

**PRAIRIE WOODS SUBDIVISION
DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND RESTRICTIONS**

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This Declaration made this 14 day of August, 2006 by PRAIRIE WOODS ASSOCIATES, LLC, an Illinois limited liability company ("Declarant").

RECITALS:

- A. Declarant is the title holder of that certain real property, consisting of approximately 70 acres, situated in the Village of Island Lake, McHenry County, Illinois, the legal description of which is set forth on Exhibit A attached hereto and made a part hereof (the "Property").
- B. Declarant intends to develop the Property into single family residences.
- C. In order to preserve and enhance the value of the Property, Declarant will form an Illinois Not-For-Profit Association ("Association"), comprised of each of the Owners of the Lots within the Property, which will have the responsibility of maintenance of the Common Areas and enforcement of the restrictions, covenants and conditions as herein provided.
- D. Declarant intends to subject the Property to the covenants, conditions, easements and restrictions hereinafter set forth, each and all of which are for the benefit of the Owners and the Association.

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following covenants, conditions, easements and restrictions which are for the purpose of protecting the value and desirability of, and which shall run with the Property and be binding upon and inure to the benefit of all parties having any right, title or interest in the Property or any part thereof, their respective personal representatives, successors and assigns.

ARTICLE I

DEFINITIONS

Section 1. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot including contract sellers and title holding trusts. Each Lot, for the purposes of this Agreement, shall be deemed to have one Owner. Declarant shall, as long as it owns any Lot, be an Owner. An Owner may also be referred to herein as a Unit Owner, a Lot Owner or a Homeowner.

Section 2. "Association" shall mean and refer to the Lot Owners' Association to be formed, its successors and assigns. The Association shall be the governing body for all of the Owners with respect to the administration, maintenance and repair of certain portions of the Property, as provided herein, and the Association shall be the legal representative for all matters and claims relating directly or indirectly to the Common Areas or matters of common interest to all Owners. Each Owner shall automatically become and be a member of the Association so long as he or she

continues as an Owner. Upon the termination of an Owner's interest in a Lot, his or her membership shall thereupon automatically terminate and transfer; and inure to the new Owner succeeding in interest.

Section 3. "Plat of Subdivision" shall mean and refer to the Plat of Subdivision for Prairie Woods Subdivision recorded June 16, 2005 in the Office of the Recorder of McHenry County, IL, as Document No. 2005R0047245 and any other recorded plat of subdivision relating to the Property.

Section 4. "Common Areas" shall mean those areas of the Property referred to as Outlots A through H on the Plat of Subdivision, subject to the provisions of Article VI, Section 2 hereof.

Section 5. "Lots" shall mean and refer to the subdivided parcels of land which are a part of the Property, which are shown on the Plat of Subdivision, and which are intended for development of single family residences.

Section 6. "Village" shall mean the Village of Island Lake, an Illinois municipal Association. Any covenants or provisions contained herein are intended to inure to the benefit of the Village and any governmental body or agency hereafter designated or appointed by the Village to provide maintenance, repair, drainage or landscaping services for or upon the Property.

ARTICLE II

PROPERTY RIGHTS

Section 1. Association Maintenance Easements. Declarant does hereby grant to the Association an access easement for maintenance and repair over the Common Areas. Declarant also hereby grants to the Association an access easement for maintenance, repair and replacement of a fence along Dowell Road to be located on Outlot A and Lots 1, 33, 34, 35 and 36, as provided in Section 2 below.

Section 2. Declarant's Easement. Declarant, on behalf of itself and its agents, employees, contractors, successors and assigns, hereby retains (a) the right and easement to maintain and repair the Common Areas, until such time as Declarant no longer owns any Lots; (b) the right to enter upon the Common Areas from time to time to the extent reasonably necessary to repair or maintain any facilities in the Common Areas; (c) the right to construct a fence along Dowell Road on Outlot A and Lots 1, 33, 34, 35 and 36; provided, however, such fence shall not be constructed in any drainage, conservancy or utility easement area, without the prior approval of the Village; (d) the right to construct a Sales Office and model home area on designated areas of the Property; and (e) an easement, for the purpose of erecting, maintaining, repairing and replacing billboards, banners and exterior lighting, and other advertising and promotional displays over and across the Common Areas and the exterior of any structure or any Lot being used as a model for so long as Declarant, its agents, employees, contractors, successors and assigns is engaged in the construction, sale or leasing of Lots on any portion of the Property.

Section 3. Village Easements. Declarant hereby grants to the Village a perpetual easement over, under and upon Outlots A through H to perform any and all reasonably required activities with respect to snow storage and preservation or maintenance of the drainage conditions in said Outlots A through H in the event that the Association fails to do so in an appropriate manner.

Section 4. Governmental Easements. Declarant hereby grants to the Village and to McHenry Township Fire Protection District and Wauconda Fire Department a perpetual easement to enter upon the Property, including the Common Areas and Lots, for the purposes of (a) maintaining, repairing, reconstructing and replacing any Village water and storm sewer lines and mains and appurtenant structures and facilities, the lift station and force main, if any, any retention and detention facilities and any other Village utilities, and pipes, cables and appurtenant structures or any cable TV or other utility licensed or designated by the Village to provide utility or cable TV services; (b) maintaining the Village streets and the sidewalks; (c) providing governmental services, including, but not limited to, fire protection and police protection; (d) enforcing all Village ordinances, state statutes and other laws, including, but not limited to, reading meters and ticketing vehicles parked in violation of Village rules and regulations; and (e) abating, correcting or eliminating of any nuisance or any violation of any Village ordinance, state statute or other law.

Section 5. Sanitary District Easements. Declarant hereby grants to the Northern Moraine Wastewater Reclamation District a perpetual easement to enter upon the Property, including the Common Areas and Lots, for the purpose of (a) maintaining, repairing, reconstructing and replacing any sanitary sewer lines and mains and appurtenant structures and facilities, the lift station and force main, if any; and (b) abating, correcting or eliminating of any nuisance or violation of any ordinance, state statute or other law relating to such sanitary sewer, lines and mains.

Section 6. Prohibited Actions. Any activity on, or use of said Conservancy and Drainage Easement ("Easement") that is inconsistent with the purpose of this covenant is expressly prohibited. By way of example, but not by way of limitation, the following activities and uses are explicitly prohibited:

- a. Division. Any division or subdivision of the Easement areas is prohibited.
- b. Commercial Activities. Any commercial activity on the Easement areas, except for passive recreational activity, is prohibited.
- c. Industrial Activities. Any industrial activity on the Easement areas is prohibited.
- d. Construction. The placement or construction of any human made structure or feature on the Easement areas including, but not limited to, buildings, fences, roads, and parking lots is prohibited.
- e. Vegetation. Any cutting, mowing, plowing, or removal of trees or other vegetation in the Easement areas is prohibited, except for the cutting or removal of trees, which pose a threat to human life or property. Removal of non-native vegetation from the wetland and buffer areas is permitted, if conducted in accordance with an approved maintenance plan.

f. Land Surface Alteration. Any alteration of the land surface in the Easement areas after construction of the subdivision is prohibited, including, but not limited to, the placement of dredged or fill material, excavation, and grading. In addition, mining of any substance that must be quarried or removed by methods that will consume or deplete the surface estate, including, but not limited to, the removal of topsoil, sand, gravel, rock, and peat, and exploring for, developing, and extracting oil, gas, hydrocarbons, or petroleum products are all prohibited activities in the Easement areas.

g. Utilities. Unless included as part of the permitted plans, no underground or overhead utility lines shall be allowed in the Easement areas, including, but not limited to sewer, water, electrical, gas, telephone, and cable television. Existing lines may remain, but any proposed maintenance work requiring intrusion into Easement areas shall require prior written authorization from the Lake County Stormwater Manager Commission ("SMC") and the Village of Island Lake, except for emergency repair of utility lines that pose a threat to human health and safety.

h. Dumping. Waste, debris, and unsightly or offensive material is not allowed and may not be accumulated on the Easement areas.

i. Water Courses. Natural water courses, lakes, wetlands, or other bodies of water may not be altered.

j. Off-Road Recreational Vehicles. Motorized off-road vehicles including, but not limited to, snowmobiles, dune buggies, all-terrain vehicles, and motorcycles may not be operated on the Easement areas, except on designed trails shown on the permitted plans.

k. Signs and Billboards. Billboards are prohibited. Signs are prohibited, except the following signs may be displayed to specifically state: 1) The name and address of the property of the owner's name; 2) the area is a protected wetland/conservation area; 3) prohibition of any unauthorized entry or use; or 4) an advertisement for the sale or rent of the Property.

Section 7. Easements to Run with the Land. All easements and rights described and granted in this Declaration are easements appurtenant to and run with the land, perpetually in full force and effect, and at all times shall inure to the benefit of and be binding on Declarant, its successors and assigns, and any Owner, purchaser, mortgagee and other person having an interest in the Property, or any part or portion thereof. Reference in any deed of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Declaration shall be sufficient to create and reserve such easements and rights to the respective grantee, mortgagee or trustee of Declarant and the Owner as fully and completely as though such easements and rights were set forth and recited in their entirety in such document.

ARTICLE III

MAINTENANCE OF PROPERTY

Section 1. Common Areas and Easements. Declarant, and thereafter upon its establishment, the Association, shall be charged with the responsibility for the ownership, maintenance, landscaping, repair, restoration and upkeep of all of the Common Areas and the fence along Dowell Road on Outlot A and Lots 1, 33, 34, 35 and 36, as provided in Article II Section 2, and may employ, retain, or contract with appropriate entities or individuals as necessary to perform the obligations stated herein. Management and care of the storm sewer system, including storm sewer piping, inlets, catch basins, control structures, and flared end sections, is the responsibility of the Village. All Common Areas which include wetlands, flood plains and floodways must be maintained in accordance with all applicable Village and McHenry County Codes and Ordinances. All such wetlands, flood plains and floodways shall be maintained in their natural state to the extent practical. All wetlands shall be protected in accordance with applicable storm water management regulations, soil erosion control ordinances and applicable regulations of state and federal agencies having jurisdiction over such matters, including the U.S. Army Corps of Engineers. The Common Areas include Village limited restorative easement rights for water and sanitary sewer and signage.

Maintenance obligations of the Association shall include, but shall not be limited to, performing necessary inspections and procuring required personnel to perform any repair work in the Common Areas. The Association shall conduct regular housekeeping inspections of the detention areas and shall take corrective action to remove accumulated sediment and debris that may affect the function of the detention areas or control structures and to repair erosion. Housekeeping inspections shall be conducted annually, or more frequently as required, to maintain the functionality of the detention areas. Corrective measures shall be designed to prevent future erosion from occurring and shall be subject to the approval of the Village.

Management and care of the sanitary sewer system shall be the responsibility of the Northern Moraine Wastewater Reclamation District.

Upon the failure of Declarant or the Association to perform any of its maintenance duties or other obligations relating to the Common Areas within thirty (30) days after delivery of written notice to the Association at its last address known to the Village, the Village shall have the right, but not the obligation, to enter upon the Property and the Common Areas to abate, correct, or eliminate any nuisance or any violation of Village ordinance, state statute or other law at the expense of the Association. In such case, the Village shall be entitled to reimbursement from the Association and/or the Owners on a pro rata lot basis for any expenses incurred by the Village in connection with such, and to the right to lien and enforce its lien for such expenses.

This Declaration shall constitute a contract between the Association and all of the Owners from time to time of the Lots for the performance of such work as the Village may determine to be reasonably required to abate such nuisance or correct or eliminate such violation. The Association and the Owners from time to time of the Lots are hereby given notice that the Village has the right to perform and may perform such work without further notice.

Attached hereto as Exhibit C is information concerning the wetlands area and the maintenance thereof.

Residents of the Property are encouraged to notify the Village if there are problems with the storm sewer system.

Section 2. Lots. The Owner of each Lot shall at all times and at his or her own expense keep his or her respective Lot, and the buildings, improvements, and appurtenances thereon in a safe, clean and, wholesome condition and comply in all respects with all governmental, health, fire, and police requirements and regulations, including all building lines and, if applicable, all wetland building lines and wetland buffer zones, setbacks and conservancy easements as depicted on the Plat of Subdivision and as contained in the Annexation Agreement dated September 9, 2004, the Ordinance approving the Annexation Agreement recorded June 26, 2006, as Document No. 2006R0046430 and the Ordinance annexing the Property recorded October 05, 2004, as Document No. 2004R0089167 in the office of the McHenry County Recorder. Owners shall in no manner be permitted to obstruct or divert the natural surface water drainage across and over their Lots. Owners shall not use or permit the use of any of the detention or retention areas, if any, for any activity other than drainage purposes. In the event an Owner fails to comply with any or all of such specifications or requirements, the Association shall have the obligation, right, privilege and license to enter upon such Lot and shall have the duty to make any and all corrections or improvements that may be necessary to meet such standards, and to charge such Owner the expenses incurred in so doing.

ARTICLE IV

LOT OWNERS' ASSOCIATION

Section 1. Membership. Every Owner shall automatically be a member of the Association without the right of withdrawal, and shall remain so as long as he or she remains an Owner. Declarant shall be a member of the Association to the extent of any Lots it owns. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Voting Rights. The Association shall have one class of voting membership. This class shall consist of all Owners including Declarant or Declarant's lender. Each member shall, be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. If the Owners of a Lot cannot agree how their vote shall be cast, their vote shall not be counted.

Section 3. Bylaws. The Association shall be governed by Bylaws which shall be in the form of Exhibit B attached hereto and made a part hereof.

Section 4. Rules and Regulations. The Association shall adopt such Rules and Regulations as it may deem advisable from time to time for the maintenance, conservation, repair and beautification of the Property and for the health, comfort, safety and general welfare of the Owners. The initial Rules and Regulations for the subdivision are attached hereto as Exhibit C. The Rules and Regulations may be amended by a majority vote of the Lot Owners.

Section 5. Payment of Association Charges. Each Owner of any Lot by acceptance of a deed therefor, whether from the Declarant or any Owner, and whether or not expressed in any such deed or other conveyance, for each Lot owned by each Owner shall pay to the Association (a) annual assessments or charges due and payable on a date the board of directors of the Association shall elect; and (b) special assessments to be fixed, established and collected from time to time by the board of directors of the Association. The annual and special assessments, together with statutory interest thereon and the cost of collection thereof, including, but not limited to, reasonable attorneys' fees, shall be a continuing lien upon such Lot against which each such assessment is made. Such assessments shall be a continuing personal obligation of the person who is the Owner of such Lot at the time the assessment was incurred.

ARTICLE V

INSURANCE

Section 1. Liability Insurance. The Association shall acquire as a common expense, a policy or policies of comprehensive general liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Common Areas, including the design, operation or maintenance of the detention basins and retention ponds on Outlots A through H (subject to the provisions of Article VI, Section 2), in the minimum amount of \$1,000,000 for each occurrence and \$1,000,000 in the aggregate and naming the Village, its officials, employees and agents as additional insured, insuring the Association, Owners, and Declarant, and their respective employees, agents, and all persons acting as agents. Declarant shall be included as an additional insured. The insurance shall cover claims of one or more parties against other insured parties. The insurance shall contain a waiver of any rights to subrogation by the insuring company against any of the above named insured persons or entities.

ARTICLE VI

RIGHTS AND OBLIGATIONS OF DECLARANT

Section 1. Initial Administration of the Development. Until the first meeting of the members of the Association, which meeting shall be held in September, 2008, or within sixty (60) days after the conveyance of 80% of the Lots, whichever first occurs, the rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Association by this Declaration, including the insurance provisions contained in Article V, shall be held and performed by Declarant. In exercising such rights and the other rights reserved by Declarant pursuant to this Declaration, Declarant shall not be under any disability which would otherwise be imposed by law by reason of Declarant's interest in the subject matter of the transaction or of any transaction.

Section 2. Non-Recourse to Declarant. It is expressly understood and agreed, anything herein to the contrary notwithstanding, that each of the representations, covenants, undertakings, and agreements herein made on the part of Declarant are made and intended not as personal representations, covenants, undertakings and agreements by Declarant, but are made and intended

solely for the purpose of binding the Property and the Common Areas to the terms, conditions and provisions of this Declaration. No personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against Declarant (or any officers, directors, partners, agents or employees of Declarant) on account of this instrument or on account of any representation, covenant, undertaking or agreement of Declarant in this instrument contained, either express or implied, all such personal liability, if any, being expressly waived and released. The remedy of any Owner for the failure of Declarant to perform any of its obligations, covenants or agreement hereunder is expressly limited to and shall be enforceable only against the Property and the Common Areas.

ARTICLE VII

REAL ESTATE TAXES

Section 1. 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 as otherwise provided herein.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Severability. Invalidation of any one of these covenants, conditions, restrictions or easements by judgment or court order shall in no way affect any other provisions, all of which shall remain in full force and effect.

Section 2. Amendments. At any time and from time to time while these covenants, conditions, easements and restrictions are in effect, they may be amended or revoked by the recording in the Office of the Recorder of McHenry County, Illinois, of an instrument declaring such amendment or revocation, which instrument shall be signed by the undersigned or its successors or assigns or by the then Owners of not less than two-thirds (2/3) of the Lots, 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 undersigned or its successors and assigns shall hold legal title to any Lot or Lots in the Subdivision, 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 undersigned, its successors or assigns, and if not so signed, such amendment or revocation shall not be valid. A Certificate signed and acknowledged by the Board of Directors of the Association shall be prima facie evidence that such instrument of amendment or revocation has been signed by the Owners of the required number of Lots.

Section 3. Rights and Obligations. The provisions of this Declaration and the rights and obligations established hereby shall be deemed to be covenants running with the land and shall inure to the benefit of, and be binding upon, each and all of the Owners and their respective heirs, representatives, successors, assigns, purchasers, grantees and mortgagees. By the recording or the acceptance of a deed conveying a Lot or other document transferring any interest therein, or any ownership interest in the Lot whatsoever, the person to whom such Lot or interest is conveyed shall

be deemed to accept and agree to be bound by and subject to all of the provisions of this Declaration, the Bylaws, and any Rules and Regulations enacted by Declarant or the Board of Directors of the Association, whether or not mention thereof is made in the deed.

Section 4. Title in Trust. In the event title to any Lot shall be conveyed to a title holding 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 Declaration against such Lot. No claim shall be made against the trustee of any title holding trust personally for payment of any claim, lien or obligation hereby created.

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

PARCEL1:

PART OF THE EAST HALF OF THE NORTHWEST QUARTER, AND PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 17, ALL IN TOWNSHIP 44 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID EAST HALF OF THE NORTHEAST QUARTER, THENCE NORTH 00 DEGREES 14 MINUTES 35 SECONDS WEST ALONG THE WEST LINE THEREOF, 19.76 FEET; THENCE SOUTH 89 DEGREES 01 MINUTES 32 SECONDS EAST, 387.32 FEET; THENCE NORTH 00 DEGREES 14 MINUTES 35 SECONDS WEST, 1157.27 FEET TO THE CENTERLINE OF DOWELL ROAD; THENCE NORTH 44 DEGREES 13 MINUTES 21 SECONDS EAST ALONG SAID CENTERLINE, 666.54 FEET; THENCE SOUTH 42 DEGREES 59 MINUTES 52 SECONDS EAST, 676.16 FEET TO THE EAST LINE OF SAID EAST HALF OF THE NORTHEAST QUARTER; THENCE SOUTH 00 DEGREES 40 MINUTES 32 SECONDS EAST ALONG SAID EAST LINE, 1176.14 FEET TO THE SOUTHEAST CORNER OF SAID EAST HALF OF THE NORTHEAST QUARTER; THENCE SOUTH 00 DEGREES 06 MINUTES 38 SECONDS WEST ALONG THE EAST LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 17, A DISTANCE OF 343.41 FEET TO A POINT 979.94 FEET NORTH OF THE SOUTHEAST CORNER THEREOF; THENCE NORTH 89 DEGREES 01 MINUTES 32 SECONDS WEST, 744.02 FEET; THENCE NORTH 66 DEGREES 19 MINUTES 54 SECONDS WEST, 630.72 FEET TO THE WEST LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE NORTH 00 DEGREES 03 MINUTES 35 SECONDS EAST ALONG SAID WEST LINE, 100.04 FEET TO THE PLACE OF BEGINNING, IN McHENRY COUNTY, ILLINOIS.

PARCEL2:

PART OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 17, TOWNSHIP 44 NORTH, RANGE 9, WEST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER, THENCE NORTH 89 DEGREES 06 MINUTES 24 SECONDS WEST ALONG THE SOUTH LINE THEREOF, 1321.12 FEET TO THE SOUTHWEST CORNER OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE NORTH 00 DEGREES 03 MINUTES 35 SECONDS EAST ALONG THE WEST LINE THEREOF, 1225.19 FEET; THENCE SOUTH 66 DEGREES 19 MINUTES 54 SECONDS EAST, 630.72 FEET; THENCE SOUTH 89 DEGREES 01 MINUTES 32 SECONDS EAST, 744.02 FEET TO THE EAST LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE SOUTH 00 DEGREES 06 MINUTES 38 SECONDS WEST ALONG SAID EAST LINE, 979.94 FEET TO THE POINT OF BEGINNING, IN McHENRY COUNTY, ILLINOIS.

EXHIBIT B

BYLAWS

PRAIRIE WOODS HOMEOWNERS ASSOCIATION

ARTICLE I

PURPOSES

As stated in its Articles of Incorporation, the purposes of the Association shall be to maintain, operate and manage a private residential subdivision with Lots, improvements and Common Areas known as "Prairie Woods Subdivision" located in the Village of Island Lake, McHenry County, Illinois.

ARTICLE II

OFFICES

The Association shall maintain in the State of Illinois a registered office and a registered agent at such office and may have other offices within or without the state.

ARTICLE III

MEMBERS

Section 1. MEMBERSHIP. 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 such Lot shall be the sole qualification for membership.

Section 2. VOTING RIGHTS. The association shall have one class of voting membership. This class shall consist of all Owners including Declarant. Each member shall be entitled to one (1) vote for each Lot owned. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. If the Owners of a Lot cannot agree how their vote shall be cast, their vote shall not be counted.

Section 3. TERMINATION OF MEMBERSHIP. Upon the sale or transfer of a Lot or the termination of a beneficial interest in any trust holding title to a Lot, membership in the Association is terminated.

Section 4. TRANSFER OF MEMBERSHIP. Membership in this Association is not transferable or assignable except in conjunction with the sale and purchase of a Lot.

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. ANNUAL MEETING. An annual meeting of the members shall be held on or before September 30th of each year, beginning with the year 2008 or sooner pursuant to the provisions of Article VI, Section 1 of the Declaration, for the purposes of electing directors and for the transaction of such other business as may come before the meeting.

Section 2. SPECIAL MEETING. Special meetings of the members may be called either by the president, the board of directors, or not less than one-tenth of the members having voting rights.

Section 3. PLACE OF MEETING. The board of directors may designate any place within five (5) miles of the Subdivision as the place of meeting for any annual meeting or for any special meeting called by the board of directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the Association in the State of Illinois.

Section 4. NOTICE OF MEETINGS. Written notice stating the place, date, and hour of any meeting of members shall be delivered to each member entitled to vote at such meeting not less than five (5) nor more than forty (40) days before the date of such meeting. In case of a special meeting or when required by statute or by those Bylaws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the Association, with postage thereon prepaid.

Section 5. INFORMAL ACTION BY MEMBERS. Any action required to be taken at a meeting of the members of the Association, or any other action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

Section 6. QUORUM. The members holding one-tenth of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting, a majority of the members present may adjourn the meeting to any time without farther notice. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting; withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

Section 7. PROXIES. Each member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing, without a meeting, may authorize another person or person to act as his or her proxy, but no such proxy shall be voted or acted upon after eleven months from its date, unless the proxy provided for a longer period.

ARTICLE V

BOARD OF DIRECTORS

Section 1. GENERAL POWERS. The affairs of the Association shall be managed by its board of directors.

Section 2. NUMBER TENURE AND QUALIFICATIONS. The number of directors shall be five (5). Each director shall hold office until the next annual meeting of members and until his successors shall have been elected and qualified. Directors need not be residents of Illinois or members of the Association. The number of directors may be decreased to not fewer than three (3) or increased to any number from time to time by amendment of this section. Prior to the first annual meeting the number of directors shall be three (3). At the first annual meeting, the three (3) directors receiving the most votes shall be elected for two (2) year terms and the remaining two (2) directors shall be elected for one (1) year terms. Thereafter, directors shall be elected for two (2) year terms.

Section 3. REGULAR MEETING. A regular annual meeting of the board of directors shall be held without other notice than these Bylaws, immediately after, and at the same place as, the annual meeting of members. The board of directors may provide, by resolution, the time and place for the holding of additional regular meetings of the board without other notice than such resolution.

Section 4. SPECIAL MEETINGS. Special meetings of the board of directors may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the board may fix any place as the place for holding any special meeting of the board called by them but shall not be more than five (5) miles from the Subdivision.

Section 5. NOTICE. Notice of any special meeting of the board of directors shall be given at least two days previously thereto by written notice to each director at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be given two (2) days after it is deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by overnight courier, such notice shall be deemed to be given the day after the overnight courier is delivered to the overnight courier company. Notice of any special meeting of the board of directors may be waived in writing, if signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the board, need be specified in the notice of waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

Section 6. QUORUM. A majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board, provided that, if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting to another time without further notice.

Section 7. MANNER OF ACTING. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by statute, these Bylaws, or the Articles of Incorporation.

Section 8. VACANCIES. Any vacancy occurring in the board of directors or any directorship to be filled, by reason of an increase in the number of directors, shall be filled by the board of directors, unless the articles of in Association a statute, or these Bylaws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 9. COMPENSATION. Directors shall not receive any stated salaries for their services, provided that, nothing herein contained shall be construed to preclude any director from serving the Association in any other capacity and receiving reasonable compensation therefor.

ARTICLE VI

OFFICERS

Section 1. OFFICERS. The officers of the Association shall be president, one or more vice presidents (the number thereof to be determined by the board of directors), a treasurer, a secretary, and such assistant treasurers, assistant secretaries or other officers as may be elected by the board of directors. Officers whose authority and duties are not prescribed in these Bylaws shall have the authority and perform the duties prescribed, from time to time, by the board of directors. Any two or more offices may be held by the same person except for the offices of president and secretary.

Section 2. ELECTION AND TERM OF OFFICE. The officers of the Association shall be elected annually by the board of directors at the regular annual meeting of the board of directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election of an officer shall not in itself create contract rights.

Section 3. REMOVAL. Any officer elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interest of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. PRESIDENT. The president shall be the principal executive officer of the Association. Subject to the direction and control of the board of directors, he or she (a) shall be in charge of the business and affairs of the Association; (b) shall see that the resolutions and directives of the board of directors are carried into effect, except in those instances in which that responsibility is assigned to some other person by the board of directors; and (c) in general, shall discharge all duties incident to the office of the president and such other duties as may be prescribed by the board of direction. The president shall preside at all meetings of the members and of the board of directors.

Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Association or a different mode of execution is expressly prescribed by the board of directors or these Bylaws, the president may execute for the Association any contracts, deeds, mortgages, bonds, or other instruments which the board of directors has authorized to be executed, either individually or with the secretary, any assistant secretary, or any other officer authorized by the board of directors, according to the requirements of the form of the instrument. The president may vote all securities which the Association is entitled to vote, except as and to the extent such authority shall be vested in a different officer or agent of the Association by the board of directors.

Section 5. VICE PRESIDENT. The vice-president (or in the event there is more than one vice-president, each of the vice presidents) shall assist the president in the discharge of his or her duties as the president may direct and shall perform such other duties as from time to time may be assigned to him or her by the president or by the board of directors. In the absence of the president or in the event of the president's inability or refusal to act, the vice president (or in the event there is more than one vice-president, in the order designated by the board of directors, or by the president if the board of directors has not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure) 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. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Association, or a different mode of execution is expressly prescribed by the board of directors or these Bylaws, the vice-president (or any of them if there are more than one) may execute for the Association any contracts, deeds mortgages, bonds or other instruments which the board of directors has authorized to be executed, and the vice-president may accomplish such execution, either individually or with the secretary, any assistant secretary, or any other officer authorized by the board of directors, according to the requirements of the form of the instrument.

Section 6. TREASURER. The treasurer shall be the principal accounting and financial officer of the Association. He or she shall (a) have charge of and be responsible for the maintenance of adequate books of account for the Association; (b) have charge and custody of all funds and securities of the Association, and be responsible therefor, and for the receipt and disbursement thereof; and (c) perform all duties incident to the office of treasurer and such other duties as from time to time may be assigned to him or her by the president or by the board of directors. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the board of directors shall determine. Such bond shall be paid for by the Association.

Section 7. SECRETARY. The secretary shall (a) record the minutes of the meetings of the members and of the board of directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records; (d) keep a register of the post office address of each member, which shall be furnished to the secretary by such member; and (e) perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the board of directors.

Section 8. ASSISTANT TREASURER AND ASSISTANT SECRETARIES. The assistant treasurers and assistant secretaries shall perform such duties as shall be assigned to them by the treasurer or the secretary, respectively, or by the president or the board of directors. If required by the board of directors, the assistant treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the board of directors shall determine. Such bond shall be paid for by the Association.

ARTICLE VII

COMMITTEES

Section 1. COMMITTEES WITH DIRECTORS. The board of directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, including an architectural and landscape committee, each of which shall consist of at least one (1) directors and shall review matters relating to their purpose and make recommendations to the board of directors.

Section 2. OTHER COMMITTEES. Other committees may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Association, and selected by the board of directors of the Association. Any member thereof may be removed by the board of directors whenever in their judgment the best interest of the Association shall be served by such removal. These committees shall make recommendations for actions to the board of directors.

Section 3. TERM OF OFFICE. Each member of a committee shall continue as such until the next annual meeting of the members of the Association and until his successor is appointed, unless the committee shall be sooner terminated or resign, or unless such member shall be removed from such committee by the board of directors, or unless such member shall cease to qualify as a member thereof.

Section 4. CHAIRMAN. One member of each committee shall be appointed chairman.

Section 5. VACANCIES. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointment.

Section 6. QUORUM. Unless otherwise provided in the resolution of the board of directors designating a committee, a majority of the whole committee shall constitute a quorum, and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. RULES. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the board of directors.

ARTICLE VIII

CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Section 1. CONTRACTS. The board of directors may authorize any officer or officers, agent or agents of the Association, in addition to the officers, so authorized by these Bylaws, 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.

Section 2. CHECKS DRAFTS AND OTHER INSTRUMENTS. 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 Association and in such manner as shall from time to time be determined by resolution of the board of directors. Until changed by resolution of the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice-president of the Association.

Section 3. DEPOSITS. All funds of the Association shall be deposited from time to time to the credit of the Association in such federally insured banks, trust companies, or other depositaries as the board of directors may select.

Section 4. GIFTS. The board of directors may accept on behalf of Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association.

ARTICLE IX

BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his or her agent, or attorney for any proper purpose at any reasonable time. Records of all maintenance activities in the Common Areas shall be maintained by the Association for at least three (3) years.

ARTICLE X

FISCAL YEAR

The fiscal year of the Association shall end on December 31st of each year.

ARTICLE XI

ASSESSMENTS

Section 1. ASSESSMENTS. Annual assessments must be fixed at a uniform rate for the Lots and annual assessments shall be collected on an annual basis. Special assessments shall be fixed established and collected from time to time as determined by the board of directors.

Section 2. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS; DUE DATES. The annual assessments provided for herein shall commence upon the direction of the board of directors. The due dates or dates of any special assessments shall be fixed in the resolution authorizing such assessment.

Section 3. DUTIES OF THE BOARD OF DIRECTORS WITH RESPECT TO ASSESSMENTS.

(a) The board of directors of the Association shall fix the amount of the annual assessment against each Lot for each annual assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Owner. The board of directors of the Association shall further fix, establish and collect from time to time the amount of the special assessments against each Lot.

(b) Written notice of the assessments shall thereupon be delivered or mailed to every Owner subject thereto showing the amount or amounts and the due date or dates if the assessments are to be paid in installments.

(c) The board of directors shall, upon written demand, furnish to any Owner liable for said assessments, a certificate in writing signed by an officer of the Association setting forth whether said assessments have been paid. Such certificate shall be conclusive evidence of payment of any assessments therein stated to have been paid. A reasonable charge may be made by the board of directors for the issuance of such certificates.

(d) If the board of directors fails to fix an amount of the annual assessment as provided in (a) above, each Owner shall be responsible for the payment of an amount equal to the annual assessment for the previous year.

Section 4. EFFECT OF NON-PAYMENT OF ASSESSMENT; THE PERSONAL OBLIGATION OF THE OWNER; THE LIEN; REMEDIES OF ASSOCIATION. If any assessment or part thereof is not paid within thirty (30) days after the due date, the total unpaid amount of all installments of such assessment shall immediately become due and payable and shall bear interest for the date of delinquency at the maximum legal rate of interest. The total unpaid amount of all such installments and interest thereon shall constitute a lien on the interest of the Lot or the Owner personally obligated to pay the same, and upon the recording of notice thereof by the board of directors of the Association shall be a lien upon such Owner's interest in the Lot. The Association may, at its election, bring an action at law or in equity against the Owner personally obligated to pay

the same in order to enforce payment and/or to foreclose the lien against the Lot and the improvements thereon, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint (including, without limitations, reasonable attorneys' fees) in such action and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorneys' fees to be fixed by the court, together with the costs of the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or his/her Lot. Notwithstanding the foregoing, the first mortgage encumbrance owned or held by a bank, insurance company, or financial institution, or other Person or entity engaged in the business of making real estate loans, recorded against the interest of such Owner prior to the date such notice is recorded which by law would be a lien thereon prior to subsequently recorded encumbrances, shall have priority, except as to the amount of assessments which become due and payable from and after the date on which the said mortgage owner or holder either takes up possession of the Lot, accepts a conveyance of any interest therein (other than as security) or files a suit to foreclose its mortgage.

Section 5. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate only to the lien of any mortgage or mortgages or trust deed or trust deeds. The sale or transfer of any Lot shall not affect the assessment lien.

Section 6. EXEMPT PROPERTY. The following real estate subject to these Bylaws shall be exempt from the assessments created herein:

- (a) All of the real estate dedicated to and accepted by a local public authority.
- (b) All of the real estate owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Illinois.
- (c) All of the real estate owned by Declarant.

ARTICLE XII

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the General Not-for-Profit Association Act of Illinois or under the provisions of the Articles of Incorporation or the Bylaws of the Association, a waiver thereof 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 XIII

AMENDMENTS

The power to alter, amend, or repeal the Bylaws or adopt new Bylaws shall be vested in the board of directors unless otherwise provided in the Articles of Incorporation or Bylaws. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given. The Bylaws may contain any provisions for the regulation and management of the affairs of the Association not inconsistent with law or the Articles of incorporation.

EXHIBIT C

THE WETLANDS AROUND YOU

PRAIRIE WOODS SUBDIVISION

Wetlands provide a number of life enhancing functions. By storing stormwater, wetlands reduce property damage during floods. By filtering water, they help protect the quality of drinking water. They provide habitat for animals and plants that is both exciting and enjoyable. Protecting these vital resources in your neighborhood only helps you. You can get involved by:

- **KNOW WHO IS MAINTAINING THE WETLANDS.** The US Army Corp of Engineers (USACE) has jurisdiction over all wetlands and regulates the modification of these areas. The wetlands in your neighborhood are protected through an easement and will be managed by your Homeowners' Association.
- **KNOW THE POSSIBLE IMPACT.** Upland prairie buffer zones protect the wetlands from lawn and paved surface run off. Yard waste, such as grass clippings, placed in the upland buffer can reduce the buffer's ability to act as a filter for these chemicals. Also, reducing the amount of chemicals used in your lawn can aid in protecting the wetlands from excessive algae growth which can result in the death of organisms that reside in the wetlands.
- **KNOW THE RULES AND REGULATIONS.** The wetlands areas within the Prairie Woods subdivision are protected as natural areas. No dumping of any kind should occur in these areas. This includes fill, dirt, sand, cement, sod, grass clipping, yard wastes and garbage. Prairie species, which generally grow tall, are planted within a buffer zone adjacent to the wetlands. The area should not be mowed, unless done at the direction of the homeowner's association for ecological purposes. Proper management of the upland buffer will increase the diversity and aesthetic quality of the entire system and compliment your property.
- **KNOW YOUR WETLANDS.** Curiosity about the natural areas will only increase the management and therefore the quality of the areas. Learn more about wetlands, their plants and animals and their value. You can start by looking up the USACE website at www.usace.army.mil, the US Fish and Wildlife Service at www.fws.gov, or the EPA website at www.epa.gov.

YOU WILL FIND THE MORE YOU KNOW, THE MORE YOU WILL ENJOY THESE
PRECIOUS RESOURCES IN YOUR OWN BACKYARD.

Project: Prairie Woods, Prairie Woods Associates, LLC

USACE File#: 200400704

Location: South side of Dowell Road, Island Lake, McHenry County, IL (T44N R9E, E 1/2 of NE 1/4 and NE 1/4 of SE 1/4 of Section 17)

RE: Permit Compliance of Special Condition 10: Long Term Management Plan

Long Term Management Plan

Long-term management and maintenance of the Prairie Woods wetlands areas and upland buffer areas will be the responsibility of the Prairie Woods Homeowners Association. The purpose of this management is to maintain the quality of the naturalized areas and ensure the proper functioning of these areas.

Long-term management shall primarily consist of routine herbiciding of invasive grasses, forbs and shrub saplings. This shall occur every three years, or as deemed necessary by the Prairie Woods Homeowners Association. Herbiciding shall include, but is not limited to Reed Canary Grass (*Phalaris anndinacea*), Sandbar Willow (*Saltis interior*), and Common Buckthorn (*Rhamnus cathartica*).

Controlled burning may also be utilized every three years, depending on fuel availability and species composition. Burning shall be used only when there is enough fuel and the Long-term manager deems it advantageous. Burning shall be conducted by trained professionals experienced in wetland fire control. Prior to a controlled burn, surrounding property owners as well as local fire and police departments shall be notified. A burn plan designating preferred wind direction and speed, location of fire breaks, and necessary personnel and equipment shall be prepared to be utilized in planning and burn implementation. Generally, burns shall be scheduled from spring to fall on a rotation basis.

RULES AND REGULATIONS

PRAIRIE WOODS HOMEOWNERS ASSOCIATION

The Rules and Regulations established by the Prairie Woods Homeowners Association ("Association") are designed neither to restrict nor infringe on the rights of any homeowner or resident. Their purpose is to ensure the full enjoyment of the Prairie Woods Subdivision ("Subdivision") by all Owners and residents.

1. METHOD OF ENFORCING RULES AND REGULATIONS.

- a) Owners should report repeated infractions of Rules and Regulations to the Board of Directors of the Association in writing signed by the complaining Owners.
- b) Upon the first reported infraction of a Rule or Regulation, the offending Lot Owner or resident will receive a letter from the Board of Directors notifying him or her of the violation. Upon the second infraction the Lot Owner or resident will be requested to appear before the Board of Directors. If a satisfactory settlement is not reached at this meeting, legal proceedings or such other action as approved by the Board of Directors, may be initiated to enforce the Rules and Regulations.

2. METHOD FOR CHANGING OR ADDING RULES AND REGULATIONS.

Owners wishing to change or add a specific rule or regulation should make their requests in writing to the Board of Directors for review and consideration.

3. RECREATIONAL VEHICLES BOATS AND TRAILERS.

Recreational vehicles, boats trailers and the like, too large to be parked in the garage, cannot be stored within the boundaries of the Subdivision for more than two (2) days.

4. ANTENNAS; ANTENNA TOWERS; SATELLITE DISHES.

No antenna or antenna tower can be constructed, installed or located within the boundaries of the Subdivision for the purpose of receiving or transmitting radio, television or computer data signals, without the prior written approval of the Board of Directors. Antennas may be installed within an attic without prior approval. Notwithstanding the foregoing, Owners may install direct broadcast satellite (e.g. DirecTV, Dish Network, etc.) type dishes, not to exceed forty (40") inches in diameter on the rear or side of their homes. Dishes may not be installed on the front of the home unless no signal can be received from back or sides.

5. **CONTRACTOR SIGNS.**

Contractors are not permitted to place their signs on any Owner's Lot or the Common Area unless prior written approval is given by the Board of Directors.

6. **"FOR SALE" SIGNS.**

Only one "For Sale" sign may be displayed for a home at any time and such sign must be located on the Owner's Lot. "For Sale" signs may not be placed in the parkways. "Open House" signs may be displayed during the hours of the open house only.

7. **SWIMMING POOLS.**

Only plans for below ground swimming pools that will be installed by a contractor registered with the Village are permitted. Plans for swimming pools and related landscaping and construction must be submitted to the Board of Directors for written approval prior to installation. The Owner, upon such approval, hereby agrees to indemnify, defend and hold Declarant, Association and its members, officers, agents and directors harmless against any claim brought against them arising from the approval and installation of such pool and landscaping.

8. **VILLAGE COMPLIANCE/PERMITS.**

All Rules and Regulations of the Association are in addition to and subject to local ordinances. All fees and permits are the sole responsibility of the Owner. No construction of improvement of any kind shall be initiated until the proper permits have been issued by any applicable governmental authority.

9. **GARAGES; SHEDS; OUTBUILDINGS.**

No garages, sheds, outbuildings or other freestanding structures shall be constructed within the boundaries of the Subdivision without prior written approval of the Board of Directors. Landscaping, as necessary, will be required around free standing structures and should be submitted to the Board of Directors at the time such construction is requested. An approved structure must match the color of the house siding and roof tiles on the lot in which it will be located.

10. FENCES.

Fences cannot be constructed without prior written approval from the Board of Directors. Chain link, barbed wire, metal and stockade fences are prohibited, with an exception for decorative aluminum fences. Fences are prohibited in the front yards. Fences taller than five (5) feet are prohibited, except on Lots that have at least one side on the outer boundary of the Prairie Woods Subdivision. Lots that face the outer boundary of the property may have fences as high as allowed by ordinance or variance approved by the Village. All fences must meet the requirements of any applicable governmental authority.

11. CONSERVATION AREAS AND OUTLOT RESTRICTIONS.

- a) Pursuant to the Declaration of Covenants, Conditions, Easements and Restrictions for the Subdivision, all ice skating, swimming, diving, and boating use of Outlots A, B, C, D and E are specifically prohibited.
- b) Conservation areas are not maintained and harbor potentially unsafe conditions. Residents are not allowed in these areas.

12. MAILBOXES.

- a) Mailboxes on the Meadows side of the subdivision must be grouped on the posts provided. Meadows residents must provide and install their own mailbox, which must be black and comply with stated dimensions: 19" x 6 ½" x 8 ¾". Failure to comply will result in a written warning. After the warning, continued non-compliance will result in the association installing a mailbox for which the resident will be charged the cost of materials and installation on their next assessment invoice.
- b) Mailboxes on the Arbor side of the subdivision are provided and installed by the resident according to Post Office regulations.
- c) Replacement of mailbox posts and arms are the responsibility of the Association.

13. RENTAL PROPERTY.

When a property is rented out the property Owner must inform the board prior to renting out the house. The property owner must also provide their own mail forwarding information as well as renter contact information. The property Owner remains liable for all Association rules and regulations.

14. TEMPORARY BUILDINGS.

No temporary buildings, trailers, or outbuildings shall be used as a residence on any Lot.

15. TRASH AND STORAGE.

- a) No trash, lumber, metals, bulk materials or refuse shall be kept, stored or allowed to accumulate on any Lot or on the Common Area. Building materials and dumpsters may be stored on a Lot during the course of construction.
- b) Trash and yard waste containers shall be stored in a manner so that they not visible from the front of the house.

16. BOARD DECISIONS ARE FINAL.

Board decisions are final. Should a resident choose to challenge the decision of the Board and the original decision is found to be sound and fair, the resident will be required to pay all legal fees incurred by the Association.

Purchaser acknowledges receipt of and agrees to comply with the Rules and Regulations of the Association, as they may be amended from time to time.

Buyer

Date

Buyer

Date