

FOR PLAT SEE - D Plat File 94

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**DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
FOR THE
WHITMORE RESERVE
HOMEOWNERS ASSOCIATION**

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Return To:**

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WHITMORE RESERVE HOMEOWNERS ASSOCIATION

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**DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR THE
WHITMORE RESERVE HOMEOWNERS ASSOCIATION**

THIS DECLARATION is made and entered into this 12th day of December, 2006 by Wildwood OC, L.L.C., an Illinois Limited Liability Company, (hereinafter referred to as the "Declarant") for the purpose of creating the Whitmore Reserve Homeowners Association.

WITNESSETH:

WHEREAS, Wildwood OC, L.L.C. ("Declarant") , is the owner in fee simple of certain real property located in Marion Township, Ogle County and known by official designation as Whitmore Reserve being a subdivision of 57 lots located in Ogle County, Illinois (see Legal Description attached hereto and incorporated by reference as Exhibit A). For the purposes of enhancing and protecting the value, attractiveness and desirability of the lots described above and each part thereof shall be held, sold and conveyed only subject to the following easements, running with the land and shall be binding on all parties having any right, title or interest in the above described property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

The following words when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

A. "Association" shall mean and refer to WHITMORE RESERVE HOMEOWNERS ASSOCIATION, Inc., its successors and assigns.

B. "Common Areas" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of conveyance of the first lot are described as Outlot "A", Outlot "B", Outlot "C" and Outlot "D" on the recorded final plat. Common Areas will be conveyed some time after sixty percent (60%) of the lots in Whitmore Reserve Subdivision have been sold.

C. "Lot" shall mean any plot of land shown on the recorded Subdivision Map on ~~page~~ D. PLAT File - 94 with the exception of the Common Areas described as Outlot "A", Outlot "B", Outlot "C" and Outlot "D" on the recorded final plat.

D. "Maintenance" shall mean the exercise of reasonable care to keep storm water retention areas, drainage easements and ditches, curtain drains, landscaping, taxes and other related improvements and fixtures in a condition comparable to their original condition, normal wear and tear excepted. Maintenance of landscaping shall further mean the exercise of generally accepted garden management practices necessary to promote healthy, weed-free environments for optimum plant growth.

E. "Member" shall mean every person or entity that holds membership in the Association.

F. "Mortgage" shall mean a conventional mortgage or a deed of trust.

G. "Mortgagee" shall mean a holder of a conventional mortgage or a beneficiary under or holder of a deed of trust.

H. "Owner" shall mean the record owner, whether one of more persons or entities, of a fee simple title to any lot which is a part of the property, and shall include contract seller, but shall not include those holding title merely as security for performance of an obligation.

I. "Subdivision" shall mean the subdivided real property herein described and such additions thereto as may be brought within the jurisdiction of the Association as herein provided.

ARTICLE II

MEMBERSHIP ASSOCIATION; VOTING RIGHTS

A. Every owner of a lot shall be a Member of the Association; membership shall be appurtenant to and may not be separated from ownership of a lot.

B. Members shall be owners, and shall be entitled to one vote for each lot owned. When more than one person holds an interest in a given lot, all such persons shall be Members and the vote for such lot shall be exercised as they may determine among themselves, in no event shall more than one vote be cast with respect to any lot owned by Members.

ARTICLE III

ASSESSMENTS

A. Lien and personal obligation of assessments. Declarant covenants for each lot within the Subdivision, and each owner of a lot is hereby deemed to covenant by acceptance of the deed for such lot, whether or not it shall be so expressed in the deed, to pay to the Association (1) annual assessments and (2) special assessments for capital improvements. Such assessments will be established and collected as herein provided. The annual and special assessments, together with interest, costs, and reasonable attorney fees, shall be a charge on the land and continuing lien on each lot against which such an assessment is made. Each such assessment, together with interest, costs, and reasonable attorney fees shall also be the personal obligation of the person or persons who owned the successors in the title of such person or persons unless expressly assumed by them.

1. Maintenance and repair of the Common Areas.
2. Water, garbage (if any) and other necessary utility service for the Common Area
3. Acquisition of equipment for the Common Area as may be determined by the Association.
4. Maintenance and repair of storm water retention areas within the confines of the subdivision including the curtain drains located within the common areas.

5. Liability insurance insuring the Association against any and all liability to the public, to any owner, or to the guest(s) or tenant(s) of any owner arising out of their occupation and/or use of the Common Areas. The policy limits shall be set by the Association, and shall be reviewed at least annually and increased or decreased in the discretion of the Association.

6. Workmen's compensation insurance to the extent necessary to comply with applicable law, and any other insurance deemed necessary by the Board of Directors of the Association.

7. A Standard fidelity bond covering all of the Board of Directors of the Association and all employees of the Association in an amount to be determined by the Board of Directors.

8. Any other materials, supplies, labor, services, maintenance, repairs, insurance, taxes, or assessments which the Association is required to secure or pay pursuant to the terms of this Declaration or by law, or which shall be necessary or proper in the opinion of the Board of Directors of the Association for the operation of Common Areas, for the benefit of the lot owners, or for the enforcement of these restrictions.

B. Maximum annual assessment.

1. Until January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment shall be \$120.00. The initial annual assessment shall be determined by and estimate of annual projected costs of maintenance as described in Article I-D.

2. From and after January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment may be increased each year not more than ten percent (10%) above the maximum assessment for the previous year without a vote of the Members.

3. From and after January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment may be increased above twenty percent (20%) by the vote or written assent of a majority of Members.

4. The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum.

C. Special assessments for capital improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement on the Common Areas, including fixtures and personal property related thereto. Any such assessment must be approved by a majority of Members.

D. Notice and quorum for action authorized under Section C and D. Written notice of any meeting called for the purpose of taking any action authorized by Section C or D shall be sent to all Members not less than ten (10) days nor more than thirty (30) days in advance of such meeting. In the event the proposed action is favored by a majority of the votes cast at such meeting, but less than the requisite majority of Members, Members who were not present in person or by proxy may give their assent in writing within seven (7) days after the date of such meeting.

E. Uniform rate of assessment. Both annual and special assessments must be fixed at a uniform rate for all lots.

F. Commencement and collection of annual assessments. The annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the Common Areas. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the dates such amounts become due. Assessments may be made payable monthly. Notice of the annual assessments shall be sent to every owner subject thereto. The Association shall, on demand and for reasonable charge, furnish a certificate signed by an officer of the Association, setting forth whether the assessment against a specific lot has been paid, and shall, on or before February 15 of each year, cause to be recorded in the Office of the County Clerk of Ogle County, a list of delinquent assessments as of that date.

G. Effective of nonpayment of assessments; remedies of the Association.

Any assessment not paid within ten (10) days after the due date shall be deemed in default and shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Areas or abandonment of the owner's lot.

H. Subordination of assessment lien to mortgages. The assessment lien provided for herein shall be subordinate to the lien of any first mortgage. A sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to a mortgage foreclosure or any proceeding in lieu thereof shall extinguish the assessment lien as to payments that 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 IV

PROPERTY RIGHTS

A. Owner's easements of enjoyment. Every owner of a lot shall have a right and easement of enjoyment in and to the Common Areas, which right shall be appurtenant to and shall pass with the title to such lot, subject to the following rights of the Association.

1) The right to dedicate or transfer all or any part of the Common Areas to any municipality, public agency, authority, or utility for such purposes and subjects to such conditions as may be agreed on by the Members. No such dedication or transfer shall be effective unless an instrument executed by two-thirds of Members agreeing to such dedication or transfer has been duly recorded.

B. Delegation of use. Subject to such limitations as may be imposed by Common Areas, each owner may delegate the right of enjoyment in and to the Common Areas to the Members of the owner's family, and to quests, tenants, and invitees.

C. Other easements.

1. Easements for installation and maintenance of utilities and drainage facilities are shown on the recorded Subdivision map. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction of flow of drainage facilities in the easements. The easement area of each lot and all improvements therein shall be continuously maintained by the owner of such lot, except for improvements for maintenance of which a public authority or utility company is responsible.

2. No dwelling unit or other structure of any kind shall be built, erected, or maintained on any such easement, reservation, or right of way, and such easements, reservations, and rights of way shall at all times be open and accessible to public and quasi-public utility corporations, their employees and contractors, and shall also be open and accessible to Declarant, his successors and assigns, all of whom shall have the right and privilege of doing whatever may be necessary in, on, under, and above such locations to carry out any of the purposes for which such easements, reservations, and right of way are reserved.

3. Right of entry. The Association, through its authorized employees and contractors, shall have the right after reasonable notice to the owner thereof, to enter a lot at any reasonable hour on any day to perform such maintenance as may be authorized herein.

4. No partition. There shall be no judicial partition of the Common Areas, nor shall Declarant, or any owner of any other person acquiring any lot owned in co tenancy.

ARTICLE V

USE RESTRICTIONS

A. This Subdivision is hereby restricted to detached single-family residential dwellings and ancillary and accessory uses in connection therewith. All buildings and accessory structures erected in the Subdivision shall be of new construction; no buildings or structures shall be moved from other locations to the Subdivision. No building or structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used within the Subdivision at any time as a residence, either temporarily or permanently.

B. No buildings shall be erected, altered or permitted to remain on any lot in the Subdivision, other than one (1) single-family dwelling not to exceed two (2) stories in height; each single-family dwelling must have an attached private garage for not less than two (2) automobiles. An exposed basement shall not be considered a story.

C. The gross ground floor area of the main structure exclusive of open porches, garage and basement, shall not, in the case of a one (1) story dwelling be less than 1,700 square feet; shall not, in the case of a two (2) story dwelling be less than 2,200 square feet in the ground floor area and second floor area, exclusive of porches, garage and basement; shall not, in the case of a tri-level dwelling be less than 1,750 square feet. With respect to tri-levels, unfinished family rooms shall be included for purposes of determining square footage. Outbuildings must be constructed of the same exterior materials as dwelling on lot, and said outbuilding must be in the same architectural design as the residential dwelling. No more than one (1) outbuilding of a maximum size of 1000 square feet may be constructed on any lot. All buildings plans shall be subject to approval by Declarant or its successors.

D. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any lot in the Subdivision; no more than two (2) domesticated dogs and two (2) domesticated house cats may be kept and maintained as household pets, provided that they are not kept, bred or maintained for any commercial purpose. The landowner shall prevent said animals from disturbing the peace and tranquility of the neighbors.

E. All garbage cans and storage piles shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring lots and streets within the Subdivision. All rubbish, trash and garbage shall be regularly removed at least bi-weekly from the Subdivision, and shall not be allowed to accumulate upon any lot within the Subdivision.

F. All structures and fences upon a lot in the Subdivision shall at all times be maintained so as to not become unsightly to the neighborhood; all lawn areas, shrubbery, trees and foliage within the lot lines and upon public areas between the lot lines and adjacent streets shall at all times be maintained in a trim and orderly fashion so as to prevent the spread of plant disease and not become unsightly to the neighborhood.

G. No noxious nor offensive activities shall be carried on upon any lot nor within the Subdivision, nor shall anything be done thereon which may be or may become any annoyance or nuisance to the neighborhood.

H. No boat, recreation trailer or recreational vehicle shall be stored or parked on the premises unless (a) said vehicles are the property of the landowner; and (b) said vehicles are placed off the street and on the property itself in a garage or outbuilding, or shielded from view by a fence. No commercial vehicle shall be parked in front of or on the property itself. The term "commercial vehicle" is defined to include, by way of example but not limitation, any industrial equipment and any vehicle other than a recreational vehicle in excess of one-ton capacity.

I. No plants nor seeds nor other things or conditions harboring or breeding neither infectious plant diseases, nor noxious insects shall be introduced or maintained upon any lot or within the Subdivision.

J. No above ground swimming pools are allowed. Swimming pools constructed upon any lot within the Subdivision shall be fully enclosed by fencing. Said fencing shall be a minimum of five (5) but not more than six (6) feet in height. Gates to the swimming area shall be constructed with lock and key systems and shall be locked at all times of non-use by the owner.

K. Fences may be erected to a maximum height of six (6) feet. No fence shall be constructed between the front of any dwelling and the street line. All fences shall be white vinyl material. No fence, wall, hedge, or shrub planting which obstructs sight lines at elevations between two (2) and six (6) feet above the crown of the street shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line between the points of intersection of the building setback lines extended to the street property lines. No trees shall be permitted to remain within any such triangular area unless the foliage line is maintained at a sufficient height to prevent obstruction of such sight lines.

L. Except for not more than one (1) "For Rent" or "For Sale" sign of not more than five (5) square feet of surface area, no advertising signs, billboards, objects of unsightly appearance, or nuisances shall be erected, placed or permitted to remain on any lot; provided, however, the foregoing restrictions shall not apply to the commercial activities, signs and billboards, if any, of the builder during the construction and sales period of any dwellings upon any of the lots within the Subdivision.

M. Easements for the installation and maintenance of utilities and drainage are reserved as shown on the plat of the Subdivision or recorded separately. The easement area of each lot and all improvements within it shall be maintained continuously by the owners of the lot, except those improvements for which a public authority or utility company is responsible.

N. No lot in this Subdivision shall be further divided for the purpose of making two (2) or more lots out of one (1) lot. However, a lot may be divided for the purpose of increasing the size of another contiguous lot.

O. All dwellings shall have paved driveways of asphalt or concrete.

P. All satellite dish receivers shall be located at the rear of the dwelling.

Q. No building shall be located in any lot nearer to the front lines than the minimum setback line shown on the recorded plat. No part of a dwelling or accessory building shall be located nearer than twenty (20) feet to the rear or twenty-five (25) feet from any side lot line. For the purpose of this covenant, eaves, steps and open porches are not considered as part of the building. Where a building site consists of more than one (1) lot, the above provisions shall be applicable to the boundary lines at the building site rather than the plotted lot lines.

ARTICLE VI

OWNERS OBLIGATION TO REPAIR

Each owner shall, at such owner's sole cost and expense, repair such owner's residence, keeping the same in a condition comparable to the condition of such residence at the time of its initial construction, excepting only normal wear and tear.

ARTICLE VII

OWNER'S OBLIGATION TO REBUILD

If all or any portion of a residence is damaged or destroyed by fire or other casualty, it shall be the duty of the owner, with all due diligence, to rebuild, repair, or reconstruct such residence in a manner which will substantially restore it to its appearance and condition immediately prior to the casualty. Reconstruction shall be undertaken within three (3) months after the damage occurs, and shall be completed within nine (9) months after the damage occurs, unless prevented by causes beyond the control of the owner or owners.

ARTICLE VIII

GENERAL PROVISIONS

A. Enforcement. Declarant, the Association, or any owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by Declarant, the Association, or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

C. Amendments. Covenants and restrictions of this Declaration may be amended at any time by recording an instrument executed and acknowledged by not less than three-quarters of Members.

D. Subordination. No breach of any of the conditions herein contained or reentry by reason of such breach shall defeat or render invalid the lien of any mortgage made in good faith and for value as to the Subdivision or any lot therein; provided, however, that such conditions shall be binding on any owner whose title is acquired by foreclosure, trustee's sale, or otherwise.

E. Duration. The restrictive covenants set forth herein shall run with the land and shall be mutually and reciprocally binding on and among all of the lots within the Subdivision and all parties having any interest therein and all personal claiming by, through and under them for a period of thirty (30) years from the date of the recording of this document for the Subdivision. These restrictive covenants may be enforced through any proceeding in law or in equity. In the event an injunction is brought, it is not necessary for the moving party to show damage or irreparable harm to so enforce these restrictive covenants shall in no event be deemed a waiver of the right to do so. After the expiration of said thirty (30) year period, all of these restrictive covenants shall continue to run with and bind the land for successive periods of ten (10) years each, unless revoked, changed or amended in whole or in part by an instrument executed by the owners of not less than two-thirds of the lots within the Subdivision, and which is duly recorded.

F. The invalidation of any one or more of the foregoing restrictive covenants by judgment, decree or court order shall in no way affect any of the other restrictive covenants or foregoing provisions which shall remain in full force and effect.

EXHIBIT A
LEGAL DESCRIPTION
WHITMORE RESERVE SUBDIVISION

OF PROPERTY DESCRIBED AS: Part of the South Half (S ½) of Section Twenty-Six (26), Township Twenty-Five (25) North, Range Eleven (11) East of the Fourth (4th) Principal Meridian, Ogle County, Illinois bounded and described as two parcels and a mortgage tract, as follows, to wit:

PARCEL A

Beginning at a point on the North line of the Southwest Quarter (SW ¼) of said Section Twenty-Six (26), said point being 248.68 feet West of the Northeast corner of said Southwest Quarter (SW ¼); thence Southerly, parallel with the East line of said Southwest Quarter (SW ¼), a distance of 2643.16 feet to the South line of said Southwest Quarter (SW ¼); thence Westerly, along said South line, a distanced of 413.85 feet to the Southeast corner of the West Half (W ½) of the Southeast Quarter (SE ¼) of said Southwest Quarter (SW ¼); thence Northerly, along the East line thereof, a distance of 723.53 feet; thence Westerly, parallel with said South line, a distance of 662.2 feet to the West line of said West Half (W ½) of the Southeast Quarter (SE ¼) of the Southwest Quarter (SW ¼); thence Northerly, along said West line, a distance of 1921.24 feet to the Northwest corner of the Northeast Quarter (NE ¼) of said Southwest Quarter (SW ¼); thence Easterly, along the North line of said Southwest Quarter (SW 1/4), a distance of 1073.96 feet to a Point of Beginning, containing 54.255 acres, more or less.

PARCEL B

Beginning at a point on the North line of the Southwest Quarter (SW ¼) of said Section Twenty-Six (26), said point being 248.68 feet West of the Northeast corner of said Southwest Quarter (SW ¼); thence Southerly, parallel with the East line of said Southwest Quarter (SW ¼), a distance of 2643.16 feet to the South line of said Southwest Quarter (SW ¼); thence Easterly along said South line, a distance of 248.67 feet to the Southeast corner thereof; thence Easterly, along the Southeast Quarter (SE ¼) of said Section Twenty-Six (26), a distance of 195.79 feet; thence Northerly, parallel with the East line of the West Half (W ½) of the Southwest Quarter (SW ¼) of said Southeast Quarter (SE ¼), a distance of 466.73 feet; thence Easterly, parallel to said South line of the Southeast Quarter (SE ¼). A distance of 466.73 feet to said East line of said West Half (W ½) of the Southwest Quarter (SW ¼) of the Southeast Quarter (SE ¼); thence Northerly, along said East line and the East line of the Northwest Quarter (NW ¼) of said Southeast Quarter (SE ¼) a distance of 2175.05 feet to the North line of said Southeast Quarter (SE ¼); thence Westerly, along said North line, a distance of 661.33 feet to the Point of Beginning, containing 50.236 acres, more or less.

5.000 ACRE MORTGAGE TRACT – (PART OF PARCEL A)

The Easterly 234.21 feet of the Southerly 930.00 feet of the above described Parcel A, containing 5.000 acres, more or less.

EXHIBIT B

**BY-LAWS OF THE
WHITMORE RESERVE HOMEOWNERS ASSOCIATION, INC.,
AN ILLINOIS NOT-FOR-PROFIT CORPORATION**

**ARTICLE I
NAME AND PURPOSE**

1.01 The name of this corporation shall be Whitmore Reserve Homeowners Association, Inc., an Illinois Not-For-Profit Corporation.

1.02 The general purpose of Whitmore Reserve Homeowner's Association, Inc., and Illinois Not-For-Profit Corporation, is to provide a means to manage those areas within the development of Whitmore Reserve Subdivision, Ogle County, Illinois, in a manner which the Corporation believes in the best interest of the residents.

**ARTICLE II
MEMBERSHIP**

2.01 There shall be one class of membership, being the legal or equitable owner of each lot within the named Subdivision. There shall be one person from each lot who shall be entitled to vote at any meeting of the Corporation. Such person shall be referred to herein as the "Voting Member." A Member who owns more than one lot shall be entitled to one vote for each lot owned by such Member. A Voting Member may designate another individual as a proxy in writing to vote on his or her behalf at any corporate meeting, provided such written proxy is delivered to the Board prior to such vote.

2.02 Meetings of the Voting Members shall be held at a location within Ogle County, Illinois as may be designated by the Board of Directors. The presence in person or proxy at any meeting of Voting Members having twenty percent (20%) of the total votes shall constitute a quorum. Unless otherwise expressly provided herein, or otherwise provided by law, any action taken at any meeting of the Voting Members in which a quorum is present, shall require the affirmative vote of at least a majority of those total votes present at the meeting. The following actions shall require the affirmative vote of at least two-thirds (2/3) of the Voting Members present at a meeting duly called for that purpose:

- a) merger or consolidation of the Association;
- b) sale, lease, exchange, or other disposition of substantially all of the property and assets of the Association;
- c) the purchase or sale of land owned by the Association.

2.03 The initial meeting of the Voting Members shall be held upon not less than twenty-one (21) days prior written notice given by the Declarant and not later than sixty

(60) days after the conveyance by the Declarant of sixty percent (60%) of the lots within the Whitmore Reserve Subdivision, or four (4) years after the restrictions and covenants of the Subdivision are duly recorded, whichever is earlier. Thereafter, there shall be an annual meeting of the Voting Members on such date as selected by the Board as may be designated by written notice of the Board delivered to the Voting Members not less than ten (10) days nor more than thirty (30) days prior to the date fixed for said meeting. One of the purposes of such annual meeting shall be to elect the Board of Directors.

2.04 Special meetings of the Voting Members may be called at any time for the purpose of considering matters which, by the terms of the Declaration, require the approval of all or some of the Voting Members, or for any other reasonable purpose. Said meeting shall be called by written notice, authorized by a majority of the Board, the President, or by the Voting Members having twenty percent (20%) of the total votes, and delivered not less than then (10) days nor more than thirty (30) days prior to the date fixed for said meeting. The notices shall specify the date, time, and place of the meeting and the matters to be considered.

2.05 Notices of meetings required to be given herein shall be delivered by mail to the persons entitled to vote at such meetings, addressed to each such person at the address given by him to the Board for the purpose of service of such notice.

2.06 Election of Officers. At the annual meeting of the Board of Directors, or not later than the next regular meeting following the annual meeting, the Directors shall elect from among their Members the following:

1. President
2. Vide-President
3. Treasurer
4. Secretary

All officers shall be Members of the Board of Directors, and shall serve for the term of one (1) year, or until the election of the successors.

Duties of Officers:

- a) President

The President shall be the principal executive officer of the Corporation and shall in general, supervise its affairs. The President shall preside at all meetings of the Board of Directors of the Whitmore Reserve Home Owner's Association. He/she shall appoint all committees when not otherwise ordered or provided for in these By-Laws, and shall be an ex-officio Member of all standing committees.

b) Vice-President

In the absence of the President, the Vice-President shall possess that power and perform those duties; and in the absence of both President and Vice-President, the Directors present at any meeting shall appoint one of their own members to preside.

c) Treasurer

The Treasurer shall keep full and accurate account of all receipts and disbursements of all funds coming into his/hers possession and deposit such funds and other valuable effects to the name and to the credit of this Corporation in such depository as may be designated by the Board of Directors.

The Treasurer shall be under the control and direction of the Board of Directors.

The Treasurer shall arrange for the custody of all securities, deeds and other papers and documents relating to the property of the Whitmore Reserve Homeowner's Association.

The Treasurer shall arrange that proper books of account be kept, showing the amount of funds on hand, which shall at all suitable times be open to the inspection of any Director. At each regular meeting of the Directors, he/she shall present a report in writing showing the state of the treasury. He/she shall have prepared and presented at the annual meeting of the Directors, a report in writing of income and expenses for the proceeding fiscal year, and of the assets and liabilities of the Corporation at the end of this period.

d) Secretary

The Secretary shall cause to be kept the minutes of all meetings of the Board of Directors, as well as to record all votes and the minutes of all proceedings and shall attest same with his/her signature. This shall be contained in a book or books to be kept for that purpose.

The Secretary shall be responsible for issuing notification of meetings and for such other correspondence as it is authorized by the Board of Directors.

The Secretary shall also perform such other duties as may be required of him/her by these By-Laws and by the Board of Directors.

ARTICLE III
BOARD OF DIRECTORS

3.01 The Voting Members shall elect a Board at the initial meeting. The candidate receiving the highest number of votes with respect to the office to be filled shall be deemed to be elected. A majority of the total number of Members on the Board shall constitute a quorum. Members of the Board elected at the initial meeting shall serve until the first annual meeting. At the first annual meeting, and at each successive annual meeting thereafter, Members of the Board shall be elected for a term of one (1) year. The Voting Members having at least two-thirds (2/3) of the total votes may from time to time increase or decrease such number of persons on the Board or may increase the term office of Board Members at any annual or special meeting, provided that such number shall not be less than three (3). The initial number of members of the Board shall be three (3).

Officers and Members of the Board may succeed themselves in office. Members of the Board shall receive no compensation for their services, unless expressly allowed by the Boars at the direction of the Voting Members having Two-thirds (2/3) of the total votes.

Vacancies in the Board, including vacancies due to any increases in the number of persons on the Board shall be filled by election by the Voting Members present at the next annual meeting or at a special meeting of the Voting Members called for such purpose. The remaining Members of the Board shall have the authority to fill the vacancy by two-thirds (2/3) vote.

Except as otherwise provided in the By-Laws, the property shall be managed by the Board which shall meet at least two (2) times annually. The Board shall act by majority vote of those present at its meetings when a quorum exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt; provided, that all meetings of the Board shall be open to all lot owners except for meetings:

- a) to discuss litigations when an action against or on behalf of the Association has been filed and is pending in court or administrative tribunal or when the Board finds that such an action is probable or imminent; or
- b) to consider information regarding appointment, employment or dismissal of an employee; or
- c) to discuss violations of rules and regulations of the Association or Members unpaid share of Common Expenses.

Any vote on the above matters shall be taken at a meeting or portion thereof open to any Member. Any Member may record the meetings required to be open by the

Act or these By-Laws by tape, film or other means subject to reasonable rules and regulations prescribed by the Board to govern the right to make such recordings.

Special meetings of the Board can be called by the President or twenty-five percent (25%) of the Members of the Board.

3.02 The Board shall elect from among its Members a President who shall preside over both its meetings and those of the Voting Members, and who shall be the chief executive officer of the Board; a Secretary who shall keep the minutes of all the meetings of the Board and the Voting Members, and who is the officer designated to give and receive notices on behalf of the Board and who shall, in general, perform all the duties incident to the office of Secretary; and a Treasurer to keep the financial records and books of account; and such additional officers as the Board shall see fit to elect. In addition, the President and Secretary are the officers authorized to execute such amendments to the Declaration and By-Laws which are authorized herein.

3.03 Any Board Member may be removed from office by affirmative vote of the Voting Members having at least two-thirds (2/3) of the total votes, at any special meeting called for the purpose. A successor to fill the unexpired term of a Board Member removed may be elected by the Voting Members at the same meeting or any subsequent meeting called for that purpose.

3.04 All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the President and countersigned by the Secretary.

3.05 Notice of meetings of the Board shall be mailed to Members at least ten (10) days prior to such meeting, unless a written waiver of such notice is signed by the person or persons entitled to such notice prior to the meeting. No other notice need be served on Members of the Board. Notice of any meeting of the Board concerning adoption of a proposed annual budget or increase or establishment of an assessment shall be not less than ten (10) days. Notwithstanding the aforesaid, in the event any proposed action is favored by a majority of the votes cast at any meeting, but less than the requisite majority of Members, Members who were not present in person or by proxy may give their assent in writing seven (7) days after the date of such meeting.

3.06 All rules and regulations, or amendment thereto, adopted by the Board, shall be effective sixty (60) days after their adoption, provided that the Voting Members may veto the rules or regulations at a special meeting of the Voting Members called for such purpose, and held before the effective date of the rule or regulation, by a vote of seventy-five (75%) of the Voting Members present at such special meeting, in person or by proxy.

ARTICLE IV
ASSESSMENTS

4.01 Owner of a lot is hereby deemed to covenant by acceptance of the deed for such lot, whether or not it shall be so expressed in the deed, to pay to the Association (1) annual assessments and (2) special assessments for capital improvements. Such assessments will be established and collected as herein provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and a continuing lien on each lot against which such and assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person or persons who owned the lot at the time the assessment fell due, but such personal obligation shall not pass to the successors in title of such person or persons unless expressly assumed by them.

a) Maintenance and repair of the Common Areas, perimeter fences, gates and lighting.

b) Utility service for the Common Area (if any).

c) Acquisition of equipment for the Common Areas as may be determined by the Association.

d) Maintenance and repair of storm water retention areas within the confines of the Subdivision.

e) Liability insurance insuring the Association against any and all liability to the public, to any owner, or to the quest(s) or tenants(s) of any owner arising out of their occupation and/or use of the Common Areas. The policy limits shall be set by the Association, and shall be reviewed at least annually and increased or decreased in the discretion of the Association.

f) Workmen's compensation insurance to the extent necessary to comply with applicable law, and any other insurance deemed necessary by the Board of Directors of the Association.

g) A standard fidelity bond covering all of the Board of Directors of the Association and all employees of the Association in an amount to be determined by the Board of Directors.

H) Any other materials, supplies, labor, services, maintenance, repairs, insurance, taxes, or assessments which the Association is required to secure or pay pursuant to the terms of this Declaration or By-Laws, or which shall be necessary or proper in the opinion of the Board of Directors of the Association for operation of Common Areas, for the benefit of lot owners, or for the enforcement of these restrictions.

4.02 Maximum annual assessment.

a) Until January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment shall be \$120.00. The initial annual assessment shall be determined by an estimate of annual projected

costs of maintenance as described in Article 1-5 of the Restrictive Covenants and Conditions of Whitmore Reserve Subdivision.

b) From and after January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment may be increased each year not more than ten (10%) above the maximum assessment for the previous year without a vote of the members.

c) From and after January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment may be increased above twenty percent (20%) by the vote or written assent of a majority of members.

d) The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the maximum.

4.03 Special assessments for capital improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement on the Common Areas, including fixtures and personal property related thereto. Any such assessment must be approved by a majority of Members.

4.04 Notice and quorum for action authorized under Article 3, 3-4 of the Restrictions and Covenants of Whitmore Reserve Subdivision. Written notice of any meeting called for the purpose of taking any action authorized by Article 3, 3-4 shall be sent to all members not less than ten (10) days nor more than thirty (30) days in advance of such meeting. In the event the proposed action is favored by a majority of the votes cast at such meeting, but less than the requisite majority of Members, Members who were not present in person or by proxy may give their assent in writing within seven (7) days after the date of such meeting.

4.05 Uniform rate of assessments. Both annual and special assessments must be fixed at a uniform rate for all lots.

4.06 Commencement and collection of annual assessments. The annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the Common Areas. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the dates such amounts become due. Assessments may be made payable monthly. Notice of the annual assessments shall be sent to every owner subject thereto. The Association shall, on demand and for a reasonable charge, furnish a certificate signed by an Officer of the Association, setting forth whether the assessment against a special lot has been paid, and shall, on or before February 15 of each year, cause to be recorded in the Office of the County Clerk of Ogle County, a list of delinquent assessments as of that date.

4.07 Effect of nonpayment of assessments; remedies of the Association. Any assessment not paid within ten (10) days after the due date shall be deemed in default

and shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Areas or abandonment of the owner's lot.

4.08 Subordination of assessment lien to mortgages. The assessment lien provided for herein shall be subordinate to the lien of any first mortgage. A sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to a mortgage foreclosure or any proceeding in lien thereof, shall extinguish the assessment lien as to payments that 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 V
SUBJECT TO RESTRICTIVE COVENANTS AND CONDITIONS

The By-Laws of this Corporation shall be subject to the terms and conditions of the Restrictive Covenants and Conditions of Whitmore Reserve Subdivision recorded with the Office of Recorder of Deeds of Ogle County, Illinois. Any conflict between this document, amendments thereto, and said Covenants and Restrictions shall be construed in favor of said Restrictive Covenants and Conditions of Whitmore Reserve Subdivision.

ARTICLE VI
AMENDMENTS

Except as otherwise provided by Statute, these By-Laws may be amended or modified by approval of the Voting Members having at least two-thirds (2/3) of the total vote; provided, however, no provision of these By-Laws may be amended or modified so as to conflict with any Illinois Statute or the terms and conditions of the Covenants and Restrictions of Whitmore Reserve Subdivision.