents should be located on rear elevations and should be painted to match the roof color. Mechanical equipment should not be located on roofs.

(4) The Committee must approve the architectural design and specifications of all improvements prior to construction.

(5) Height Limitations

No building erected shall exceed thirty-five (35) feet in height.

SECTION 5.10 LIGHTING GUIDELINES

Lighting shall be designed to achieve the following objectives:

- (1) To contribute to the safe and efficient use of a development site.
- (2) To contribute to the site security.
- (3) To complement and reinforce the architecture and site design character.
- (4) To keep on-site parking lot lighting fixtures and illumination levels consistent throughout the Park.
- (5) To prevent casting glare onto adjacent lots and streets.
- (6) To encourage conformity with energy-saving guidelines.

- (7) Architecturally, to articulate and animate the particular building design, as well as provide the required functional lighting for safety and clarity of pedestrian movement.

Committee approval of the lighting plans and specifications must be procured prior to construction of a building on a Site. In no event shall parking lot lighting exceed fifteen (15) feet in height.

ARTICLE VI

ARCHITECTURAL AND SITE REVIEW COMMITTEE

SECTION 6.1 CREATION OF COMMITTEE There is hereby created an Architectural and Site Review Committee, consisting of three property owners. The right to appoint and remove all members of the Committee shall be vested solely in the Developer, its successors and assigns, until such time as (i) plans and specifications for the development of the last Lot in Hawthorn Woods Business Park have been approved; or (ii) the Developer relinquishes such right in favor of the Association; or (iii) the Developer has sold all of its interest in the Property, whichever event shall first occur. After the Developer no longer has the power to appoint and remove members of the Committee, the Board of Directors of the Association shall select its members.

SECTION 6.2 SUBMISSION OF PLANS TO COMMITTEE No Improvement shall be constructed, erected, placed, altered, maintained or permitted to remain in the Hawthorn Woods Business Park until plans and specifications, including, but not limited to, the plot layout, all exterior elevations with materials and colors therefor, parking spaces with parking stalls indicated, loading docks, and landscaping plans have been submitted to and approved in writing by the Committee. Such plans and specifications shall be submitted in writing over the authorized signature of the Property Owner, Lessee, Licensee or Occupant of the particular Lot or his authorized agent. Changes in approved plans which materially affect building size, placement or external appearance must be similarly submitted to and approved by the Committee.

SECTION 6.3 POWERS OF COMMITTEE The Committee shall have the right to disapprove plans, specifications or details submitted to it in the event the same are not in accordance with the Hawthorn Woods Business Park Protective Covenants or if they are contrary to the best interest of the Park or other Property Owners. In this connection, the Committee may base its approval or disapproval on, among other things, the adequacy of site dimensions, conformity and harmony of external design with neighboring structures, effective use of location and use of proposed improvements on neighboring sites and the types of operations and uses thereof, relation of topography, grade and finish ground elevation of the site being improved to that of neighboring sites, proper facing of main elevation with respect to nearby streets, adequacy of screening of mechanical, air conditioning or other rooftop installations, and conformity of the plans and specifications to the purpose and general plan and intent of the Hawthorn Woods Business Park Protective Covenants. No plans shall be approved which do not provide for the underground installation of all utilities from the lot lines to buildings. No plans or specifications shall be approved which do not provide for safety, environmental or any other control as set forth by local, State, Federal or other governmental

agencies. The decision of the Committee shall be final. The Committee shall not arbitrarily or unreasonably withhold its approval of such plans and specifications.

The Committee shall approve or disapprove such plans and specifications within fifteen (15) days after they have been submitted. The Committee shall not be liable for damages to anyone so submitting plans and specifications for approval or making any other requests of Committee by reason of mistaken judgment, negligence or nonfeasance of the Committee, its agents or employees arising out of or in connection with the approval and disapproval of said plans or specifications. However, during the above-15-day period of time, it may be determined by the Committee that an additional period of time will be necessary to approve or disapprove any plans submitted, and in that regard the Committee may notify the parties submitting the plans for approval that up to an additional thirty (30) days time is required. All such plans shall be submitted to the Committee prior to submitting same to the Village of Hawthorn Woods.

SECTION 6.4 VARIANCES The Developer or the Committee may authorize reasonable variances to these Covenants or the Guidelines (as the same may be modified from time to time). Such variances may be permitted where circumstances may require, based upon factors including but not limited to topography, natural obstructions, hardship, aesthetics or environmental considerations. If a variation is granted hereunder, no violation of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted.

ARTICLE VII

HAWTHORN WOODS BUSINESS PARK ASSOCIATION

SECTION 7.1 INCORPORATION. After the recording of this Declaration, the Developer shall organize an Illinois not-for-profit corporation to be known as "Hawthorn Woods Business Park Association" (herein referred to as "Association") or such similar name which is available for incorporation according to the Secretary of State of Illinois. The Association shall be the governing body for all of the Property Owners for the administration and operation of the Park.

SECTION 7.2 PURPOSE. The purpose of the Association shall be to provide for the maintenance, repair, improvement, insurance and beautification of Common Areas in the Hawthorn Woods Business Park which consist of, among other things, areas designated by the Developer as Common Areas, Easements for Water Detention, entrance areas and parkways, one (1) Hawthorn Woods Business Park entry identification sign and street islands and dividers, and Storm Water Facilities, even though any one or more of them may be dedicated to the Village of Hawthorn Woods. In addition, the Association may have as an additional purpose the collection from the Owners of Lots, the Park's share of the maintenance, repair or improvement cost for any off-site Storm Water Facilities. The Common Areas shall include those Easements for Water Detention as set forth in Section 3.1.

The Association shall also be the governing organization for the levying and collection of assessments to provide funds as they may be required from time to time for the purposes described and shall have and possess all such powers as shall be necessary or appropriate for the

accomplishment of such duties and functions. If necessary, the Association shall accept and retain legal title to any such Common Areas to maintain the Hawthorn Woods Business Park as a desirable development for the members of the Association.

The Association shall also have the powers granted to the Developer as specified in Section 6.1 above, after such powers are delegated to the Association.

SECTION 7.3 FUNDS. All funds collected by the Association shall be held in a special account in a highly solvent financial institution to be determined by the Developer or if Association is in existence, by the Association, and expended for the purposes designated herein and in the Association's Articles of Incorporation and its By-Laws. All such funds shall be deemed to be held for the benefit, use and account of each Property Owner in the ratio that the number of square feet owned by such Property Owner bears to the total number of square feet (no single expenditure shall exceed \$1,000.00 without prior approval of Association) in the Hawthorn Woods Business Park as set forth in Section 7.6.

SECTION 7.4 MEMBERSHIP. Upon the formation of the Association, each person or entity who is a Property Owner shall be a member of the Association and each purchaser by acceptance of the Deed therefor, covenants and agrees to become a member of the Association whether or not it shall be so provided in any such Deed or other conveyance; provided, however, that any person or entity who holds such interest merely as security for the performance of an obligation shall not be a member. Membership in the Association shall be appurtenant to and may not be separated from ownership of any portion of the Property.

Membership shall terminate upon the sale, transfer or other disposition of a Property Owner's interest in the Property at which time the new Property Owner shall automatically become a member of the Association. A Property Owner may assign its membership right in the Association, but not its membership obligations, to an Occupant. No member shall have any right or power to disclaim, terminate or withdraw from its membership in the Association or from any of its membership obligations by non-use of the Common Areas.

SECTION 7.5 VOTING RIGHTS. The Association shall have two (2) classes of voting membership:

CLASS A. Class A members shall be all those who own Sites within the Hawthorn Woods Business Park with the exception of the Developer. Each Class A member shall be entitled to one (1) vote for each Lot that said member owns within the Hawthorn Woods Business Park. Where more than one Person holds the Lot or Lots, or where the Site is owned by a Trustee, the vote for such square footage shall be exercised as said Property Owners' determine among themselves, but in no event shall more than one (1) vote be cast with respect to each Lot.

CLASS B. Class B voting member shall be the Developer. The Class B voting member shall be entitled to three (3) votes for each Lot that said member owns within the Hawthorn Woods Business Park; provided, however, that the Developer's Class B voting membership shall

cease and shall be converted to Class A voting membership as of the Turnover Date or upon the earlier election of the Developer.

Amendments to this Article shall only be effective upon the unanimous written consent of the majority of all Class A voting members and all Class B voting members, if any.

SECTION 7.6 COST PER MEMBER. All members of the Association agree to participate in their prorata share of the Cost of Maintenance (as hereinafter defined) and taxes of the Common Areas in accordance with the following formula:

$$\frac{\text{Net Square Footage Owned}}{\text{Total Square Footage of Hawthorn Woods Business Park}} \times 100 = \text{a Property Owner's Percentage}$$

SECTION 7.7 BY-LAWS. At the time of the incorporation of the Association, the Developer hereby agrees to establish By-Laws of the Hawthorn Woods Business Park Association. Said By-Laws will contain, inter alia, provisions for the maintenance, insurance, upkeep, repair, landscaping, labor, structural alterations, cleaning and ecological balance of the Common Areas.

SECTION 7.8 AMENDMENTS. After the Turnover Date, the Association shall have, and it is hereby granted, the power to amend, modify and otherwise alter this Declaration and each and all of the terms and provisions hereof and each and all of the rules, covenants, easements, agreements and restrictions herein contained which pertain to the Common Areas, at any time and from time to time, by action recommended by the Board of Directors (as hereinafter defined) and approved by the affirmative vote of that portion of its members stipulated by Section 10.2 hereof, subject to the limitation that such action shall not cause the Common Areas, or any part thereof, to be in non-compliance with any zoning ordinance or other applicable law or governmental regulation. In addition, no amendment affecting any rights of the Village shall be effective unless the Village consents to such amendment, by ordinance duly adopted by the corporate authorities of the Village.

SECTION 7.9 COMPOSITION OF BOARD. Subject to the rights retained by the Developer in Article 8, the Association shall be governed by a Board of Directors comprised of not fewer than three (3) persons and not more than five (5) persons who shall be appointed or elected as provided herein or in the By-Laws of the Association. Except for directors appointed by the Developer, directors shall be members (or in the case of a corporate or trustee Property Owner any party designated by such Property Owner) of the Association.

SECTION 7.10 DIRECTOR AND OFFICER LIABILITY. Neither the directors nor the officers of the Association shall be personally liable to the Property Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors and officers except for any acts or omissions found by a court to constitute criminal conduct, gross negligence or fraud. The Association shall indemnify and hold harmless the Developer and each of the directors and officers, his heirs, executors or administrators, against all contractual and other liabilities to others arising out of contracts made by or other acts of the directors or officers unless any such contract or act shall have been made criminally, fraudulently or with gross negligence. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but

not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative, or other in which any such director may be involved by virtue of such person being or having been such director or officer; provided, however, that such indemnity shall not be operative with respect to (i) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for criminal conduct, gross negligence or fraud in the performance of his duties as such director or officer, or (ii) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable grounds for such person being adjudged liable for criminal conduct, gross negligence or fraud in the performance of his duties as such director or officer.

ARTICLE VIII

DEVELOPER'S RESERVED RIGHTS

SECTION 8.1 IN GENERAL. In addition to any rights or powers reserved to the Developer under the provisions of this Declaration or the By-Laws, the Developer shall have the rights and powers set forth in this Article. Anything in this Declaration or the By-Laws to the contrary notwithstanding, the provisions set forth in this Article shall govern. If not sooner terminated as provided in this Article, the provisions of this Article shall terminate and be of no further force and effect from and after such time as the Developer is vested with or controls title to less than twenty-five percent (25%) of the Lots.

SECTION 8.2 PROMOTION OF PROJECT. In connection with the promotion, sale or rental of any improvements upon the Premises: (i) the Developer shall have the right and power, within its sole discretion, to construct such temporary or permanent improvements, or to do such acts or other things in, on, or to the Property as the Developer may, from time to time, determine to be necessary or advisable, including, without limitation, the right to construct and maintain sales or leasing offices, parking areas, advertising signs, lighting and banners, or other promotional facilities at such locations and in such forms as the Developer may deem advisable; and (ii) Developer, its agents, prospective purchasers and tenants, shall have the right of ingress, egress and parking in and through, the Lots at any and all reasonable times without fee or charge.

SECTION 8.3 CONSTRUCTION ON PROPERTY. In connection with the construction of improvements to any part of the Property, the Developer, its agents and contractors, shall have the right, at the Developer's own expense (but shall not be obligated), to make such alterations, additions or improvements to any part of the Property including, without limitation, the construction, reconstruction or alteration of any temporary or permanent improvements to any structure which the Developer deems, in its sole discretion, to be necessary or advisable, and the landscaping, sodding or planting and replanting of any unimproved portions of the Property. In connection with the rights provided in the preceding sentence, the Developer, its agents and contractors, shall have the right of ingress, egress and parking on the Property and the right to store construction equipment and materials on the Property without the payment of any fee or charge whatsoever.

SECTION 8.4 GRANT OF EASEMENTS AND DEDICATIONS. Developer shall have the right to reserve or grant easements over the Lots to any governmental authority, public utility or private utility for the installation and maintenance of electrical and telephone conduit and lines, gas, sewer or water lines, or any other utility services serving any Lot, or any other real estate (whether or not a part of the Property).

SECTION 8.5 DEVELOPER CONTROL OF ASSOCIATION. The initial Board of Directors shall be designated by the Developer, which Board Members may, but need not, be Property Owners. Developer's rights under this Section to designate the members of the Board shall terminate on the first to occur of (i) such time as Developer holds or controls title to less than twenty-five percent (25%) of the Lots; (ii) the giving of written notice by Developer to the Association of Developer's election to terminate such rights; or (iii) ten (10) years from the date of Recording hereof. The date on which the Developer's rights under this Section shall terminate shall be referred to as the "Turnover Date". From and after the Turnover Date, the Board shall be constituted and elected as provided in the By-Laws and this Declaration.

SECTION 8.6 OTHER RIGHTS. The Developer shall have the right and power to execute all documents and do all other acts and things affecting the Property which, in Developer's opinion, are necessary or desirable in connection with the rights of Developer under this Declaration.

ARTICLE IX

COMMON AREA MAINTENANCE

SECTION 9.1 DEVELOPER'S MAINTENANCE OBLIGATIONS. Until the Developer shall have assigned its rights and obligations with respect to the Common Areas and other maintenance obligations to the Association, it shall maintain, repair, replace or renew or cause to be maintained, repaired, replaced or renewed such Common Areas and any other areas for which its maintenance obligation extends, in a clean, sightly, safe and first-class condition (hereinafter called "Maintenance"). Such Maintenance, to the extent not performed by the Village or other governmental authority or a Property Owner, shall include:

- (1) The mowing, watering, fertilizing, weeding, replanting and replacing of all Common Areas and those areas for which Developer is Property Owner;
- (2) Maintenance of liability insurance against death, bodily injury and property damage in such amounts and with such coverage as the Developer may determine to be necessary to protect the Developer, the Association and each Property Owner from claims arising out of the use, maintenance and ownership of the Common Areas.

The cost expense of performing the aforesaid Maintenance shall include, but not be limited to, all costs of material, labor, supplies, insurance, taxes and all such special assessments as may from time to time be agreed upon by the Association, levied against the Common Areas (hereinafter collectively called "Cost of Maintenance").

The duly designated officials and employees of the Village of Hawthorn Woods shall have the right, but not the obligation, to inspect all stormwater drainage and detention improvements and systems in order to determine whether they are being properly maintained in conformity with this Declaration and the applicable ordinances and regulations of the Village or any other governmental entity. If it is determined that the facilities are not in conformity with applicable restrictions, ordinances and regulations, the Village shall give the Association written notice of such determination.

Further, the Village shall be empowered, but shall have no obligation, to compel correction of a problem concerning maintenance after providing notice to the Association, although notice shall not be required in the event that the Village determines that the failure of maintenance constitutes an immediate threat to public health, safety and welfare. If the Association fails to perform the necessary maintenance within fifteen (15) days after receiving notice of the determination, the Village shall have the right to perform or cause to be performed, such maintenance or other operations necessary to preserve the improvements or to meet the requirements of the applicable ordinances and regulations.

If the Village performs such service, it shall be entitled to complete reimbursement by the Association. If payment is not made within thirty (30) days after demand, then a pro rata share of the total expense shall become a lien on each Lot. Such pro rata share shall be calculated in the same manner as set forth in Section 7.6 for Costs of Maintenance. Each such lien shall be subordinate to the lien of the first mortgage on a Lot, but shall be superior to the Association's assessment lien with respect to the Lot for assessments which become due after the date on which the Village's lien attaches to the Lot.

SECTION 9.2 EASEMENTS FOR COMMON AREA MAINTENANCE. Perpetual non-exclusive easements for ingress and egress over, under, across, in and upon the Property are hereby declared, created and reserved by the Developer for the benefit and use of itself, the Association or the Village as the case may be, their respective successors and assigns, agents and employees, to provide reasonable access to Common Areas and to enter upon the Property for the purpose of inspecting the areas and performing the Maintenance required under Section 9.1 hereof.

The easement described in this Section is an easement appurtenant, running with the land and shall at all times be binding upon the Declarant, all of its grantees and their respective heirs, successors, personal representative and assignees, perpetually and in full force.

SECTION 9.3 OWNER'S PARTICIPATION IN COST OF MAINTENANCE. After the Association is formed, each individual Property Owner shall pay to Developer its proportionate share of the total Cost of Maintenance in accordance with the formula set forth in Section 7.6 above.

Each Property Owner's share of the Cost of Maintenance shall be assessed to it by the Developer no more frequently than quarterly and shall be accompanied by an itemized statement of such costs and the manner in which such Property Owner's share was determined. Each Property Owner shall pay the amount shown on the statement within thirty (30) days after receipt.

SECTION 9.4 TRANSFER OF COMMON AREAS. Subsequent to the formation of the Association, Developer may at any time and from time to time:

- (a) convey to the Association all or any part of its right, title and interest to the Common Areas; and
- (b) Either separately or together with such conveyance and at the same or a different time, assign to the Association, all of its obligations for the performance of Maintenance.

SECTION 9.5 ASSOCIATION'S COMMON AREA AND MAINTENANCE OBLIGATIONS. The Association shall perform such Maintenance as shall have been assigned to it by the Developer and shall exercise the powers and rights of the Developer with respect thereto. The Association shall perform all Maintenance from and after the assignment or termination of all of Developer's obligations to perform all Maintenance pursuant to the provisions of Section 9.4 and with respect to such performance the Association shall have all the powers and rights of the Developer as set forth herein.

SECTION 9.6 ADDITIONAL POWERS. The Association, to the extent the Board deems it appropriate for Association purposes, shall have the power to own real and personal property, to open bank accounts, to enforce this Declaration as herein provided, to indemnify its officers and directors, to obtain policy or policies of insurance insuring the Association and its members, including officers and directors, liability insurance, to contract for legal, accounting and other professional services, to borrow funds, to employ employees directly, and otherwise to do that which it believes necessary to protect or defend the Common Areas, the Association and the Property from loss or damage by suit or otherwise and to pay the cost of the foregoing from assessments.

ARTICLE X

ASSOCIATION ASSESSMENTS

SECTION 10.1 LIABILITY FOR PAYMENT. All assessments shall be used for the Cost of Maintenance for the Common Areas and for the other express purposes of the Association and shall be the obligation of each Property Owner, including the Developer.

In the event title to a Lot or Site is held in trust then the Trustee and/or beneficiary or beneficiaries, if known, shall be liable for payment of the assessments.

SECTION 10.2 PROPERTY LIEN. All assessments and charges pursuant to this Article, together with interest thereon and the costs of collection, if any, shall be charged as a continuing lien upon the Lot or Site of said Property Owner until paid except as herein before provided immediately above in Section 10.1.

SECTION 10.3 AMOUNT OF ASSESSMENT. The initial annual assessment payable to the Association shall be fixed by the Developer in its reasonable discretion, giving due consideration to the cost of maintenance of the Common Areas for the prior twelve (12) month

period. If required, such initial annual assessment shall be prorated for the period commencing with the date the Association becomes obligated to perform Maintenance to the end of its then current fiscal year and for each year thereafter, the Board shall estimate its costs of operation for the coming year and the same shall be assessed and paid semi-annually in advance by each Property Owner or as the Board of Directors shall otherwise direct. Such assessment shall take into consideration the cost of or reserves for any contemplated repair, replacement or renewal of a specified Improvement upon the Common Area or the personal property and facilities maintained by the Association. The Board of Directors shall have the power to levy additional assessments as provided in the By-Laws of the Association. All assessments shall be in accordance with the formula as set forth in Section 7.6 herein. All assessments shall be prorated as of the date title transfers to a new Property Owner.

SECTION 10.4 NON-PAYMENT OF ASSESSMENT. Any assessment or charges which are not paid when due shall be delinquent. If the assessment or charge is not paid within thirty (30) days after due date, the assessment or charge shall bear interest from the due date at a rate equal to five (5%) percent over the Prime Rate announced or published from time to time by The Northern Trust Company, or the highest rate permitted by applicable law, whichever is lower, and the Developer or Association, as the case may be, may bring action at law against the Property Owner personally obligated to pay the Assessment or charge, or foreclose the lien against the Lot or Site owned by such Property Owner, and interest at the rate aforesaid, together with the costs and reasonable attorneys fees of any such action, shall be added to the amount of such assessment or charge and to any judgment or decree therefor. The lien provided for under Section 10.2 shall secure the payment of the assessment or charge, interest thereon and the aforesaid costs and reasonable attorney's fees. No Property Owner may waive or otherwise avoid liability for an assessment or charge as provided for herein by non-use of Common Areas and facilities, or abandonment of its Lot or Site.

SECTION 10.5 SUBORDINATION OF LIEN TO MORTGAGE. The lien for any assessment or charge provided in this Declaration shall be subordinate to the lien of any bona fide security device from any lender including a mortgage, trust deed or sale and leaseback, obtained by the Property Owner of a Lot or Site; provided, however, that such subordination shall apply only to the assessments and charges which have become due and payable prior to a sale or transfer of such Lot or Site pursuant to or in lieu of foreclosure by the holder of such security interest. Such sale or transfer shall not relieve the Lot or Site from the lien for any assessment or charges thereafter becoming due nor from the lien of any subsequent assessments or charges. The Developer or the Board of Directors, as the case may be, shall certify in writing within ten (10) days after written request to any interested party whether any amounts are due pursuant to this Article.

SECTION 10.6 PROPERTY NOT SUBJECT TO ASSESSMENT. The following parts of the Property shall be exempt from the assessments, charges and liens created under this Declaration:

- (a) All parts of the Property dedicated to and accepted by the Village of Hawthorn Woods or other public authority; and
- (b) All Common Areas not located within a Lot or Site.

SECTION 10.7 SPECIAL ASSESSMENT. The Board may levy a special assessment as provided in this Section (i) to pay (or build up reserves to pay) expenses other than Costs of Maintenance of Common Area incurred (or to be incurred) by the Association from time to time for a specific purpose including, without limitation, to make alterations, additions or improvements to the Common Area or any other property owned or maintained by the Association; or (ii) to cover an unanticipated deficit under the prior year's budget. Any special assessment shall be levied against all of the Lots as set forth in Section 7.6 herein. No special assessment shall be adopted without the affirmative vote of at least two-thirds (2/3) of the Voting Members who cast their votes on the question. The Board shall serve notice of a special assessment on all Property Owners by a statement in writing giving the specific purpose and reasons therefor in reasonable detail, and the special assessment shall be payable in such manner and on such terms as shall be fixed by the Board.

SECTION 10.8 INITIAL CAPITAL CONTRIBUTION. Upon the closing of the first sale of a Lot by the Developer to a purchaser for value, the purchasing Property Owner shall make a capital contribution to the Association in an amount of \$1,500.00. Said amount shall be held and used by the Association for working capital needs and shall be nonrefundable.

SECTION 10.9 ASSESSMENTS DURING INITIAL DEVELOPMENT PERIOD. Anything herein to the contrary notwithstanding, from the date of the Recording of this Declaration until the Turnover Date ("Initial Development Period"), the assessment procedure set forth in this Section shall apply. During the Initial Development Period the Developer shall not be obligated to pay any amounts to the Association as an assessment except as provided in this Subsection. The Developer shall pay to the Association the aggregate excess, if any, of the Cost of Maintenance incurred and paid during the Initial Development Period over the aggregate amounts assessed to the Property Owners (other than Developer) for use by the Association for the payment of Cost of Maintenance under Section 10.3. The Developer shall make such payments to the Association as needed during such period and a final accounting shall be made between Developer and the Association within one hundred twenty (120) days after the end of the Initial Development Period.

ARTICLE XI

MISCELLANEOUS PROVISIONS

SECTION 11.1 TERM. This Declaration shall run for a term of twenty-five (25) years from the date this Declaration is recorded, after which time it shall be automatically extended for successive periods of five (5) years unless an instrument has been recorded, agreeing to amend this Declaration in whole or in part executed as provided in Section 11.2.

SECTION 11.2 AMENDMENTS. Until such time as the Association shall have been formed, any provision hereof or any covenant, condition or restriction contained herein, may be extended, modified or amended as to the whole of the Property or any portion thereof by Developer or its Successor in interest acting alone; provided that any such change does not materially and adversely affect the rights or obligations of the other Property Owners or any Mortgagee holding a mortgage, deed or trust or other security instrument encumbering a Lot or Site. It shall be conclusively presumed that such change does not materially and adversely affect the rights and

obligations of the other Property Owners if such change is approved in writing by other Property Owners (and their Mortgagees) owning sixty (60%) percent or more of the Property not owned by Developer. After creation of the Association, this Declaration, any provisions hereof or any covenant, condition or restriction contained herein, may be extended, modified or amended as to the whole of the Property or any portion thereof by the Board of Directors; provided that such change is approved by the Property Owners (and their Mortgagees) of seventy five (75%) percent or more of the Property. No such termination, extension, modification or amendment shall be effective until a proper instrument in writing has been executed, acknowledged and recorded in the Office of the Recorder of Deeds Lake County, Illinois. In addition, no amendment affecting any rights of the Village shall be effective unless the Village consents to such amendment, by ordinance duly adopted by the corporate authorities of the Village.

SECTION 11.3 VARIANCES. Prior to the Turnover Date, requests for deviations (variances) from the covenants shall be made to the Developer in writing. The Developer shall hold a meeting, review all pertinent facts regarding the request(s) and make a report of the findings to all the Property Owners. The Property Owners, by a two-thirds (2/3) majority vote, may grant the request(s). Each Property Owner shall have a single vote regardless of the number of building sites held.

SECTION 11.4 SEVERABILITY. If any clause, phrase, sentence, condition or other portion of these Protective Covenants shall be or become invalid, null or void for any reason or shall be held by any Court of competent jurisdiction to be so, the remaining portion of these Protective Covenants shall not be affected thereby and such remaining portions shall remain in full force and effect.

SECTION 11.5 ENFORCEMENT. The conditions, covenants, restrictions, reservations and standards herein set forth shall operate as covenants running with the land, and shall be enforceable at the suit of any and every Property Owner, Occupant, Lessee or Sublessee of the Property in Hawthorn Woods Business Park, or the Developer or Association by a proper proceeding, either in equity or at law, and the persons entitled thereto shall have the right to sue for and recover damages (including reasonably attorneys' fees) and to obtain an injunction, prohibitive or mandatory, to prevent the breach or to enforce the observance of the conditions, covenants, restrictions, reservations and standards herein set forth. The failure to enforce any of the restrictions herein set forth at any time shall in no event be deemed to be a waiver of the right of enforcement thereafter at any time. The violation of these conditions, covenants, restrictions, reservations and standards shall not defeat nor render invalid the lien of any mortgage or deed of trust made in good faith and for value.

The remedies given by the provisions hereof or by the By-Laws of the Association shall not be exclusive of any remedies granted by law and may be exercised cumulatively or independently.

SECTION 11.6 NOTICES. Any notice required or desired to be given under this Declaration shall be in writing and shall be deemed to have been properly served when delivered in person and receipted for or after deposit in the United States mail, certified, return receipt requested, postage prepaid, addressed, to a Property Owner, at its last known address as shown on the records of the Developer or the Association. Each Property Owner in Hawthorn Woods Business Park shall file the correct mailing address of such Property Owner with the Association and shall notify the

Association promptly in writing of any subsequent change of address. The Association shall maintain a file of such addresses and make the same available to appropriate parties.

The restrictions created by this Declaration benefit and burden only the land described in this Declaration. Notwithstanding the sharing of present or future facilities by other land, whether developed by the Declarant or others, the general plan created by these restrictions shall extend only to the Property described in this Declaration, and there is no intention to benefit any persons other than those either having an interest in the land described herein or specifically referred to herein. The existence of easement rights or covenants by persons owning land or having an interest in land outside the Property described by this Declaration does not confer upon them any right whatever to enforce the restrictions hereby created.

IN WITNESS WHEREOF, the Declarant has executed this Declaration the day and year first above written.

HAWTHORN WOODS VENTURE, INC.

By: [Signature]
Its: President and Secretary

STATE OF ILLINOIS)
) ss.
COUNTY OF McHenry)

I, the undersigned, Lisa M. Waggoner a Notary Public in and for and residing in said County in the State aforesaid, DO HEREBY CERTIFY that Richard S. Sova, personally known to me to be the President and Secretary of said Corporation, whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Secretary, he signed and delivered the said instrument and caused the seal of said Corporation to be affixed thereto pursuant to authority given by the Board of Directors of said Corporation as his free and voluntary act, and as the free and voluntary act and deed of said Corporation for the uses and purposes therein set forth.

Given under my hand and official seal, this 5th day of March, 2002.

[Signature]
Notary Public

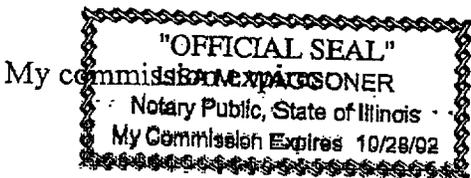


EXHIBIT A

LEGAL DESCRIPTION

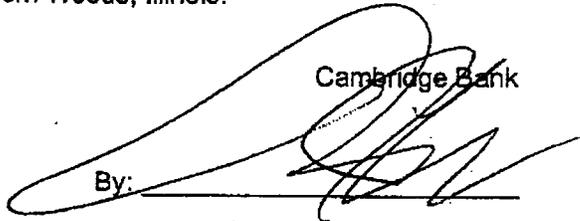
Lots 1 through 9, both inclusive, in Hawthorn Woods Business Park, being a subdivision of the North Half of the Southeast Quarter of the Northeast Quarter of Section 9, Township 43 North, Range 10, East of the Third Principal Meridian, (except therefrom that part lying easterly of the centerline of Midlothian Road, State Aid Route 15), pursuant to a Plat thereof recorded as document No. 4834399 in Lake County, Illinois.

4880602

CONSENT OF MORTGAGE

The undersigned Mortgagee hereby consents to the submission of the property described in Exhibit A to this Declaration to the terms and provisions of this Declaration of Protective Covenants for Hawthorn Woods Business Park, Hawthorn Woods, Illinois.

Cambridge Bank

By: 

Dated: 3-5-02

4880602