



DECLARATION FOR THE GOLF VILLAS AT WYNSTONE

This Declaration is made by Contemporary Builder, Inc. a Delaware corporation (“Declarant”) and is joined in by Jack Nicklaus Development Corporation of Illinois, an Illinois corporation (“Nicklaus”).

RECITALS

Declarant and Nicklaus are the record title holder of the Premises which are legally described in Exhibit A hereto. The Premises shall be the subject of a development called “The Golf Villas at Wynstone” (the “Development”). The Development shall include single family attached duplex homes, green space, walkways, and driveways.

The Premises are subject to the terms and conditions of the Declaration of Covenants, Conditions and Restrictions for Wynstone, made by Jack Nicklaus Development Corporation of Illinois, an Illinois corporation (which document, as previously and hereafter amended is referred to as the “Wynstone Declaration Declarant”) and recorded in the Office of the Recorder of Deeds of Lake County, Illinois on December 18, 1987, as Document No. 2641480 as amended from time to time (the “Wynstone Declaration”), and constitutes a Village Home Area as defined in the Wynstone Declaration. The Declarant shall subject the Premises which are legally described in Exhibit A hereto to the provisions of this Declaration, which are in addition to, and complement the provisions of the Wynstone Declaration.

Portions of the Premises are designated as the Dwelling Unit Exteriors. To provide for the orderly and proper administration and maintenance of the Dwelling Unit Exteriors and for the architectural control of the Dwelling Units, the Declarant has formed an Association under the Illinois General Not-For-Profit Corporation Act. The Association shall have the responsibility for administering and maintaining the Dwelling Unit Exteriors and shall set budgets and fix assessments to pay the expenses incurred in connection with such duties. The administration and maintenance of the Dwelling Unit Exteriors by the Association shall always be subject to this Declaration and all the rights and easement provided for the Owners in this Declaration. Each Owner of a Dwelling Unit shall

be a member of the Association and shall be responsible for paying assessments with respect to the Dwelling Unit owned by such Owner.

During the construction and marketing of the Development, the Declarant shall retain certain rights set forth in this Declaration, which rights shall include, without limitation, the right, prior to the Turnover Date, to appoint all members of the Board, as more fully described in Article Nine, the right to come upon the Premises in connection with Declarant's efforts to sell Dwelling Units and other rights reserved in Article Nine.

NOW, THEREFORE, the Declarant and Nicklaus declare as follows:

ARTICLE ONE
Definitions

For the purpose of brevity and clarity, certain words and terms used in this Declaration are defined as follows:

1.01 ASSOCIATION: The Golf Villas at Wynstone Association, an Illinois not-for-profit corporation, its successors, and assigns.

1.02 BOARD: The board of directors of the Association, as constituted at any time or from time to time, in accordance with the applicable provisions of Article Five.

1.03 BY-LAWS: The By-Laws of the Association.

1.04 CHARGES: The Community Assessment, any special assessment levied by the Association and/or any other charges or payments which an Owner is required to pay or for which an Owner is liable under this Declaration or the By-Laws.

1.05 COMMUNITY ASSESSMENT: The amounts which the Association shall assess and collect from the Owners to pay the Community Expenses and accumulate reserves for such expenses, as more fully described in Article Six.

1.06 COMMUNITY EXPENSES: The expenses of administration (including management and professional services), operation, maintenance, repair,

replacement, landscaping, and snow removal of the Dwelling Unit Exteriors as described in Article Three, Section 3.05(b) of this declaration; any expenses designated as Community Expenses by the Declaration; and any other expenses lawfully incurred by the Association for the common benefit of all the Owners.

1.07 COUNTY: Lake County, Illinois or any political entity which may from time to time be empowered to perform the functions or exercise the powers vested in Lake County as of the Recording of this Declaration.

1.08 DECLARANT: Contemporary Builder, Inc. a Delaware corporation, its successors, and assigns.

1.09 DECLARATION: This instrument with all Exhibits hereto, as amended or supplemented from time to time.

1.10 DWELLING UNIT: Each subdivided lot designated in Exhibit A hereto as a Dwelling Unit, together with all improvements thereto.

1.11 DWELLING UNIT EXTERIOR: The roof, foundation, steps, footings, outer surface of exterior walls and garage doors of the home on each Dwelling Unit and all portions of the Dwelling Unit which are not improved with the home, including, without limitation, the following:

(a) Driveways, walkways, patios, grass, shrubbery, and other landscaping, if any; and

(b) Those portions of water, sewer, underground sprinkler, electric and other operating or utility systems which serve more than one Dwelling Unit (but not including those portions of such systems which serve only such Dwelling Unit).

1.12 FIRST MORTGAGE: A bona fide first trust deed or equivalent security interest covering a Dwelling Unit.

1.13 FIRST MORTGAGEE: The holder of a First Mortgage.

1.14 MASTER ASSOCIATION: The Wynstone Property Owner's Association, Inc., an Illinois not-for-profit corporation established pursuant to the terms of the Wynstone Declaration.

1.15 NON-OWNER: A person other than an Owner or a Resident.

1.16 OWNER: A Record owner, whether one or more persons of fee simple title to the Dwelling Unit, including contract seller, but excluding those having such interest merely as security for the performance of an obligation.

1.17 PERSON: A natural individual, corporation, partnership, trustee, or other legal entity capable of holding title to real property.

1.18 PREMISES: The real estate, which is described in Exhibit A hereto, with all improvements thereon and rights appurtenant thereto.

1.19 RECORD: To record in the office of the Recorder of Deeds of Lake County, Illinois.

1.20 RESIDENT: An individual who resides in a Dwelling Unit and who is either the Owner, a tenant of the Owner, a contract purchaser of the Dwelling Unit, or a relative of any such Owner, tenant, or contract purchaser.

1.21 TURNOVER DATE: The date on which the rights of the Declarant to designate the members of the Board are terminated under Section 9.05.

1.22 VILLAGE: The Village of North Barrington, Illinois or any political entity which may from time to time be empowered to perform the functions or exercise the powers vested in the Village of North Barrington as of the Recording of this Declaration.

1.23 VOTING MEMBER: The individual who shall be entitled to vote or in person by proxy at meetings of the Owners, as more fully set forth in Article Five.

ARTICLE TWO

Scope of Declaration

2.01 PROPERTY SUBJECT TO DECLARATION: Declarant and Nicklaus, as the owners of fee simple title to the Premises, expressly intend to and by Recording this Declaration, do hereby subject the Premises to the provisions of this Declaration.

2.02 CONVEYANCES SUBJECT TO DECLARATION: All covenants, conditions, restrictions, easements, reservations, liens, charges, rights, benefits, and privileges which are granted, created, reserved or declared by this Declaration shall be deemed to be covenants appurtenant, running with the land and shall at all times inure to the benefit and be binding on any Person having at any time any interest or estate in any part of the Premises. Reference in any deed of conveyance, lease, mortgage, trust deed, other evidence or obligation, or other instrument to the provisions of this Declaration shall be sufficient to create and reserve all of the covenants, conditions, restrictions, easements, reservations, liens, charges, rights, benefits and privileges which are granted, created, reserved, or declared by this Declaration, as fully and completely as though they were set forth in their entirety in any such document.

2.03 DURATION: Except as otherwise specifically provided herein, the covenants, conditions, restrictions, easements, reservations, liens, and charges, which are granted, created, reserved or declared by this Declaration shall be appurtenant to and shall run with and bind the land for a period of forty (40) years from the date of Recording of this Declaration and for the successive periods of ten (10) years each unless revoked, changed or amended in whole or in part by a Recorded instrument executed by not less than three-fourths (3/4) of the then Owners and approved, in writing, by the Master Association.

2.04 DWELLING UNIT CONVEYANCE: Once a Dwelling Unit has been conveyed by the Declarant to a bona fide purchaser for value, then any subsequent conveyance or transfer of ownership of the Dwelling Unit shall be of the entire Dwelling Unit and there shall be no conveyance or transfer of a portion of the Dwelling Unit without the prior written consent of the Board.

2.05 EASEMENT FOR ENCROACHMENT: In the event that by reason of the construction, repair, reconstruction, settlement or shifting of the Dwelling Unit, any part of or any facilities servicing any such Dwelling Unit or any Dwelling Unit Exterior shall encroach upon any part of any other Dwelling Unit, including, without limitation, any structures located thereon, then, in any case, there shall be deemed to be an easement in favor of and appurtenant to such encroaching improvement for the continuance. Maintenance, repair, and replacement thereof; provided, however, that in no event shall an easement for any encroachment be created in favor of any Owner if such encroachment occurred due to the intentional, willful,

or negligent conduct of such Owner or his agent. Without limiting the foregoing, the Owner of each Dwelling Unit shall have an easement appurtenant to his Dwelling Unit for the continuance, maintenance, repair, and replacement of the following improvements, if any, which encroach from a Dwelling Unit onto an adjacent Dwelling Unit:

- (a) the eaves, gutters, downspouts and like appendages which serve the Dwelling Unit.
- (b) the chimney which serves the Dwelling Unit.
- (c) air-conditioning system compressor located outside of the Dwelling Unit which serves the Dwelling Unit and the pipes and ducts running therefrom to the Dwelling Unit; and
- (d) balconies, steps, porches, door entries and patios which serve the Dwelling Unit.

The Person who is responsible for the maintenance of any encroaching improvement for which an easement for continuance, maintenance, repair and replacement thereof is granted under this Section shall continue to be responsible for the maintenance of such encroaching improvement and the Person who is responsible for the maintenance of the real estate upon which such improvement encroaches shall not have the duty to maintain, repair or replace any such encroaching improvement unless otherwise provided in this Declaration.

ARTICLE THREE
Covenants and Restrictions as to Use and
Maintenance of the Dwelling Units

3.01 IN GENERAL: The restrictions and limitations contained in this Article shall be subject to the rights of the Declarant set forth in Article Nine.

3.02 RIGHT OF ENJOYMENT: Each Owner shall have the exclusive right and easement to use and enjoy his Dwelling Unit and Dwelling Unit Exterior. Such rights and easements shall run with the land, be appurtenant to and pass with title to every Dwelling Unit, subject to and governed by the provisions of this Declaration, the By-Lays, and the reasonable rules and regulations from time to time adopted by the Association.

3.03 RULES AND REGULATIONS: The use and enjoyment of the Dwelling Unit Exteriors shall always be subject to reasonable rules and regulations duly adopted by the Association.

3.04 DAMAGE BY RESIDENT: If, due to the act or omission of a Resident of a Dwelling Unit, or of a household pet or guest or other authorized occupant or invitee of the Owner of a Dwelling Unit, damage shall be caused to a Dwelling Unit exterior and maintenance, repairs or replacements shall be required thereby, which would otherwise be a Community Expense, then the Owner of the Dwelling Unit shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Board, to the extent not covered by insurance carried by the Association.

3.05 MAINTENANCE, REPAIR AND REPLACEMENT OF DWELLING UNITS:

(a) Except as otherwise provided in this Section, each Owner shall be responsible for the maintenance, repair and replacement of his/her Dwelling Unit, including, without limitation, the roof or any improvements comprising a portion of his/her Dwelling Unit., and the exterior of their Dwelling Unit and patios, walkways, sidewalks, fences, gates, driveways, and mulching (that must be dark grey or dark brown in color) and landscaping within the fenced-in area. Each Owner shall have the right to enter upon the roof of his/her Dwelling Unit for the purposes of maintenance, repair and replacement of such roof and shall have the right to reasonable access to adjacent roof or the adjacent Dwelling Unit only to the extent necessary for the maintenance, repair and replacement of such Owner's roof, provided any damage to the adjacent Dwelling Unit (including its roof) shall be repaired at the cost of the Owner performing the maintenance, repair or replacement.

(b) Except as otherwise provided in this Section, each Owner shall be responsible for the maintenance, repair, and replacement of the Dwelling Unit Exteriors. The Association shall be responsible for the maintenance, repair, and replacement of the Dwelling Unit Exteriors only as follows:

(i) snow removal from driveways and walkways, however, excluding patios and porches;

(ii) basic landscaping services, which only includes lawn mowing, and maintenance but not replacement of trees; and

(iii) maintenance, repair, and replacement of the underground sprinkler system which serves the green areas on the Dwelling Unit Exteriors.

3.06 RIGHTS OF THE MASTER ASSOCIATION: Each Owner and/or the Association shall also be obligated to pay for the costs incurred by the Master Association for repairing, replacing, maintaining or cleaning any item which is the responsibility of such Owner or the Association pursuant to the terms of the Wynstone Declaration or this Declaration, but which responsibility such Owner or Association fails or refuses to discharge. No owner or the Association shall (1) change, or otherwise alter the appearance of any portion of the Dwelling Unit Exterior or the landscaping , grounds or other improvements within any portion of the Dwelling Unit exterior unless such decoration, change, or alteration is approved, as provided in Section 3.21 below, Article X of the Wynstone Declaration, and when applicable, by the Club Owner as provided in Section 3.14(g) of the Wynstone Declaration, or (2) do any work which, in the opinion of the Architectural Review Committee, would jeopardize the soundness and safety of the Development, reduce the value thereof, or impair and easement hereditament, without in every such case obtaining the written approval of the Architectural Review Committee or the Club Owner, as the case may be, directly affected thereby or benefitting from such easement or hereditament.

3.07 ALTERATIONS, ADDITIONS OR IMPROVEMENTS TO THE DWELLING UNIT EXTERIORS OR ROOF OF A DWELLING UNIT:

(a) No additions, alterations or improvements shall be made to any Dwelling Unit Exterior without the prior written consent of the Board and, if required under the Wynstone Declaration, the approval of the Architectural Review Committee of the Master Association. The Board may (but shall not be required to) condition its consent to the making of an addition, alteration or improvement to a Dwelling Unit Exterior by an Owner upon the Owner's agreement either (i) to be solely responsible for the maintenance of such addition, alteration or improvement, subject to such standards as the Board may from time to time set, or (ii) to pay to the Association for time to time the additional cost of maintenance of the Dwelling Unit Exterior as a result of the addition, alteration or improvement. If an addition, alteration, or improvement is made to a Dwelling Unit Exterior by an Owner without the prior written consent of the Board, then the Board, may, in its discretion, take any of the following actions:

- (1) Require the Owner to remove the addition, alteration or improvement and restore the Dwelling Unit Exterior to its original condition, all at the Owner's expense; or
- (2) if the Owner refuses or fails to properly perform the work required under (1), the Board may cause such work to be done and may charge the Owner for the cost thereof as determined by the Board; or
- (3) Ratify the action taken by the Owner, and the Board may (but shall not be required to) condition such ratification upon the same conditions which it may impose upon the giving of its prior consent under this Section.

(b) No additions, alterations, improvements, repair, or replacement (Collectively, an "Alteration") shall be made to the roof of any Dwelling Unit by an Owner without the prior written consent of the Board and, if required under the Wynstone Declaration, the approval of the Architectural Review Committee of the Master Association. The Board, subject to any rights of the Architectural Review Committee of the Master Association, may approve or disapprove the making of an Alteration to the roof of a Dwelling Unit by an Owner based on maintaining the uniformity in appearance of the Dwelling Unit Exteriors of all Dwelling Units in the Golf Villas and such other criteria as the Board may from time to time establish. The Board may, in its discretion, take any of the actions described in (a)(1) through (a)(3) above if an Owner makes an Alteration to the roof of such Owner's Dwelling Unit without the Board's prior consent.

3.08 NO DEDICATION TO PUBLIC USE: Nothing contained in this Declaration shall be construed or deemed to constitute a dedication, express or implied, of any part of the Premises to or for any public use or purpose whatsoever.

3.09 USE RESTRICTIONS:

(a) No industry, business, trade, occupation or profession of any kind shall be conducted, maintained or permitted on any part of a Dwelling Unit Exterior or the roof or a Dwelling Unit or permitted on any part of a Dwelling Unit Exterior nor shall and "For Sale" or "For Rent" signs or any other advertising be maintained or permitted on any part of any Dwelling Unit Exterior or the roof of a Dwelling Unit, except as permitted by the Board or as permitted under Article Nine.

(b) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out on any portion of any Dwelling Unit Exterior or the roof of a Dwelling Unit. The Premises shall be kept free and clear of all rubbish, debris and other unsightly materials and no waste shall be committed thereon. All rubbish shall be deposited in such areas and such receptacles as shall be designated by the Board.

(c) Each Dwelling Unit shall be used only as a residence; provided that no Owner shall be precluded, with respect to his Dwelling Unit, from (i) maintaining a personal professional library, (ii) keeping his personal business records or accounts therein or (iii) handling his personal business or professional calls or correspondence therefrom. However, pursuant to a restrictive covenant contained in the plat of subdivision which created the lots described in Exhibit A, the use of a Dwelling Unit or a portion thereof for occasional business meetings, entertainment, or the enjoyment or business of the Owner's employees, trustees, agents, clients or customers shall not be considered to be a violation of this covenant if such use does not create regular customer, client or employee traffic and if the primary use of the Dwelling Unit is as a residence. The foregoing sentence as well as the corresponding restrictive covenant in the plat of subdivision may be amended by the vote of Voting Members representing at least 2/3rds of the Dwelling Units (excluding mortgages) with approval of the Board of Trustees of the Village.

3.10 OBSTRUCTIONS: Except as permitted under Section 9.03 there shall be no obstruction of the Dwelling Unit Exterior or the roof of a Dwelling Unit Exterior, and nothing shall be stored in the Dwelling Unit Exterior without the prior written consent of the Board.

3.11 PETS: The Board may from time to time adopt rules and regulations governing the keeping of pets in the Dwelling Units, which may include prohibiting certain species of pets from being kept in the Dwelling Units. Any pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Premises upon three (3) days written notice from the Board to the Owner of the Dwelling Unit containing such pet and the decision of the Board shall be final.

3.12 PROSCRIBED ACTIVITIES: No noxious or offensive activity shall be carried on in the Premises nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the Residence.

3.13 STRUCTURAL IMPAIRMENT: Nothing shall be done in, on or to any part of the Premises which would impair the structural integrity, or any building or structure located thereon.

3.14 LEASE OF DWELLING UNIT: Any Owner shall have the right to lease all (and not less than all) of his Dwelling Unit subject to the provisions of subsections (a) and (b) below:

- (a) No Dwelling Unit shall be leased for transient or hotel purposes, which are hereby defined as being for a period of less than one (1) year;
- (b) subject to the provisions of Article Nine, the Owner shall submit to the Board (i) a written application completed by the proposed lessee, setting forth the name, current address, financial and character references of the proposed lessee, (ii) a description of the basic terms of the proposed lease, including the length of the term and rental amount, and (iii) any other information reasonably required by the Board.

Within fifteen (15) days after receipt of the aforementioned information, the Board shall hold a meeting to vote upon the question of approving the proposed lease. The lease shall be approved unless at least two-thirds (2/3) of the Board members then serving shall vote against such approval. The decision of the Board shall be final and binding. In the event the Board fails to hold a meeting within said fifteen (15) day period or fails to vote on the proposed lease, the Board shall be deemed to have consented to the terms of the proposed lease. Any lease shall be in writing and shall provide that such lease shall be subject to the terms of this Declaration and that any failure of the lessee to comply with the terms of this Declaration shall be a default under the lease. A lessee shall be bound by the provisions hereof regardless of whether the lease specifically refers to this Declaration. The provisions of this Section shall not apply to the Dwelling Unit constructed on Lot 1A in Golf Villas at Wynstone Subdivision for so long as such Dwelling is owned by Nicklaus. However, from and after such time as Nicklaus no longer owns the Dwelling Unit on Lot 1A the provisions of this Section shall apply to said Dwelling Unit.

3.15 OVERALL ARCHITECTURAL CONTROL: The Board, or a duly authorized committee thereof created pursuant to the By-Laws, shall have the right and power from time to time to adopt reasonable rules and regulations governing the architectural design and exterior finish of all structures or improvements from time to time located on the Premises, including, without limitation, each Dwelling Unit Exterior and the roof of a Dwelling Unit; however, in the event of a conflict between the rules and regulations of the Board or its committee and the Standards adopted from time to time by the Architectural Review Committee, the Standards of the Architectural Review Committee shall govern. The provisions of this Section shall not apply to any construction at any time performed by Declarant, or its employees, agents, or contractors, on any part or parts of the Premises, including, without limitation, the architectural design, construction, alteration, improvement, or decorating of Dwelling Unit Exteriors, or any landscaping of any part of the Premises.

3.16 ASSOCIATION'S ACCESS: The Association shall have the right and power to come onto any Dwelling Unit for the purposes of furnishing the services required to be furnished hereunder or enforcing its rights and powers hereunder.

3.17 PRIVACY AREAS: Certain portions of the Dwelling Unit Exteriors may be designated as being reserved for the exclusive use of the Owner of a particular Dwelling Unit as a garden, patio, or some similar use ("Privacy Area"), as provided in this Section. The Declarant may designate portions of the Dwelling Unit Exterior as Privacy Areas by so designating such portions in Exhibit A. Alternatively, the Board may designate Privacy Areas pursuant to rules and regulations adopted from time to time by the Board. The Board shall maintain a record of all Privacy Areas and to which Dwelling Unit each Privacy Area is assigned. The right to use a Privacy Area which is assigned to a Dwelling Unit shall run with title to the Dwelling Unit. Subject to the provisions of Section 3.12, any rules and regulations established by the Association, and review and approval from the Architectural Review Committee, an Owner may landscape his Privacy Area, or otherwise improve his Privacy Area in a manner which complements and enhances the aesthetic appearance of the Development; provided, that no fence shall be constructed or erected upon a Privacy Area unless approved by the Board, in addition to the approval required to be obtained from the Architectural Review Committee, and permitted under applicable ordinances or regulations of the Village and the Architectural Review Committee. The Owner shall be solely responsible, at his own

expense, for the maintenance, repair, upkeep, planting and replanting of his Privacy Area and any improvements thereto. If the Owner fails, in the sole judgement of the Board, to properly maintain his Privacy Area, then the Association, in its discretion and at the Owner's expense, may (i) cause the Privacy Area to be properly maintained and the cost thereof shall be a Charge to the Owner, or (ii) cause the Privacy Area to be restored to its original state in conformity with the surrounding landscape, in which case such portion of the Dwelling Unit Exterior shall no longer be deemed to be a Privacy Area and the Owner shall no longer have any rights under this Section with respect to such portion of the Dwelling Unit Exterior. In addition, the Master Association, in its sole discretion, shall have the right to perform such maintenance at the sole cost and expense of such Owner, as more fully provided in Section 5.02(b) of the Wynstone Declaration.

ARTICLE FOUR
Insurance/Condemnation

4.01 ASSOCIATION INSURANCE:

(a) The Association shall have the authority to and shall obtain comprehensive public liability insurance, including liability for injuries to and death of persons, and property damage, in such limits as it shall deem desirable, and workmen's compensation insurance and other liability insurance as it may deem desirable, insuring each Owner, the Association, its directors and officers, the Declarant, the Master Declaration Declarant, the managing agent, if any, and their respective employees and agents, as their interests may appear, from liability resulting from an occurrence on or in connection with, the Premises. The Board may, in its discretion, obtain any other insurance which it deems advisable including, without limitation, insurance covering the directors and officers from liability for good faith actions beyond the scope of their authorities and covering the indemnity set forth in section 5.06. Such insurance coverage shall include cross liability claims of one or more insured parties.

(b) Fidelity bonds indemnifying the Association, the Board, and the Owners for loss of funds resulting from fraudulent or dishonest acts of any employee or the Association or of any other person handling funds of the

Association shall be obtained by the Association in such amounts as the Board shall deem desirable.

(c) The premiums for any insurance obtained under this Section shall be Community Expenses.

4.02 DWELLING UNIT INSURANCE:

(a) Each Owner of a Dwelling Unit shall be responsible for and shall procure fire and all risk coverage insurance upon such Owner's Dwelling Unit for not less than the full insurable replacement value thereof under a policy or policies of insurance with such company or companies, in such form, and for such premium and periods as he may determine to be appropriate. Each Owner shall also be responsible for his own insurance on the contents of his Dwelling Unit and furnishings and personal property therein.

(b) Each Owner shall deliver to the Board a certificate of insurance certifying that a policy of insurance covering such Owner's Dwelling Unit, as required under this Section, is in effect, and that said policy shall not be cancelled or materially changed except upon ten (10) day's prior written notice thereof to the Board. In the event an Owner fails to procure or keep in effect a policy of insurance, as required under this Section and provide proof thereof to the Board, then the Board may on behalf of and as agent for such Owner procure such insurance on the Owner's Dwelling Unit with a company, in a form, for a premium and period as determined by the Board to be appropriate, and the cost thereof shall be charged to the Owner.

(c) No Owner shall cause or permit anything to be done or kept on the Premises which will result in the cancellation of insurance on such Owner's Dwelling Unit or any other Dwelling Unit.

4.03 REBUILDING OF DAMAGED DWELLING UNIT:

(a) In the event of damage to or destruction of any Dwelling Unit by fire or other casualty for which the Owner is required to carry insurance hereunder, the Owner thereof shall, within a reasonable time after such damage or destruction, repair or rebuild the same in substantial and workmanlike manner with materials

comparable to those used in the original structure, and in conformity in all respects to the laws or ordinances regulating the construction of buildings in force at the time of such repair or reconstruction and the applicable Standards, if any, adopted by the Architectural Review Committee. The Dwelling Unit Exterior and the roof of a Dwelling Unit, when rebuilt, shall be substantially similar to, and its architectural design and landscaping shall be in conformity with, the surrounding Dwelling Units which are not so damaged or destroyed. The Owner shall not be relieved of his obligation to repair or rebuild his Dwelling Unit under this Subsection (a) by his failure to carry sufficient insurance or the fact that proceeds received by the Owner from his insurer are not sufficient to cover the cost thereof.

(b) In the event that any Owner shall fail, within a reasonable time after the occurrence of damage or destruction referred to in Subsection (a), to perform the necessary repair or rebuilding, then, the Board may cause such repairs or rebuilding to be performed in the manner as provided in Subsection (a) and the cost thereof shall be charged to such Owner as his personal obligation and shall be a continuing lien on the Owner's Dwelling Unit.

4.04 WAIVER OF SUBROGATION: The Association and each Owner hereby waives and releases any and all claims which it or he may have against any Owner, including relatives of an Owner, the Association, its directors and officers, the Declarant, the managing agent, if any, the Master Association and their respective employees and agents, for damage to the Dwelling Units, or to any personal property located in the Dwelling Units or caused by fire or other casualty, to the extent that such damage is covered by fire or other forms of casualty insurance, and to the extent this release is allowed by policies for such insurance. To the extent possible, all policies secured by the Board under Sections 4.01 (a) and (b) shall contain waivers of the insurer's rights to subrogation against any Owner, relatives of an Owner, the Association, its directors and officers, the Declarant, the managing agent, if any, the Master Association and their respective employees and agents.

ARTICLE FIVE
The Association

5.01 IN GENERAL: Declarant has caused the Association to be incorporated as a non-for-profit corporation under Illinois law. The Association shall be the

governing body for all the Owners for the administration and operation of the Dwelling Unit Exteriors.

5.02 MEMBERSHIP: Each Owner shall be a member of the Association. There shall be one membership per Dwelling Unit. Membership shall be appurtenant to and may not be separated from ownership of a Dwelling Unit. Ownership of a Dwelling Unit shall be the sole qualification for membership. The Association shall be given written notice of the change of ownership of a Dwelling Unit within ten (10) days after such change.

5.03 VOTING MEMBERS: Subject to the provisions of Section 9.05, voting rights of the members of the Association shall be vested exclusively in the Voting Members. One individual shall be designated as the "Voting Member" for each Unit Ownership. The Voting Member or his proxy shall be the individual who shall be entitled to vote at meetings of the Owners. If the Record ownership of a Dwelling Unit shall be in more than one person, or if an Owner is a trustee, corporation, partnership or other legal entity, then the Voting Member for the Dwelling Unit shall be designated by such Owner or Owners in writing to the Board and if in the case of multiple individual Owners no designation is given, then the Board at its election may recognize an individual Owner of the Dwelling Unit as the Voting Member for such Dwelling Unit.

5.04 BOARD: Subject to the rights retained by the Declarant under Section 9.05, the Board shall consist of three (3) members, each of whom shall be an Owner, Voting Member or a resident who has reached the age of majority.

5.05 VOTING RIGHTS: Prior to the Turnover Date, all the voting rights at each meeting of the Association shall be vested exclusively in the Declarant and the Owners shall have no voting rights. From and after the Turnover Date, all the voting rights at any meeting of the Association shall be vested in the Voting Members and each Voting Member shall have one vote. From and after the Turnover Date any action may be taken by the Voting Members at any meeting at which a quorum is present (as provided in the By-Laws) upon an affirmative vote of a majority by the Voting Members present at such meeting, except as otherwise provided herein or in the By-Laws.

5.06 DIRECTOR AND OFFICER LIABILITY: Neither the directors nor the officers of the Association shall be personally liable to the Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors and officers except for any acts or omissions found by a court to constitute criminal conduct, gross negligence, or fraud. The Association shall indemnify and hold harmless the Declarant, Declarant and each of the directors and officers, his heirs, executors or administrators, against all contractual and other liabilities to others arising out of contracts made by or other acts of the directors and officers on behalf of the Owners or the Association or arising out of their status as directors or officers unless any such contract or act shall have been made criminally, fraudulently or with gross negligence. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel, fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative, or other in which any such director may be involved by virtue of such person being or having been such director or officer; provided, however, that such indemnity shall not be operative with respect to (i) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for criminal conduct, gross negligence or fraud in the performance or his duties as such director or officer, or (ii) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person being adjudged liable for criminal conduct, gross negligence or fraud in the performance of his duties as such director or officer.

5.07 MANAGING AGENT: The Declarant (or an entity controlled by the Declarant) may be engaged by the Association to act as the managing agent for the Association and as managing agent shall be paid a reasonable fee for its services as fixed by a written agreement between the Association and the Declarant (or an entity controlled by the Declarant). Any management agreement entered by the Association prior to the Turnover Date shall be terminable by the Association without cause or payment of a termination fee on 90 days written notice.

ARTICLE SIX
Assessments

6.01 PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be exclusively for the purposes of promoting the recreation, health, safety, and welfare of members of the Association, to administer the affairs of the Association to pay the Community Expenses, and to accumulate reserves for any such expenses. The assessments levied by the Association hereunder are in addition to, and not in substitution for the assessments due from each Owner to the Master Association pursuant to Article IX of the Wynstone Declaration.

6.02 COMMUNITY ASSESSMENT: Each year on or before December 1, the Board shall adopt and furnish each Owner with a budget for the ensuing calendar year, which shall show the following with reasonable explanations and itemizations:

- (1) The estimated Community Expenses;
- (2) The estimated account, if any, to maintain adequate reserves for Community Expenses including, without limitation, amounts to maintain the Capital Reserve;
- (3) The estimated excess funds, if any, from the current year's assessments;
- (4) The amount of the "Community Assessment" payable by the Owners, which is hereby defined as the amount determined in (1) above, plus the amount determined in (2) above, minus the amount determined in (3) above;
- (5) That portion of the Community Assessment which shall be payable every quarter (or for such interval as determined by the Board from time to time) by the Owner of each Dwelling Unit which is subject to assessment hereunder, which shall be equal to the Community Assessment divided by the number of assessments during the year then divided by the number of Dwelling Units, so the equal Community Assessments shall be paid with respect to each Dwelling Unit.

Anything in this Section to the contrary notwithstanding, during the Initial Development Period the assessment procedure set forth in Section 6.08 shall apply and the budget provided for in this Section need not disclose the information called for in Subsection (5) above, although the budget shall disclose the portion of each

Owner's share of the Community Assessment which shall be added to the Capital Reserve.

6.03 PAYMENT OF COMMUNITY ASSESSMENT: On or before the 1st day of January of the ensuing calendar year, and on or before the 1st day of each and every quarter (or such interval as determined by the Board from time to time) thereafter until the effective date of the next annual or revised Community Assessment, each Owner of a Dwelling Unit which is subject to assessment shall pay to the Association, or as the Board may direct, that portion of the Community Assessment which is payable by each Owner of a Dwelling Unit under Section 6.02 (5).

6.04 REVISED ASSESSMENT: If the Community Assessment proves inadequate for any reason (including nonpayment of any Owner's assessment) or proves to exceed funds reasonably needed, then the Board may increase or decrease the assessment payable under Section 6.02 (5) by giving written notice thereof (together with a revised budget and explanation for the adjustment) to each Owner not less than ten (10) days prior to the effective date of the revised assessment.

6.05 SPECIAL ASSESSMENT: The Board may levy a special assessment as provided in this Section (i) to pay (or buildup reserves to pay) expenses other than Community Expenses incurred (or to be incurred) by the Association from time to time for a specific purpose including, without limitation, to make alterations, additions or improvements to the Dwelling Unit Exteriors, or any other property owned or maintained by the Association; or (ii) to cover an unanticipated deficit under the prior year's budget. Any special assessment shall be levied against all the Dwelling Units in equal shares. No special assessment shall be adopted without two-thirds (2/3) of the Voting Members who cast their votes on the question. The Board shall serve notice of a special assessment on all Owners by a statement in writing giving the specific purpose and reasons therefor in reasonable detail, and the special assessment shall be payable in such manner and on such terms as shall be fixed by the Board. Any assessments collected pursuant to this Section (other than those to cover an unanticipated deficit under the prior year's budget) shall be segregated in a special account and used only for the specific purpose set forth in the notice of assessment.

6.06 CAPITAL RESERVE: The Association shall segregate and maintain special reserve accounts to be used solely for making capital expenditures in connection with the Dwelling Unit Exteriors (the "Capital Reserve"). The Board shall determine the appropriate level of the Capital Reserve based on a periodic review of the useful life of improvements to the Dwelling Unit Exteriors and other property owned by the Association and periodic projections of the cost of anticipated major repairs or replacements to the Dwelling Unit Exteriors and the purchase of other property to be used by the Association in connection with its duties hereunder. Each budget shall disclose that percentage of the Community Assessment which shall be added to the Capital Reserve and each Owner shall be deemed to make a capital contribution to the Association equal to the percentages multiplied by each installment of the Community Assessment paid by such Owner.

6.07 INITIAL CAPITAL CONTRIBUTION: Upon the closing of the first sale of a Dwelling Unit by the Declarant to a purchaser for value, the purchasing Owner shall make a capital contribution to the Association in the amount equal to three (3) months' Community Assessment at the rate in effect with respect to the Dwelling Unit as of the closing. Said amount shall be held and used by the Association for its working capital needs.

6.08 ASSESSMENTS DURING DEVELOPMENT PERIOD: Anything herein to the contrary notwithstanding, from the date of the Recording of this Declaration until the Turnover Date ("Initial Development Period"), the assessment procedure set forth in the Section shall apply.

(a) The Basic Assessment. The basic assessment ("Basic Assessment") shall be \$355.00 per Dwelling Unit per month.

(b) Cost of Living Increase. If, as of the first day of any month after this Declaration is Recorded, the level of the most recently published Consumer Price Index, United States City Average, All Urban Consumers, All Items (1982-84=100) as published from time to time by the Bureau of Labor Statistics (the "Index"), is greater than 125 (the "Index Base Level"), then, at the option of the Board, the Community Assessment payable by each Owner (other than Declarant) for such month and months thereafter until next adjusted, shall be equal to the Basic Assessment then in effect multiplied by a fraction, the numerator of which shall be the level of the most recently published Index and the denominator of which shall

be the Index Base Level. If the Index shall cease being published, such other standard or index selected by the Declarant, in its discretion, as shall most nearly approximate the measurements theretofore made by the Index shall be used as the Index hereunder, and the Index Base Level shall be adjusted accordingly.

(c) Application of Assessments. Each month each Owner (other than the Declarant) shall pay as his monthly Community Assessment the amount determined under (a) and (b) above. Out of each such payment, the Association shall add that portion of the payment which is designated in the budget as a capital contribution under Section 6.06 to the Capital Reserve. The balance of each such payment shall be used by the Association to pay the Community Expenses.

(d) Declarant's Obligation. During the Initial Development Period neither the Declarant nor the Declarant shall be obligated to pay any amounts to the Association as a Community Assessment except as provided in this Subsection. The Declarant shall pay to the Association the aggregate excess, if any, of the Community Expenses incurred and paid during the Initial Development Period over the aggregate amounts assessed to the Owners (other than Declarant) for use by the Association for the payment Community Expenses under Subsection (c) during the Initial Development Period. The Declarant shall make such payments to the Association as needed during such period (but at least quarter-annually) and a final accounting shall be made between Declarant and the Association within 120 days after the end of the Initial Development Period. Neither the Declarant nor the Declarant shall be responsible for the payment of any amounts to the Capital Reserve during the Initial Development Period.

6.09 PAYMENT OF ASSESSMENTS: Assessments levied by the Association shall be collected from each Owner by the Association and shall be a lien on the Owner's Dwelling Unit and shall be a personal obligation of the Owner in favor of the Association, all as more fully set forth in Article Seven.

ARTICLE SEVEN
Collection of Charges and
Remedies for Breach of Violation

7.01 CREATION OF LIEN AND PERSONAL OBLIGATION: The Declarant and Declarant hereby covenant, and each Owner of a Dwelling Unit by acceptance of a deed therefor (whether or not it shall be so expressed in any such deed or other conveyance) shall be and is deemed to covenant and hereby agrees to pay to the Association all Charges made with respect to the Owner on the Owner's Dwelling Unit. Each Charge, together with interest thereon and reasonable cost of collection, if any, as hereinafter provided, shall be a continuing lien upon the Dwelling Unit against which such Charge is made and shall be the personal obligation of the Owner of the Dwelling Unit at the time when the Charge becomes due. The lien or personal obligation created under this Section shall be in favor of and shall be enforceable by the Association.

7.02 COLLECTION OF CHARGES: The Association shall collect from each Owner all Charges payable by such Owner under this Declaration.

7.03 NON-PAYMENT OF CHARGES: Any Charge which is not paid to the Association when due shall be deemed delinquent. Any charge which is delinquent for thirty (30) days or more shall bear interest at the rate of eighteen (18%) per annum from the due date to the date when paid. The Association may (i) bring an action against the Owner personally obligated to pay the Charge (together with interest, costs, and reasonable attorney's fees for any such action, which shall be added to the amount of the Charge and included in any judgment rendered in such action), and (ii) enforce and foreclose any lien which it has or which may exist for its benefit. In addition, the Board may add a reasonable late fee to any installment of an assessment which is not paid within thirty (30) days of its due date. No Owner may waive or otherwise escape personal liability for the Charges hereunder by abandonment or transfer of his Dwelling Unit.

7.04 LIEN FOR CHARGES SUBORDINATED TO MORTGAGES: The lien for Charges, provided for in Section 7.01, shall be subordinate to (i) any First Mortgage on the Dwelling Unit which was recorded prior to the date that any such Charge became due and (ii) the lien for delinquent assessments under the Wynstone Declaration. Except as hereinafter provided, the lien for Charges, provided for in

Section 7.01, shall not be affected by any sale or transfer of a Dwelling Unit. Where title to a Dwelling Unit is transferred pursuant to a decree of foreclosure of the Mortgagee's mortgage or by deed or by assignment in lieu of foreclosure of the Mortgagee's mortgage, such transfer of title shall extinguish the lien for unpaid Charges which became due prior to the date of the transfer of title. However, the transferee of the Dwelling Unit shall be personally liable for his share of the Charges with respect to which a lien against his Dwelling Unit has been extinguished pursuant to the preceding sentence where such Charges are reallocated among all the Owners pursuant to a subsequently adopted annual or revised Community Assessment or special assessment, and non-payment thereof shall result in a lien against the transferee's Dwelling Unit, as provided in this Article.

7.05 SELF-HELP BY BOARD: In the event of a violation or breach by an Owner of the provisions, covenants or restrictions of the Declaration, the By-Laws, or rules or regulations of the Board, where such violation or breach may be cured or abated by affirmative action, then the Board, upon not less than ten (10) days' prior written notice to the Owner, shall have the right to enter upon that part of the Premises where the violation or breach exists to remove or rectify the violation or breach; provided that if the violation or breach exists within a Dwelling Unit, judicial proceedings must be instituted before any items of construction can be altered or demolished.

7.06 OTHER REMEDIES OF THE BOARD: In addition to or in conjunction with the remedies set forth above, enforcement of any of the provisions contained in this Declaration or any rules and regulations adopted hereunder may be by proceeding at law or in equity by the Association against any person or persons violating or attempting to violate any such provisions, either to restrain such violation, require performance thereof, to recover sums due or payable or to recover damages, and against the land to enforce any lien created hereunder; and failure by the Association or any Owner to enforce any provision shall in no event be deemed a waiver of the right to do so thereafter.

7.07 COSTS AND EXPENSES: All costs and expenses incurred by the Board in connection with any action, proceedings or self-help in connection with exercise of its rights and remedies under this Article, including, without limitation, court costs, attorneys' fees and all other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the rate of eighteen percent (18%)

per annum until paid, shall be charged to an assessed against the defaulting Owner, and the Association shall have a lien for all the same, upon his Dwelling Unit as provided in Section 7.01.

7.08 ENFORCEMENT BY OWNERS: Enforcement of the provisions contained in this Declaration and the rules and regulations adopted hereunder may be by any proceeding at law or in equity by any aggrieved Owner against any person or persons violating or attempting to violate any such provisions, wither to restrain such violation or to recover damages, and against a Dwelling Unit to enforce any lien created hereunder.

7.09 RIGHTS OF THE MASTER ASSOCIATION AND THE WYNSTONE DECLARATION DECLARANT: In the event the Association, or any Owner or Owners of a Dwelling Unit fails to comply with any of the covenants and conditions contained herein, relating to the maintenance of the Dwelling Units, and such delinquency shall exist for a period of thirty (30) days after notification by the Master Association of such failure to the Association or the Master Association shall have the right, but not the obligation, to enter upon the affected Dwelling Unit to provide such maintenance as is required, either directly or through independent contractors, and any direct or indirect cost incurred by either of them in connection therewith shall, upon demand, be reimbursed to them by the Association or any Owner or Owners of a Dwelling Unit or Dwelling Units (as the case may be). The Master Association shall have the right to lien the Owners of all Dwelling Units (if against the Association) or the Owners of the Dwelling Units responsible for said maintenance or improvement for the costs incurred, together with interest thereon at a maximum rate of interest per annum permitted by the usury laws of the State of Illinois from the date of demand. Such liens shall be enforceable against said Owners as if said liens were assessed by the Association. Notwithstanding the foregoing, the Master Association shall not be under any obligation to compel such compliance, and their failure to do so shall in no event be deemed a waiver of their right to do so at a later time.

ARTICLE EIGHT
Party Walls

8.01 PARTY WALL: Every wall, including the foundations therefor, which is built as part of the original construction of a building and placed on the boundary line between separate Dwelling Units shall constitute and be a "Party Wall", and the Owner of a Dwelling Unit immediately adjacent to a Party Wall shall have the obligation and be entitled to the rights and privileges of these covenants and, to the extent not inconsistent herewith, the general rules of law regarding party walls.

8.02 RIGHTS IN PARTY WALL: Each Owner of a Dwelling Unit, which is adjacent to a Party Wall, shall have the right to use the Party Wall for support of the structure originally constructed thereon and all replacements thereof and shall have the right to keep, maintain, repair, and replace therein all pipes, conduit, and ducts originally located therein and all replacements thereof.

8.03 DAMAGE TO PARTY WALL:

(a) If any Party Wall is damaged or destroyed through the act or acts of any Owner of a Dwelling Unit which is adjacent to such Party Wall, or his agents, servants, tenants, guests, invitees, licensees, or members of his family, whether such act is willful, negligent or accidental, such Owner shall forthwith proceed to rebuild or repair the same to as good as a condition as in which such Party Wall existed prior to such damage or destruction without costs therefor to the Owner of the other adjoining Dwelling Unit.

(b) Any Party Wall damaged or destroyed by some act or event other than one caused by the Owner of a Dwelling Unit which is adjacent to such Party Wall, or his agents, servants, tenants, guests, invitees, licensees, or members or his family, shall be rebuilt or replaced by the Owners of the adjacent Dwelling Units to as good a condition as in which such Party Wall existed prior to such damage or destruction at joint and equal expense of such Owners, and as promptly as is reasonably possible.

(c) In the event that any Owner shall fail, within a reasonable time after the occurrence of damage or destruction referred to in this Section, to perform the necessary repair or rebuilding, then, the Board may cause such repairs or rebuilding

to be performed in the manner as provided in this Section and the cost thereof shall be charged to such Owner as his personal obligation and shall be a continuing lien on the Owner's Parcel.

8.04 CHANGE IN THE PARTY WALL: Any Owner of a Dwelling Unit who proposes to modify, rebuild, repair or make additions to any structure upon his Dwelling Unit in any manner which requires the extension, alteration or modification of any Party Wall shall first obtain the written consent thereto, as to said Party Wall, of the Owner(s) of the other adjacent Dwelling Unit(s) and the Board, in addition to meeting any other requirements which may apply.

8.05 ARBITRATION: In the event of a disagreement between Owners of a Dwelling Units adjoining Party Wall with respect to their respective rights or obligations as to such Party Wall, upon the written request of either of said Owners to the other the matter shall be submitted to the Board and the decision of the Board shall be final and binding.

ARTICLE NINE

Declarant's Reserved Rights and Special Provisions Covering Development Period

9.01 IN GENERAL: In addition to any rights or powers reserved to the Declarant under the provisions of this Declaration or the By-Laws, the Declarant shall have the rights and powers set forth in this Article. Anything in this Declaration or the By-Laws to the contrary notwithstanding, the provisions set forth in this Article shall govern. If not sooner terminated as provided in this Article, the provisions of this Article shall terminate and be of no further force and effect from and after such time as the Declarant in no longer vested with or controls title to any part of the Premises. The rights reserved to Declarant hereunder shall be subject to compliance with applicable requirements of the Wynstone Declaration.

9.02 PROMOTION OF PROJECT: In connection with the promotion, sale or rental of any improvements upon the Premises: (i) the Declarant shall have the right and power, within its sole discretion, to construct such temporary or permanent improvements, or to do such acts or other things in, on, or to the Premises as the Declarant may, from time to time, determine to be necessary or

advisable, including, without limitation, the right to construct and maintain model Dwelling Units, sales or leasing offices, parking areas, advertising signs, lighting and banners, or other promotional facilities at such locations and in such forms as the Declarant may deem advisable; and (ii) Declarant, its agents, prospective purchasers and tenants, shall have the right of ingress, egress and parking in and through, the Dwelling Unit Exteriors at any and all reasonable times without fee or charge. The Declarant shall have the right and power to lease any unit owned by it or the Declarant to any person or entity which it deems appropriate in its sole discretion and it need not comply with the provisions of Section 3.14.

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

9.04 GRANT OF EASEMENTS AND DEDICATIONS: Declarant shall have the right to reserve or grant easements over the Dwelling Unit Exteriors to any governmental authority, public utility or private utility for the installation and maintenance of electrical and telephone conduit and lines, gas, sewer or water lines, or any other utility services serving any Dwelling Unit, or any other real estate (whether or not a part of the Premises).

9.05 DECLARANT CONTROL OF ASSOCIATION: The first and all subsequent Boards shall consist solely of three (3) persons from time to time designated by the Declarant, which persons may, but need not, be members under Section 5.02. Declarant's rights under this Section to designate the members of the Board shall terminate on the first to occur of (i) such time as Declarant no longer holds or controls title to any Dwelling Unit, (ii) the giving of written notice by Declarant to

the Association of Declarant's election to terminate such rights, (iii) ten (10) years from the date of Recording hereof, or (iv) within ninety (90) days of the consummation of the sale by Declarant of seven (7) Dwelling Units. The date on which the Declarant's rights under this Section shall terminate shall be referred to as the "Turnover Date". Prior to the Turnover Date, the Voting Members may elect that number of non-voting counselors to the Board as the Declarant may, in its sole discretion, permit. From and after the Turnover Date, the Board shall be constituted and elected as provided in the By-Laws. Prior to the Turnover Date all the voting rights at each meeting of the Owners shall be vested exclusively in the Declarant and the Owners shall have no voting rights.

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

9.07 ASSIGNMENT BY DECLARANT: All rights which are specified in this Declaration to be rights of the Declarant or Declarant are mortgageable, pledgeable, assignable, or transferable. Any successor to, or assignee of, the rights of the Declarant or Declarant hereunder (whether as the result of voluntary assignment, foreclosure, assignment in lieu of foreclosure, or otherwise) shall hold or be entitled to exercise the rights of Declarant or Declarant hereunder as fully as if named as such party herein. No such successor assignee of the rights of the Declarant or Declarant hereunder shall have or incur any liability for the acts of any other party which previously exercised or subsequently shall exercise such rights.

ARTICLE TEN
Wynstone Declaration

10.01 IN GENERAL: This Declaration is subject to the terms of the Wynstone Declaration. All the covenants, restrictions and easements established herein shall be deemed to be supplements to, and not in derogation of, the covenants, restrictions and easements established pursuant to the terms of the Wynstone Declaration. The Development constitutes a Village Home Area as defined in the Wynstone Declaration and shall be subject to all the terms thereof pertaining to Village Home Areas specifically, as well as to Lots and Dwellings generally. In the

event of a conflict between the terms hereof and the terms of the Wynstone Declaration, the Wynstone Declaration shall govern, except to the extent a provision of this Declaration is complementary to, but more restrictive and specific than the pertinent term or provision contained in the Wynstone Declaration. The determination by the Board of Directors of the Master Association as to the resolution of such conflict shall be binding upon all Owners and the Association.

ARTICLE ELEVEN Amendment

11.01 SPECIAL AMENDMENTS: Anything herein to the contrary notwithstanding, Declarant reserves the right and power to Record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration, (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make purchase, sell, insure, guarantee or otherwise deal with first mortgages covering Dwelling Units, (iii) to correct errors in the Declaration or any Exhibit, or (v) to bring the Declaration into compliance with applicable laws, ordinances or governmental regulations. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted the Declarant to make or consent to a Special Amendment on behalf of each Owner. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Dwelling Unit and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Declarant to make, execute and Record Special Amendments. The right and power to make Special Amendments hereunder shall terminate at such time as Declarant no longer holds or controls title to a Dwelling Unit.

11.02 AMENDMENT: Subject to Section 11.01 and Article Twelve, the provisions of this Declaration may be amended, abolished, modified, enlarged, or otherwise changed in whole or in part by the affirmative vote of at least seventy-five percent (75%) of the Voting Members or by an instrument executed by Owners

of at least seventy-five percent (75%) of the Dwelling Units; except, that (i) the provisions of this Section 11.02 may be amended only by an instrument executed by all of the Owners and all Mortgagees, (ii) Article Eight, Article Nine or any other provisions relating to the rights of Declarant or Declarant may be amended only upon the written consent of the Declarant, (iii) no amendment which purports to change the rights of the Master Association or which creates a conflict with the terms of the Wynstone Declaration shall become effective unless consented to, in writing, by the Master Association, and (iv) no amendment to the Declaration which changes the ratio of assessments against Owners shall become effective without the consent of all Mortgagees. No amendment which removes Premises from the provisions of this Declaration shall be effective if as a result of such removal, an Owner of a Dwelling Unit shall no longer have the legal access to a public way from his Dwelling Unit. No amendment shall become effective until properly Recorded.

ARTICLE TWELVE
Mortgagees' Rights

12.01 NOTICE TO MORTGAGEES: Upon the specific, written request of a Mortgagee or the Administrator, a Mortgagee shall receive some or all the following:

- (a) Copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Association to the Owner of the Dwelling Unit covered by the Mortgagee's mortgage;
- (b) Any audited or unaudited financial statements of the Association which are prepared for the Association and distributed to the Owners;
- (c) Copies of notices of meetings of the Owners;
- (d) Notice of the decision of the Owners to release any part or all the Premises from the provisions of this Declaration;
- (e) Notice of the decision of the Owners to make any material amendment to the Declaration, the By-Laws, or the Articles of Incorporation of the Association;
- (f) Notice of any default by the Owner of the Dwelling Unit which is subject to the Mortgagee's mortgage under this Declaration, the By-Laws or the rules and regulations of the Association which is not cured within thirty (30) days of the date of the default;

(g) The right to examine the books and records of the Association at any reasonable time.

The request of a Mortgagee or Administrator or other such party shall specify which of the above it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Association. Failure of the Association to provide any of the foregoing to a Mortgagee who has made a proper request therefore shall not affect the validity of any act which is related to any of the foregoing.

ARTICLE THIRTEEN

Miscellaneous

13.01 NOTICES: Any notice required to be sent to any Owner under the provisions of this Declaration or the By-Laws shall be deemed to have been properly sent when (i) mailed, postage prepaid, to his or its best known address as it appears on the records of the Association at the time of such mailing or (ii) when delivered personally to his Dwelling Unit.

13.02 CAPTIONS: The Article and Section headings are intended for convenience only and shall not be construed with any substantive effect in this Declaration. In the event of any conflict between statements made in recitals to this Declaration and the provisions contained in the body of this Declaration, the provisions in the body of this Declaration shall govern.

13.03 SEVERABILITY: Invalidation of all or any portion of any of the easements, restrictions, covenants, conditions, or reservations, by legislation, judgment or court order shall in no way affect any other provisions of this Declaration which shall, and all other provisions, remain in full force and effect.

13.04 PERPETUITIES AND OTHER INVALIDITY: If any of the options, privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rules imposing time limits, then such provisions shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of the President of the United States at the time this Declaration is Recorded.

13.05 TITLE HOLDING LAND TRUST: In the event title to any Dwelling Unit is conveyed to a title holding trust, under the terms of which all powers of management, operation and control of the Dwelling Unit remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all assessments, charges or payments hereunder and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Dwelling Unit. No claims shall be made against any such title holding trustee personally for payment of any lien or obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon the Dwelling Unit and the beneficiaries of such trust notwithstanding any transfers of the beneficiary interest of any such trust or any transfers of title to such Dwelling Unit.