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GLENSTONE SUBDIVISION

LONG GROVE

ILLINOIS

Declaration

of

Covenants, Conditions and Restrictions

GLENSTONE SUBDIVISION
OF
LONG GROVE, ILLINOIS

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GLENSTONE SUBDIVISION OF

LONG GROVE, ILLINOIS

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

DECLARATION made this _____, 1989, by LaSalle National Bank, not individually, but as Trustee under Trust Agreement dated February 16, 1989 and known as Trust No. 114181 (hereinafter referred to as "Declarant"):

WITNESSETH:

WHEREAS, LaSalle National Bank, not individually, but as Trustee under Trust Agreement dated February 16, 1989 and known as Trust No. 114181 is the title holder of that certain real property comprised of approximately seventy-nine acres, situated in the Village of Long Grove, Lake County, Illinois, more particularly described as Glenstone Subdivision of Long Grove the legal description of which is set forth on Exhibit "A" (hereinafter referred to as "Property") attached hereto and made a part hereof; and

WHEREAS, the subject property consists of residential lots to be conveyed to individuals, some of whom will be purchasing residential units constructed thereon; and

WHEREAS, Declarant intends to grant certain water detention easements and pedestrian access easements and convey common areas to the Glenstone Homeowners' Association (hereinafter referred to as "Association"); and

WHEREAS, Declarant intends to subject the described property to certain covenants, conditions restrictions, easements, charges and liens hereinafter set forth, each and all of which are for the benefit of the Association; and

WHEREAS, Declarant deems it desirable for the efficient preservation of the values and amenities of the subject development to create the Association to maintain the Common Areas and any improvements thereon, and to administer and enforce the covenants, conditions and restrictions and to collect and disburse the assessments and charges hereinafter created.

NOW THEREFORE, Declarant hereby declares that the Subject Property shall be held, sold and conveyed subject to the following covenants, conditions, restrictions, easements, charges and liens which are to protect the value and desirability of Glenstone Subdivision Unit II and which shall run with the property submitted thereto and be binding on and inure to the benefit of all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns.

ARTICLE 1 -- Definitions

Article 1, Section 1: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Property, including contract Sellers. For purposes of this Section, holders of beneficial interests under land trust holding title to any Lot which is a part of the property shall be considered Owners. Declarant shall, as long as it owns any lot or lots, be an Owner.

Article 1, Section 2: "Association" shall mean and refer to the Glenstone Subdivision Unit II Association, its successors and assigns, a corporation under the General Not-For-Profit Corporation Act of Illinois. Said corporation shall be the governing body for all the Owners with respect to the administration, maintenance, repair and replacement of the portions of the Property as provided by this Declaration and its By-laws; and said corporation 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 as long as he continues as an Owner. Upon termination of an Owner's interest, such membership shall thereupon automatically terminate and transfer and inure to the new Owner succeeding in interest.

Article 1, Section 3: "Property" shall mean and refer to the Glenstone Subdivision the Subject Property as more fully described in Exhibit A.

Article 1, Section 4: "Common Areas" shall mean:

All real property and improvements whether now constructed, or to be constructed of the following outlot parcels:

(a) Outlot A, B and C including the entryway treatment and any and all roadways, signs, fencing, mailboxes, or landscaping located thereon, all as shown on the Plat of Subdivision, and intended for the use and benefit of all Owners. Outlot B shall function as a primary access to the property from Cuba Road. Outlots D and E including landscaping, trails, existing vegetation and all other improvements as described on the approved Plat of Subdivision for the Property. Outlot J including but not limited to the pump house (including appurtenant water wells, storage tanks and all related pipes, pumps, mains and equipment), and

(b) it is understood that the Common Areas shall include all private roadways and roadway easements (Roadways) and watermains located within such roadways as fully described and located on the Final Plat of Subdivision for said Property for the benefit of the Owners, title to will be deeded to the Association or held by one or more individual owners.

Article 1, Section 5: "Lot" shall mean and refer to the plots of land so shown and designated upon any recorded subdivision plat of the Property except for the Common Areas.

Article 1, Section 6: "Declarant" shall mean and refer to LaSalle National Bank, not individually, but as Trustee under Trust Agreement dated February 16, 1989 and known as Trust No. 114181, its successors and assigns who are designated as such in writing by Declarant and who consent in writing to assume the duties and obligations connected therewith.

Article 1, Section 7: "Declaration" shall mean this instrument together with the exhibits attached and made a part hereof and shall include such amendments, if any, to this instrument as may from time to time be adopted pursuant to the terms hereof. This Declaration may be referred to in any other document as the Glenstone Association Declaration of Covenants, Conditions and Restrictions.

ARTICLE 2 -- Property Rights

Article 2, Section 1: Owner Easements of Enjoyment. Notwithstanding the rights described in Article 1, Section 4(b) herein every Owner shall have a right and easement of ingress and egress to and from the Common Areas, and such easement shall be appurtenant to and pass with title to every assessed Lot, subject to the following provisions:

- a) Right of the Association to establish and publish rules and regulations governing the use, enjoyment and maintenance of the Common Areas and other facilities affecting the welfare of Association members.
- b) Right of the Association, in accordance with its Articles and By-laws, to borrow money to improve and maintain the Common Areas and facilities, and to mortgage said properties for that purpose.
- c) Right of the Association to suspend voting rights and rights to use of the Common Area of any Owner (1) for the period during which any assessment against the Owner's lot remains unpaid; and, (2) for a

period not to exceed sixty (60) days for any infraction of its published rules and regulations.

d) Right of the Association, in accordance with its Articles and By-Laws, to dedicate or transfer all or any part of the Common Areas and facilities to any public agent, authority or utility for such purpose and subject to such conditions as may be agreed by the Owners. No such dedication or transfer shall be effective unless an instrument signed by Owners entitled to cast two-thirds (2/3) of the votes of the Class A membership and two-thirds (2/3) of the votes of the Class B membership, if any, has been recorded, agreeing to such dedication or transfer. (As defined in Article 3, Section 2.)

e) Duly designated officials and employees of the Village of Long Grove and other governmental bodies having jurisdiction over the Property shall have an easement to enter upon, and over the Property, the Common Areas, and facilities for the purposes of maintaining the storm water drainage system, private roadways, and pump house area and enforcing applicable health ordinances, and to correct or eliminate nuisances or violations resulting from the failure to exercise maintenance responsibilities by either an Owner or the Association. All citizens of the Village of Long Grove and occupants and visitors of the development within Glenstone Unit I shall have an easement for pedestrian access only to enter upon and over the Roadways and Common Areas for their use and enjoyment. Vehicular traffic and parking will not be permitted within the Glenstone community by these parties.

f) Each Lot Owner shall have the sole and exclusive right to the use of that portion of his Lot upon which easement for water detention or storm drainage is created, subject to the regulations and ordinances of the Village of Long Grove. This sole and exclusive use by the Lot Owner is subject only to the permanent and perpetual right and duty of the Association to maintain, restore and replace said storm drainage system and area, and to the easement granted to the Village of Long Grove, pursuant to Paragraph (e) of this Section 1. The Lot Owner shall not change the grade and pitch of the storm drainage system and area except to cut and maintain grass located upon it.

g) Each Lot Owner shall have the sole and exclusive right to the use of any portion of his Lot upon which an easement for conservancy and scenic corridor is created whether by subdivision plat or other instrument executed by Declarant and duly recorded. All areas so designated shall be maintained in their natural, undisturbed condition, and no man-made structures of any kind shall be constructed thereon, nor shall any grading be permitted except as permitted by the Village of Long Grove. All natural vegetation located thereon shall be preserved and maintained and shall not be mowed, cultivated, sprayed or in any way disturbed except in accordance with all applicable ordinances of the Village of Long Grove.

h) All Owners and Owners within Glenstone Unit III, their families and visitors, emergency and maintenance vehicles, Declarant, and jurisdictional governmental bodies shall have the right to ingress and egress over and upon the Roadways serving the Property.

i) The grant of easements provided herein is not intended nor shall it relieve any Owner and/or the Association from their responsibilities to maintain the Common Areas and facilities and to maintain those portions of the storm water drainage systems located within the easement area.

All easements hereinabove described are easements appurtenant to, and running with the land. They shall at all times inure to the benefit of and be binding upon the undersigned, its grantees, and their respective heirs, successors, personal representatives and assigns, perpetually.

Reference in any deed, mortgage, trust deed or any other recorded document to the easements, restrictions and covenants to the respective grantees, mortgages, or trustees of said parcels as fully and completely as

if those easements, restrictions and covenants were fully related and set forth in their entirety in said documents.

Article 2, Section 2: Delegation of Use. Any Owner may delegate his right of enjoyment of the Common Areas to members of his family or contract purchasers who reside on his lot, and their respective guests and invites.

Article 2, Section 3: Title to Outlots A, B, C, D, E and J. The Declarant direction covenants, for itself, its successors and assigns, that it will convey to the Association and/or to the appropriate municipal agency fee simple title to the Outlots A, B, C, D, E and J and facilities located thereon, subject to covenants, conditions, and restrictions of record, public zoning laws, current real estate taxes, if any which shall be prorated among the parties, utility easements granted or to be granted for sewer, water, gas, electricity, or telephone and any other necessary utilities and private roadway easements. Title to the Outlots A, B, C, D, E and J shall be conveyed to the Association and/or to the appropriate municipal agency no later than the date twenty (20) Lots in the Subject Property are sold and conveyed by Declarant to Owners upon the direction of the Village of Long Grove. The Association shall accept any conveyance of any portion of Outlots A, B, C, D and E from the Village of Long Grove notwithstanding whether any portion of said outlots has been conveyed by the Village of Long Grove to the Association. The Association shall thereafter continue to maintain said portion or portions of Outlots A, B, C, D and E in accordance with the applicable provisions of the Long Grove Village Code.

Article 2, Section 4: "Adjacent Property Owners"

Declarant reserves the right and retains a power coupled with an interest to grant easements for ingress and egress over said Roadways within the Property for the benefit of certain adjacent property legally described on Exhibit "B" attached hereto ("Adjacent Property"). Declarant reserves the right and retains the power to at its sole discretion grant easement for the use of the Glenstone water supply system and its distribution network for the benefit of Adjacent Property. It is further understood that any such easement shall be created prior to conveyance of the last Lot owned by the Declarant. It is further understood that any such easement so created shall provide that the owners of the Adjacent Property shall participate in the cost of upsizing, maintenance, repair and replacement of any such roadways, water supply system and/or distribution network with the Association on an equitable basis as determined by Declarant. The Declarant shall at their option direct the owners of the Adjacent Property to be incorporated into the Homeowners Association and be subject to the terms set forth in this Declaration.

It is further understood that Unit I and Unit III of the Glenstone Subdivision as described in Exhibit "C" herein its successors and assigns hold rights to the full use of the central water system located within Outlot "J" described herein and all of its appurtenant structures to sufficiently provide water service to Unit I and Unit III Glenstone at their full development. It shall be the responsibility of Unit I Glenstone to participate in the cost of maintenance, repair and replacement of the well, pump, pump house or that portion of the system directly associated with the service of Unit I Glenstone with the Association on an equitable basis as determined by the Declarant and more fully set forth in the Water Supply Easement dated October 13, 1989. Unit III of Glenstone Subdivision once constructed shall be made a part of these Covenants and be responsible for payment of annual assessments in the same amount of those owners in Unit II a portion of which will go toward the maintenance/operations of central well system.

ARTICLE 3 -- Membership and Voting Rights

Article 3, Section 1: Membership. Every Owner of any Lot which is subject to assessment, in whole or in part, shall automatically be a member of the Association and shall remain one so long as he remains an Owner of Lot subject hereto. Declarant shall be a member of the Association.

Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Article 3, Section 2: Classes of Voting Membership. The Association shall have two classes of voting membership.

Class A. Class A members shall be all Owners except the Declarant and shall be entitled to one 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 vote cast with respect to any Lot.

Class B. The Class B member shall be Declarant and shall be entitled to three (3) votes for each Lot owned, provided however, that the Declarant shall be entitled to only one vote per Lot upon happening of either of the following events, whichever occurs earliest:

- a) When all Lots have been sold and conveyed by Declarant to Owners; or
- b) Ten (10) years after the date the first Lot is conveyed by Declarant to another Owner; or
- c) Upon written notice of election by Declarant to vote only one vote for each Lot owned sent to the Association as of the date specified in said Notice.

Notwithstanding the foregoing, in all matters concerning the water supply facilities owned and operated by the Association, all Class A and Class B members shall have but one vote for each Lot owned which has an active water service connection.

ARTICLE 4 -- Covenants for Maintenance Assessments

Article 4, Section 1: Creation of Lien and Personal Obligation for Assessments. Each Owner of a Lot (except as otherwise specifically provided by the provisions of Article 4, Section 3(f) and Section 7 hereof), by acceptance of a deed therefor or otherwise, whether or not it shall be so expressed in any such deed or other conveyance, hereby covenants and agrees and shall be deemed to covenant and agree to pay to the Association for each Lot owned (or to a management company or other collection agency designated by the Association): (1) annual assessments or charges to be paid in equal bi-annual installments (hereinafter called "Annual Assessment") due on the first day of January and July each year or in such other installments as the Board of Directors of the Association shall elect and (2) special assessments for purposes including but not limited to major capital improvements (hereinafter called "Reserve Assessment"). Reserve Assessments are to be fixed, established and collected by the Association shall constitute the maintenance fund of the Association. The annual and special assessments, together with such interest thereon and costs of collection thereof, including, but not limited to reasonable attorneys' fees, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof, including but not limited to, reasonable attorneys' fees, as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such Lot at the time when the said assessment fell due.

Article 4, Section 2: Purpose of Assessments. Each Owner (except Declarant) shall pay to the Association assessments representing his proportionate share of the expenses of maintenance, snow removal, repair, replacement, administration and operation of the Common Areas and facilities. Said expenses shall be known as "Common Areas and Facilities Expenses". The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the residents on the Property and for the improvement, repair, upkeep, taxes on and

maintenance of the Common Areas and facilities, all of which are within the Purpose of the Association as provided by this Declaration. To the extent, if at all, that any assessments for any fiscal year are not expended by the Association, any such savings shall be applied by the Association in reduction of its budget and the annual assessments to the Owners for the following year, except with respect to amounts held by the Association as reserves which shall be deemed to be held by the Association in trust for the members for the uses and purposes for which such reserves have been established.

It is acknowledged and understood that the owners of the property within Glenstone Subdivision Unit I more fully described in Exhibit "C" as Unit I hold certain rights entitling them to share water service from the water supply and distribution system within Outlot J as well as to share certain retention/detention facilities all within the Glenstone Subdivision (all as shown on the Final Plat of Subdivision for Glenstone Unit I, Unit II and Unit III). Said owners will be required to share in the maintenance and operational costs of the water supply system within Outlot J for that portion of the facility utilized by them on an equitable basis as determined by Declarant all more fully set forth in the Water System Easement dated October 13, 1989.

In addition to the assessments to be paid by each Owner hereunder, the Adjacent Property as described in Exhibit "B" hold certain rights entitling them to use certain roadways within the Property for ingress and egress as more fully set forth in the Easement Agreement dated April 12, 1989. The Adjacent Property may hold rights to the use of the water supply system for water service. Said Adjacent Property would be required to share in the cost of maintenance and the operation costs for the water system as it relates to service of their property and as determined by Declarant.

Article 4, Section 3: Computation of Assessments. Payments of assessments shall be in such amounts and at such times as provided below:

- a) Until the first (1st) day of January following conveyance of the Common Areas and facilities to the Association, the maximum annual assessment shall be Nine Hundred Sixty Dollars (\$960) per Lot sold or conveyed by Declarant to another Owner.
- b) On or before December 31 of the year in which conveyance of the Common Areas and Facilities is made to the Association, and on or before each November 1st thereafter, the Board of Directors shall estimate that total amount necessary to pay the cost of taxes, wages, materials, insurance, services and supplies relating to maintenance and operation of the Common Areas and facilities and such other items as provided for herein and in the By-Laws of the Association which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount necessary for reserve for contingencies and replacements, and shall on or before December 1st of each year, notify each Owner in writing as to the amount of such estimate, with reasonable itemization thereof. Such annual budget shall also take into account any estimated net available cash income for the Year from the operation or use of the Common Areas and facilities.

All obligations of the Owners hereunder, including, but not limited to the Common Areas and Out Lot Expenses, for assessments, special assessments or other levies by the Association pursuant to this Declaration or the By-Laws of the Association, shall be determined according to the calculations shown on Exhibit "D", a copy of which is attached hereto. On or before January 1st of the ensuing year, and on the first day of January and the first day of July of every year thereafter or in payments pursuant to Article 4, Section 1 listed herein. On or before the date of the annual meeting of each calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or under the actual expenditures plus reserves. In any given year, any amount accumulated in excess of the amount required for

actual expenses and reserves shall be credited pro rata to each Owner by applying any such excess, as the Board of Directors sees fit, to expenses and/or reserves for the subsequent year.

c) If said estimated cash requirement proves inadequate, for any reason, to defray the operating expenses and costs during any given year, then the Board of Directors shall be authorized to adopt a supplemental budget or budgets and shall adjust the assessments accordingly. The Board of Directors shall serve notice of such further or adjusted assessment on all Owners by a statement in writing, giving the amount and reasons therefor, and such further or adjusted assessment shall become effective with the next maintenance payment. Any increase in the annual assessment in excess of seven percent (7%) of the approved assessment must be approved by two-thirds (2/3) of each class of members voting in person or by proxy at a meeting duly called for such purposes.

d) In addition to the annual assessment authorized above, the Association may levy, in any assessment year, special assessments applicable to that year only for the purpose of defraying, in whole or in part, the cost of any taxes, construction, reconstruction, repair or replacement of any capital improvement upon the Common Areas and facilities, including fixtures and personal property related thereto, provided that any such assessments in excess of a total of Seven Thousand Dollars (\$7,000) in any assessment year shall require the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for the purpose. Any such assessment shall be levied equally per Lot against each Owner.

e) In addition to the annual assessment authorized above, the Association may levy, in any assessment year, special assessments applicable to that year only for the purpose of defraying, in whole or in part, the cost of any Spring and Fall mowing of grass or plants on any vacant Lot in the Subdivision. Said assessment shall be charged against the specific vacant Lot on which that work has been performed.

f) With regard to any Lot or Lots upon which homes are being constructed or have been completed and title has not been conveyed by Declarant, the assessment shall be limited to no more than ten dollars per given month in which the deficit exists and shall be utilized only toward actual operating expenses from time to time; however, in the event Declarant enters into a lease of installment contract for any Lot, then Declarant shall be responsible for the payment of assessments on those Lots on the same basis as any other Owner as provided in Article 4, Section 3 hereof. Actual operating expenses shall mean those ordinary expenses attributable only to the period in question covering the maintenance and operation of the Property and shall not include capital expenditures, amounts set aside as a reserve for contingencies of replacements, repair items or inventory items. The assessment for said unconveyed Lot or Lots shall be only to the extent of satisfying any deficit or shortage in the Association's operating budget as described above for any period in which the Declarant has paid reduced assessments pursuant to this Section and shall only be collected from time to time as needed to fulfill such deficits. Until such time as the Transfer Date has occurred, the assessments covering the Lots which have not been sold by the Declarant may be paid on a monthly basis or, at its option, paid to the Association at the close of each calendar year without interest.

g) The Board of Directors shall establish and maintain reasonable reserves for contingencies and replacements as it shall deem necessary, and any extraordinary expenditures not included in the estimated cash requirements shall be first charged against such reserve in the year of such expenditure. Such reserves shall be at least Fifty Dollars (\$50) (excluding interest earned) per Lot per year (except Declarant). If such reserves are depleted or, in the opinion of the Board of Directors, significantly reduced, then any supplemental budget, or the

next regular estimated cash requirements, shall provide for the re-establishment of such reserves as the Board shall deem reasonably appropriate. All Purchasers shall at the time of closing be assessed for four (4) months of assessments which sum shall be set aside in the reserve fund.

h) The failure or delay of the Board of Directors to prepare or serve the annual or adjusted estimate or the itemized accounting or other document on the Owner shall not constitute a waiver or release in any manner of such Owner's obligation to pay the maintenance cost, necessary reserves or adjusted assessments, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Owner shall continue to pay the maintenance charge at the then existing biannual rate established for the previous period until notice of the next maintenance payment which is due more than thirty (30) days after such annual or adjusted estimate shall have been mailed or delivered.

i) The Board of Directors shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Property, specifying and itemizing the maintenance and repair expenses of the Property and any other expenses incurred. Such records shall be available for inspection by any Owner or first mortgagee of record, at such reasonable time or times during normal business hours as may be requested by the Owner or mortgagee.

j) No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or Out Lots or abandonment of his Lot. Except as otherwise provided in this document, an Owner on the first day of January and the first day of July shall be personally liable for one-half (1/2) the annual assessment amount. The Owner as of the date of any levy of a special assessment shall be personally liable for such assessment.

Article 4, Section 4: Date of Commencement of Annual Assessments ("Due Dates"). The annual assessments provided for herein shall commence for all Lots sold by the Declarant on the first day of the month following the conveyance, and for all Lots, whether sold by Declarant or not, on the first day of the month following the conveyance of the Common Areas and facilities therein to the Association. The first annual assessment of Nine Hundred Sixty Dollars (\$960) per Lot (commencing April 1, 1989) shall be adjusted according to the number of months remaining in the calendar year after the date of conveyance. The Association shall, upon demand at any time, furnish a certificate in writing signed by an Officer of the Association, setting forth whether the assessments on a specified Lot have been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Article 4, Section 5: Effect of Nonpayment of Assessments - Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the Due Date, there shall be a late charge of ten (10) dollars owed by the lot owner for each month of delinquent assessments, and the Association may proceed in equity to foreclose the assessment lien (which foreclosure shall follow mortgage proceedings then in force and effect and selected by the Association) and/or bring an action at law against the Owners of the Lot and interest costs and reasonable attorney's fee for any such action(s) shall be added to the amount of such assessment and judgment.

Article 4, Section 6: Subordination of the Lien to First Mortgage. The lien of the assessment provided for herein shall be subordinate to the lien of any institutional first mortgage on a Lot recorded prior to the date upon which such assessment became due and a decree of foreclosure under such mortgage or any proceeding or conveyance in lieu of foreclosure thereof, shall not extinguish the lien of all such assessments which become due prior to such sale or transfer. No sale or transfer shall relieve such

Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Article 4, Section 7: Exempt and Partially Exempt Property. The following Property subject to this Declaration shall be exempt from the assessments created herein:

- a) All properties dedicated to and accepted by a local public authority, and properties granted to or used by a utility company.
- b) Outlots A, B, C, D, E, and J
- c) Common Facilities.
- d) Lots owned by Declarant except in compliance with Article 4, Section 3(f).

Once an exemption is created pursuant to this Subsection 7, it shall continue until such time as a conveyance is made to a purchaser, at which time the exemption created hereunder shall cease and said Lot shall be subject to all terms and conditions of this Declaration.

Lots 2, 4, 6, 8, 10, 12, 38, 40, 42, and 44 of the Glenstone Subdivision are under certain provisions of a recorded Purchase Agreement between the Declarant, Landmark Homes, Inc. and Arthur J. Greene Construction Co. recorded November 1, 1989, by #2847043 of which provisions outlined in said agreement take precedence over those associated provisions set forth in this Declaration.

ARTICLE 5 -- Architectural Control

Until the expiration of Class B membership, the Class B member shall choose an Architectural Control Committee comprised of three (3) members. Upon the expiration of Class B membership, said committee shall be elected by the Class A members. The Architectural Control Committee shall not be entitled to any salary for serving thereon, but reasonable fees may be paid to any consultants for services rendered to the committee.

No building, sign, fence, wall or any other structure, including but not limited to grading and swimming pools, shall be commenced, erected or maintained upon any or all of the real estate described in the aforesaid Exhibit "A", nor shall any building be erected on said Property, nor any change or alteration thereon, be made until the security deposit, plans and specifications, including but not limited to architectural and engineering, showing the nature, kind, shape, height, materials, color and location of the same, shall have been submitted to and approved in writing by the Architectural Control Committee, as to harmony of external design and location in relation to the surrounding structures and topography, and as to aesthetics and effect on the balance of the Property described on the aforesaid Exhibit "A".

Written approval from the Architectural Review Committee must be obtained prior to submittal to the Village for a building permit.

ARTICLE 6 -- Exterior Maintenance

The Association shall maintain and keep in repair the Common Areas and facilities, including any improvements thereon, as well as the storm water detention system, storm water collection system, private road system, and pump house facilities (including appurtenant water wells, storage tanks and all related pipes, pumps, mains and equipment). In addition, the Association shall plant, maintain, repair and replace, as necessary, landscaping and other improvements on the Common Areas and facilities, the Association shall also maintain the prairie and woodland management plan as approved by the village for that portion of outlots A, B or C which has been conveyed from the Village of Long Grove to the Association. Removal of any portion of the natural existing boundary hedgerows shall be prohibited by any property owner or their assigns.

The drainage system area, detention areas and facilities shall remain and shall not be filled or otherwise altered by the Owners in any way which would adversely affect the functioning of such drainage system areas, retention or detention areas. To the extent, if at all, that any Owner shall fail to perform the maintenance of his own Lot whether vacant or improved, which is required by the foregoing, at reasonable times and in a reasonable manner, the Association may, but shall not be required to, perform such maintenance or repair and, in such event, the cost thereof shall be added to such Owner's annual assessment and such amount shall be immediately due and payable and the Association shall have such rights and remedies with respect to collections of them as are herein provided for annual assessments.

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

All roads lying within the property shall remain private and be the sole responsibility of the "Association" to keep maintained.

In addition to all Common Areas, facilities, and Roadways, the Association shall maintain all storm water retention/detention easements, drainage easements which shall include any and all trees and plantings therein, legal title to which is held by one or more individual owners and shall not be conveyed to the Association.

ARTICLE 7 -- External Control

Article 7, Section 1: Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Article 7, Section 2: Temporary Structures. No structure of a temporary character, including, without limiting the generality thereof, trailer, basement, tent, shack, garage, barn, or other outbuilding, shall be erected or placed on any Lot at any time either temporarily or permanently.

Article 7, Section 3: Signs. No sign or billboards of any kind shall be displayed to the public view on any Lot, except one professional sign of not more than one square foot, or signs use by a builder to advertise the Property during the construction and sales period, which signs shall be in compliance with the applicable ordinances of the Village of Long Grove.

Article 7, Section 4: Parking or Keeping of Vehicles. No vehicles are to be parked on any part of any Lot, except upon driveways or within attached garages and no campers, vans, pickup trucks, recreational vehicles and other types of non-passenger vehicles and accessories may be kept on any Lot unless the same are fully enclosed within the garage located on such Lot.

Article 7, Section 5: Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

Article 7, Section 6: Manufacturing. No part of the Property, or any Lot, and no building erected or maintained on any part of the Property shall be used for manufacturing, industrial or business purposes.

Article 7, Section 7: Building Standards. No dwelling on said Property or Lot shall be erected or maintained unless the gross interior living space

of the dwelling (excluding those portions of the dwelling below finish grade elevation, garages, balconies, sun roofs or porches) meets the minimum, requirement of 2,700 square feet per dwelling.

Article 7, Section 8: Detached Buildings. No detached accessory buildings, including, but not limited to, detached garages and storage buildings, shall be erected, placed or constructed upon any Lot. This section shall not apply to accessory buildings for swimming pools, which may be located only in the rear yard, subject to the Village of Long Grove's applicable rear yard requirements and subject to approval by the Architectural Review Committee as established in these Declarations.

Article 7, Section 9: Utilities. All electric service, telephone service and other utilities shall be supplied by underground service and no poles shall be permitted.

Article 7, Section 10: Piers, Motorized Boats, Snowmobiles, and ATVs. Piers, diving ramps and docks shall not be permitted anywhere along any body of water as shown on the Plat of Subdivision (except as approved by the architectural committee). Motorized boats shall not be permitted on any body of water on the Property. Neither snowmobiles or all terrain vehicles shall be operated anywhere on the Property.

Article 7, Section 11: Garages. All houses shall have attached two (2) car garages. Attached three (3) car garages are allowed only if they are side or rear load.

Article 7, Section 12: Exterior Architectural Design. The architectural style of all structures constructed within the Glenstone Subdivision shall be of a traditional style in exterior design.

Article 7, Section 13: Exterior Wall Area Materials.

(a) Masonry. Any use of masonry on the exterior wall area must be constructed of stone, brick or other acceptable masonry materials. Imitation stone, imitation brick, exposed concrete, or exposed cinder block are not permitted for exterior wall areas.

(b) Wood. Exterior wall areas may be constructed of natural wood. Aluminum siding is not permitted.

(c) Glass construction. Not more than forty percent (40%) of the exterior wall area may be constructed of glass. Atriums, greenhouses, and other glass structures are not subject to this limitation.

Article 7, Section 14: Roof Pitch. The minimum roof pitch visible from the front of each house is as follows:

- (a) One Story House--6/12
- (b) Two or More Stories--6/12

Article 7, Section 15: Exterior Lighting and Mailboxes.

Each house should have some type of exterior identification lighting for safety and convenience. Each house shall have a designated mailbox located off of the individual Lot and within the community mailbox centers located at the Property entrance.

Article 7, Section 16: Tennis Courts and Swimming Pools. Tennis courts and swimming pools require a special building permit from the Village of Long Grove. They cannot be located within a front or side yard, but can be located in the rear yard area. (Subject to ordinances of the Village of Long Grove.)

Article 7, Section 17: Fences and Hedgerows. No fences or hedgerows may be erected or maintained in the front or side yards. Chain link fences are permissible for dog runs and kennels. All tennis courts, swimming pools, dog runs and kennels must be screened from visual observation along any interior street within Briarcrest. Fencing for swimming pools shall be at least 50% open subject to the Ordinances of the Village of Long Grove.

Said plans are subject to review by the committee established pursuant to Article 5 of this Declaration.

Article 7, Section 18: Development Activity. Notwithstanding any other provision herein, the Declarant and/or its beneficiaries, shall be entitled to conduct on the Property all activities normally associated with and convenient to the construction and sale of single-family residential units on the Property, including but not limited to, the right to maintain a sales office, signs, trailers, and other operations incidental to the promotion and sale of portions of the Property.

Article 7, Section 19: Partial Construction. Any and all construction on the Property shall be commenced and diligently pursued and shall not remain in partly finished condition any longer than is reasonably necessary for completion thereof. The Owner of any portion of the Property upon which improvements are being constructed shall at all times keep public and private streets being utilized by such Owner in connection with said construction, as well as the real estate of such Owner, reasonably free from any dirt, mud, garbage, trash or other debris which might be occasioned by such construction and/or improvements.

Article 7, Section 20: Miscellaneous Controls.

- (a) Metallic flagpoles are prohibited. Nonmetallic flagpoles less than 25 feet in height are permitted.
- (b) Trees, shrubs and other vegetation may not be planted on corner lots in a manner which will obstruct the vision of a vehicle approaching within 25 feet of the intersection.
- (c) Awnings or canopies may not project more than three feet from the building and may only be placed in the rear yard.
- (d) Open air laundry facilities are prohibited.
- (e) Exterior television and radio antennas and satellite dishes are prohibited.
- (f) Above ground swimming pools are prohibited.
- (g) Dog runs and kennels are to be screened from visual observation along any interior street within the Glenstone Subdivision and are restricted to a maximum of 10' x 30'.
- (h) There will be no alteration of existing wetlands, conservancy easements or flood plain areas.
- (i) There shall be no alteration or removal of natural existing boundary hedgerows around the perimeter of Glenstone Subdivision.

Article 7, Section 21: Security Deposit. Prior to any period when construction activity is to occur on any Lot, which construction will require the use of streets and/or roadways in the development by vehicles larger than two and one half ton trucks, in the event said Lot is owned by a Class A member, said member shall deposit the sum of Five Thousand (\$5,000.00) Dollars, in the form of either a bond acceptable to the Declarant or an irrevocable letter of credit in said amount acceptable to the Declarant. Said security deposit shall be used to repair any damage or deterioration to said streets and/or roadways caused by any such vehicles, damage caused to Right of Way vegetation, project signage, water or sewer systems and other common area improvements within the project. Repair of any such damage shall be completed within Thirty (30) days of completion of construction and any such Lot or Lots. Should repairs not be completed to the satisfaction of the Declarant within said 30 days Declarant shall have the right to complete the repairs and draw the necessary funds from said bond or letter of credit. Any balance remaining from said deposit after paying for any such repair shall be returned to the party making said deposit within thirty (30) days after said repairs have been completed.

Article 7, Section 22 - Exterior Sprinkler System

All exterior automatic, underground sprinkler systems shall be installed to produce no more than ten (10) gallons per minute. The times that these systems can be run shall be limited to between the hours of 6 p.m. to 6 a.m. and the days the systems can be used shall be limited to odd dates for odd numbered addresses and even dates for even numbered addresses. The Board of Directors for the Homeowners Association shall have the right to control the operations of these sprinkler systems.

ARTICLE 8 -- Easements

Article 8, Section 1 - Utility. The Common Areas are to be subject to utility easements in favor of any applicable governmental agency and/or public utility company for sewer, water, gas, electricity, telephone and any other necessary utilities. If such utilities are not installed or easements not described for them prior to conveyance of the Common Areas and facilities, The Association may grant them later.

Article 8, Section 2 - Additional Property. Declarant, or its designated successors and assigns, reserves a power coupled with an interest to from time to time and in any order, within ten (10) years of the date of the recording of this Declaration, to annex and add to the Property encompassed by this Declaration, all or any portion of the Property described in Exhibit "F" and any property directly adjacent to the Property all of which will be subject to the restrictions set forth in this Declaration, including the right to become members of the Glenstone Subdivision Unit II Homeowners Association and comply with all By-Laws and Covenants. In such event Declarant or its designated successors and assigns shall have the right unilaterally to execute and record an Amendment to the Declaration specifying the Additional Property Additional Common Areas, and re-computing the computation of assessments to reflect the participation of the Additional Property encompassed by such Amendment. Each deed, mortgage, or other instrument, with respect to a Lot, and the acceptance thereof, shall be deemed a grant and acknowledgement of and consent to the rights and powers reserved under this Article 8, Section 2 and shall be deemed to reserve to the Declarant, or its respective designated successors and assigns, the power to shift amend the Declaration from time to time. "Designated Successors And Assign" for purposes of this paragraph shall be deemed to mean those individuals or entities designated by Declarant in any deed or other duly recorded instruments as having the rights created under this Article 8, Section 2.

ARTICLE 9 -- General Provisions

Article 9, Section 1: Insurance. The Board of Directors shall have authority to and shall obtain insurance for the improvements in or upon the Common Areas and Outlots against loss or damage by fire, vandalism and such other hazards as are covered under standard extended coverage provisions, for the full insurable replacement cost hereof. The Board of Directors shall also have the authority to and shall obtain comprehensive liability insurance, in such limits as it shall deem desirable, and workmen's compensation insurance and other liability insurance as it may deem desirable, insuring the Association, Board of Directors, manager, managing agent and, with respect to the Common Areas and facilities, as shown on the Plat of Subdivision. The premiums for all insurance purchased pursuant to the provisions of this Section shall be Common and Facilities expenses shall be paid at least thirty (30) days prior to the expiration date of any policy. Except as hereinabove provided, each Owner shall be responsible for obtaining fire and casualty and other types of insurance as such Owner shall deem necessary on his own Lot and the contents of his own Lot, and his additions and improvements thereto, as well as his personal liability.

Article 9, Section 2: Management. The Association, through its Board of Directors, shall have the power to employ a manager (managing agent), an independent contractor, or such other employees as it deems necessary, and to prescribe their duties and fix their compensation, and/or enter into a management company shall be for a period of not more than one (1) year,

renewable by agreement of the parties for successive periods of not more than one (1) year each, and shall provide for the Association's right to ~~cancel said agreement for cause~~ upon the Association written thirty (30) day notice to the management company of its intent to do so.

Article 9, Section 3: Remedies. In the event of a default by any Owner under the provisions of the Declaration, By-Laws or rules and regulations of the Association, the board of Directors shall have each and all the rights and remedies which may be provided for in this Declaration, the By-Laws and said rules and regulations and those which may be available at law or in equity, and may prosecute any action or other proceedings against such defaulting Owner and/or others for enforcement of any lien, statutory or otherwise, including foreclosure of such lien and the appointment of a receiver for the Lot and ownership interest of such Owner, or for damages or injunction, or specific performance, or for judgment for payment of money and collection thereof, or for any combination of remedies, or for any other relief. No remedies herein provided or available at law or in equity shall be deemed exclusive of any other remedy. All expenses of the Association in connection with any such actions or proceedings, including court costs and attorney's fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the maximum rate permitted by law, from the due date until paid, shall be charged to and assessed against such defaulting Owner, and shall be added to and deemed part of his respective share of the Common and facilities Expenses (to the same extent as the lien provided herein for unpaid assessments), upon the Lot and upon all of his additions and improvements thereto, and upon all of his personal property upon all of his additions and improvements thereto, and upon all of his personal property upon the Lot or located elsewhere on the Common Areas and facilities. Any and all of such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Association or the Board of Directors.

All the provisions of this instrument, and those in the Articles of Incorporation and By-Laws of the Association are mutually enforceable by and among the members of the Association, and where applicable by the Village of Long Grove. Any member who feels that a provision is being violated may petition the Association to investigate the situation. Should the Association determine that this allegation is true and that corrective action should be taken, the Association shall take whatever action is necessary to end the violation. Should the Association deem the allegation of violation as unworthy of action, or fail to investigate the alleged violation within thirty (30) days of notice, then the complaining member can prosecute his claim in whatever legal manner is best suited to the situation.

Article 9, Section 4: Land Trusts. In the event title to any Lot should be conveyed to a land title-holding trust, under which all powers of management, operation and control of the premises remain vested in the Trust beneficiary or beneficiaries, then the trust estate under such trust, and the beneficiaries thereunder, from time to time, shall be liable for payment of any obligation, lien or indebtedness chargeable or created under this Declaration against such Lot. No claim shall be made against any such title holding trustee personally for payment of any claim, lien, or obligation hereby created, and the trustee shall not be obligated to sequestered funds or trust property to apply in whole or in part against any such lien or obligation, but the amount thereof shall continue to be a charge or lien upon the premises notwithstanding any transfers or beneficial interest in the title to such real estate.

Nothing in this Section 5 shall be deemed to alter or diminish the rights or remedies of the Association under Article 4 Section 5, relating to the failure to pay maintenance assessments as such rights or remedies apply to the trust estate under such trust and the beneficiaries thereunder.

Article 9, Section 5: Amendments. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20)

years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless seventy-five (75%) percent of the votes outstanding shall have been voted to terminate the covenants and restrictions of this Declaration upon the expiration of the initial twenty-year period or any extension thereof, which termination shall be written instrument signed by seventy-five (75%) percent of the Owners and the Village of Long Grove, Illinois, and properly recorded in Lake County, Illinois. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90) of the Owners and by the Declarant if the Class B membership has not thereto fore terminated, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Owners. Any amendment must be recorded. The prior written approval of the Village of Long Grove,, Illinois, shall be required to amend the Declaration in any manner which would affect the provisions of the following portions of this Declaration: the Preamble; Article 1; Sections 1 and 3 of Article 2; Article 5; Article 6; Article 7; and Sections 5, 7, 8, 11, 12, and 13 of Article 9. Notwithstanding any provisions hereof to the contrary, the Declarant may, at its sole discretion and without consent being required of anyone except the Village of Long Grove, Illinois, modify, amend, or repeal this Declaration at any time prior to the closing of the sale of the first Lot, provided said amendment, modification, or repeal is in writing and properly recorded in Lake County, Illinois. Declarant further reserves prior to the closing of the sale of all of the Property, all rights which may be necessary to deal with the Property, including the right to vacate, amend, or modify the Plat of Subdivision. Further, nothing contained in this Section shall have application to nor require consent for the Declarant's recording any Supplementary Declaration pursuant to the provisions of Section 10 of this Article relative to the annexation of additional properties.

Article 9, Section 6: Notices. Notices provided for in the Declaration or By-Laws shall be in writing and shall be addressed to the Association or to any Owner at its respective address. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, return receipt requested, or when delivered in person with written acknowledgment of the receipt thereof.

Article 9, Section 7: Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Article 9, Section 8: Rights and Obligations. The provisions of this Declaration and the By-Laws and the rights and obligations established thereby 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 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 and the By-Laws, whether or not mentioned thereof is made in said deed.

Article 9, Section 9: Rights and Duties of Institutional Holders. Any provision of the within Declaration or of the By-Laws to the contrary notwithstanding, the following provisions shall control:

a) Upon written notice in the manner prescribed by Article 9, Section 7, directed to the Association by any first mortgagee of a dwelling on a Lot, the following actions will require notice to all said institutional holders:

- (1) Abandonment or termination of the Association.
- (2) Material amendment to the Declaration, By-Laws or Articles of Incorporation; and

(3) Termination by the Association of professional management and assumption of self management by the Association.

b) Upon request in the manner prescribed above of any first mortgagee of a dwelling on a Lot, the Association shall furnish to such mortgagee a written notice of any default by the Owner of such dwelling in the performance of such Owner's obligations under the within Declaration or the By-Laws or Association's rules or regulations which is not cured within thirty (30) days.

c) Each first mortgagee of a dwelling on a Lot shall have the right to examine the books and records of the Association during normal business hours. The first mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Areas or any portion thereof. First mortgagees may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such property, and first mortgagees making such payments shall be owed immediate reimbursement therefore from the Association. The Association shall have the authority to enter into an agreement reflecting the provisions of the within subsection in such forms as may reasonably be required by such mortgagees, and in the absence of any such agreement, the provisions of the within subsection shall be deemed to be the agreement of the Association and binding upon it in favor of all such mortgagees.

d) Institutional holders of first mortgages of a dwelling on a Lot shall, in addition, upon written request, have the right:

(1) to receive annual financial statement of the Association within ninety (90) days following the end of any fiscal year of the Association; and

(2) to receive written notice of all meetings of the Association and to designate a representative to attend all such meetings.

e) In the event of: (1) damage or destruction of any Common Area or facility or facilities, the cost to repair which exceeds Ten Thousand and no/100 Dollars (\$10,000.00); or (2) the Common Areas, or facilities becoming the subject of any condemnation or eminent domain proceeding, the Association shall give timely written notice of same to all institutional holders of first mortgage liens.

f) No provision of the within Declaration or of the By-Laws or Articles of Incorporation of the Association, or any similar instrument pertaining to the Property or the dwellings thereon shall be deemed to give an Owner or any other party priority over any rights of bona fide first mortgagees of dwellings pursuant to their mortgages, in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of the Common Areas, facilities or any portion thereof or interest therein.

Article 9, Section 10: Actions Requiring Three Quarters Vote. Unless at least seventy-five (75%) percent of the Owners and by the Declarant if the Class B membership has not theretofore terminated, have given their prior written approval, the Association shall not be entitled to:

a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Areas or Outlots, or any portion thereof or interest therein; except that the granting of easements for public utilities, the dedication to a public park district or other public purposes consistent with the intended use of such property shall not be deemed a transfer within the meaning of this clause;

b) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner by the Association;

c) by act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance of the dwellings or maintenance of the dwellings or Lots;

d) fail to maintain fire and extended coverage insurance on insurable property comprising a part of the Common Areas and facilities on a current replacement cost basis in an amount not less than one hundred (100%) percent of the insurable value (based on current replacement costs); or

e) use hazard insurance proceeds for losses to any improvements comprising a part of the Common Areas and Outlots for other than the repair, replacement or reconstruction of such improvements.

Article 9, Section 11: Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration. All personal pronouns used in this Declaration, whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles of Articles and Sections are for convenience only, and neither limit nor amplify the provisions of the Declaration unless specified reference is made to such Articles, Section or subdivisions of another document or instrument.

Article 9, Section 12: Conflicts. In the event of any conflict between this Declaration and the By-Laws or Articles of Incorporation, this Declaration shall control. In the event of a conflict between the terms and conditions of these covenants and restrictions and those of the Long Grove Village code, the more stringent shall prevail.

Article 9, Section 13: Perpetuities and Restraints on Alienation. If any 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 provisions; (b) the rule restricting restraints on alienation; or (c) any other statutory or common law rules imposing time limits, then such provision shall continue only until twenty-one (21) years after the death of the now living lawful descendants of James Thompson, Governor of the State of Illinois, and George Bush, President of the United States of America.

Article 9, Section 14: Trustee Exculpation. It is expressly understood and agreed, anything herein to the contrary notwithstanding, that each and all of the representatives, covenants, undertakings and agreements herein made on the part of the Declarant while in form purporting to be the representations, covenants, undertaking and agreements of said Declarant are nevertheless made and intended not as personal representations, covenants, undertakings and agreements by the Declarant or for the purpose or with the intention of binding said Declarant personally, but are made and intended for the purpose of binding that portion of the trust property specifically describe therein, and his instrument is executed and delivered by said Declarant not in its own right, but solely in the exercise of the powers conferred upon it as such Declarant; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against the LaSalle National Bank, on account of this instrument or on account of any representation, covenant, undertaking or agreement of the said Trust in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released. It is understood and agreed by the parties hereto that the Declarant, in executing this Declaration as the legal title holder of real estate, does so solely for the purpose of binding the real estate to the terms, conditions and provisions of this Declaration.

IN WITNESS WHEREOF, Declarant has caused this instrument to be executed on its behalf, attested and its corporate seal to be hereunder affixed as of the day and year first above written.

ATTEST:

DECLARANT:

LaSalle National Bank, not individually, but as Trustee under Trust Agreement dated February 16, 1989 and known as Trust No. 114181

Rosemary Collins
NOTARY PUBLIC

BY: Joseph W. Lang
VICE PRESIDENT

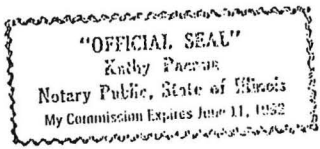
STATE OF ILLINOIS)
 COCY) SS:
COUNTY OF LAKE)

I, Kathy Pacana, a Notary Public in and for the County and State aforesaid, Do Hereby Certify that JOSEPH W. LANG VICE PRESIDENT of LA SALLE NATIONAL BANK, and, ROSEMARY COLLINS Assistant Secretary, who respectively appeared before me this day in person and acknowledged that they signed and delivered the within instrument as their own free and voluntary act, and as the free and voluntary act of said Company, for the uses and purposes therein set forth; and the said Assistant Secretary did also then and there acknowledge that (s)he as custodian of the seal of said Company did affix said instrument as his own free and voluntary act of said Company, for the uses and purposes therein set forth.

Given my under my hand and Notarial Seal this 27th day of OCT, 1989, at Chicago, Illinois.

Kathy Pacana
Notary Public

My Commission Expires: 6-11-92



THE FOLLOWING EXHIBITS PERTAIN TO THE
GLENSTONE SUBDIVISION

Exhibit "A"

Legal Description of the Real Property

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48 and Outlots A, B, C, D, E and J in Glenstone Subdivision Unit II being a subdivision of that part of the Southeast Quarter of Section 23, Township 43 North, Range 10 East of the Third Principal Meridian.

EXHIBIT "B"

PARCEL 1: That part of the Northwest Quarter of the Northeast Quarter of Section 23, Township 43 North, Range 10 East of the Third Principal Meridian described as follows: Commencing at the Northwest corner of the Northeast Quarter of said Section 23; thence South 89 degrees 26 minutes 38 seconds East along the north line of the northeast Quarter of said Section 23, 904.50 feet to the point of beginning; thence continuing along said north line 88.37 feet to a point 184.90 feet West of the west line of the East 5 acres of the Northwest Quarter of the Northeast Quarter of said Section 23; thence South 00 degrees 20 minutes 53 seconds East and parallel to the west line of said East 5 acres 882.86 feet; thence North 14 degrees 39 minutes 08 seconds West 361.21 feet; thence North 00 degrees 14 minutes 02 seconds West 533.49 feet to the point of beginning, said parcel containing 1.446 acres all in Lake County, Illinois.

PARCEL 2: That part of the Northwest Quarter of the Northeast Quarter of Section 23, township 43 North, Range 10 East of the Third Principal Meridian described as follows: Commencing at the Northwest corner of the Northeast Quarter of said Section 23; thence South 89 degrees 26 minutes 38 seconds East along the north line of the Northeast Quarter of said Section 23, 824.50 feet; thence South 00 degrees 14 minutes 02 seconds East along the east line of the West 824.50 feet of the Northwest Quarter of the Northeast Quarter of said Section 23, 544.13 feet to the point of beginning; thence South 14 degrees 39 minutes 08 seconds East, 191.46 feet to a point 211.51 feet left of Federal Aid Route 61, center line station 660+00 as said center line is shown on the Plat of Survey of Federal Aid Route 61, recorded as Document 1508620; thence continuing South 14 degrees 39 minutes 08 seconds East, 169.48 feet to a point in the west line of the East 409.8 feet of said Northwest Quarter of the Northeast Quarter of said Section 23; thence southerly along said west line as produced southerly, bearing South 00 degrees 21 minutes 05 seconds East 428.11 feet to the south line of the Northwest Quarter of the Northeast Quarter of said Section 23; thence North 89 degrees 25 minutes 49 seconds West, 90.83 feet to the east line of the West 824.50 feet of the Northwest Quarter of the Northeast Quarter of said Section 23; thence North 00 degrees 14 minutes 02 seconds West along said east line 77.51 feet to the point of beginning said parcel containing 1.248 acres all in Lake County, Illinois.

PARCEL 3: That part of the Southwest Quarter of the Northeast Quarter of Section 23, Township 43 North, Range 10 East of the Third Principal Meridian described as follows: Commencing at the Southwest corner of the Northeast Quarter of said Section 23; thence North 00 degrees 14 minutes 02 seconds West along the west line of said Quarter Section 1,321.44 feet to the north line of said South Half of said Quarter Section; thence South 89 degrees 25 minutes 49 seconds East along said north line 995.33 feet to the point of beginning, said point being 329.80 feet West of the east line of the West Half of the Northeast Quarter of said Section 23; thence continuing along said north line South 89 degrees 51 minutes 03 seconds East, 329.81 feet to the east line of the West Half of the Northeast Quarter of said Section 23; thence South 00 degrees 20 minutes 53 seconds East along said east line 333.85 feet; thence North 52 degrees 28 minutes 10 seconds West, 417.83 feet; thence North 00 degrees 20 minutes 53 seconds West, 80.17 feet to the point of beginning; said parcel containing 1.5673 acres, all in Lake County, Illinois.

PARCEL 4: The part of the Southwest Quarter of the Northeast Quarter of Section 23, Township 43 North, Range 10 East of the Third Principal Meridian described as follows: Beginning at the Southwest corner of the Northeast Quarter of said Section 23; thence North 00 degrees 14 minutes 02 seconds West along the west line of said Quarter Section, 1,321.44 feet to the north line of the South Half of said Quarter Section; thence South 89 degrees 25 minutes 49 seconds East along said north line 915.33 feet to a point 409.80 feet west of the east line of the West Half of the Northeast Quarter of said Section 23; thence South 00 degrees 20 minutes 53 seconds East and parallel to said east line 119.99 feet thence South 52 degrees 28 minutes 10 seconds East 430.96 feet to a point located 150.00 feet right of Federal Aid Route 61, center line station 650+15 as said center line is shown on the Plat of Survey of Federal Aid Route 61 recorded as Document No. 1508620; thence South 01 degrees 33 minutes 43 seconds East and parallel to said center line 940.52 feet to the south line of the Northeast Quarter of said Section 23; thence North 89 degrees 50 minutes 13 seconds West along said south line 1278.00 feet to the point of beginning, said parcel containing 36.3861 acres, all in Lake County, Illinois.

EXHIBIT "C"

That part of the Southeast Quarter of section 23, Township 43 north, Range 10 East of the Third Principal Meridian described as follows:

Unit I: Commencing at the Northwest corner of the Southeast Quarter of said Section 23; thence South 89 degrees, 24 minutes, 59 seconds East along the north line of said Southeast Quarter 1,015.61 feet to the point of beginning; thence continuing along said north line 810.00 feet to the west line of the East 5/8 of the Northeast Quarter of said Southeast Quarter; thence South 00 degrees, 22 minutes, 55 seconds West along said west line 620.00 feet; thence North 89 degrees, 24 minutes, 59 seconds West and parallel to the north line of the Southeast Quarter of said section 23, 810.00 feet; thence North 00 degrees, 22 minutes, 55 seconds East 620.00 feet to the point of beginning all in Lake County, Illinois.

Unit III: Commencing at the Northwest corner of the Southeast Quarter of said Section 23; thence South 89 degrees, 24 minutes, 59 seconds East along the north line of said Southeast Quarter 1,015.61 feet; thence South 00 degrees, 22 minutes, 55 seconds West 620.00 feet; thence South 89 degrees 24 minutes, 59 seconds East 660.0 feet; thence South 17 degrees, 12 minutes, 55 seconds West, 173.70 feet to a point on a 310.0 foot radius curve, the center of circle of said curve bears North 14 degrees, 21 minutes, 01 seconds East from said point; thence Northwesterly along said curve 123.97 feet central angle 22 degrees, 54 minutes, 46 seconds; thence North 52 degrees, 54 minutes, 13 seconds West, 52.17 feet; thence South 27 degrees, 01 minutes, 04 seconds West, 287.0 feet; thence South 24 degrees, 33 minutes, 11 seconds West, 275.89 feet; thence North 71 degrees, 30 minutes, 03 seconds West, 1,116.15 feet; thence North 89 degrees, 24 minutes, 59 seconds West 150.66 feet to a point on the west line of the Southeast Quarter of said Section 23; thence North 00 degrees, 11 minutes, 04 seconds East along said west line 869.00 feet to the point of beginning, all in Lake County, Illinois.

EXHIBIT "D"

Percentage of Total Annual Assessment
Payable by Each Lot Owner
in Glenstone of Long Grove

The Percentage of the total annual assessment levied by the Association which is payable by each Lot Owner shall be 1/24th for each of the 24 lots in Glenstone Subdivision.

EXHIBIT "E"
TO THE DECLARATION OF COVENANTS, CONDITIONS,
AND RESTRICTIONS
BY-LAWS OF
GLENSTONE HOMEOWNERS ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of the Corporation is GLENSTONE HOMEOWNERS ASSOCIATION, hereinafter referred to as "ASSOCIATION". The principal office of the corporation shall be located at 201 W. Main St., Barrington, Illinois 60010, but the meetings of the members and directors may be held at such places within the State of Illinois, Counties of Cook and Lake, as may be designated by the Directors.

ARTICLE II
MEETING OF MEMBERS

SECTION 1 - ANNUAL MEETINGS - The first meeting of the members shall be held within thirty (30) days after the termination of Class B membership as defined in the Declaration of Covenants, Conditions, and Restrictions to which these By-Laws are appended and hereinafter referred to as the "Declaration". Any subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 10:00 A.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

SECTION 2 - SPECIAL MEETINGS - Special meetings of the members may be called at any time by the president or any director upon written request of any Class A member provided, however, that no Class A member may call a special meeting until after the expiration of the Class B membership.

SECTION 3 - NOTICE OF MEETINGS - Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting to each member addressed to the member's last address last appearing on the books of the Association or supplied by such members of the Association for the purpose of notice, or as otherwise provided by the Declaration. Such notice shall specify the place, day and hour of the meeting and in the case of a special meeting, the purpose of said meeting.

SECTION 4 - QUORUM - Until the expiration of Class B membership, the Class B member shall be entitled to act for the membership as the sole director of the Association, or shall be entitled to designate a Board of Directors, which shall be entitled to act, without a formal meeting. Upon expiration of the Class B membership, the presence at a meeting of members holding title to not less than one-fourth (1/4th) of the subdivided lots in number described in the plat or plats of subdivision of the real estate described in the aforesaid Exhibit "A" appended to the Declaration shall constitute a quorum. If, however, such a quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice, other than announcement of the meeting, until a quorum as aforesaid shall be present or be represented.

SECTION 5 - PROXIES - At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance by any such member of his interest in the real estate described in the Declaration.

SECTION 6 - PLACE OF MEETING - All meetings shall be held at such place as may be designated in the notice of such meeting in the Counties of Cook and Lake, State of Illinois.

ARTICLE III
DIRECTORS

SECTION 1 - NUMBER - The affairs of this Association shall be managed by the number of directors provided for in the Articles of Incorporation of the Association, which directors shall be designated

by the Class B member and may be replaced at any time by the Class B member so long as the Class B membership exists. Upon the expiration of Class B membership, the number of directors may be increased at any time to a number not to exceed the number of Class A members at which time the directors will be elected on an annual basis by the Class A members in accordance with the voting rights as set forth in Article II of the Declaration.

SECTION 2 - TERM OF OFFICE - The first directors, or successor directors, selected pursuant to Section 1 of this Article shall serve until the expiration of Class B membership. At the first meeting after the expiration of Class B membership, and at each annual meeting thereafter, the members shall elect new directors to succeed those whose terms have expired and to fill vacancies for a new term of one (1) year.

SECTION 3 - REMOVAL - Subsequent to the expiration of Class B membership, any director may be removed from the Board with or without cause by a majority vote of the Class A members of the Association. After the expiration of Class B membership, in the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor. Prior to expiration of the Class B membership, the directors shall not be subject to removal or replacement, except as provided in Section 1 of this Article.

SECTION 4 - COMPENSATION - No director shall receive compensation for any service he may render the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

SECTION 5 - ACTION TAKEN WITHOUT A MEETING - The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting or by obtaining the written approval of any other directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE IV POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1 - POWERS. The Board of Directors shall have the power to:

- (a) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation or the Declaration.
- (b) Employ a manager or an independent contractor or such other employees they deem necessary and to prescribe their duties.
- (c) Enforce each and every covenant contained in the aforesaid Declaration and collect costs and expenses incurred in connection therewith.
- (d) Maintain bank accounts and enter into contracts on behalf of the Association for association purposes.
- (e) Do any and all things necessary for the promotion and development of the Glenstone development.

SECTION 2 - DUTIES - It shall be the duty of the Board of Directors to:

- (a) To supervise all officers, agents and employees of the Association to see that their duties are properly performed.
- (b) As more fully provided in the Declaration, to fix the amount of any assessments, send written notice of same to every owner subject thereto, and to foreclose the lien against any property for which assessments are not paid.

ARTICLE V OFFICERS AND THEIR DUTIES

SECTION 1 - ENUMERATION OF OFFICERS - The officers of the Association shall be a president, secretary and treasurer, who need not be members of the Association and who shall be appointed by the Board of Directors, to hold office until removed by said Board. An officer can hold more than one (1) office simultaneously except the president shall not hold any other office simultaneously.

SECTION 2 - RESIGNATION AND REMOVAL - Any officer may be removed from office with or without cause by the Board of Directors, and any officer may resign at any time by giving written notice to the Board of Directors, which resignation shall take effect on the date of receipt of such notice or at any later date specified therein unless

otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Exhibit "F"

That part of the Southeast Quarter of section 23, Township 43 north, Range 10 East of the Third Principal Meridian described as follows:

Commencing at the Northwest corner of the Southeast Quarter of said Section 23; thence South 89 degrees, 24 minutes, 59 seconds East along the north line of said Southeast Quarter 1,015.61 feet; thence South 00 degrees, 22 minutes, 55 seconds West 620.00 feet; thence South 89 degrees 24 minutes, 59 seconds East 660.0 feet; thence South 17 degrees, 12 minutes, 55 seconds West, 173.70 feet to a point on a 310.0 foot radius curve, the center of circle of said curve bears North 14 degrees, 21 minutes, 01 seconds East from said point; thence Northwesterly along said curve 123.97 feet central angle 22 degrees, 54 minutes, 46 seconds; thence North 52 degrees, 54 minutes, 13 seconds West, 52.17 feet; thence South 27 degrees, 01 minutes, 04 seconds West, 287.0 feet; thence South 24 degrees, 33 minutes, 11 seconds West, 275.89 feet; thence North 71 degrees, 30 minutes, 03 seconds West, 1,116.15 feet; thence North 89 degrees, 24 minutes, 59 seconds West 150.66 feet to a point on the west line of the Southeast Quarter of said Section 23; thence North 00 degrees, 11 minutes, 04 seconds East along said west line 869.00 feet to the point of beginning, all in Lake County, Illinois.