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237763 CHICAGO TITLE

MCHENRY COUNTY RECORDER
PHYLLIS K. WALTERS

MCHENRY COUNTY RECORDER
PHYLLIS K. WALTERS

2001R0001134 2000R0058365

**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR HERITAGE OF HUNTLEY
HOMEOWNERS ASSOCIATION**

01-05-2001 10:37 AM
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This Declaration made this 23rd day of October, 2000, by Pinnacle Corporation (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant owns fee simple title to a certain parcel of real estate in the Village of Huntley, County of McHenry, State of Illinois, legally described in Exhibit "A" attached hereto and made a part hereof (the "Property"); and

WHEREAS, Declarant desires to develop a single family development on the Property to be known as Heritage of Huntley (the "Development"); and

WHEREAS, Declarant intends to subject the Property to the covenants, conditions and restrictions, easements, charges and liens hereinafter set forth each and all of which is and are for the benefit of the owners and public welfare and more specifically for the purpose of enhancing and protecting the value of aforesaid property and insuring maintenance of the Common Area, including its on-site Stormwater Detention Facilities and Improvements, Wetlands and Entrance feature in conformity with all applicable ordinances, and for collecting and disbursing the assessments and charges hereinafter provided for; and for such other purposes as hereinafter described;

NOW THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following covenants, conditions, restrictions, easements, charges and liens which are intended to constitute a general plan for the benefit of and enforcement by all present and future owners of any of the lots in the subdivision and the Village of Huntley, so as to protect the value and desirability of 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.

THIS INSTRUMENT WAS PREPARED BY:
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TC

ARTICLE I

DEFINITIONS

When used in this Declaration, the following words and terms shall have the following meanings:

- 1.1. "Association" shall mean and refer to the Heritage of Huntley Homeowner's Association, an Illinois not for profit corporation, its successors and assigns.
- 1.2. "Board" shall mean and refer to the Board of Directors of the Association.
- 1.3. "Village" shall mean and refer to the Village of Huntley or its successor.
- 1.4. "Common Area" shall mean all real property owned, to be owned and maintained by the Association for the common use and enjoyment of the Owners including the Stormwater Detention Facilities and Improvements, Landscaping Easement along Huntley and Dundee Road, Outlots A, B, C, D, E and F including landscaping and Entrance Feature (covered bridge) in the Heritage Lane right of way.
- 1.5. "Declarant" shall have the meaning set forth in the first Paragraph of this Declaration.
- 1.6. "Developer" shall mean and refer to the owner or owners, from time to time, of one hundred percent (100%) of the beneficial interest in, to and under the Declarant.
- 1.7. "Lot" shall mean that part of the Single Family Property known as a Lot pursuant to the Subdivision Plat for Heritage of Huntley. A Lot as defined herein shall include any lots that are or may be redivided or combined.
- 1.8. "Member" shall mean and refer to every person or entity who owns a Lot in the Development.
- 1.9. "Owner" shall mean and refer to the record owner (or the beneficiary of a land trust which may be a record owner) whether one or more persons or entities, of a fee simple title to a Lot, excluding those who have such interest merely as security for the performance of an obligation.
- 1.10. "Stormwater Detention Facilities and Improvements" shall mean and refer to all on-site facilities and areas necessary for the management of stormwater, including the backyard storm drainage system affecting lots as shown on the Plat of Subdivision. Those parts of the storm water drainage system outside of public right of ways shall be maintained by the homeowner's association.

ARTICLE II

PROPERTY OWNERS ASSOCIATION

Every purchaser of a Lot, shall automatically become a member of an association known as

Property Owners Association, hereinafter called the "Association", and shall remain such so long as ownership is retained. Membership shall be appurtenant to and may not be separated from ownership of any lot. The Property Owners Association shall be formed in perpetuity.

ARTICLE III

VOTING RIGHTS

The Association shall have two classes of voting membership:

CLASS A. Class A members shall be all the Owners with the exception of the Declarant. Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article II. 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 vote be cast with respect to any one Lot.

CLASS B. The Class B member shall be the Declarant. The Class B member shall be entitled to six (6) votes for each parcel or parcel that a Unit or Lot could be built on in which it holds the interest required for membership by Article II, provided that the Class B membership shall cease and be converted to Class A membership as follows:

At such time as occupancy permits for seventy-five (75) percent of the Lots have been issued, or until such time as seventy-five (75) percent of the Lots have been sold, whichever occurs first.

ARTICLE IV

EASEMENTS

4.1. Declarant hereby declares the following non-exclusive easements are hereby created with respect to the Common Area:

(a) Each Owner and their respective guests, invitees and employees shall have a non-exclusive easement for use and enjoyment in and to the Common Area subject to the following: (i) the right of the Association to pass reasonable rules and regulations relating to such use and enjoyment, (ii) the right of the Association to suspend an Owner's right to use or enjoy such easement for any period during which such Owner may be in violation of this Declaration, (iii) the right of the Association to levy assessments as herein provided, and (iv) any and all rights reserved to Declarant and the Association as herein provided.

(b) A non-exclusive easement for the installation and maintenance of drainage facilities and utility easements is hereby granted to the Association and reserved by the Declarant over, under, across and through the Common Area. If any such drainage or utility facilities are not installed or

if any easements for such purposes are not created with respect to a Lot or any portion thereof prior to delivery of a deed for such Lot to an Owner, said Owner hereby grants to the Declarant and the Association a power of attorney to execute and record any such easements with respect to any Lots owned by said Owner for the Benefit of the Property. The foregoing power of attorney is hereby coupled with an interest and is therefore irrevocable.

4.2. The Declarant, Association, the Village of Huntley and all Village franchised utilities and any of their respective agents, employees and independent contractors shall have the right to enter upon the Common Area and any Lot to the extent necessary for the purpose of maintaining, repairing and replacing the Common Area and any improvements in, on, under or upon the Common Area as herein provided or for performing any of their respective obligations herein provided. In any such case, the Declarant, Association, the Village of Huntley and all Village franchised utilities or any of their agents, employees or independent contractors shall not be guilty of any trespass.

4.3. The Declarant, Association, the Village of Huntley and all Village franchised utilities hereby reserve the right to grant easements for ingress, egress, installation, construction, reconstruction, maintenance, repair, operation and inspection of utility services over, under, across and through the Common Area as they deem necessary or desirable in order to effectuate the intent of this Declaration.

ARTICLE V

RESTRICTIVE COVENANTS

5.1. Fence Restriction. The Owner of each lot may (but need not) erect a fence on the interior boundary of the Owner's Lot. No fencing shall be installed by an Owner on the above mentioned landscape easement. Any fencing which an Owner erects on a lot with a Landscape Easement must be placed at least 10 feet from the rear lotline. Any fence which is erected on the Owner's Lot shall be subject to the following:

(a) the fence shall not encroach upon any easement dedicated for the purpose of landscape improvements, community enhancement, all fences are prohibited on the following lots: Lots 228 through 233, both inclusive and Lots 302 through 312, both inclusive; and

(b) the fence shall be constructed with cedar boards and chain link fence is prohibited on all Lots; and

(c) the Owner of the Lot shall at all times maintain the fence in good condition and repair at the Owner's sole cost and expense; and

(d) the Owner shall, before constructing any fence, submit his/her plan (location and type) for the fence to the Village for approval.

5.2. General Restrictions.

A. All Lots shall be used only for Single-Family Dwellings. Each Owner shall (i) maintain his Lot and all Improvements located thereon in a clean, sightly and safe condition, (ii) cause the prompt removal of all papers, debris and refuse therefrom and the removal of snow and ice from all sidewalks, driveways and similar areas serving said Lot and (iii) comply with all applicable governmental codes, laws, ordinances, orders, decrees, rules and regulations.

B. All Improvements shall be constructed in accordance with all applicable governmental building and zoning codes, laws, ordinances, orders, decrees, rules and regulations, if, and to the extent any conflict exists between the terms and conditions of this Declaration and the provisions of any such codes, laws, ordinances, orders, decrees, rules and regulations, then such conflict shall be resolved by the application of the more stringent provision the higher or better quality result.

C. No noxious or offensive activity shall be carried on, in or upon the Property, nor shall anything be done thereon which may constitute or become an annoyance or nuisance to the Owners.

D. Except as expressly provided herein, no temporary building, trailer, mobile home, recreational vehicle, permanent tent, shack or other similar Improvement shall be located upon the Lots. The homeowner's Association may, at their discretion, allow an Improvement such as a shed on the property. Plans for this improvement must be submitted to the Association for approval.

E. No Person shall accumulate on his Lot any derelict vehicle, litter, refuse or other unsightly materials. Garbage shall be disposed of in accordance with Village code or ordinance.

F. Trucks, boats, recreational vehicles, trailers or other vehicles (other than automobiles) shall at all times be parked in the garage of the Dwelling and their repair or maintenance shall not be permitted except within the confines of the garage.

G. No animals (other than inoffensive common domestic household pets such as dogs and cats) shall be kept on any Lot or within the confines of any Improvement thereon. The breeding or keeping of dogs or cats for sale or profit is expressly prohibited. Dog runs are to be maintained at all times so as to be non-offensive.

H. The erection of any communication antennae or similar devices (other than simple mast antennae or television reception device located on the roof of a Dwelling) shall not be allowed unless completely screened from view and approved in writing in advance by the Board of the Association. The Owner shall obtain a permit from the Village, if necessary, before erecting such device.

I. Each Owner shall keep all areas of the Lots designed or intended for the proper drainage or detention of water, including swale lines and ditches, unobstructed and mowed regularly. No trees, plantings, shrubbery, fencing patios, structures, landscaping treatment or other obstructions shall be planted, placed or allowed to remain in any such areas, and no Owner shall alter the rate or direction of flow of water from any Lot by impounding water, changing grade, blocking or redirecting swales, ditches or drainage areas or otherwise. Each Owner acknowledges, by acceptance of a deed to a Lot, that any and all such drainage or detention areas are for the benefit of the entire Property.

5.3 RESUBDIVISION OR CONSOLIDATION: Any resubdivision or consolidated lots shall be subject to this Declaration.

ARTICLE VI

HOMEOWNERS ASSOCIATION

6.1. The Developer shall form an Illinois not-for-profit corporation to be known as the Heritage of Huntley Homeowners Association which shall provide for maintenance and operation of the Common Area.

6.2. (a) The Association shall have a Board of not less than five (5) directors who shall be elected by the Members of the Association at such intervals as the articles of incorporation and By-laws of the Association shall provide, except (i) that vacancies in the Board occurring between regularly scheduled meetings of the Members may be filled by the Board if so provided by the articles of incorporation or By-laws and (ii) that the first Board and subsequent Boards (until the Turnover Date) shall be appointed by the Developer. Except for directors of the Board appointed by the Developer, all directors shall be Members of the Association. The Developer may, from time to time, by written notice to the Association, elect to relinquish its right to appoint any one or more directors and continue to exercise its right to appoint the remaining directors of the Board until the Turnover Date.

(b) The Association shall have such officers as shall be appropriate from time to time, who shall be elected by the Board and who shall manage and conduct the affairs of the Association under the direction of the Board. Except as expressly provided otherwise by the corporate charter, or By-laws, all power and authority to act on behalf of the Association, both pursuant to this Declaration and otherwise, shall be vested in the Board from time to time and its officers under the direction of the Board, and shall not be subject to the approval of the Members. The directors and officers of the Association shall not be liable to the Owners or any others for any mistake of judgement or any acts or omissions made in good faith as such directors and officers.

6.3. The Developer shall, through the Board appointed by it in accordance with this Section, exercise control over all Association matters, until such time as occupancy permits for seventy-five (75) percent of the Lots have been issued, or until such time as seventy-five (75) percent of the Lots have been sold, whichever occurs first. The date upon which the authority to appoint the Board passes to the Members is hereinafter referred to as the "Turnover Date." On or prior to the Turnover Date, the Developer shall cause Declarant to convey to the Association, and the Association shall accept, the Common Area to be owned by the Association hereunder and the Association shall maintain the Common Area as required hereunder.

6.4. (a) Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Nothing herein contained shall be interpreted to exclude Declarant from membership while it or any of its successors in interest owns one or more Lots.

(b) From and after the Turnover Date, each Member shall be entitled to one (1) vote for each Lot owned by him on each matter submitted to a vote of Members; provided, however, that where there is more than one Owner of a Lot, such co-owners of a Lot shall only be entitled to one vote.

6.5. Maintenance of Improvements.

It shall be the responsibility of the Association to own and maintain the Common Area, including the Stormwater Detention Facilities and Improvements, Wetland, Entrance Feature and Landscaping. Each Owner shall bear his or her proportion of responsibility and cost for the continued maintenance, operation and preservation of the Stormwater Detention Facilities and Improvements, both on the surface and underground, and the preservation of the hydraulic characteristics thereof. Each Owner's deed shall state the Owner's liability for maintenance of the improvements.

The Association shall be responsible for the maintenance of all improvements specified in the first paragraph of this Section at any such time after title is conveyed to the Association. All on-site detention improvements shall be maintained in perpetuity and cannot be developed for any other use which would limit or cause to limit their use and function for the management of stormwater.

6.6. The Association, through the Board, shall have the power and duty to:

(a) Employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed as a manager or managing agent by Developer shall give the Association the right to terminate without cause or penalty not later than ninety (90) days after the date the initial meeting of the Members of the Association is held as provided in the By-laws;

(b) Establish and maintain a Contingency and Replacement Reserve in an amount to be determined by the Board;

(c) Maintain, at the expense of the defaulting Owner, all drainage areas and facilities located on the Property in accordance with the reasonable and acceptable engineering requirements of Village of Huntley in the event that one or more Owners fail to do so;

(d) Provide for the maintenance of landscaping, signs, monuments, fencing, airators, retaining walls, water systems, lighting and other improvements located within any Easement which are and shall be identified on Heritage of Huntley One and Two Final Plat of Subdivision;

(e) Make such improvements to the Common Area and Stormwater Detention Facilities and Improvements and provide such other facilities and services as may be authorized from time to time by the affirmative vote of two-thirds (2/3) of the Members of the Association acting in

accordance with its articles of incorporation and By-laws; and

(f) Exercise all other powers and duties vested in or delegated to the Association, and not specifically reserved to the Members by this Declaration, the articles of incorporation or the By-laws.

6.7. The Board shall also have the authority and responsibility to obtain and maintain comprehensive public liability insurance, including liability for injuries to and death of persons, and property damage, in such limits as it shall deem desirable, and workers' compensation insurance, and other liability insurance as it may deem desirable, insuring each Owner, each member, the Association, its officers, the Board, the Declarant, and their respective employees and agents from liability and insuring the officers of the Association and the Board from liability for any good faith actions taken beyond the scope of their respective authority. Such insurance coverage shall include cross liability claims of one or more insured parties against other insured parties by having a severability of interests endorsement. The premiums for such insurance shall be common expenses payable out of the proceeds of the assessment. The Association shall also have the authority and responsibility to obtain and maintain insurance policies covering the Common Area against loss or damage by fire and such other hazards contained in customary fire and extended coverage, vandalism and malicious mischief endorsements as the Association may deem desirable. The Association shall also have the authority to obtain such other kinds of insurance as the Association shall from time to time deem prudent.

6.8. The Board, officers of the Association and the employees and agents of any of them shall not be liable to the Owners or any other person for any mistake of judgement or for any acts or omissions of any nature whatsoever in their respective positions, except for such acts or omissions found by a court of competent jurisdiction to constitute willful misfeasance, gross negligence or fraud. The Owners shall indemnify, hold harmless, protect and defend the foregoing parties against all claims, suits, losses, damages, costs and expenses, including without limitation, reasonable attorney's fees and amounts paid in reasonable settlement or compromise incurred in connection therewith. The burden of the foregoing indemnity shall be borne by the Owners at the time such loss, damage, cost or expense is incurred in the same proportion as assessments are borne by the Owners. To the extent possible, the Board's and Association's liability hereunder and the Owner's indemnification obligation shall be insured by means of appropriate contractual endorsements to the comprehensive general liability insurance policies held from time to time by the Association.

6.9. (a) Until the Turnover Date, the Developer shall have all the rights and powers herein granted to the Association and shall be authorized and empowered to exercise all power and authority of the Board.

(b) Until the Turnover Date, Developer shall have the right to maintain the Common Area, the Stormwater Detention Facilities and Improvements and all signs and monuments located thereon and, in its sole discretion, pay all expenses and costs arising in connection with the Common Area, including, without limitation, the costs of improving and maintaining the Common Area (and any signs and monuments located thereon) and general real estate taxes payable in connection with the Common Area. To the extent that any real property taxes payable after the title

conveyance date to the Association are attributable to the period prior to the conveyance date, Developer shall reimburse the Association, on a pro rata basis, for such real property taxes. Declarant shall convey the Common Area to the Association on or before the Turnover Date.

(c) Developer shall be entitled at all times to conduct sales of Lots from the Property and shall have the right, for itself and its agents, employees, guests and invitees, to utilize roads, streets, Common Area and all other portions of the Property, excluding sold Lots, for such purposes until all Lots are sold. Developer may at all times utilize signage, lighting and establish sales offices and model homes as required to conduct its sales and marketing of the Property.

ARTICLE VII

ASSESSMENTS

7.1. Each Owner, by taking title to a Lot, shall be deemed to have covenanted and agreed to pay to the Association annual assessments or charges and special assessments for capital improvements and unforeseen expenses, to be collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a lien on the Lot against which each such assessment is made. Each such assessment, together with such interest, costs and reasonable attorneys' fees shall be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation of an Owner shall not pass to his successors in title unless expressly assumed by them.

7.2. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety, and welfare of the residents of the Property and in particular for the improvement and maintenance of the Property, services and facilities devoted to these purposes and related to the use and enjoyment of the Common Area. Such uses shall include, without limitation, the cost of all general real estate taxes, insurance, repair, replacement and maintenance and other charges required or permitted by this Declaration and the cost of those items that the Board shall determine to be necessary or desirable to meet the purposes of the Association, including without limitation the establishment and maintenance of a Contingency and Replacement Reserve. The annual assessments provided for herein shall commence for each Lot on the first day of the year following delivery of a deed to such Lot Owner.

7.3. Each year on or before November 1, the Board will estimate the total amount of maintenance expenses necessary to pay the cost of wages, materials, taxes, insurance, services, supplies and any other necessary or desirable items which will be required during the ensuing calendar year (January 1 - December 31) for services authorized by the Board, together with a reasonable amount necessary to fund the Contingency and Replacement Reserve, and shall, on or before December 1, notify each Owner in writing of the amount of such estimate ("Estimated Cash Requirement"). Such Estimated Cash Requirement shall be prepared on a line-item basis. The Estimated Cash Requirement shall be assessed equally among all of the Owners, including the Declarant. On or before January 1 of the ensuing fiscal year, each Owner shall be obligated to pay

to the Board, or as it may direct, the annual assessment made pursuant to this Section 6.3. On or before the date of the annual meeting of each calendar year, the Board shall furnish to all Owners an itemized accounting of the maintenance expenses for the preceding fiscal year actually incurred and paid, together with a tabulation of the amounts collected from the Owners pursuant to assessments made during such year and showing the net amount over or short of the actual expenditures, plus reserves. The Board shall upon demand at any time furnish a certificate in writing signed by an officer or agent of the Association, setting forth whether the assessments on a specified Lot has been paid. Such certificates shall be conclusive evidence of payment or nonpayment of any assessment thereon.

7.4. (a) The Board shall build up and maintain a reserve for the replacement of capital improvements, other authorized capital expenditures and for unforeseen expenditures (the "Contingency and Replacement Reserve"). Capital improvements and expenditures which may become necessary during the year shall be charged first against the Contingency and Replacement Reserve. Any expenditure from the Contingency and Replacement Reserve having a cost in excess of Ten Thousand Dollars (\$10,000.00) shall require the prior approval of the Members holding two-thirds (2/3) of the votes of the Association.

(b) If the Contingency and Replacement Reserve proves inadequate for any reason, including nonpayment of any Owner's assessment, the Board may, at any time, levy a special assessment, which shall be assessed equally among the Owners, including Declarant. The Board shall serve notice of any such special assessment on all such Owners by a statement in writing giving the amount and reasons therefore, and such special assessment shall become effective and fully payable ten (10) days after the delivery or mailing of any such notice of assessment.

(c) Developer shall collect, from each initial purchaser of a Lot at the closing of the sale of any such Lot, a sum to be determined which amount shall be deposited in the Contingency and Replacement Reserve. On the Turnover Date, the Developer shall transfer all funds in the Contingency and Replacement Reserve account to the Association and the Association shall hold and apply such funds for the purposes set forth in this Section 7.4.

7.5. When the first Board elected by the Members hereunder takes office, it shall determine the Estimated Cash Requirement for the period commencing on the first day of the month following the Turnover Date and ending on December 31 of the calendar year in which the Turnover Date and ending on December 31 of the calendar year in which the Turnover Date occurs. The initial Estimated Cash Requirement shall be assessed equally to all Owners, including the Declarant.

7.6. The failure or delay of the Board to prepare to serve the Estimated Cash Requirement or any Owner shall not constitute a waiver or release in any manner or any Owner's obligation to pay his share of such Estimated Cash Requirement as herein provided, as and when the Estimated Cash Requirement shall be determined, and, in the absence of the preparation of the Estimated Cash Requirement, the Owner shall continue to pay his share of such Estimated Cash Requirement at the then existing annual rate established for the previous calendar year, subject to adjustment at such time as the Estimated Cash Requirement has been prepared and the Owners have been notified thereof.

7.7. The Board shall keep full and correct books of account in chronological order of the receipts and expenditures pertaining to the Common Area, specifying and itemizing the maintenance and repair expenses of the Common Area and any other expenses so incurred. Such records and the vouchers authorizing the payments described therein shall be available for inspection by any Owner or any representative or an Owner duly authorized in writing, or any holder of a Mortgage at such reasonable time or times during normal business hours when requested by an Owner or by the holder of a Mortgage. Upon five (5) days' prior written notice to the Board, any Owner shall be furnished a statement of his account, which statement shall set forth the amount of any unpaid assessments or other charges due and owing from such Owner.

7.8. All funds collected hereunder shall be held and expended for the purposes designated herein, and are hereby held in trust for the benefit, use and account of all Owners. All funds not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may select.

7.9. Any assessments or other charges which are not paid when due shall be delinquent. If the assessment or charge is not paid within thirty (30) days after the due date, the assessment shall bear interest from and after the due date at the lesser of the rate of twelve percent (12%) per annum or the highest rate allowed by law, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Owner's Lot, and interest, costs and reasonable attorneys' fees incurred in any such action shall be added to the amount of any such overdue assessment. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest costs and fees as above provided, shall be and become a lien or charge against the Lot of any such Owner when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of mortgage liens against real estate. The directors of the Board and their successors in office, acting on behalf of the other Owners, shall have the power to bid in the interest so foreclosed at foreclosure sale, and to acquire and hold, lease, mortgage and convey any interest so acquired. To the fullest extent permitted by law, any court shall be authorized to restrain the defaulting Owner from reacquiring his interest at such foreclosure sale.

7.10. In addition to the rights and remedies set forth in Section 7.9., if any Owner shall default in the payment, when same shall be due, of the aforesaid charges or assessments and said default shall continue for thirty (30) days after written notice to said Owner by the Board, of the amount of unpaid charges or assessments and a demand for payment thereof, the Board shall have the right to declare said default a forcible detainer of the Dwelling and shall have the right, on behalf of the other Owners, to enter and take possession of the Dwelling from any defaulting Owner, to put out said Owner, or any occupant or tenant claiming by, through or under said Owner, using such reasonable force as the Board shall deem necessary under the circumstances and, in addition, to exercise any other rights or remedies provided in the Forcible Entry and Detainer Act, Ill. Ann. Stat. ch. 110, para. 9-101 et seq. (Smith-Hurd 1987).

7.11. The lien of assessments provided for herein shall be subordinate to the lien of any Mortgage now or hereafter placed on the Lots or Units. In the event of the issuance of a deed pursuant to the

foreclosure of such prior Mortgage or in lieu of such foreclosure, the grantee of such deed shall take title free and clear of any lien for assessment authorized by this Declaration so long as any such lien for assessment authorized by this Declaration shall have arisen prior to the date of recording of any such deed.

ARTICLE VIII

GENERAL PROVISIONS

8.1. The covenants and restrictions of this Declaration shall run with the land, and shall inure to the benefit of and be enforceable by the Board, or the Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of one hundred (100) years from the date this Declaration is recorded in the Office of the Recorder of Deeds of McHenry County, Illinois, after which time said covenants shall be automatically extended for successive periods of ten (10) years, subject to amendment as hereinabove provided.

8.2. If and to the extent that any of the covenants would otherwise be unlawful or void for violation of (a) the rule against perpetuities, (b) the rule restricting restraints on alienation, or (c) any other applicable statute or common law rule analogous thereto or otherwise imposing limitations upon the time during which such covenants may be valid, then said covenant shall continue and endure only until the expiration of twenty-one (21) years after the death of the survivor of the now living lawful descendants of William Clinton, President of the United States, living at the date of this Declaration.

8.3. If at any time or times the Board shall deem it necessary or advisable to rerecord this Declaration or any part thereof in the Office of the Recorder of Deeds of McHenry County, Illinois, in order to avoid the expiration hereof or of any of the covenants or other provisions herein contained under any of the provisions of ch. 110, para. 13-118 et seq. of the Illinois Annotated Statutes presently in force and commonly known as the Marketable Title Act, or any other law or statute of similar purport, it shall submit the matter to a meeting of the Members of the Association called upon not less than ten (10) days' notice, and unless at such meeting at least two-thirds (2/3) of said Members shall vote against such rerecording, the Board shall have, and is hereby granted, power to so rerecord this Declaration or such part thereof, and such rerecording shall be binding upon all Owners of any part of the Property in every way and with all the full force and effect as though such action were taken by each of said Owners and the rerecorded document executed and acknowledged by each of them.

8.4. Each grantee of Declarant by taking title to a Lot, and each purchaser under any contract for a deed of conveyance pursuant to which said grantee will take title, accepts said title subject to all restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, and all rights, benefits and privileges of every character hereby granted, created, reserved or declared, and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such person in like manner as though the provisions of this Declaration were recited and stipulated at

length in each and every deed of conveyance, or in any mortgage or trust deed or other evidence of obligation, and the rights described in this Section 8.4 or described in any other part of this Declaration shall be sufficient to create and reserve such rights to the respective grantees, mortgagees and trustees of such Lot as fully and completely as though such rights were recited fully and set forth in their entirety in any such documents.

8.5. Developer and each Owner from time to time shall have the right jointly and separately to sue for and obtain a prohibitive or mandatory injunction to prevent the breach of, or to enforce the observance of, the covenants and obligations above set forth, or any of them, in addition to the right to bring a legal action for damages.

8.6. Subject to the provisions of Section 8.7, the Owners may revoke, modify, amend or supplement in whole or in part any or all of the covenants, obligations and conditions contained in this Declaration and may release all or any part of the Property from all or any part of this Declaration. Any such revocation, modification, amendment or supplement may be effective at any time if the Owners of at least two-thirds (2/3) of the Lots and the Developer consent thereto, the consent of the Developer being required so long as the Declarant owns any Lots. Any such revocations, modifications, amendments or supplements shall be effective only if expressed in a written instrument or instruments executed and acknowledged by each of the consenting Owners, certified by the Secretary of the Association and recorded in the Office of the Recorder of Deeds of McHenry County, Illinois.

8.7. Declarant hereby reserves the right and power to record a special amendment (hereinafter the "Special Amendment") to this Declaration at any time and from time to time which amends this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veterans' Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee first mortgages encumbering any Lot, or (iii) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto. In addition, a Special Amendment shall also be deemed to include, until the Turnover Date, such amendment to this Declaration as Declarant elects to record at any time and from time to time for any other purpose, so long as such amendment will not materially impair the rights of the Owners hereunder or materially increase the expenses to be borne by them hereunder. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Declarant to vote in favor of, make, or consent to a Special Amendment on behalf of each Owner as proxy or attorney-in-fact, as the case may be. Said power shall be irrevocable. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Lot or Unit and the acceptance thereof shall be deemed to be a grant and acknowledgement of, and a consent to the reservation of, the power of the Declarant to vote in favor of, make, execute and record Special Amendment. Subject to the provisions of Section 8.12 hereof, the right of the Declarant to act pursuant to rights reserved or granted under this Section shall terminate at such time as the Declarant no longer holds title to any Lot.

8.8. The provisions of this Declaration shall be liberally construed to effectuate the purpose of creating a uniform plan for development for the Property.

8.9. In the event title to any Lot is conveyed to a titleholding trust, under the terms of which all powers of management, operation and control of the Lot remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all obligations and undertakings chargeable or created under this Declaration against any such Lot. No claim shall be made against any such titleholding trustee personally for payment of any lien or, obligation hereunder created and the trustee shall not be obligated to sequester funds or trust property to apply, in whole or in part, against such lien or obligation. The amount of such lien or obligation shall continue to be a charge or lien upon said Lot and the beneficiaries of such trust, notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to any such Lot.

8.10. All headings set forth herein are intended for convenience only and shall not be given or construed to have any substantive effect on the provisions of this Declaration. The singular shall include the plural wherever the Declaration so requires, and the masculine the feminine and neuter and vice versa.

8.11. If a court of competent jurisdiction shall hold invalid or unenforceable any part of this Declaration, such holding shall not impair, invalidate or otherwise affect the remainder of this Declaration which shall remain in full force and effect.

8.12. Notwithstanding anything herein to the contrary, either or both of Declarant and Developer, as Declarant and Developer in their sole discretion may determine, hereby reserve the right to transfer, assign, mortgage or pledge any and all of either's respective privileges, rights, title and interests hereunder, or in the Property, by means of recording an assignment of such with the Office of the Recorder of Deeds of McHenry County, Illinois. Upon such assignment, either or both of Declarant and Developer, as the case may be, shall be relieved from any liability arising from the performance or non-performance of such rights and obligations accruing from and after the recording of such assignment. No such successor assignee of the rights of either or both of Declarant and Developer, as the case may be, shall have or incur any liability for the obligations or acts of any predecessor in interest.

8.13. Each Owner of a Lot shall file the correct mailing address of such Owner with the Association and shall notify the Association promptly in writing of any subsequent change of address; provided, however, that if any Owner shall fail to so notify the Association, the mailing address for such Owner shall be the street address of the Lot owned by such Owner. The Association shall maintain a file of such addresses. A written or printed notice, deposited in the United States mails, postage prepaid, and addressed to any Owner at the last address filed by such Owner with Declarant shall be sufficient and proper notice to such Owner and shall be deemed delivered on the third (3rd) day after deposit in the United States mails.

ARTICLE IX

ENFORCEMENT

The covenants and restrictions may be enforced by any proceeding at law or in equity, either to restrain violation or to recover damages, by the Association, any owner or the Village, against any person(s) violating or attempting to violate any covenant or restrictions.

The duly designated officials and employees of the Village of Huntley or its successors (the Village) are hereby granted an easement to enter upon, on and over areas of on-site detention improvements for the purpose of inspecting such areas to determine whether the improvements and systems which constitute same have been and are being properly maintained in conformity with this Declaration and the applicable ordinances and regulations. If it is determined that the facilities are not in conformity with applicable restrictions, ordinances and regulations, the Village shall give the Association written notice of such determination.

Further, the Village shall be empowered to compel correction of a problem concerning maintenance after providing notice to the Association, although notice shall not be required in the event that the Village determines that the failure of maintenance constitutes an immediate threat to public health, safety and welfare. If the Association fails to perform the necessary maintenance within a reasonable time after receiving notice of the determination, the Village shall have the right to perform or cause to be performed such maintenance or other operations necessary to preserve the drainage structures and characteristics of the on-site detention improvements. If the Village is required to perform such service, it shall be entitled to complete reimbursement by the Association.

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

ARTICLE X

AMENDMENTS

This Declaration may be amended provided any such provision for amendment states that amendments to all covenants or restrictions applicable to the stormwater detention facilities, entrance feature, landscape maintenance and improvements is expressly prohibited if the result would in any manner diminish their function of insuring compliance with all ordinance requirements (and other applicable regulations) concerning these improvements, and that the responsibility for continued maintenance, operation and preservation of said facilities shall not be abrogated by such amendment.

ARTICLE XI

MISCELLANEOUS PROVISIONS

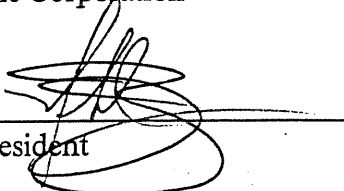
Severability. Invalidation of any one or more of the covenants herein by any judgement or Court Order shall in no way affect any of the other provisions herein which shall remain in full force and effect.

Waiver. The failure by the Association or any Owner or the Village of Huntley to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

IN WITNESS WHEREOF, Pinnacle Corporation, record owner, hereby submits these Covenants and Restrictions to Recorder of Deeds of McHenry County, Illinois to record this document in the title deeds of said property.

Dated this 23rd day of October, 2000.

Pinnacle Corporation

BY: 
It's President

ATTEST:

BY: 

It's 

STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

I, Hui A Kang, a Notary Public in and for said County and State, do hereby certify that Michael J. Ryan and Peter Brennan, of said Corporation, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Attorney, appeared before me this day in person and acknowledged that they signed, sealed and delivered said instrument as their free and voluntary act, and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 27 day of October, 2000.

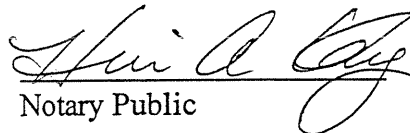

Notary Public



EXHIBIT "A"
LEGAL DESCRIPTION
HERITAGE OF HUNTLEY

THAT PART OF THE NORTHEAST QUARTER AND ALSO THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 43 NORTH, RANGE 7, EAST OF THE THIRD PRINCIPAL MERIDIAN, McHENRY COUNTY, ILLINOIS DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID NORTHEAST QUARTER; THENCE SOUTH 00 DEGREES 02 MINUTES 52 SECONDS WEST ALONG THE EAST LINE OF SAID NORTHEAST QUARTER, 1319.68 FEET TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 34; THENCE SOUTH 89 DEGREES 33 MINUTES 43 SECONDS WEST ALONG THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER, 1313.53 FEET TO THE SOUTHWEST CORNER OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER; THENCE SOUTH 00 DEGREES 05 MINUTES 14 SECONDS WEST ALONG THE EAST LINE OF THE WEST HALF OF THE EAST HALF OF SAID SECTION 34, A DISTANCE OF 1315.65 FEET TO SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 34; THENCE CONTINUING SOUTH 00 DEGREES 07 MINUTES 38 SECONDS WEST ALONG THE EAST LINE OF THE WEST HALF OF THE EAST HALF OF SAID SECTION 34, A DISTANCE OF 964.39 FEET TO THE CENTERLINE OF DUNDEE ROAD; THENCE NORTH 53 DEGREES 36 MINUTES 55 SECONDS WEST, 1571.82 FEET ALONG SAID CENTERLINE, 1571.82 FEET TO THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 34; THENCE NORTH 00 DEGREES 07 MINUTES 37 SECONDS EAST ALONG SAID WEST LINE AND ALSO THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 34, A DISTANCE OF 2716.70 FEET TO THE NORTHWEST CORNER OF SAID NORTHEAST QUARTER; THENCE NORTH 89 DEGREES 23 MINUTES 08 SECONDS EAST ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER, 2625.33 FEET TO THE POINT OF BEGINNING, ALL IN GRAFTON TOWNSHIP McHENRY COUNTY, ILLINOIS.