

THIS DOCUMENT HAS
BEEN PREPARED BY, AND
AFTER RECORDATION
SHOULD BE RETURNED TO:

Kovitz Shifrin Nesbit
55 W. Monroe Street
Suite 2445
Chicago, Illinois 60603
Attn: David M. Bendoff, Esq.

Image# 061989500051 Type: AMD
Recorded: 03/10/2022 at 11:50:12 AM
Receipt#: 2022-00021964
Page 1 of 51
Fees: \$60.00
IL Rental Housing Fund: \$9.00
Lake County IL Recorder
Mary Ellen Vanderventer Recorder
File **7883133**

**SECOND
CONSOLIDATED, AMENDED AND RESTATED
DECLARATION OF COVENANTS
AND OF EASEMENTS, RESTRICTIONS AND COVENANTS
FOR
THE FIELDS OF LONG GROVE HOME OWNERS' ASSOCIATION**

WHEREAS, the Amended and Restated Declaration of Covenants, Conditions and Restrictions (hereafter the "Declaration") for The Long Grove Home Owners' Association (hereafter the "Association") was recorded on October 10, 1986 as Document No. 2492769 in the Office of the Recorder of Deeds of Lake County, Illinois against the Property legally described in Exhibit "1" attached hereto, and the Property is subject to the provisions of the Illinois Common Interest Community Association Act ("Act"); and

WHEREAS, the Declaration has been amended from time to time by the following documents (hereinafter referred to as the "Amendments") recorded with the Recorder of Deeds of Lake County, Illinois:

<u>Document No.</u>	<u>Recording Date</u>
6278128	December 6, 2007
6278129	December 6, 2007;
6324112	March 27, 2008;

WHEREAS, Section 1-60 of Act, 765 ILCS 160/1-1, *et seq.*, provides a procedure for amending the Declaration to correct omissions and other errors in the Declaration/By-Laws. This section of the Act provides that, if a provision of the Declaration/By-Laws does not conform to the Act or to another applicable law because of an error, omission, or inconsistency in the Declaration/By-Laws of the Association, the Association may correct the error, omission, or inconsistency to conform the community instruments to the Act or to another applicable law by an amendment

adopted by vote of two-thirds (2/3) of the Board of Directors, without a membership vote. A provision in the Declaration/By-Laws requiring members of record to vote to approve an amendment to the Declaration/By-Laws, or for the members of record to be given notice of an amendment to the Declaration/By-Laws, does not apply to an amendment that corrects an omission, error, or inconsistency to conform the Declaration/By-Laws to the Act or to another applicable law; and

WHEREAS, Section 1-20(a) and (b) of the Act provides that amendments to the Declaration must be set forth in an amendment thereto that is duly recorded, and that amendments to the Declaration are effective upon recordation, and requires amendments to the Declaration to be executed by the President of the Association; and

WHEREAS, provisions of the Act establish certain requirements which the Association is required by law to follow, and with which the present Declaration is in conflict or does not include; and

WHEREAS, because of this conflict between the language of the Declaration and the Act, there is the likelihood that confusion, improper, or litigation could result imposing needless financial expense on the Association and individual unit owners and possibly also calling into question the validity of actions of the Board of Directors of the Association.

WHEREAS, the Board desires to prepare, and has caused to be prepared, a single document consolidating the Declaration, the Amendments, and the Section 1-60 of the Act amendments into one document (hereafter referred to as the "Second Consolidated, Amended And Restated Declaration"), to provide the Board, members and others with a convenient document that restates the substantive provisions of the Declaration and reflects the accumulated Amendments for ease of reference; and

WHEREAS, the Second Consolidated, Amended And Restated Declaration truly and accurately reflects the Declaration as amended from time to time, and the Board desires to record the Second, Amended And Restated Declaration in order to memorialize all of the foregoing action; and

WHEREAS, this amendment to the Declaration was approved by at least two-thirds (2/3) of the members of the Board of Directors of the Association at a duly called meeting held January 19, 2022; and

WHEREAS, the requisite number of members of the Association failed to submit a written petition to the Board of Directors within thirty (30) days of the Board of Directors' action, as provided by Section 1-60(c) of the Act;

NOW THEREFORE, in furtherance of the foregoing recitals, the Amended and Restated Declaration of Covenants, Conditions and Restrictions (hereafter the "Declaration") for The Long Grove Home Owners' Association is hereby consolidated, amended and restated in accordance with the following.

**SECOND CONSOLIDATED, AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS**

FOR THE FIELDS OF LONG GROVE HOME OWNERS' ASSOCIATION

THIS IS A SECOND CONSOLIDATED, AMENDED AND RESTATED DECLARATION (the "Amended Declaration") of the Amended and Restated Declaration made the 16th day of December, 1985, by CHICAGO CITY BANK AND TRUST COMPANY, as Trustee under Trust Agreement dated June 26, 1984, being known as, Trust No. 11128.

WITNESSETH:

WHEREAS, Windward Associates is a general partnership organized under the general partnership laws of the State of Illinois for the purpose of developing a planned residential community on real property (the "Real Property") located in the Village of Long Grove, Illinois, described as follows:

Parcel 1: The East 1/2 of the North East 1/4 of Section 13, Township 43 North, Range 10, East of the Third Principal Meridian, in Lake County, Illinois;

Parcel 2: The East 1/2 of the South East 1/4 of Section 12, Township 43 North, Range 10, East of the Third Principal Meridian, in Lake County, Illinois; and

WHEREAS, Windward Associates assigned and transferred all of its beneficial ownership interest in the Real Property to Windward Associates Limited Partnership, an Illinois limited partnership organized under the limited partnership laws of the State of Illinois; and

WHEREAS, title to the Real Property is held by Chicago City Bank and Trust Company as Trustee under a Trust Agreement dated June 26, 1984 and known as Trust No. 11128 and Windward Associates Limited Partnership is now the sole beneficiary of said Trust; and

WHEREAS, Chicago City Bank and Trust Company, not personally, but as Trustee under Trust Agreement dated June 26, 1984 and known as Trust No. 1112 recorded a Declaration of Covenants, Conditions and Restrictions for The Fields of Long Grove Home Owner's Association, dated as of December 16, 1985, with the Recorder of Deeds of Lake County, Illinois on April 18, 1986 as Document No. 2435218 (the "Original Declaration"), and now desires to amend, restate and supersede in its entirety such Original Declaration with this Amended Declaration; and

WHEREAS, it is the intent of Windward Associates Limited Partnership to subdivide, develop and improve the Real Property, from time to time in phases, with single-family dwellings, roads, trails, sanitary sewers, sewage treatment facilities, fresh water wells, water

mains, sewer mains and other common facilities for the benefit of the owners thereof, their families and invitees; and

WHEREAS, in order to preserve and enhance the value of the Real Property, Windward Associates Limited Partnership will form an Illinois not-for-profit corporation to be known as The Fields of Long Grove Home Owners' Association, which will own the common areas and have the responsibility for the administration of the Real Property, maintenance of the common areas and enforcement of the restrictions, covenants and conditions as herein provided.

NOW, THEREFORE, Chicago City Bank and Trust Company, as Trustee under Trust Agreement dated June 26, 1984, and known as Trust No. 11128, hereby declares that all of the Real Property shall be held subject to the following easements, restrictions, covenants and conditions, which easements, restrictions, covenants and conditions shall supersede all of the terms and conditions of the Original Declaration in their entirety, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of the Real Property. These easements, covenants, restrictions and conditions shall run with the land and all parcels thereof and shall be binding upon and inure to the benefit of all parties who shall own any interest in the Real Property, and their successors and assigns.

ARTICLE I

DEFINITIONS

The following words when used in this Amended Declaration or in any supplement or amendment hereto (unless the context shall otherwise require) shall have the following meanings:

1.1 Agricultural Areas. Those areas of the Development designated as Outparcels G, G-1, H, O and O-1 on the Plat or any plat of subdivision recorded for the Development.

1.2 Association. The Fields of Long Grove Home Owners' Association, an Illinois not-for-profit corporation, formed or to be formed pursuant to the General Not-for-Profit Corporation Act of the State of Illinois.

1.3 Beach. That area of the Development designated as Outparcel A on the Plat or any plat of subdivision recorded for the Development.

1.4 Board. The Board of Directors of the Association.

1.5 Common Areas. All of the Development except for Lots and the Recreation Area.

1.6 Declarant. Chicago City Bank and Trust Company, as Trustee under Trust Agreement, dated June 26, 1984, and known as Trust No. 11128.

1.7 Developer. Windward Associates Limited Partnership, an Illinois limited partnership, or its successors and assigns (except Owners).

1.8 Development. All of the Real Property described on the Plat.

1.9 Front Yard. On any Lot with a Residence constructed thereon, (i) if the front entrance door of the Residence faces the roadway giving access to such Lot (the "Access Roadway"), the Front Yard of such Lot shall be that part of each Lot (excluding the Residence) lying between the Access Roadway and a hypothetical line drawn across such Lot lying parallel with and adjacent to the wall of the Residence on such Lot containing the front entrance door of the Residence; and (ii) if the front entrance door of the Residence does not face the Access Roadway, the Front Yard of such Lot shall be that part of the Lot (excluding the Residence) lying between the Access Roadway and a hypothetical line drawn perpendicularly from the edge of the front entrance door of such Residence (farthest from the Access Roadway) to the sides of the Lot. If a Lot with a Residence constructed thereon abuts two different roadways, it shall be considered as having two Front Yards for purposes hereof.

1.10 Gate House. That area of the Development designated as Outparcel I on the Plat or any plat of subdivision recorded for the Development.

1.11 Lots. Those areas on the Plat designated as individual lots and by number, being those parcels of the Development which are intended to be conveyed to Owners, with Residences constructed or to be constructed thereon. The dimensions of individual Lots and all easements and building line restrictions thereon shall be set forth on plats of subdivision recorded from time to time.

1.12 Management Agent, Management Company or Community Association Manager. Any person, company or corporation appointed or employed by the Declarant, Developer or Association to operate, preserve, maintain, improve or repair the Common Areas and Recreation Area. A person, partnership, corporation, or other legal entity entitled to transact business on behalf of others, acting on behalf of or as an agent for an association for the purpose of carrying out the duties, responsibilities, and other obligations necessary for the day to day operation and management of any property subject to the Common Interest Community Association Act.

1.13 Natural Areas. Those areas of the Development designated as Outparcels D, D-1, D-2, D-3, D-4, P and P-1 on the Plat or any plat of subdivision recorded for the Development.

1.14 Owner. The record owner, whether one or more persons or entities, including contract purchasers, of fee simple title to any Lot (other than the Declarant). Where title to a Lot is conveyed to more than one person or entity or there is more than one beneficiary of a land trust holding title to a Lot, such persons, entities or beneficial owners are collectively referred to as the "Owner."

1.15 Plat. The Site Management Plan for The Fields of Long Grove planned unit development, a copy of which is attached hereto as Exhibit A.

1.16 Pump House Area. That area of the Development designated as Outparcel B on the Plat or any plat of subdivision recorded for the Development.

1.17 Recreation Area. That area of the Development designated as Outparcel J on the Plat or any plat of subdivision recorded for the Development.

1.18 Residences. Detached single-family dwellings constructed or to be constructed on individual Lots, hereinafter sometimes collectively referred to, along with the Lots upon which such Residences are constructed or to be constructed, as "Lots."

1.19 Residents. Owners of Lots, their family members and tenants.

1.20 Sanitary Treatment Facilities. That part of the Development designated as Outparcel N on the Plat or any plat of subdivision recorded for the Development.

1.21 Spray Irrigation Area. That part of the Development designated as Outparcel M on the Plat or any plat of subdivision recorded for the Development.

1.22 Trails. That part of the Development designated as such on the Plat or which may be designated and developed as such from time to time by the Board.

1.23 Woodland Areas. Those parts of the Development designated as Outparcels C, E, F, K and L on the Plat or any plat of subdivision recorded for the Development.

1.24 Zero Lots. In the first phase of the construction of the Development, those Lots upon which building line restrictions permit the construction of a Residence thereon adjacent to a boundary line of such Lot, as shown on Exhibit D attached hereto. In subsequent phases of construction of the Development, those Lots on a plat of subdivision or other recorded document, which Lots are subject to building line restrictions which would permit the construction of a Residence thereon adjacent to a boundary line of such Lots.

1.25 Acceptable Technological Means. Includes, without limitation, electronic transmission over the Internet or other network, whether by direct connection, intranet, telecopier, electronic mail, and any generally available technology that, by rule of the association, is deemed to provide reasonable security, reliability, identification, and verifiability.

1.26 Community Instruments. All documents and authorized amendments thereto recorded by a developer or common interest community association, including, but not limited to, the Declaration, By-Laws, operating agreement, plat of survey, and rules and regulations.

1.27 Electronic Transmission. Any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and

reviewed by a recipient and that may be directly reproduced in paper form by the recipient through an automated process.

1.28 Prescribed Delivery Method. Mailing, delivering, posting in an Association publication that is routinely mailed to all Members, electronic transmission, or any other delivery method that is approved in writing by the Member and authorized by the community instruments.

ARTICLE II

HOME OWNERS' ASSOCIATION

2.1 Formation of Home Owners' Association. Prior to the sale of any of the Lots in the Development, there shall be incorporated under the laws of the State of Illinois a not-for-profit corporation to be called "The Fields of Long Grove Home Owners' Association." The provisions of Exhibit B attached to this Amended Declaration shall be adopted as the By-Laws of such Association (the "By-Laws").

2.2. Membership. Every Owner of a Lot shall be a member of the Association, without the right of withdrawal, all as more fully provided in the By-Laws. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of a Lot shall be the sole qualification for membership. Membership shall terminate upon the sale, assignment or other conveyance by an Owner of his Lot, at which time the new Owner shall automatically become a member of the Association.

2.3 Board of Directors. The powers of the Association shall be vested in a Board of Directors consisting initially of three (3) directors (the "Directors") appointed by the Declarant. Such Directors (or their successors) shall serve until the first annual meeting of the members of the Association at which time the members of the Association shall elect new Directors, as more fully provided in the By-Laws.

2.4 Authority of the Board of Directors. The Board shall exercise all of the powers and privileges and perform all of the duties and obligations delegated to it on behalf of the Association, as set forth in this Amended Declaration and in the By-Laws.

2.5 Establishment of Maintenance Fund. The Board shall establish and administer a fund on behalf of the Association to be known as the "Maintenance Fund." Each Owner shall pay monthly assessments into the Maintenance Fund and it shall be used by the Association for maintaining, repairing and caring for the Common Areas and for other purposes, all as more fully set forth in the By-Laws.

2.6 Management Agent/Management Company. The Board may engage the services of a Management Agent/Company to operate, maintain and manage the Common Areas and the Recreation Area to the extent it deems advisable; provided, however, that notwithstanding

anything herein to the contrary, it is expressly understood and agreed that the Declarant expressly reserves the right to designate the Management Agent / Company from the date hereof until the date of the first annual meeting of the members of the Association. A management company holding reserve funds of the Association shall at all times maintain a separate account for each association, unless by contract the Board of the Association authorizes a management company to maintain Association reserves in a single account with other associations for investment purposes. With the consent of the Board, the management company may hold all operating funds of associations which it manages in a single operating account, but shall at all times maintain records identifying all moneys of each association in such operating account. Such operating and reserve funds held by the management company for the Association shall not be subject to attachment by any creditor of the management company. A management company that provides common interest community association management services for more than one common interest community association shall maintain separate, segregated accounts for each common interest community association. The funds shall not, in any event, be commingled with funds of the management company, the firm of the management company, or any other common interest community association. The maintenance of these accounts shall be custodial, and the accounts shall be in the name of the respective common interest community association.

2.7 Architectural Control. All plans, specifications and drawings for the construction of all of the Residences and, except as otherwise provided below, all plans for the landscaping of Lots (including the types and placement of trees, bushes and other shrubs thereon) shall be submitted to the Board for its prior approval. The replacement of diseased, damaged or dead trees or shrubs, and the planting of flowers or plants in existing beds, shall be deemed approved by the Board without the need of the Owner to submit plans to the Board for its prior approval. The addition of new landscaping beds or the expansion of existing landscaping beds are subject to prior approval by the Board. No exterior changes, including colors, additions or alterations, to any Residence, nor erection or removal of or changes or additions to fences, walls, (landscaping-deleted) or any other structures on any Lot shall be commenced, erected or maintained, except as may be first approved by the Board. All plans and specifications showing the nature, kind, shape, size, materials and location of the construction of all Residences, and any changes or additions thereto or to the Lots upon which such Residences are constructed, shall be submitted to the Board for its prior approval, which approval may be granted or denied by the Board in its absolute discretion. A copy of any approved plans, specifications and drawings shall be furnished by the Owner to the Board and retained by the Board. The Directors shall not be held personally liable for any damages, claims or causes of action that may arise out of services performed pursuant to this Section 2.7. Nothing contained in this Section 2.7 shall empower or permit the Board to allow construction of improvements or any other use of the Lots that would violate any specific provision of this Amended Declaration or the By-Laws.

2.8 Rules and Regulations. The Board shall adopt such rules and regulations as it may deem advisable from time to time for the maintenance, conservation, repair and beautification of the Development and for the health, comfort, safety and general welfare of the Residents.

2.9 Common Area Facilities. It shall be the responsibility of the Association through the Board to operate, maintain and keep in a good state of repair the Sanitary Treatment Facilities (including all appurtenant pipes, mains and equipment), the Pump House Area (including appurtenant water wells, storage tanks and all related pipes, pumps, mains and equipment), Trails, streets and all other improvements constructed and situated within the Common Areas and the Recreation Area.

ARTICLE III

REAL ESTATE TAXES

3.1 Real Estate Taxes on Lots. Each Owner shall be responsible for and shall pay the real estate taxes levied, assessed or otherwise imposed on his Lot, including without limitation, all special assessments and special service district taxes.

3.2 Real Estate Taxes on Common Areas. All real estate taxes, if any, levied, assessed or otherwise imposed on the Common Areas, including without limitation, all special assessments and special service district taxes, shall be an obligation of the Association and shall be paid by the Association from the Maintenance Fund.

ARTICLE IV

ENCROACHMENTS AND EASEMENTS

4.1 Easements Over Common Areas. Subject to the ordinances adopted by the Village of Long Grove, every Resident and their guests and invitees shall have the non-exclusive right and easement of use and enjoyment of, and the non-exclusive right of access to and of ingress and egress on, over, across, in, upon and to, the Common Areas and the Recreation Area (until such time as the Recreation Area is developed with recreational facilities, as provided in the By-Laws). Such non-exclusive rights and easements shall be appurtenant to and shall pass with ownership of every Lot, subject, however, to the following provisions:

(a) The right of the Association to construct or have constructed recreational facilities in the Recreation Area as hereinafter provided. In the event that recreational facilities are constructed, the easements granted herein shall automatically terminate as to the Recreation Area and access to and use of the recreational facilities shall be determined by the Board in accordance with the terms of the By-Laws; and

(b) The right of the Association to adopt reasonable rules and regulations governing the use, operation and maintenance of the Common Areas and Recreation Area.

4.2 Easement for the Benefit of Zero Lots. There is hereby granted to each Zero Lot, for the use and benefit of each Zero Lot and the Owners thereof, the non-exclusive right and easement to enter upon a five (5) foot strip of land upon that part of any Lot or that part of the Common Areas immediately adjacent to any Residence constructed upon a Zero Lot for purposes of cleaning, repairing and otherwise maintaining the Residence constructed upon such Zero Lot, subject, however, to any rules and regulations adopted by the Association. Owners of Zero Lots exercising such right and easement shall diligently proceed to complete such cleaning, repairs or maintenance and shall promptly restore any adjacent Lot or Common Areas so entered to the condition such adjacent Lot or Common Areas were in prior to such entry. Owners of Zero Lots shall be liable for any damage to any adjacent Lot or Common Areas entered upon and which may be caused thereby.

4.3 Easements Over Front Yards. The Developer and Association are hereby granted the non-exclusive right and easement to enter upon the Front Yard of each Lot for purposes of mowing, maintaining and caring for the landscaping on such Front Yards in accordance with the provisions of Section 6.2 hereof.

4.4 Utility Easements. Subject to the written approval by the Village of Long Grove, the Declarant and, after ownership of the Common Areas is conveyed to the Association, the Association, shall have the right to grant easements, in addition to those granted herein and any appearing on the Plat, to install, lay, maintain, repair, and replace water mains, sewer mains, gas mains, cable TV wires and equipment, telephone wires and equipment and electrical conduit, wires and equipment over, under, along and on any part of the Common Areas and Recreation Area.

4.5 Easements for Overhang and Encroachment. In the event that, by reason of the construction, settlement or shifting of any improvements as originally constructed by the Developer or by any Owner (with the approval of the Board, as provided in Section 2.7 hereof), any part of any such improvements on any Lot, the Common Areas or the Recreation Area encroaches upon or shall hereafter encroach upon any part of any other Lot, or, if by reason of the design or construction of any improvements, it shall be necessary or advantageous to an Owner to use or occupy any portion of any other Lot for any reasonable use appurtenant to said improvements, including without limitation the reconstruction, repair, maintenance, inspection or replacement of such improvements, which will not unreasonably interfere with the use or enjoyment of any other Lot, or, if by reason of the design or construction of utility, water or sewage systems, any main pipes, wires, cables or conduits serving more than one Lot, the Common Areas or the Recreation Area encroaches or shall hereafter encroach upon any part of any Lot, valid easements for the creation and maintenance of such encroachments and for such uses of the Common Areas, the Recreation Area or any other Lots are hereby established and shall exist for the benefit of such Lots, the Common Areas and the Recreation Area, as the case may be; provided however, that in no event shall a valid easement for any encroachment or use of any other Lot be created in favor of any Owner if such encroachment or use is detrimental to

or interferes with the reasonable use or enjoyment of such other Lot by any other Owner or if such encroachment or use occurred due to the willful conduct of the Owner of the Lot benefitting thereby.

4.6 Developer's Easement. Subject to the ordinances adopted by the Village of Long Grove, the right and easement is hereby granted to the Developer, its agents, employees, contractors, successors and assigns, for a period of two (2) years following the recording of a plat of subdivision for the construction of a phase in the Development, to: (i) enter that phase of the Development for purposes of erecting, maintaining, repairing and replacing model homes, sales offices, billboards and other advertisements and promotional displays over and across the Common Areas and the exterior of any structure on any Lot being used as a model home; and (ii) construct, maintain and repair Residences and facilities in the Common Areas in such phase. In addition, the Developer shall have the right to enter upon each Lot and the Common Areas from time to time to the extent reasonably necessary to repair or maintain any Residence or the facilities in the Common Areas.

4.7 Easements to Run the Land. All easements and rights described and granted in this Amended Declaration are easements appurtenant to and running with the land, perpetually in full force and effect, and at all times shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any Owner, Resident, purchaser, mortgagee and other person having an interest in the Development, or any part or portion thereof. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Amended Declaration shall be sufficient to create and reserve such easements and rights to the respective grantees, mortgagees and trustees of the Declarant and the Owners as fully and completely as though such easements and rights were set forth and recited in their entirety in such documents.

ARTICLE V

OWNERSHIP AND USE OF THE COMMON AREAS

5.1 Agricultural Areas.

(a) The Board may allow part or all of the Agricultural Areas to be used for any one or more of the purposes hereinafter described but only for such purposes. The Board shall limit maintenance and landscaping in the manner hereinafter described.

(i) These areas may be used for the growing of crops, pasture, garden plots for the Residents, animal grazing, left natural as grasslands or prairie and contain landscape features including peripheral fences, shrubs and trees. Landscape features shown within the areas on the Landscape Plan (Exhibit C) shall not be removed, but may be permitted to enlarge through natural succession. The choice of crops, pasture or

natural maintenance shall be at the discretion of the Board. The fence lines shall be cleaned of litter on a regular basis.

(ii) Portions of these areas may be used for Trails, as defined and described herein.

(iii) The Board may enter into leases, upon such terms and conditions and for such rental as the Board may deem advisable, with Residents or any individual, partnership, corporation or other entity, for use of the Agricultural Areas for any or all of the following purposes: (A) farming; (B) animal grazing; or (C) gardening. Any rentals collected by the Board shall be paid into the Maintenance Fund and used to meet the expenses of the Association.

(iv) An appropriate portion of these areas may be used for fresh water well sites, with appropriate access.

(b) No buildings, fences or structures of any kind may be constructed or erected in Agricultural Areas; provided, however, that decorative fences may be erected around the boundaries of the Agricultural Areas and other fences may be erected within such areas in the event that the Agricultural Areas, or any part thereof, are leased or used for animal grazing purposes.

(c) The Board may promulgate reasonable rules and regulations permitting the use of motorized vehicles in the Agricultural Areas; provided, however, that the only motorized vehicles that may be utilized in the Agricultural Areas shall be tractors and other types of farm equipment.

5.2 Natural Areas. Natural Areas shall be left in their natural state and no structures, wires, fences, except as shown on the Landscape Plan (Exhibit C), or other obstructions of any kind may be constructed in or across such Natural Areas, except for easements for utilities designated on the Plat or granted after the date of recording hereof. These areas consist of grasslands, prairie restorations, wetlands, mixed areas of grasses, prairie plants and woody species (savannah), small wooded areas, hedgerows, and naturalized landscaped areas. The only designated use is for Trails. In general, such areas shall not receive frequent maintenance, although the wetlands and grassy areas may be burned or mowed annually to prevent the invasion of woody plants. The principal maintenance shall be the clearing of people-created, non-natural litter. Notwithstanding the foregoing, however, the Association may drill up to one fresh water well site in the Natural Areas.

5.3 Woodland Areas. Woodland Areas shall be left generally in their natural state to preserve the scenic beauty of the Development. No structures, wires, fences, except as shown on the Landscape Plan (Exhibit C), or other obstructions of any kind may be constructed or otherwise erected in such Woodland Areas, except within utility easements designated on the

Plat or granted after the date of recording hereof. These outparcels contain existing wooded areas or will be planted as wooded areas. Grassy areas within the Woodland Areas or newly planted wooded areas will be maintained to encourage the growth of woody plants and trees through natural succession. Trees may be removed if they are undesirable species and may be replaced with other trees. Cutting of trees in the Woodland Areas is prohibited except to clear dead trees that could fall on Trails or structures; provided, however, that trees may be cut or removed with the prior written approval of the Board and in compliance with Village of Long Grove ordinances. Trail maintenance and the cleanup of people-created, non-natural litter on a regular basis are the only required maintenance. All modifications to the Woodland Areas (including plantings, removals and trimming) must have the prior approval of the Board.

5.4 Beach. This parcel shall be developed and maintained as a Beach for the general use of Residents and their guests. A raft may be installed in the pond, and benches, tables and other customary beach accessories for the safe operation of the Beach may from time to time be erected and installed. Areas of grass adjoining the sand beach shall be kept mowed. Areas further than ten feet from the sand beach may be mowed or retained in a natural state. Portions of this parcel may be used for Trails, automobile parking areas and fresh water well sites.

5.5 Stormwater Retention Ponds. Except for the Beach area and the adjoining pond as hereinabove provided, stormwater retention ponds are to be constructed and used solely for purposes of collecting and holding rainwater and melting snow. In no case shall water from the Pump House Area be permitted to be pumped into any stormwater retention pond. Stormwater retention ponds may be located in Agricultural Areas, Natural Areas, Woodland Areas or elsewhere in the Common Areas.

5.6 Pump House Area. This parcel may contain water well(s), pumps, water storage tanks, treatment systems and appurtenant water mains and pipes. A fire drafting station for refilling tanker trucks shall be located in the access drive constructed or to be constructed thereon. A building, not to exceed 900 square feet may be erected on this parcel to house pumps, water system equipment and toilets for the Beach. The landscape shall be a natural type not requiring mowing. The drive and fire drafting station area shall be plowed in the winter for ready access in case of an emergency.

5.7 Trails. Trails may be designated from time to time by the Board and portions of the Common Areas may be cleared for such Trails. Trees, bushes and shrubs may be removed for such Trails and a path of wood chips (or other material designated as appropriate by the Board to control erosion and/or to facilitate the use of the Trails by Residents) up to ten (10) feet in width may be laid down. Trails may be used by Residents and their guests solely for equestrian and pedestrian purposes.

5.8 Sanitary Treatment Facilities. This parcel may contain the treatment and storage lagoon, pump house, chlorination facilities and other structures necessary or desirable to house

accessory equipment, provided that all structures shall be limited to such size as is reasonably necessary, and an access road. The remainder of this area is to be left natural. A fence around the lagoon shall be constructed and maintained and no woody plants shall be planted within fifty (50) feet of the highwater line of the storage lagoon. All maintenance shall be similar to that prescribed for the Natural Areas. The Sanitary Treatment Facilities shall be operated, maintained and managed by the Association or any Management Agent for the benefit of all the Residents of the Development.

5.9 Recreation Area. The Recreation Area shall initially be maintained as a Natural Area and treated by the Association as if it were a part of the Common Areas, but, at the determination of the Association as provided in the By-Laws, it may be used for the following limited recreational facilities: one to four tennis courts, up to a 3,000 square foot swimming pool, parking for up to 20 automobiles and a one story clubhouse of no more than 1,200 square feet. Lawn areas around these facilities shall receive regular maintenance while the perimeter of this area and any undeveloped areas shall be left in a natural state. Upon the construction of recreational facilities in the Recreation Area, access to and use of such Recreation Area shall be governed by the By-Laws and the rules and regulations adopted by the Board.

5.10 Spray Irrigation Area. This area may be spray irrigated with the treated effluent of the Sanitary Treatment Facilities and may be planted in corn, alfalfa, or other crops suitable for such form of irrigation or it may be maintained in the same manner as herein provided for Natural Areas.

5.11 Gate House. This parcel may contain one or more structures for use as a dwelling for a caretaker, equipment storage, office and guard house, including gates and gate mechanism.

5.12 Satellite and Antenna Reception Areas. Satellite dishes and television antennas may be constructed or installed in Outparcels B, J and N (as designated on the Plat) for the use and benefit of all Residents of the Development; provided, however, that such satellite dishes and television antennas shall only be constructed or installed in compliance with the applicable laws, ordinances and regulations of the Village of Long Grove.

5.13 Reservation of Rights in the Common Areas by Declarant. Subject to the ordinances adopted by the Village of Long Grove, the Declarant hereby reserves to itself and its beneficiaries, agents, employees, successors and assigns (including Owners), the right, for the purposes of reconstruction, repair and maintenance of Residences, repair and maintenance of required landscaping in the Development, or reconstruction, repair or maintenance of any other improvements in the Common Areas and Recreation Area, to enter the Common Areas to the extent reasonably necessary for such purposes; provided, however, that within thirty (30) days after the completion of such reconstruction, repairs or maintenance, the Declarant or its beneficiaries, agents, employees, successors and assigns shall promptly restore that part of the

Common Areas so utilized to the condition it was in prior to such entry, unless such condition after entry is intended to become part of the Common Areas.

ARTICLE VI

MAINTENANCE, ALTERATIONS AND ADDITIONS

6.1 Use and Appearance of Residences and Lots.

(a) Upon each Lot there may only be constructed a single Residence, which Residence shall be used exclusively for purposes of occupancy by a single family.

(b) Exteriors of Residences shall be sided, painted or stained only in such colors and materials as the Board shall approve in writing.

(c) No Owner shall make or permit any exterior architectural or landscaping changes or additions to his Lot or Residence, including the installation of exterior lighting facilities, except as may be authorized in writing by the Board; provided, however, that swimming pools, fences, decks and patios shall be permitted on the sides and rears of Lots (not nearer than 20 feet from the front lot line) if constructed or installed in accordance with designs approved by the Board.

(d) No Owner shall install or permit to be installed exterior storm sashes, canopies or awnings on his Residence, or build or permit to be built enclosures for the entrances of his Residence, except as authorized in writing by the Board.

(e) No Owner shall install or otherwise use an underground lawn sprinkling system on his Lot, except as may be authorized by the Board in writing.

(f) No Owner shall install a private well, septic tank or septic field on his Lot.

(g) Except as otherwise provided herein, no satellite reception dishes, permanent attachments or other antenna-like structures of any kind or character whatsoever shall be made, erected, permitted or maintained upon any Lot or any Residence, except for such attachments or structures as shall have been authorized in writing by the Board. No satellite dish that is greater than one (1) meter in diameter may be attached or mounted to any portion of the Property, unless it is done within the Owner's Residence. A satellite dish that is one (1) meter or less in diameter may be attached or mounted only on and within portions of the Property owned by the Owner.

(h) No mailboxes may be erected or installed on any Lot or placed on any Residence, except as may be authorized by the Board in writing.

6.2 Maintenance Obligations of the Association. The Association shall be responsible for and bear the costs and expenses of maintaining, mowing, chemically treating and otherwise caring for the landscaping on each Lot; provided, however, the scope of such landscaping

maintenance shall be periodically determined by the Board. The Association shall be further responsible for and bear the costs and expenses of plowing or otherwise clearing snow from the roadways in the Development and from such paved areas of each Lot as are designated by the Board from year to year and shall bear all other costs and expenses specifically allocated to it by the Amended Declaration and By-Laws.

6.3 Maintenance Obligations of Lot Owners. Each Owner, at his sole cost and expense, shall regularly maintain and repair his Lot, including the cutting and trimming of trees, shrubs and grass except to the extent that such landscaping maintenance is provided by the Association, as described in Article 6.2 above), and maintaining in neat and aesthetic condition all improvements situated thereon, including the Residence, fences, walks and driveways, keeping the same in good condition and repair. Each Owner shall maintain reasonable casualty and vandalism insurance coverage thereon, and shall apply any insurance proceeds realized thereunder to the repair, restoration or maintenance of his Lot and Residence, to the extent necessary to restore the Lot or Residence to the condition existent prior to such casualty or vandalism.

ARTICLE VII

LIMITATIONS ON USE AND MAINTENANCE OF LOTS

7.1 Domestic Animals. No animals of any kind, except dogs, cats or other household pets, shall be kept or maintained on any Lot. The Board reserves the right to adopt reasonable rules and regulations governing the keeping of dogs, cats or other household pets in order to prevent such animals from becoming a nuisance. No pets shall be allowed off the Owner's Lot unless leashed.

7.2 Laundry. No clothes, sheets, blankets or other articles of clothing shall be hung out or exposed on any part of any Lot.

7.3 Wastes. Each Owner shall keep his Lot free and clear of rubbish, trash, garbage, debris and other unsightly materials, wastes and obstacles. Any such rubbish, trash, garbage, debris, unsightly materials, wastes and obstacles must be kept in sanitary containers located within garages or other enclosed structures on each Owner's Lot.

7.4 Preservation of Common Areas. Nothing shall be kept, stored, altered, constructed, planted in or removed from the Common Areas by any Resident, guest or invitee without the prior written consent of the Board, consistent with the preservation of the Development as a distinguished and superior residential community.

7.5 General Safety. No Owner shall permit anything to be done or kept on his Lot or in the Common Areas which will result in: (a) injury or damage to trees, bushes or other planted

vegetation in the Common Areas or on any other Lots, (b) an increase in the rate charged or in the cancellation of any insurance carried by the Association, or (c) violation of any law.

7.6 Signs. (a) Common Areas - No sign of any kind may be erected on the Common Areas, except for the following permitted signs:

(i) signs which may be erected and maintained by the Developer or the Association,

(ii) nameplates, as provided in Section 7.8 herein, and

(iii) other signs as may be authorized by the Board from time to time.

(b) Lots - No sign of any kind shall be displayed on any Lot without the prior written consent of the Board; provided, however, the prior consent of the Board shall not be required for:

(i) a single "For Sale" sign (professionally printed, not more than 2 sides, not larger than 36 inches wide or 36 inches high), erected by an Owner or an Owner's authorized agent on the Owner's Lot relating to the sale thereof,

(ii) professionally printed signs posted by an Owner on the Owner's Lot which describe a security service that is monitoring the Owner's Residence, or

(iii) nameplates, as provided in Section 7.8 herein.

7.7 Garages. No inoperable vehicle, truck, van, trailer, recreational vehicle, boat or other similar vehicle may be maintained, stored or kept on any Lot unless enclosed within a garage.

7.8 Residence Nameplates. A total of two (2) nameplates are permitted. A nameplate shall only contain the name of the Residents thereof and/or the address of the Lot. One nameplate may be located on an exterior wall, door or fascia of the Residence and shall be not more than 170 square inches in area. A second nameplate may be located on either the Lot or on the Common Area in front of the Residence, on a freestanding removable sign; provided that (a) the sign shall be not more than 14 inches high by 24 inches wide, (b) the top of the sign shall be not more than two (2) feet above grade, and (c) the sign shall be positioned such that it shall not interfere with Association lawn or bed maintenance activities. A nameplate that was built into the wall of a Residence during the original construction of the Residence shall not be subject to the foregoing size limitation; however said built-in nameplate shall count as a nameplate under this article.

7.9 Temporary Residences Forbidden. No trailer, tent, shack, garage, barn or temporary structure of any kind shall be used at any time for a Residence. Trailers or temporary structures may only be located in the Development by the Developer and its agents, contractors

and subcontractors solely for construction purposes, and such trailers or temporary structures shall immediately be removed upon the completion of construction.

7.10 Use of Lots. Each Lot shall be used exclusively as a single family residence and for no other purpose. No industry, business, trade, occupation or profession of any kind, commercial, religious, educational, or otherwise, designed for profit, altruism, exploration, or otherwise, shall be conducted, maintained or permitted in any part of the Development, nor shall window displays or advertising be maintained or permitted in any part of the Development or any Lot therein, except as permitted by the Developer in Sections 4.6 and 7.6.

7.11 Security. Each Resident shall cooperate with the Association to promote and ensure a safe and secure environment in the Development. To this end, each Resident shall:

(a) Instruct the U.S. Post Office to deliver to the Gatehouse or any other area designated by the Association, from time to time, any and all mail intended for the Resident, if the Association elects to require mail to be delivered to such designated areas. In such event, the Association shall deliver the mail to the Resident from the Gatehouse or other designated area and each Resident hereby releases the Association and its stockholders, officers, agents and employees from any and all claims for damage to or loss of mail intended for such Resident;

(b) Cooperate with and identify themselves to any guards or security men employed by the Association;

(c) Comply with all reasonable rules and regulations promulgated by the Association, if any, for the safety and security of the Development and the Residents thereof; and

(d) Contract with third parties approved by the Association, or with the Association itself, for the care, maintenance and upkeep of his Residence and Lot if the Owner thereof elects not to maintain and care for his Residence and Lot himself.

Notwithstanding anything herein to the contrary, neither the Declarant, the Developer, nor the Association shall be responsible for or legally obligated to provide security for the Development and the Residents thereof or employ any guards or security men.

7.12 Flags. Notwithstanding any provision in the Declaration, By-Laws, community instruments, rules, regulations, or agreements or other instruments of the Association or the Board's construction of any of those instruments, the Board may not prohibit the display of the American flag or a military flag, or both, on or within the limited common areas (if any) and facilities of a Unit Owner or on the immediately adjacent exterior of the building in which the Unit of a Unit Owner is located. The Board may adopt reasonable rules and regulations, consistent with Sections 4 through 10 of Chapter 1 of Title 4 of the United States Code, regarding the placement and manner of display of the American flag and the Board may adopt reasonable rules and regulations regarding the placement and manner of display of a military

flag. The Board may not prohibit the installation of a flagpole for the display of the American flag or a military flag, or both, on or within the limited common areas (if any) and facilities of a Unit Owner or on the immediately adjacent exterior of the building in which the Unit of a Unit Owner is located, but the Board may adopt reasonable rules and regulations regarding the location and size of flagpoles.

As used in this provision:

"American flag" means the flag of the United States (as defined in Section 1 of Chapter 1 of Title 4 of the United States Code and the Executive Orders entered in connection with that Section) made of fabric, cloth, or paper displayed from a staff or flagpole or in a window, but "American flag" does not include a depiction or emblem of the American flag made of lights, paint, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping, or decorative component.

"Military flag" means a flag of any branch of the United States armed forces or the Illinois National Guard made of fabric, cloth, or paper displayed from a staff or flagpole or in a window, but "military flag" does not include a depiction or emblem of a military flag made of lights, paint, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping, or decorative component.

7.13 Violation of Amended Declaration, By-Laws, Rules or Regulations. All Residents and their guests shall abide by this Amended Declaration, the By-Laws and any rules and regulations adopted by the Board. If any Resident or guest shall violate any of the provisions of this Amended Declaration, the By-laws or any rules or regulations adopted by the Board, and such violation shall continue thirty (30) days after written notice by the Board to cure such violation, then the Board may act to cure such violation and any amounts paid therefor shall be a charge against the Lot upon which said work was done, payable on demand, or the Board may pursue any remedy available at law or in equity. The Board shall have the power, after notice and an opportunity to be heard, to levy and collect reasonable fines from Members or Unit Owners for violations of the Declaration, By-Laws, operating agreement, and rules and regulations of the Association.

7.14 Leasing. The provisions of the Common Interest Community Association Act, the Declaration, By-Laws, other community instruments, and rules and regulations that relate to the use of an individual Unit or the Common Areas shall be applicable to any person leasing a Unit and shall be deemed to be incorporated in any lease. The Unit Owner leasing the Unit shall deliver a copy of the signed lease to the Association or if the lease is oral, a memorandum of the lease, not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first.

7.15 Residences Not Constructed by Developer. Vacant Lots may be sold from time to time to Owners who desire to engage a party or parties other than the Developer to construct

Residences upon such Lots. The Owners of such Lots may engage parties other than the Developer to construct such Residences; provided, however, that the plans and architectural drawings for such Residences, including landscaping on such Lot, must be submitted to the Board for its prior written approval pursuant to Section 2.7 hereof.

ARTICLE VIII

INSURANCE

8.1 Insurance Policies. The Board shall acquire and pay for out of the Maintenance Fund herein provided for, the following:

(a) Such insurance as the Board deems advisable in the operation, and for the protection of, the Common Areas, and Recreation Area. Any losses under such policies of insurance shall be payable to the Association, and all insurance proceeds recovered thereunder shall be applied to repair and restore the losses incurred as determined by the Board.

(b) Comprehensive public liability and property damage insurance in such limits as the Association shall deem desirable, provided that such limit shall not be less than \$1,000,000.00 per occurrence for death, personal injury or property damage, insuring the Association, the Board, the Declarant, the Developer, the Management Agent, if any, and their respective agents and employees, and the Owners, from any liability in connection with the Common Areas and Recreational Area and insuring the County of Lake and its agents and employees from any liability in connection with any culverts, water mains and force main crossings owned by the Association and located within the right-of-way of Gilmer Road.

(c) Such other forms of insurance as the Association shall elect to procure and such other forms of insurance, including such workmen's compensation insurance, as may be necessary to comply with applicable laws.

(d) The Association shall obtain and maintain fidelity insurance covering persons who control or disburse funds of the Association for the maximum amount of coverage that is commercially available or reasonably required to protect funds in the custody or control of the Association. All management companies which are responsible for the funds held or administered by the Association shall maintain and furnish to the Association a fidelity bond for the maximum amount of coverage that is commercially available or reasonably required to protect funds in the custody of the management company at any time. The Association shall bear the cost of the fidelity insurance and fidelity bond, unless otherwise provided by contract between the Association and a management company.

8.2 Payment of Premiums. Except as otherwise provided in this Amended Declaration, premiums for all insurance obtained or maintained by the Association, and the cost

of any appraisal which the Association deems advisable in connection with any insurance, shall be payable out of the Maintenance Fund.

8.3 Notification of Cancellation. Upon the cancellation of any policy of insurance which the Association is required to obtain hereunder, the Association shall notify each party insured thereunder of such cancellation.

8.4 Insurance of Owners. Each Owner shall be responsible for his own general liability insurance and insurance on his Lot, Residence, and the contents and furnishings thereof.

ARTICLE IX

CERTAIN RIGHTS OF THE DEVELOPER

9.1 Initial Administration of the Development. Until the first meeting of the members of the Association, the rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Association by this Amended Declaration and in the By-Laws shall be held and performed by the Developer. In exercising such rights, and the other rights reserved by the Developer pursuant to this Amended Declaration, the Developer (or its representatives on the Board) shall not be under any disability which would otherwise be imposed by law by reason of the Developer's interest in the subject matter of the transaction or of any transaction.

9.2 Ownership of Common Areas. Declarant hereby covenants and agrees, for itself, its successors and assigns, that it shall cause fee simple title to the Common Areas and Recreation Area to be conveyed to the Association or prior to the date the eighth (8th) Lot in the Development is sold to an Owner.

ARTICLE X

MISCELLANEOUS PROVISIONS

10.1 Successors or Assigns of Declarant. The rights, privileges and powers herein given or retained by the Declarant shall be assignable to, and inure to the benefit of, any successor or assign of the Declarant.

10.2 Title to Lot Held in Trust. In the event title to any Lot shall be conveyed to a titleholding trust under which all powers of management, operation and control of the Lot remain or become vested in the trust beneficiary or beneficiaries, then the trust estate and the beneficiaries thereunder shall be personally liable for the payment of any obligation, lien or indebtedness chargeable pursuant to this Amended Declaration against such Lot. No claim shall be made against the trustee of any titleholding trust personally for payment of any claim, lien or obligation hereby created, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against any such lien or obligation.

10.3 Enforcement of the Amended Declaration. The Association shall have the right to enforce, at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Amended Declaration. Failure by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The following provisions of this Amended Declaration, which inure directly to the benefit of the Village of Long Grove, may be enforced by the Village: Sections 2.9, 4.2, 4.4, 4.5, 4.6, 7.9, 7.10 and Article V in its entirety.

10.4 Invalidity of Covenant or Restriction. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, all of which shall remain in full force and effect.

10.5 Duration of Covenants and Restrictions. All grantees of the Declarant, by the acceptance of a deed or any other document of conveyance, and each purchaser thereafter, accept the same subject to all restrictions, conditions, covenants, reservations and easements herein and subject to the rights and powers of the Declarant and the Association created by this Amended Declaration, the Plat or deed restrictions heretofore recorded. All easements, 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 inure to the benefit of and be enforceable by the Association or the Owner of any Lot, their respective legal representatives, heirs, successors or assigns, for a term of forty (40) years from the date this Amended Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years.

10.6 Amendment of Amended Declaration. These covenants, conditions, restrictions, reservations, grants and easements may be amended or revoked from time to time by the recording in the Office of the Recorder of Lake County, Illinois of any instrument declaring such amendment or revocation, which instrument shall be signed by the Declarant, its successors or assigns, if such amendment is made prior to the time thirty (30) Lots have been sold, or, if thirty (30) Lots or more have been sold to Owners, then signed by not less than two-thirds (2/3) of the Owners, which instrument shall set forth such amendment or revocation and shall be effective from and after the date of its recording; provided, however, that if the Declarant, its successors or assigns, shall hold legal title to any Lot or Lots, then an amendment or revocation signed by not less than two-thirds (2/3) of the Owners of such Lots must also be signed by the Declarant, its successors or assigns, and if not so signed, such amendment or revocation shall be void. Notwithstanding anything herein to the contrary, the following provisions of this Amended Declaration may never be altered, amended or revoked without the written consent of the Village of Long Grove: Sections 2.9, 4.2, 4.4, 4.5, 4.6, 7.9, 7.10 and Article V in its entirety. Amendments to community instruments authorized to be recorded shall be executed and recorded by the President of the Board or such other officer authorized by the Association or the community instruments.

10.7 Rule Against Perpetuities. If any of the privileges, covenants or rights created by this Amended Declaration would otherwise violate (a) the rule against perpetuities or (b) any other statutory or common law rules imposing time limits, then such provisions shall continue in effect only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of the incumbent President and Vice President of the United States.

10.8 Construction.

(a) The term "Outparcel" as used herein shall have the same meaning as the term "Outlot" or "Out-Lot" used in any other documents recorded by the Declarant, its successors or assigns, with the Recorder of Lake County and affecting the Development.

(b) This Amended Declaration shall be liberally construed as to facilitate and promote the objectives of this Amended Declaration. Narrow, technical and literal construction of this Amended Declaration, inconsistent with the objectives of the Declarant, the Developer, the Board and the Owners shall be avoided.

10.9 Ordinances, Rules and Regulations of Long Grove. In the event there is at any time a conflict between any provision of this Amended Declaration and any provision of any ordinance, rule or regulation of the Village of Long Grove, Illinois, the ordinance, rule or regulation of the Village of Long Grove shall prevail, but only to the extent it is more restrictive than this Amended Declaration.

10.10 Headings. The headings in this Amended Declaration are for convenience of reference only and shall not in any way affect the meaning or interpretation of this Amended Declaration.

10.11 Notices. Any notice required to be given under the provisions of this Amended Declaration to any Owner, Resident or other person entitled to notice shall be deemed to have been properly delivered when deposited in the United States mail, postage prepaid, directed to the last known address for each such person, all as shown on the books and records of the Association at the time such notice is given.

10.12 Effect on Original Declaration. This Amended Declaration is intended to alter, amend and revoke in its entirety all of the terms and provisions of the Original Declaration and the Amended and Restated Declaration and to substitute therefor the terms, provisions, covenants, conditions and restrictions of this Amended Declaration.

10.13 Technology. (a) Any notice required to be sent or received or signature, vote, consent, or approval required to be obtained under any community instrument or any provision of the Common Interest Community Association Act may be accomplished using acceptable technological means. This Section governs the use of technology in implementing the provisions

of any community instrument or any provision of the Common Interest Community Association Act concerning notices, signatures, votes, consents, or approvals.

(b) The Association, Unit Owners, and other persons entitled to occupy a Unit may perform any obligation or exercise any right under any community instrument or any provision of the Common Interest Community Association Act by use of acceptable technological means.

(c) A signature transmitted by acceptable technological means satisfies any requirement for a signature under any community instrument or any provision of the Common Interest Community Association Act.

(d) Voting on, consent to, and approval of any matter under any community instrument or any provision of the Common Interest Community Association Act may be accomplished by acceptable technological means, provided that a record is created as evidence thereof and maintained as long as the record would be required to be maintained in nonelectronic form.

(e) Subject to other provisions of law, no action required or permitted by any community instrument or any provision of the Common Interest Community Association Act need be acknowledged before a notary public if the identity and signature of the signatory can otherwise be authenticated to the satisfaction of the Board of Directors.

(f) If any person does not provide written authorization to conduct business using acceptable technological means, the Association shall, at its expense, conduct business with the person without the use of electronic transmission or other equivalent technological means.

(g) This Section does not apply to any notices required under Article IX of the Code of Civil Procedure related to: (i) an action by the Association to collect a common expense; or (ii) foreclosure proceedings in enforcement of any lien rights under the Common Interest Community Association Act.

FIELDS OF LONG GROVE HOME OWNERS' ASSOCIATION

EXHIBIT A

Exhibit "A" is the Site Management Plat, and is attached to the original Amended and Restated Declaration of Covenants recorded with the Recorder of Deeds of Lake County, Illinois.

EXHIBIT B
SECOND CONSOLIDATED, AMENDED AND RESTATED
BY-LAWS OF
THE FIELDS OF LONG GROVE HOME OWNERS' ASSOCIATION
ARTICLE I

The Fields of Long Grove Home Owners' Association (the "Association") is responsible for the overall administration of the Development, as more fully set forth in the Amended and Restated Declaration of Covenants, Conditions and Restrictions of The Fields of Long Grove Home Owners' Association (the "Amended Declaration") through its duly elected Board of Directors (the "Board"). Whether or not incorporated, the Association shall have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Association is organized and to do every other act not inconsistent with the Common Interest Community Association Act of the State of Illinois (the "Act") which may be appropriate to promote and attain the purposes set forth in the Amended Declaration.

ARTICLE II

Members

SECTION 1. MEMBERSHIP AND TERMINATION THEREOF. Every Owner of a Lot shall be a member of the Association, without the right of withdrawal. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of a Lot shall be the sole qualification for membership. Membership shall terminate upon the sale, assignment or other conveyance by such Owner of ownership of his Lot, at which time the new Owner shall become a member of the Association.

SECTION 2. VOTES AND VOTING RIGHTS.

(a) Until the date of the first annual meeting of the members of the Association, as provided in Article III, Section 1 hereof, no member of the Association shall have any voting rights and the right to vote on any matter is hereby denied until such date.

(b) The Association shall have two classes of voting membership:

(i) Class A members shall be all the Owners, with the exception of the Declarant. Subject to the limitation contained in Section 2(c) of this Article II, Class A members shall be entitled to one (1) vote for each Lot owned.

(ii) The Class B member shall be the Declarant, who shall be entitled to cast three (3) votes for each Lot owned. Class B membership shall cease and convert to Class

A membership at the election of the Declarant, but in no event later than 6 months from the date when 90% of the Lots have been conveyed by the Declarant to Owners.

(iii) Notwithstanding the foregoing, all Class A members and Class B members shall have but one vote for each Lot owned in all matters concerning the water and sewage treatment facilities owned by the Association.

(c) Notwithstanding any provisions herein to the contrary, until such time as the Owner of a Lot shall have a Residence constructed thereon and shall be occupying such Residence or obtain a certificate of occupancy therefor, such Owner shall be a member of the Association, but shall not have the right to vote on any matters provided in these By-Laws, except as provided in Section 2(h) of Article VI regarding the construction of recreational facilities in the Recreation Area.

(d) If a Lot is owned by more than one person or entity, the voting rights with respect to such Lot shall not be divided, but shall be exercised as if the Owners thereof consisted of only one person, in accordance with the proxy or other designation made by the persons constituting such Owner. Where there is more than one owner of a Unit and there is only one Member vote associated with that Unit, if only one of the multiple Owners is present at a meeting of the membership, he or she is entitled to cast the Member vote associated with that Unit.

(e) Any specified percentage of the members for purposes of voting or for any other purpose, wherever provided in these By-Laws, shall mean such percentage of the total number of votes hereinabove set forth.

SECTION 3. TRANSFER OF MEMBERSHIP. Membership in this Association is not transferable or assignable except with ownership of a Lot, as provided in Article II, Section 1 hereof.

ARTICLE III

Meetings of Members

SECTION 1. ANNUAL MEETING. The membership shall hold an annual meeting. The Board of Directors may be elected at the annual meeting. Annual meetings of the members of the Association for the purposes of electing directors to the Board (the "Directors") and for the transaction of such other business as may come before the meeting shall be held on such dates as may be selected by the Board, which dates shall be within thirty (30) days before or after the anniversary of the first annual meeting of the members. If the election of Directors to the Board shall not be held on any day designated for any annual meeting, the Board shall cause the election to be held at a special meeting of the members of the Association called as soon thereafter as conveniently may be. Elections shall be held in accordance with the community instruments, provided that an election shall be held no less frequently than once every twenty-

four (24) months, for the Board of Directors from among the membership of the Association. If no election is held to elect Board members within the time period specified in the By-Laws, or within a reasonable amount of time thereafter not to exceed ninety (90) days, then twenty percent (20%) of the Members may bring an action to compel compliance with the election requirements specified in the By-Laws or operating agreement. If the court finds that an election was not held to elect members of the Board within the required period due to the bad faith acts or omissions of the Board of Directors, the Members shall be entitled to recover their reasonable attorney's fees and costs from the Association. If the relevant notice requirements have been met and an election is not held solely due to a lack of a quorum, then this provision does not apply.

SECTION 2. SPECIAL MEETINGS. Special meetings of the members of the Association may be called by the Board, the President, or not less than 20% of the total number of the members of the Association. All matters to be considered at special meetings called by members of the Association shall first be submitted in writing to the Board not less than ten (10) days prior to the date of the special meeting.

SECTION 3. PLACE AND TIME OF MEETING. All meetings of the Association shall take place at 8:00 p.m., at a location in or reasonably near the Village of Long Grove, Illinois.

SECTION 4. NOTICE OF MEETINGS. Notice of any membership meeting shall be given detailing the time, place, and purpose of such meeting no less than ten (10) and no more than thirty (30) days prior to the meeting through a prescribed delivery method. The notice of a meeting shall be deemed delivered three (3) days after being deposited in the United States mail addressed to the member at his address as it then appears on the records of the Association, with proper postage thereon prepaid.

SECTION 5. QUORUM. Twenty percent (20%) of the membership shall constitute a quorum. If a quorum is not present at any meeting, a majority of the votes present in person or by proxy may adjourn the meeting at any time.

SECTION 6. MANNER OF VOTING. A Member may vote:

(a) by proxy executed in writing by the Member or by his or her duly authorized attorney in fact, provided, however, that the proxy bears the date of execution. Unless the community instruments or the written proxy itself provide otherwise, proxies will not be valid for more than eleven (11) months after the date of its execution; or

(b) by submitting an Association-issued ballot in person at the election meeting; or

(c) by submitting an Association-issued ballot to the Association or its designated agent by mail or other means of delivery specified in the Declaration or By-Laws; or

(d) by any electronic or acceptable technological means.

Votes cast under any paragraph of this subsection are valid for the purpose of establishing a quorum.

SECTION 7. MANNER OF ACTING. Except as set forth below and except as otherwise required by the Amended Declaration or the Act, any action may be taken at any meeting of the Association at which a quorum is present at the commencement of the meeting upon the affirmative vote of the members having a majority of the total votes present at such meeting. However, the following matters shall require the affirmative vote of at least 66-2/3% of the votes of all the members of the Association, whether or not present at the meeting of the Association:

- (a) Merger or consolidation of the Association;
- (b) Sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all, of the property and assets of the Association;
- (c) Purchase or sale of land on behalf of the Association;
- (d) Construction of recreation facilities in the Recreation Area; and
- (e) Approval of any special assessment.

The Board may prescribe reasonable rules for the conduct of all meetings of the Board and the Association, or, in the absence of such rules, Roberts Rules of Order shall be used.

SECTION 8. ELECTRONIC VOTING. The Association may, upon adoption of the appropriate rules by the Board, conduct elections by electronic or acceptable technological means. If the Board adopts such rules, Members may not vote by proxy in Board elections. Instructions regarding the use of electronic means or acceptable technological means for voting shall be distributed to all Members not less than ten (10) and not more than thirty (30) days before the election meeting. The instruction notice must include the names of all candidates who have given the Board or its authorized agent timely written notice of their candidacy and must give the person voting through electronic or acceptable technological means the opportunity to cast votes for candidates whose names do not appear on the ballot. The Board rules shall provide and the instructions provided to the Member shall state that a Member who submits a vote using electronic or acceptable technological means may request and cast a ballot in person at the election meeting, and thereby void any vote previously submitted by that Member.

ARTICLE IV

Board of Directors

SECTION 1. IN GENERAL. The affairs of the Association shall be managed by its Board of Directors, which shall act as the Board of Directors of the Association as provided in the Amended Declaration.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. Until the date of the first annual meeting of the Association, the number of Directors on the Board shall be three (3), who shall be the Directors named in the Articles of Incorporation for the Association, if the Association is incorporated; otherwise, the Directors shall be as appointed by the Declarant. Commencing with the date of the first annual meeting of the Association, the number of Directors on the Board shall be expanded to five (5). The two persons receiving the highest number of votes at the first annual meeting of the Association shall be elected to the Board for a term of two (2) years and the three (3) persons receiving the next highest number of votes shall be elected to the Board for a term of one (1) year. Upon the expiration of the terms of office of the Directors so elected at the first annual meeting of the Association and thereafter, successors shall be elected for a term of two (2) years each. Each person elected shall serve until his successor shall have been elected and qualified. Each Director shall hold office without compensation. In the event a member of the Association is a corporation, partnership, trust or legal entity other than a natural person, then any shareholder, officer or director of such corporation, partner of such partnership, beneficiary or individual trustee of such trust, or manager of such other legal entity may be eligible to serve as a Director on the Board. A Director may succeed himself in office. No member of the Board or officer shall be elected for a term of more than four (4) years, but officers and Board members may succeed themselves. If there are multiple Owners of a single Unit, only one of the multiple Owners shall be eligible to serve as a member of the Board at any one time, unless the Unit Owner owns another Unit independently.

SECTION 3. ELECTION. At each annual meeting of the Association, the members shall be entitled to vote for Directors on a cumulative basis and the candidates receiving the highest number of votes shall be deemed elected. A candidate for election to the Board or such candidate's representative shall have the right to be present at the counting of ballots at such election.

SECTION 4. REGULAR MEETINGS. The Board shall by regulation provide the time and place for the holding of regular meetings of the Board during the year. The Board shall meet at least four (4) times annually.

SECTION 5. SPECIAL MEETINGS. Special meetings of the Board may be called by the President, by twenty-five percent (25%) of the members of the Board, or by any other method that is prescribed in the community instruments. The person or persons authorized to call special meetings of the Board may fix the time and place for holding any special meeting.

SECTION 6. NOTICE. Except to the extent otherwise provided by the Common Interest Community Association Act, the Board shall give the Members notice of all Board meetings at least forty-eight (48) hours prior to the meeting by sending notice by using a prescribed delivery method or by posting copies of notices of meetings in entranceways, elevators, or other conspicuous places in the common areas of the common interest community.

at least forty-eight (48) hours prior to the meeting except where there is no common entranceway for seven (7) or more Units, the Board may designate one or more locations in the proximity of these Units where the notices of meetings shall be posted. The Board shall give Members notice of any Board meeting, through a prescribed delivery method, concerning the adoption of (i) the proposed annual budget, (ii) regular assessments, or (iii) a separate or special assessment within ten (10) to sixty (60) days prior to the meeting, unless otherwise provided in Section 1-45(a) or any other provision of the Common Interest Community Association Act. All such notices shall be deemed to be delivered three (3) days after being deposited in the United States mail addressed to each Director at his address as it appears on the records of the Board, with proper postage thereon prepaid. The business to be transacted at, or the purpose of, any regular or special meeting of the Board shall be specified in such notices.

SECTION 7. QUORUM. A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board; provided, however, that if less than a majority of the Directors are present at said meeting, any of the Directors present may adjourn the meeting at any time.

SECTION 8. MANNER OF ACTING. The act of a majority of the Directors present at a meeting at which a quorum is present at the commencement of the meeting shall be the act of the Board, except where otherwise provided in the Amended Declaration, the Act or herein.

SECTION 9. VACANCIES. If there is a vacancy on the Board, the remaining members of the Board may fill the vacancy by a two-thirds (2/3) vote of the remaining Board members until the next annual meeting of the membership or until Members holding twenty percent (20%) of the votes of the Association request a meeting of the Members to fill the vacancy for the balance of the term. A meeting of the Members shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the filing of a petition signed by Members holding twenty percent (20%) of the votes of the Association requesting such a meeting. Directors, including those appointed by the Declarant, may resign at any time by written resignation delivered or mailed to the President or any Director or officer of the Association, which resignation shall be effective upon receipt. If, as a result of the death, removal or resignation of a Director, no Director remains in office, a special meeting of the Association shall be called to fill all vacancies on the Board for the unexpired terms of the Directors.

SECTION 10. REMOVAL. Two-thirds (2/3) of the membership may remove a Board member as a Director at a duly called special meeting.

SECTION 11. ADOPTION OF RULES AND REGULATIONS. All rules and regulations, or amendments thereto, adopted by the Board shall be effective thirty (30) days after their adoption; provided, however, that the members of the Association may veto any proposed rule or regulation at an annual meeting or a special meeting of the members called for such

purpose, and held before the effective date of the rule or regulation, by a vote of the members of the Association having a majority of the total votes present at such meeting.

SECTION 12. CONTRACT PURCHASER. Upon proof of purchase, the purchaser of a Unit from a seller other than the developer pursuant to an installment contract for purchase shall, during such times as he or she resides in the Unit, be counted toward a quorum for purposes of election of members of the Board at any meeting of the membership called for purposes of electing members of the Board, and shall have the right to vote for the members of the Board of the Association, and to be elected to and serve on the Board, unless the seller expressly retains in writing any or all of such rights.

SECTION 13. OPEN MEETINGS. Meetings of the Board shall be open to any Unit Owner, except that the Board may close any portion of a noticed meeting or meet separately from a noticed meeting: (i) to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Association finds that such an action is probable or imminent, (ii) to discuss third party contracts or information regarding appointment, employment, engagement, or dismissal of an employee, independent contractor, agent, or other provider of goods and services, (iii) to interview a potential employee, independent contractor, agent, or other provider of goods and services, (iv) to discuss violations of rules and regulations of the Association, (v) to discuss a member's or unit owner's unpaid share of common expenses, or (vi) to consult with the association's legal counsel. Any vote on these matters shall be taken at a meeting or portion thereof open to any Member. The Board must reserve a portion of the meeting of the Board for comments by Members; provided, however, the duration and meeting order for the Member comment period is within the sole discretion of the Board.

ARTICLE V

Officers

SECTION 1. OFFICERS. There shall be an election of a President from among the members of the Board, who shall preside over the meetings of the Board and of the membership; there shall be an election of a Secretary from among the members of the Board, who shall keep the minutes of all meetings of the Board and of the membership and who shall, in general, perform all the duties incident to the office of Secretary; and there shall be an election of a Treasurer from among the members of the Board, who shall keep the financial records and books of account.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the Association shall be elected annually by the Board from among any members of the Association or from among the Directors. Vacancies may be filled or new offices created and filled at any meeting of the Board. Each officer shall hold office until his successor shall have been duly elected and

shall have qualified. An officer may succeed himself in office. Officers shall serve without compensation.

SECTION 3. REMOVAL. Any officer elected by the Board may be removed by a majority vote of the Directors.

SECTION 4. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board.

SECTION 5. PRESIDENT. The President shall be the principal executive officer of the Association and shall generally supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Board. He may sign any deeds, mortgages, contracts, or other instruments which the Board has authorized to be executed and any amendment to the Amended Declaration and, in general, shall perform all the duties incident to the office of President and such other duties as may be prescribed by the Board from time to time. The President is hereby empowered to give and receive all notices and execute all amendments as provided in the Amended Declaration, the Act and herein.

SECTION 6. VICE-PRESIDENT. In the absence of the President or in the event of his inability or refusal to act, the Vice-President (or in the event there is more than one Vice-President, the Vice Presidents in the order of their election) shall perform the duties of the President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. Any Vice-President shall perform such other duties as from time to time may be assigned or delegated to him by the President or by the Board.

SECTION 7. TREASURER. The Treasurer shall have charge and custody of the Maintenance Fund and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned or delegated to him by the President or by the Board.

SECTION 8. SECRETARY. The Secretary shall keep the minutes of all regular and special meetings of the Association and of the Board in one or more books provided For that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; and, together with the President, execute on behalf of the Association any amendments to the Amended Declaration or the By-Laws as required or permitted by the Amended Declaration, these By-Laws or the Act; be custodian of the records and, if incorporated, of the seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these By-Laws; and in general perform all duties

incident to the office of Secretary and such other duties as from time to time may be assigned or delegated to him by the President or by the Board.

ARTICLE VI

Powers and Duties of the Association and Board

SECTION 1. GENERAL DUTIES, POWERS, ETC. OF THE BOARD. The Board shall exercise for the Association all powers, duties and authority vested in the Association by the Act, the Amended Declaration and these By-Laws, including but not limited to, the following:

(a) Operating, maintaining, replacing, improving and otherwise caring for the Common Areas, the Recreation Area and Front Yards of Lots.

(b) Preparing, adopting and distributing the annual budget for the Development and making any subsequent amendments or revisions thereto.

(c) Levying assessments.

(d) Collecting assessments.

(e) Employing and dismissing any Management Agent or other personnel necessary or advisable for the maintenance, care, upkeep and operation of the Common Areas and Recreation Area.

(f) Obtaining adequate and appropriate kinds of insurance.

(g) Owning and otherwise dealing with the Common Areas and Recreation Area.

(h) Adopting rules and regulations governing the operation and use of the Common Areas, Recreation Area and Lots and making any amendments thereto.

(i) Keeping detailed, accurate records of the receipts and disbursements of the Association, including but not limited to, the Maintenance Fund.

(j) Having access to each Lot, from time to time, as may be necessary for the maintenance, replacement, or repair of any Lot, Residence or any part of the Common Areas accessible therefrom, or for making such emergency repairs as may be necessary to prevent damage to any Lot, the Common Areas or the Recreation Area.

(k) Operating, repairing and maintaining in a good state of repair the Sanitary Treatment Facilities, all appurtenant pipes, mains and equipment, the Pump House Area, all appurtenant water wells, reservoirs, pipes, pumps, mains and equipment, Trails, streets, and all

other improvements constructed and situated within the Common Areas and the Recreation Area and to care for those various portions of the Common Areas and Recreation Area as provided under the terms hereof.

SECTION 2. SPECIFIC POWERS AND DUTIES.

(a) Anything contained herein to the contrary notwithstanding, the Association through the actions of the Board shall have the power:

(i) To engage the services of a Management Agent for the operation and maintenance of any part or all of the Common Areas and Recreation Area, who may be any person, firm or corporation hired upon such terms and for such compensation as the Board may deem reasonable, and to remove such Management Agent at any time; provided, however, that any agreement with a Management Agent shall extend for no more than three (3) years and must be terminable by either party to such agreement without cause and without payment of a termination fee upon not more than ninety (90) days prior written notice;

(ii) To engage the services of any person (including, but not limited to, accountants and attorneys) deemed necessary or advisable by the Board for such compensation as is deemed reasonable for the operation, repair, maintenance and management of the Common Areas and Recreation Area or in connection with any duty, responsibility or right of the Association;

(iii) To engage the services of independent contractors or hire a staff of employees to maintain, repair and care for the Common Areas, Recreation Area and Front Yards of Lots. In addition, the Board may establish a fee schedule and sell lawn maintenance, snow removal, painting and other similar services to Residents, such services to be furnished by independent contractors or employees hired by the Board; and

(iv) To establish and maintain one or more interest-bearing bank accounts for the deposit of any funds paid to, or received by, the Association.

(b) All expenses, charges and costs of the maintenance, repair or replacement of the Common Areas, the Recreation Area and any other expenses, charges or costs which the Association may incur or expend pursuant hereto, shall be approved by the Board.

(c) (i) The Board, on behalf of the Association, shall establish a fund to be known as the "Maintenance Fund." The Board shall prepare an annual budget setting forth the estimated maintenance expenses, operating charges and such other costs which vary by the number of Owners in the Development (the "variable costs") and real estate taxes, insurance costs and such other costs which do not vary with the number of Owners in the Development (the "fixed costs"),

payable by the Association in accordance with the Amended Declaration and these By-Laws, as they presently exist or as they may be amended from time to time. In addition, the annual budget shall also provide for, as a fixed cost, a capital reserve for major repairs or replacements of the Sanitary Treatment Facilities, well sites, roads, sidewalks, sewer mains and water mains. Amounts collected for the capital reserve shall be segregated and maintained in an interest-bearing bank account and shall be used for no purpose other than the major repair or replacement of the Sanitary Treatment Facilities, the Pump House Area, well sites, roads, sidewalks, water mains and sewer mains. Each Member shall receive through a prescribed delivery method, at least thirty (30) days but not more than sixty (60) days prior to the adoption thereof by the Board, a copy of the proposed annual budget together with an indication of which portions are intended for reserves, capital expenditures or repairs or payment of real estate taxes. Each Owner shall then be assessed a pro rata share of the variable costs of such annual budget based upon the total number of Lots owned by Owners in the Development. The Declarant shall not be assessed any variable costs for the Lots it may continue to own in the Development, so long as such Lots are not leased or occupied for residential purposes. Pro rata shares of the Fixed cost portion of the annual budget shall be assessed against all Lots, including those owned by the Declarant. Each Owner shall pay the monthly assessments assessed and levied upon his Lot by the Association. Notwithstanding anything herein to the contrary, prior to January 1, 1988, the monthly assessment for each Lot shall be fixed at not more than Two Hundred Seventy Dollars (\$270).

(ii) "Lots," as such term is used in this Section II of Article VI, shall only include parcels of real estate in the Development which have been recorded with the Recorder of Deeds of Lake County, Illinois on a plat or plats of subdivision. Lots which are shown on the Plat but which have not been recorded on a plat of subdivision shall not be assessed by the Association for the Maintenance Fund.

(iii) The assessments levied by the Association and deposited in the Maintenance Fund shall be used exclusively for the purposes of promoting the health, safety and welfare of the Residents of the Development and directly related to the use and enjoyment of the Common Areas and the Recreation Area (prior to improvement with recreational facilities), including but not limited to, sanitary treatment expenses, road maintenance costs, landscaping expenses, snow removal costs, real estate taxes, liability insurance and the costs of all labor, equipment (including the expenses of leasing any equipment) and materials required for the management, supervision and operation of the Common Areas and the Recreation Area (prior to improvement with recreational facilities).

(d) The Board may establish a social fund for the social and recreational benefit of the members of the Association and assess and collect social dues from the members of the Association. In the event that a social fund is established, all amounts deposited shall be segregated from all other Association bank accounts and used solely for the recreational and social benefit of the members of the Association, their families and guests.

(e) Each Owner, by acceptance of a deed for his Lot, whether from the Declarant, any Owner or otherwise, and whether or not it shall be so expressed in any such deed or other document of conveyance, hereby covenants and agrees and shall be deemed to covenant and agree to pay to the Association:

(i) Annual assessments, to be paid in monthly installments due on the first day of each month of each year, as provided in Section 2(c) of this Article VI.

(ii) The due date or dates of any special assessment shall be fixed in the resolution approving such special assessment. Any special assessment shall be fixed at a uniform rate for all Lots.

Annual assessments and special assessments, together with interest thereon and the costs of collection thereof (as hereinafter provided), shall be a charge on each Lot and shall be a continuing lien upon each Lot against which each such assessment is made. Each such assessment, together with interest thereon and costs of collection thereof, shall be the continuing personal obligation of the Owner of each such Lot at the time the assessment fell due.

(f) The duties of the Board with respect to assessments shall be as follows:

(i) The Board shall fix the amount of the annual assessments against each Lot for each annual assessment period at least thirty (30) days in advance of such period and shall, at that time, prepare a roster of each Lot and the assessments applicable thereto, which roster shall be kept in the offices of the Association and be open to inspection at reasonable times by any Owner.

(ii) Written notice of the annual assessments shall thereupon be delivered or mailed to every Owner showing the amount or amounts of the assessments and the due date or dates thereof.

(iii) The Board shall, upon written demand, furnish to any Owner liable for said assessments, a certificate in writing signed by an officer of the Board setting forth whether said assessments have been paid. A reasonable charge may be made by the Board for the issuance of such certificates.

(iv) If the Board fails to fix the amount of any annual assessments, each Owner shall be liable for the payment of an amount equal to the annual assessments he paid the previous year.

(g) (i) The Board shall provide all Members with a reasonably detailed summary of the receipts, common expenses, and reserves for the preceding budget year. The Board shall (1) make available for review to all Members an itemized accounting of the common expenses for the preceding year actually incurred or paid, together with an indication of which portions were for reserves, capital expenditures or repairs, or payment of real estate taxes and with a

tabulation of the amounts collected pursuant to the budget or assessment, and showing the net excess or deficit of income over expenditures plus reserves or (2) provide a consolidated annual independent audit report of the financial status of all fund accounts within the Association.

(ii) If an adopted budget or any separate assessment adopted by the Board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding one hundred fifteen percent (115%) of the sum of all regular and separate assessments payable during the preceding fiscal year, the Association, upon written petition by Members with twenty percent (20%) of the votes of the Association delivered to the Board within fourteen (14) days of the Board action, shall call a meeting of the Members within thirty (30) days of the date of delivery of the petition to consider the budget or separate assessment; unless a majority of the total votes of the Members are cast at the meeting to reject the budget or separate assessment, it shall be deemed ratified.

(iii) If total common expenses exceed the total amount of the approved and adopted budget, the Association shall disclose this variance to all its Members and specifically identify the subsequent assessments needed to offset this variance in future budgets.

(iv) Separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to Member approval or the provisions of subsection (ii) or (v) of this Section. As used herein, "emergency" means a danger to or a compromise of the structural integrity of the common areas or any of the common facilities of the common interest community. "Emergency" also includes a danger to the life, health or safety of the membership.

(v) Assessments for additions and alterations to the common areas or to Association-owned property not included in the adopted annual budget, shall be separately assessed and are subject to approval of a simple majority of the total Members at a meeting called for that purpose.

(vi) The Board may adopt separate assessments payable over more than one fiscal year. With respect to multi-year assessments not governed by subsections (iv) and (v) of this Section, the entire amount of the multi-year assessment shall be deemed considered and authorized in the first fiscal year in which the assessment is approved.

(vii) The Association shall use generally accepted accounting principles in fulfilling any accounting obligation under the Common Interest Community Association Act.

(h) If any annual assessment, special assessment or installment thereof is not paid in full within thirty (30) days after the due date thereof, the total unpaid amount of all installments of such assessment shall immediately become due and payable and shall bear interest from and

after the date of delinquency at two percent (2%) over the prime rate of interest announced by The First National Bank of Chicago at such time. The total unpaid amount of all such installments and interest thereon shall constitute a charge on the Lot of the Owner obligated to pay the same and, upon the recording of a certificate by the Board, shall be a lien upon such Owner's Lot. The Board may, at its election, bring an action to recover any amounts due, or for such other remedy at law or in equity to enforce payment thereof and/or to foreclose the lien against the Lot subject thereto. There shall be added to the amount of such lien the costs of preparing and prosecuting the complaint (including reasonable attorneys' fees) in such action. No Owner may waive or otherwise escape liability for the assessments by non-use of the Common Areas, Recreation Area or his Lot. Notwithstanding the foregoing, any first mortgage encumbrance owned or held by a bank, insurance company, savings and loan association, or such other person or entity engaged in the business of making real estate loans, recorded against such Owner's Lot prior to the date the Association's lien is recorded, which by law would be a lien thereon having priority over the Association's Lien, shall have priority, except as to the amount of assessments which become due and payable from and after the date on which the said first mortgage encumbrance is foreclosed and the holder thereof (or purchaser at a foreclosure sale) takes possession of the Lot or accepts a conveyance of any interest therein (other than as security). The sale or transfer of any Lot shall not release or in any way affect the assessment lien.

(i) From time to time the Board may propose to all the members of the Association the construction of recreational facilities in the Recreation Area. Such recreational facilities may consist of from one to four tennis courts, a swimming pool of up to 3,000 square feet, parking for up to 20 automobiles and a one story clubhouse of no more than 1,200 square feet to be built in the Recreation Area for purposes of changing and showering after use of the tennis courts and/or swimming pool. Such recreational facilities may only be constructed after a 66-2/3% vote of approval of all the members of the Association (excluding the Declarant) entitled to vote at a regular or special meeting of the Association called for such purpose. In determining whether to approve the construction of recreational facilities, all Owners shall be entitled to vote on such proposal, notwithstanding the provisions of Section 2(c) of Article II to the contrary. If approved, construction of such recreational facilities is to be funded by special assessment to be paid prorata only by all of the members of the Association voting in favor of the construction of such recreational facilities. Only those members of the Association who pay such special assessments, and their families and guests, shall be entitled to use the recreational facilities. Notwithstanding any other provision herein to the contrary, however, the Board may at its sole discretion, elect to sell recreational club memberships to any other persons desiring to use the recreational facilities or may elect to impose user charges on such persons. The number of recreational club memberships and the amount of fees charged therefor or user charges shall be determined by the Board. The Board may create different types or forms of recreational club memberships. The Board may prescribe such rules and regulations for the use of the recreational facilities as it may

deem advisable and may either operate the recreational facilities itself or lease or license the recreational facilities for operation by others upon such terms as the Board may approve.

(j) The Board shall keep full and correct books of account and the same shall be open for inspection by any Owner or Resident at such reasonable time or times during normal business hours as may be requested. All funds collected hereunder shall be held and expended solely for the purposes designated herein, and (except for such special assessments as may be levied hereunder against less than all the Owners for the construction of the recreational facilities) shall be deemed to be held for the benefit, use and account of all the Owners.

(k) Upon completion of the Sanitary Treatment Facilities and Pump House Area, the Board shall provide for quarterly testing of the Sanitary Treatment Facilities and Pump House Area in order to test compliance with applicable Illinois Environmental Protection Agency rules, regulations and standards. Copies of all test results shall be promptly forwarded to the Village of Long Grove upon request. If any tests indicate that Illinois Environmental Protection Agency rules, regulations and standards are being violated the Board shall take whatever steps may be necessary to cure such violation. Any and all costs and expenses of curing any violations shall be a charge against the Maintenance Fund.

SECTION 3. MAINTENANCE, REPAIRS AND REPLACEMENTS.

(a) By the Board. Subject to the By-Laws and rule and regulations of the Association, (i) maintenance, snow plowing, repairs and replacements of the Common Areas and Recreation Area (prior to construction of the recreational facilities), and (ii) landscaping maintenance of each Lot and snow plowing of such paved areas of each Lot as shall be designated by the Board from year to year, shall be furnished by the Association and charged to the Maintenance Fund. Maintenance, repair and replacements of the recreational facilities shall be paid for out of recreational club membership fees, user charges or other fees assessed solely against those persons using the recreational facilities.

(b) By the Lot Owner. Except as otherwise provided herein concerning landscaping maintenance and snow plowing of Lots, each Owner shall be responsible, at his sole expense, for all of the landscaping, snow removal, repairs, replacements and maintenance of his Lot and Residence. Owners may contract with the Association for the care maintenance and upkeep of their Lots and Residences if the Association offers such services and shall pay such fees therefor as may be determined by the Board. Owners may also contract with third parties for such services.

If at any time the Board determines that an Owner is failing to maintain and care for his Lot or Residence in a reasonable and appropriate manner, the Board shall give such Owner thirty (30) days written notice of such failure and if such Owner fails to remedy such failure within such thirty (30) day period to the satisfaction of the Board, the Board may authorize its employees or third parties to remedy such failure and thereafter demand reimbursement of the

costs thereof from the Owner. If the Owner fails to pay such costs within thirty (30) days after demand therefor, the Board, on behalf of the Association, may file a lien against the Lot of such Owner and proceed to foreclose upon such lien or avail itself of any other remedy available at law or in equity.

ARTICLE VII

Contracts, Checks, Deposits and Funds

SECTION 1. CONTRACTS. The Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances. The Association may not enter into a contract with a current Board member, or with a corporation, limited liability company, or partnership in which a Board member or a member of his or her immediate family has twenty-five percent (25%) or more interest, unless notice of intent to enter into the contract is given to Members within twenty (20) days after a decision is made to enter into the contract and the Members are afforded an opportunity by filing a petition, signed by twenty percent (20%) of the membership, for an election to approve or disapprove the contract; such petition shall be filed within twenty (20) days after such notice and such election shall be held within thirty (30) days after filing the petition. For purposes of this provision, a Board member's immediate family means the Board member's spouse, parents, siblings, and children.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Board and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer and countersigned by the President of the Association.

SECTION 3. GIFTS. The Board may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.

ARTICLE VIII

Books and Records

SECTION 1. RECORDS OF THE ASSOCIATION. The Board shall maintain the following records of the Association and make them available for examination and copying at convenient hours of weekdays by any Member or Unit Owner, their mortgagees, and their duly authorized agents or attorneys:

(i) Copies of the recorded Declaration, other community instruments, other duly recorded covenants and By-Laws and any amendments, articles of incorporation, articles of organization, annual reports, and any rules and regulations adopted by the Board shall be available.

(ii) Detailed and accurate records in chronological order of the receipts and expenditures affecting the common areas, specifying and itemizing the maintenance and repair expenses of the common areas and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the Board shall be maintained.

(iii) The minutes of all meetings of the Board which shall be maintained for not less than 7 years.

(iv) With a written statement of a proper purpose, ballots and proxies related thereto, if any, for any election held for the Board and for any other matters voted on by the Members, which shall be maintained for not less than one year.

(v) With a written statement of a proper purpose, such other records of the Board as are available for inspection by members of a not-for-profit corporation pursuant to Section 107.75 of the General Not For Profit Corporation Act of 1986 shall be maintained.

(vi) With respect to units owned by a land trust, a living trust, or other legal entity, the trustee, officer, or manager of the entity may designate, in writing, a person to cast votes on behalf of the Member or Unit Owner and a designation shall remain in effect until a subsequent document is filed with the Association.

A reasonable fee may be charged by the Board for the cost of retrieving and copying records properly requested.

SECTION 2. RECORDS AT RESALE. In the event of any resale of a Unit by a Member or Unit Owner other than the developer, the Board shall make available for inspection to the prospective purchaser, upon demand, the following:

(i) A copy of the Declaration, other instruments, and any rules and regulations.

(ii) A statement of any liens, including a statement of the account of the unit setting forth the amounts of unpaid assessments and other charges due and owing.

(iii) A statement of any capital expenditures anticipated by the Association within the current or succeeding two (2) fiscal years.

(iv) A statement of the status and amount of any reserve or replacement fund and any other fund specifically designated for Association projects.

(v) A copy of the statement of financial condition of the Association for the last fiscal year for which such a statement is available.

(vi) A statement of the status of any pending suits or judgments in which the Association is a party.

(vii) A statement setting forth what insurance coverage is provided for all Members or Unit Owners by the Association for common properties.

The principal officer of the Board or such other officer as is specifically designated shall furnish the above information within thirty (30) days after receiving a written request for such information.

A reasonable fee covering the direct out-of-pocket cost of copying and providing such information may be charged by the Association or the Board to the unit seller for providing the information.

ARTICLE IX

Fiscal Year

The Fiscal year of the Association shall be the calendar year.

ARTICLE X

Seal

If the Association is incorporated, the Board shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Association and the words "Corporate Seal, Illinois".

ARTICLE XI

Waiver of Notice

Whenever any notice whatever is required to be given under the provisions of the General Not-For-Profit Corporation Act of Illinois, the provisions of the Articles of Incorporation, the By-Laws of the Association, or the Amended Declaration, a waiver thereof (subject to all the provisions of such instruments) in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII

Amendments to By-Laws

Until the date of the first annual meeting of the members of the Association, these By-Laws may be altered, amended or repealed, and new By-Laws may be adopted by the affirmative vote of a majority of the Directors. From and after the date of the first annual meeting of the members of the Association, these By-Laws may only be altered, amended or repealed by the affirmative vote of at least 66-2/3% of the votes of all of the members of the Association. Notwithstanding anything herein to the contrary, the following provisions of these By-laws cannot be altered, amended or repealed:

- (i) Article II, Section 1;
- (ii) Article III, Section 7;
- (iii) Article VI, Section 2,
- (iv) Article VI, Section 2.

ARTICLE XIII

Indemnification

The Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a Director or officer of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, if he had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of no lo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his conduct was unlawful.

The Association may indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a Director or an officer of the Association, against expenses (including attorneys' fees) actually and reasonably

incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association.

To the extent that a Director or officer of the Association has been successful, on the merits or otherwise, in the defense of any such claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith. Any indemnification under this Article shall be made by the Association only as authorized in the specific case, upon a determination that indemnification of the Director or officer of the Association is proper in the circumstances because he has met the applicable standard of conduct set forth in this Article. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or by a majority vote of all of the members of the Association voting at a regular or any special meeting of the Association called for such purpose.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding, as authorized by the Board in the specific case; upon receipt of an undertaking by or on behalf of the affected Director or officer of the Association to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article.

The sums necessary to discharge the obligations of the Association under this Article shall be provided for in the annual budget or in any amended annual budget.

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association or disinterested Directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director or an officer of the Association.

ARTICLE XIV

Construction

SECTION 1. CONSTRUCTION OF THE AMENDED DECLARATION AND BY-LAWS. Nothing hereinabove contained shall in any way be construed as altering, amending or modifying the Amended Declaration. Said Amended Declaration and these By-Laws shall always be construed to further the harmonious, beneficial, cooperative and proper use and

conduct of the Development. If there is any inconsistency or conflict between these By-Laws and the aforesaid Amended Declaration, the provisions of the Amended Declaration shall control.

SECTION 2. DEFINITION OF TERMS. All words and terms used herein which are also used in the Amended Declaration shall have the same meaning as provided for such words and terms in the Amended Declaration.

EXHIBIT C

Exhibit "C" is the Landscape Plan, and is attached to the original Amended and Declaration of Covenants recorded with the Recorder of Deeds of Lake County, Illinois.

EXHIBIT D

Exhibit "D" is attached to the original Amended and Restated Declaration of Covenants recorded with the Recorder of Deeds of Lake County, Illinois.

AFFIDAVIT OF SECRETARY

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

I, *Shelly Kulcras*, being first duly sworn on oath, depose and state that I am the Secretary of the Board of Directors of The Fields of Long Grove Home Owners' Association and keeper of the books and records of said Association.

I further state that the foregoing amendment was approved by at least two-thirds (2/3) of the members of the Board of Directors of said Association, pursuant to Section 1-60(a) of the Illinois Common Interest Community Association Act, at a meeting of the Board of Directors duly noticed and convened and held for that purpose on *19 January*, 2022 at which a quorum was present throughout, and such approval has not been altered, modified, or rescinded in any manner but remains in full force and effect.

I further state the members of the Association did not file a petition with the Board, pursuant to the requirements of Section 1-60(c) of the Illinois Common Interest Community Association Act, objecting to the adoption of this Amendment to the Declaration.

Shelly Kulcras
Secretary of the *Fields of Long Grove*
Association

SUBSCRIBED AND SWORN to
before me this *24* day
of *FEBRUARY*, 2022

Matthew F. Morse
Notary Public



PRESIDENT'S SIGNATURE PAGE

I ERIC RAUSCHER, am the President of the Board of Directors of The Fields of Long Grove Home Owners' Association, an Illinois not-for-profit corporation and Common Interest Community Association governed by the aforesaid Declaration, and by my signature below do hereby execute the foregoing amendment to the Declaration pursuant to Section 1-20(b) of the Illinois Common Interest Community Association Act.

EXECUTED this 28th day of JANUARY 2022.

BY: Eric Rauscher
President

EXHIBIT 1
LEGAL DESCRIPTION

Parcel 1: The East 1/2 of the North East 1/4 of Section 13, Township 43 North, Range 10, East of the Third Principal Meridian, in Lake County, Illinois; and

Parcel 2: The East 1/2 of the South East 1/4 of Section 12, Township 43 North, Range 10, East of the Third Principal Meridian, in Lake County, Illinois.

Commonly Known As: Forest Way Circle, Forest Edge Lane, Twin Lakes Lane, Lake Point Circle, Redwing Lane, Farmwood Drive, Valley View Lane, & Valley View Circle
Long Grove, Illinois 60047

Permanent Index Number: 14-13-201-001-0000
through and including: 14-13-201-057-0000; and

Permanent Index Number: 14-13-200-003-0000; and

Permanent Index Number: 14-13-401-001-0000
through and including: 14-13-401-005-0000; and

Permanent Index Number: 14-13-402-001-0000
through and including: 14-13-402-042-0000.