

**SECOND AMENDED AND RESTATED
DECLARATION OF
COVENANTS, CONDITIONS AND RESOLUTIONS
UNITED LOST LAKE PROPERTY OWNERS ASSOCIATION**

THIS IS AN AMENDMENT TO, AND RESTATEMENT OF, THE AMENDED DECLARATION made the 25th day of June 2011 by UNITED LOST LAKE PROPERTY OWNERS ASSOCIATION, INC, an Illinois Property Owners corporation, hereinafter referred to as the "Association".

WITNESSETH:

WHEREAS, the Association, providing administration for, and in maintaining a recreationally oriented Community on the lands described in "Exhibit A" hereto and such additional land as may be added thereto, from time to time, by supplemental decision of the Association amending these Restrictions to include additional lands herein, known as the "United Lost Lake Community", (hereinafter referred to as the "Community") to consist of residential lots, roads, parks, and common areas as shown, and described in the plats of the Community recorded, and to be recorded by the Association with the Recorder of Deeds for Ogle County, Illinois; and

WHEREAS, the Association, responsible for governing and maintaining the Community, in order to continue as a recreationally oriented Community desires to subject and impose upon the lands within the Community, the residential lots and parcels located therein, certain mutual, beneficial restrictions, covenants, reservations, conditions, easements, liens and charges (hereinafter referred to as the "Restrictions") for the mutual benefit and complement of the various lots, and parcels in the Community, and the future owners thereof.

NOW, THEREFORE, the Association hereby declares that all the lots located within the Community on the lands described in "Exhibit A", or otherwise recorded as part of said Community, as residential in character, are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, subject to the following Restrictions, all of which are declared and agreed to be in furtherance of a plan for the Community, improvement and sale of said lots, established for the purpose of enhancing and protecting the value, desirability and attractiveness of the Community as a whole, and of said lots situated therein. All of the Restrictions shall run with the land and shall be binding upon all parties having or acquiring any right, title or interest in and to the real property or any part or parts thereof, subject to such Restrictions.

1. Residential Character of the Community.

A. In General. Every numbered lot shown on the plats of the Community is a residential lot, except lots owned by the United Lost Lake Property Owners Association (ULLPOA), River

Conservancy District (RCD), and the Lost Lake Utility District (LLUD), and shall be used exclusively for single family residential proposes. When used herein, the term "lot" or "lots" shall mean such numbered residential lots depicted in the Plats set forth in "Exhibit A" and nothing shall be permitted except a single family dwelling house and such outbuildings as are usually accessory to a single family dwelling house.

B. Construction of a Garage or Outbuilding on a Single Lot. In the event that a vacant lot is owned adjacent to a lot where a single family dwelling house is located, subject to the approval of the ACC/ECC and by the Board, a garage or outbuilding may be constructed under the following conditions:

- (a) It must conform to the architectural style of the dwelling house.
- (b) It must be used in conjunction with the house as support for single family dwelling purposes.
- (c) It must be removed from the lot prior to conveyance or severance of ownership if it is sold or conveyed separately from the adjacent lot where the single family dwelling house is located.

C. Occupancy or Residential Use of Partially Completed Dwelling Houses Prohibited. No dwelling house constructed on any of said lots shall be occupied or used for residential purposes or human habitation until it shall have been substantially completed. The determination of whether or not a house shall have been "substantially completed" shall be made by the "Architectural Control Committee / Environmental Control Committee" (ACC/ECC) hereinafter described and the decision of that Committee with the approval of the Board of Directors shall be binding on all parties concerned therewith.

D. Definitions.

(a) "Acceptable technological means" includes, without limitation, electronic transmission over the Internet or other network, whether by direct connection, intranet, telecopier, electronic mail, and any generally available technology that, by rule of the association, is deemed to provide reasonable security, reliability, identification, and verifiability.

(b) "Community instruments" means all documents and authorized amendments thereto recorded by a developer or common interest community association, including, but not limited to, the Declaration, By-Laws, operating agreement, plat of survey, and rules and regulations.

(c) "Electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient and that may be directly reproduced in paper form by the recipient through an automated process.

(d) "Prescribed delivery method" means mailing, delivering, posting in an Association publication that is routinely mailed to all Members, electronic transmission, or any other delivery method that is approved in writing by the Member and authorized by the community instruments.

(e) "Management company" or "community association manager" means a person, partnership, corporation, or other legal entity entitled to transact business on behalf of others, acting on behalf of or as an agent for an association for the purpose of carrying out the duties, responsibilities, and other obligations necessary for the day to day operation and management of any property subject to the Common Interest Community Association Act.

2. Restrictions Concerning Size and Placement of Dwelling Houses and Other Structures and the Maintenance Thereof.

A. Minimum Living Space Areas. No house or dwelling shall be constructed on any lot in the Community having less than the following minimum square footage of living space, exclusive of porches, terraces, garages, carports, and other buildings. A single story dwelling shall be constructed having no less than 1,300 square feet of foundation area. A two-story house or bi-level dwelling shall have a minimum foundation area of 900 square feet.

B. Setback Requirements.

(a) Definitions:

(i) "Side Line" is a lot boundary line that extends from the road right-of-way on which the lot abuts to the rear line of said lot.

(ii) "Rear Line" is the lot boundary line that is farthest from, and substantially parallel to, the road on which the lot abuts, except that on corner lots, it may be determined from either abutting road.

(b) In General. Except as may be otherwise provided in these Restrictions or on the Plat, no dwelling house or other structure shall be constructed or placed on any numbered Lot in the Community (except fences, the placement of which is provided for hereinafter) except as follows:

(i) Front Yards. The front building setback line shall be twenty seven (27) feet or as otherwise shown on the recorded plat.

(ii) Side Yards. The side yard setback line shall be not less than fifteen (15) feet or 10% of the lot width, whichever is less, from the side line of the lot, except where said lot is a corner lot, and in such case, the minimum yard setback line shall be as shown on the recorded plat.

(iii) Rear Yards. The rear building setback line shall be thirty (30) feet or as otherwise shown on the recorded plat.

(iv) Cul de Sacs. If the particular lot abuts on a cul de sac, the front building setback line shall be as shown on the recorded plat.

C. Fences. In general, in order to preserve the natural quality and aesthetic appearance of the existing geographic areas within the Community, all property lines shall be kept free and open one to another. However, at times, it may be necessary for a lot owner to have a fence. Therefore, fences may be permitted by a Board variance on a lot where they fit the guidelines established and approved by the Board of Directors. In such case, the ACC/ECC shall use the following guidelines: The maximum fence height shall be five (5) feet. No fence shall be permitted to extend nearer to any street than the minimum building setback line; and in the case of a corner building, setback lines on both streets must be observed. Final approval will be made by the Board of Directors.

D. Exterior Construction Materials. The finished exterior of every building constructed or placed on any numbered lot in the Community shall be of material(s) other than tar paper, roll-brick siding or any other similar material.

E. Diligence in Construction. Every building construction on any lot in the Community as outlined in the ACC/ECC building package(s) shall be completed within nine (9) months after the beginning of construction. No improvement which has partially or totally been destroyed by fire or otherwise shall be allowed to remain in such state for more than three (3) months from the time of such destruction or damage.

F. Prohibition of Used Structures. All structures constructed or placed on any numbered lot in the Community shall be constructed with new materials, and no used structures shall be placed on any such lot unless approved by the ACC/ECC and with final approval by the Board of Directors.

G. Maintenance of Lots and Improvements. The owner of each lot in the Community shall at all times maintain said lot and any improvement situated thereon in such a manner so as to prevent said lot or improvements from becoming a condition that reasonably tends to detract from or diminish the aesthetic appearance of any lot; and, specifically, such owner shall:

(a) Mow said lot at such times as may be reasonably required in order to prevent the unsightly growth of vegetation and noxious weeds.

(b) Remove all debris from any lot.

(c) Cut down and remove dead trees from said lot after recommendation and notification of the ACC/ECC and approval by the Board of Directors.

(d) Keep the exterior of all improvements constructed on said lot in such a state of repair or maintenance so as to avoid their becoming unsightly.

H. Association's Right to Perform Certain Maintenances. In the event that the owner of any lot in the Community shall fail to maintain said lot and any improvements situated thereon in accordance with the provisions of the Restrictions, and any By-Laws of the Association, Attached hereto as Exhibit B (as it is hereinafter described), which from time to time may be in effect, and which may be relevant to those Restrictions, said Association shall have the right, by and through its agents or employees or contractors to enter upon said lot and repair, mow, clean or perform such other acts as may be reasonably necessary to make such lot and improvements situated thereon (if any) conform to the requirements of these Restrictions. The cost therefore, to the Association shall be added to and become a part of the annual charge to which said lot is subject, and, after notification is given, may be collected in the same manner as the annual charge and is billable immediately. Neither the Association nor any of its agents, employees, or contractors shall be liable for any damage which may result from any maintenance work performed hereunder.

3. Provisions Respecting Disposal of Sanitary Waste, Water Supply, Etc. (Neither the Association, nor any officer, agent, employee or contractor thereof, shall be liable for any damage which may result from enforcement of this Section).

A. Sanitary Waste.

(a) In General, no outside toilets shall be permitted on a lot, except as required during construction as specified in the ACC/ECC building package(s) and no sanitary waste or other wastes shall be permitted to enter any stream or the lake. By acceptance of a deed, Purchaser agrees that any violation of this Section constitutes a nuisance which may be abated by the Association (as is hereinafter described) in any manner provided in law or equity. Further the cost or expense of abatement (including court costs and attorneys' fees where applicable) shall become a charge or lien upon said lot, and may be collected in any manner provided by law or in equity for collection of liquidated debt.

(b) The central sewage system must be used by all lots, where it is available, unless there is an existing functional septic system for the disposal of sanitary waste. A central water system is in existence which each lot must use for potable water supplies.

B. Water Supply. No private wells shall be used as a source of potable water supply for any lot within the Community.

C. Water and Sewer Services. Water and Sewer Services must be in compliance with the local sewer and water system(s).

4. General Prohibitions.

A. In General. No noxious or offensive activities shall be conducted on any lot in the Community Areas nor shall anything be done on any of said lots that shall become or be an unreasonable annoyance or nuisance to any owner of another lot in the Community.

B. Signs. No signs or advertisements shall be displayed or placed on any unimproved /vacant lot in the Community.

C. Animals. No animal shall be kept or maintained on any lot in the Community, except the usual household pets; and, in such case, such household pets shall be kept confined or attached to a leash so as not to become a nuisance.

D. Vehicle Parking. This paragraph shall not apply to vehicles engaged in construction within the Community. A minimum of two off-street parking spaces shall be provided by each lot owner. No vehicle shall be consistently parked on any street in the Community. No tractor-trailers shall be parked for overnight (or longer) or stored on any lot in the Community.

(a) No motor vehicle shall be parked on any property in the Community for a period of greater than seven (7) days if it is an "inoperable motor vehicle", unless garaged. An "inoperable motor vehicle" means a motor vehicle that has had the engine, wheels, or other parts removed, or on which the engine, wheels, or other parts have been altered, damaged, or otherwise is such that the vehicle is incapable of being driven under its own motor power.

(b) An "inoperable motor vehicle" shall be considered a nuisance and, after receiving written notice from the Association, must be removed or garaged, within seven (7) days. At the expiration of the seven (7) days after notice, the Association shall assess a fine for each day the vehicle remains inoperable and parked out of doors on the premises.

E. Disposal of Garbage, Trash, and Other Refuse. No owner of any lot in the Community shall burn or permit the burning out of doors of garbage, trash or other like household refuse, or other waste material; nor shall any such owner accumulate, or permit the accumulation out of doors of such refuse on his lots, except as may be permitted in Paragraph F.

F. Concealment of Fuel Storage Tanks and Trash Receptacles. Every tank for the storage of fuel that is installed outside any building in the Community shall be either buried below the surface of the ground or screened to the satisfaction of the ACC/ECC, by fencing. Every outdoor receptacle for ashes, trash, rubbish or garbage shall be installed underground or shall be so placed and kept as not to be visible from the lake or any street within the Community at any time, except at the times when refuse collections are being made.

G. Restriction on Construction of Model Homes and Sale of any Dwelling within a Two Year Period. No owner of any lot in the Community shall build or permit the building upon said lot of any dwelling house that is to be used as a model home or exhibit house. No dwelling

constructed within the Community shall be resold within two (2) years after its construction without the consent of the Board of Directors.

H. Temporary Structures with No Primary Residence. No temporary house, trailer, tent, garage or other outbuilding shall be placed or erected on any lot, nor shall any overnight camping be permitted on any lot, except upon lands specifically designated for camping purposes.

I. Removal of Trees. No tree dead or alive over three (3) inches in diameter may be cut down or removed from any lot in the Community without first having obtained the written consent of the ACC/ECC except as provided in subparagraph 2(G)(c). No lot may be cleared of any tree(e) for the building of a home prior to the issuance of the ACC/ECC building permit.

J. Limited Access. There shall be no ingress/egress to any lot on the perimeter of the Community except from designated roads within the Community.

K. Docks, Piers, Etc. No private pier, dock or other structure may be constructed in such a manner that any portion extends into the lake, except as allowed by the RCD.

L. Ditches and Swales Shall Not be Obstructed. It shall be the duty of every owner of every lot in the Community on which any part of any open storm drainage ditch or swale is situated to keep such portion as may be situated upon his lot continuously unobstructed and in good repair, and to provide for the installation of such culverts upon the lots as may be reasonably required to accomplish the purposes of this sub-section. Additionally, all lot owners shall install culverts at points of ingress and egress from the road right-of-way to the lot in conformity with specifications and recommendations of the ACC/ECC as described in Section 5 of the Covenants.

M. Installation of Utility Services. No utility services may be installed under finished streets unless approved by the Board of Directors as defined in the ACC/ECC building specifications. Restoration to the area must be approved by the ACC/ECC Committee and the Board of Directors upon completion.

N. Leases. The provisions of the Common Interest Community Association Act, the Declaration, By-Laws, other community instruments, and rules and regulations that relate to the use of an individual Lot or the Common Areas shall be applicable to any person leasing a Lot and shall be deemed to be incorporated in any lease. The Owner leasing the Lot shall deliver a copy of the signed lease to the Association or if the lease is oral, a memorandum of the lease, not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first.

O. Flags. Notwithstanding any provision in the Declaration, By-Laws, community instruments, rules, regulations, or agreements or other instruments of the Association or the Board's construction of any of those instruments, the Board may not prohibit the display of the

American flag or a military flag, or both, on or within the limited common areas (if any) and facilities of an Owner or on the immediately adjacent exterior of the building in which the Unit of an Owner is located. The Board may adopt reasonable rules and regulations, consistent with Sections 4 through 10 of Chapter 1 of Title 4 of the United States Code, regarding the placement and manner of display of the American flag and the Board may adopt reasonable rules and regulations regarding the placement and manner of display of a military flag. The Board may not prohibit the installation of a flagpole for the display of the American flag or a military flag, or both, on or within the limited common areas (if any) and facilities of an Owner or on the immediately adjacent exterior of the building in which the Unit of an Owner is located, but the Board may adopt reasonable rules and regulations regarding the location and size of flagpoles.

As used in this provision:

"American flag" means the flag of the United States (as defined in Section 1 of Chapter 1 of Title 4 of the United States Code and the Executive Orders entered in connection with that Section) made of fabric, cloth, or paper displayed from a staff or flagpole or in a window, but "American flag" does not include a depiction or emblem of the American flag made of lights, paint, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping, or decorative component.

"Military flag" means a flag of any branch of the United States armed forces or the Illinois National Guard made of fabric, cloth, or paper displayed from a staff or flagpole or in a window, but "military flag" does not include a depiction or emblem of a military flag made of lights, paint, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping, or decorative component.

5. The Architectural Control Committee/Environmental Control Committee (ACC/ECC), as defined in the By-Laws.

A. Powers of the Committee. All rules, regulations, and building variations recommended by the ACC/ECC shall be subject to approval by the Board of Directors.

Generally. No dwelling building structure or improvement of any type or kind may be constructed or placed on any lot in the Community without the prior approval of the ACC/ECC. Such approval shall be obtained only after written application has been made to said Committee by the owner of the lot requesting authorization. Such written application must be in accordance with the building forms and procedures as defined in the ACC/ECC building package (s).

B. Composition of Committee. The Committee shall each be composed of at least three (3) and no more than five (5) Association Members, of which at least one (1) or more shall be a Board member(s). The Members shall be appointed by this Board of Directors of the Association and shall serve a term that will be defined in the By-Laws. Any Committee Member will be

subject to removal by the Board of Directors without a stated reason or cause. Any vacancies existing from time to time shall be filled by the appointment of the Board of Directors.

C. Liability of Committee, Etc. Neither the Committee, nor any agent thereof nor the Association, shall be responsible in any way for any defects in any plats, specifications, or other materials submitted to it, nor for any defects in any work done thereto.

6. Easements (The Association reserves unto itself, its successors, assigns and licensees, certain easements along, across, over, under, and upon the real estate that constitutes the Community and the lots therein as reflected in the recorded Plats).

A. The Association, for itself, its successors, assigns and licensees, reserves an easement along both sides of all road rights-of-way for the purpose of cutting, filling, and drainage. The Association further reserves the right to cause or permit drainage of surface water over and/or through said lots; and further, it reserves an easement on, over and under all road rights-of-way for the purpose of drainage, and such additional easements for drainage as may be shown on the recorded plat.

B. No owner of any lot shall have any claim of action against the Association, its successors, assigns, or licenses, either in law or in equity, and arising out of the exercise of any easement reserved hereunder, excepting in cases of willful or wanton negligence.

7. Ownership, Use and Enjoyment of Streets, Parks and Recreation Facility, No Dedication of Streets, Etc.

A. Each street, with the exception of those otherwise indicated on the recorded plat, each park, and recreation facility or other amenity depicted on the recorded plats of the Community, are and shall remain private, and the previously recorded plats by the Developers, nor the doing of any other act by the Association is, or is intended to be, or shall be construed as a dedication to the public of any of the streets, parks, recreation facilities or other amenities. Ownership of the streets, parks, recreational facilities, and other amenities shall remain in the Association.

B. The Developer had made conveyances in fee simple title, free of financial encumbrances, to such streets, parks, recreational facilities, and other amenities, together with all oil, gas and mineral rights of the Community, to the Association hereinafter described. Such conveyances are subject to easements and restrictions of record. Such conveyances shall be deemed to have been accepted by the Association and those persons who shall from time to time be Members thereof, upon the recording of a deed.

8. The United Lost Lake Property Owners Association (ULLPOA).

A. In General.

(a) There has been created, under the laws of the State of Illinois, an Illinois Property Owners corporation known as "United Lost Lake Property Owners Association" doing, business as ULLPOA, which is herein referred to as the "Association". Every person who acquires title (legal or equitable) to any residential lot in the Community shall be a Member of the Association, except that only one (1) of any number of co-owners of a lot shall be a Member; all other co-owners will be Associate Members. The foregoing provision requiring that owners of a residential lot within the Community be Members of the Association is not intended to apply to those persons who hold an interest in such real estate merely as security for the performance of an obligation to pay money; e.g., mortgages and land vendors. However, if such persons should become the real owner of a residential lot within the Community, he/s he will then be subject to all the requirements and limitations imposed in these Restrictions on owners of residential lots within the Community and on Members of the Association, including those provisions with respect to alienation and the payment of an annual charge.

(b) In addition to the foregoing, the Board of Directors of the Association may establish other types of membership in the Association, including associate memberships, for persons who may not otherwise be entitled to the benefits of membership by virtue of being owners or co-owners of residential lots (as outlined in Paragraph (a) above) within the Community. Such other memberships shall be held on term and conditions fixed by the Board of Directors, but only regular Members shall have the right to vote in the management of the affairs of the Association.

B. Purpose of the Owners Association. The general purposes of the Association are:

(a) To provide a means for the promulgation and enforcement of all regulations necessary to the governing of the use and enjoyment of such streets, parks, recreational facilities or other amenities and such other recreational facilities within the Community as may be conveyed to the Association;

(b) To provide a means whereby the streets, and those areas within the Community designated as parks, recreational areas, or other amenities on the plats thereof and such other recreational facilities within the Community, may be operated, maintained, repaired, or replaced;

(c) To promote pleasure, social recreation, and sports activities for its Members, their families, and guests and to develop and maintain a recreationally oriented environment within the Community; and

(d) To approve the adding of additional land(s) to the Association.

C. Power of Association to Levy and Collect Membership Fee, Special Assessments, Charges, and Impose Liens.

(a) The Association shall have all of the powers set forth in its Articles of Incorporation, together with all other powers that belong to it by the By-Laws, as well as the power to levy a uniform membership fee against the Members of the Association.

(b) The Board of Directors of the Association, acting in accordance with the By-Laws of said Association, shall, after consideration of the financial requirements of the Association, so determine the membership fee. Special assessments may be established as necessary to meet special obligations of the Association.

(c) Only one (1) adult person having a legal or equitable ownership in each lot shall be a Member of the Association; all other members of the household shall be Associate Members of the Association (as defined in Paragraph 8A). However, each household represented in such ownership, regardless of the number of persons included therein, shall be required to pay an annual membership fee as described in the By-Laws.

(d) A "household" as the term is used herein, shall mean a family group which regularly and customarily resides together in the same house or home as a primary resident.

(e) The rights of Members of the Association as such Members shall be set forth in the By-Laws of the Association.

(f) The annual dues and assessments, so made, shall be paid by the Member to the Association on or before the due date fixed by the Board of Directors. The Board of Directors of the Association shall fix the amount of the annual membership fees per Member, the due date according to the By-Laws of the Association, and shall furnish written notice of the membership fees and payment date so fixed to each Member.

(g) Any membership fee, penalty, and imposed lien levied or assessed against any lot subject to these Restrictions shall be the personal liability of the owner, and a lien against the owner's property, which can be placed as record.

(h) Every person who shall become an owner of a lot in the Community is hereby notified that by the act of acquiring such title, such person will be conclusively held to have covenanted to pay the Association all charges that the Association shall make pursuant to this subparagraph 8C of the Restrictions. No failure by the Association to act in collecting outstanding dues shall be considered a waiver in subsequent legal or equitable actions brought to recover same.

9. Amendments and Additions to Community.

The right is hereby expressly reserved to amend, annul, waive, change, enlarge, and modify any of the Restrictions herein contained by an instrument in writing, signed and acknowledged by the Association after approval by the owners of the majority (51%) of the numbered lots in the Community, subject to the provisions of Paragraph 13. For purposes of amendment, a land

contract vendee shall be considered an owner. All such instruments executed, in writing, for the purposes herein shall be filed for record with the Recorder of Deeds for Ogle County. The Association its successors and assigns, shall have the right, subsequent to the date hereof, to bring additional lands within the scheme of these Restrictions of any part hereof in addition to the existing lands described in "Exhibit A" hereto, but the right to make such additions to the Community shall not require the Association to make any such additions or bind any other lands in which the Association now or hereafter may have an interest. The additions authorized hereby shall be made by filing a Supplementary Declaration of record in Ogle County with respect to such additional property extending the scheme of these Restrictions to such property. The Supplementary Declaration may contain complementary terms, additions and modifications of the provisions of these Restrictions as may, in the Association's judgment, be necessary or appropriate to reflect the differences in character or circumstances pertaining to the additional property. Any property so added by Supplementary Declaration shall be subject to assessments for its fair share of the expenses of the Association and the common areas, easements, reservations and amenities located within either the added or existing lands shall be enjoyed reciprocally by the owners in both areas as if such additional lands were initially a part of the Community on the same terms as apply to the owners in the existing Community at the time of such addition. Amendments to community instruments authorized to be recorded shall be executed and recorded by the President of the Board or such other officer authorized by the Association or the community instruments.

10. Remedies.

A. The Association or any party to whose benefit these Restrictions inure, including its successors and assigns, may proceed at law or in equity to prevent the occurrence or continuation of any violation of these Restrictions, and shall have the right to obtain a prohibitive or mandatory injunction to enforce observance of these Restrictions in addition to, and cumulative with, any other remedy provided for herein, or by law or in equity, as well as the right to recover damages, including court costs and attorney fees, for the breach of these Restrictions; provided, however, that the Association shall not be liable for damages of any kind to any person for failing either to abide by, enforce, or carry out any of these Restrictions.

B. No delay or failure on the part of an aggrieved party to invoke any available remedy with respect to a violation of any one or more of these Restrictions shall be held to be a waiver by that party (or an estoppel of that party to assert) any right available to him upon the occurrence, recurrence, or continuation of such violation or violations of these Restrictions.

11. Effect of Grantee's Acceptance of Deed, Etc.

A. The Grantee of any lot subject to these Restrictions, by acceptance of a deed conveying title thereto or the execution of a contract for the purpose thereof, whether from the Developer or a subsequent owner of such lot, shall accept such deed and execute such contract subject to each

and every Restriction and agreement herein contained. Further, that by the acceptance of such deed or execution of such contract, such persons do acknowledge the rights and powers of the Association with respect to these Restrictions, and also, for themselves, their heirs, personal representative, successors, and assigns, they do covenant and agree and consent to and with the grantees and subsequent owners of each of the lots affected by the Restrictions to keep, observe, comply with and perform such Restrictions and agreements.

B. Each such person also agrees, by such acceptance of a deed or execution of a contract for the purchase thereof, to assume, as against the Association, its successors and assigns, all of the risks and hazards of ownership or occupancy attendant to such lot, including, but not restricted to, its proximity to the lake.

12. Titles, Etc.

The titles preceding the various paragraphs and subparagraphs of the Restrictions are for convenience of reference only, and none of them shall be used as an aid to the construction of any provision of the Restrictions. Whenever and wherever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or to the neuter.

13. Duration.

The foregoing Covenants and Restrictions are to run with the land shall be binding on all parties and all persons claiming under them until the 25th day of June 2021, at which time said Covenants and Restrictions shall be automatically extended for successive periods of ten (10) years, unless changed in whole or in part by vote of those persons who are then the owners of a majority (51%) of the numbered lots in the Community.

14. Severability.

Every one of the Restrictions is hereby declared to be independent of and severable from, the rest of the Restrictions and of and from every other one of the Restrictions, and of and from every combination of the Restrictions. Therefore, if any of the Restrictions shall be held to be invalid or to be unenforceable, or to lack the quality of running with the land, that holding shall be without effect upon the validity, enforceability, or "running" quality of any other one of the Restrictions.

15. Insurance.

The Association shall obtain and maintain fidelity insurance covering persons who control or disburse funds of the Association for the maximum amount of coverage that is commercially available or reasonably required to protect funds in the custody or control of the Association. All management companies which are responsible for the funds held or administered by the Association shall maintain and furnish to the Association a fidelity bond for the maximum

amount of coverage that is commercially available or reasonably required to protect funds in the custody of the management company at any time. The Association shall bear the cost of the fidelity insurance and fidelity bond, unless otherwise provided by contract between the Association and a management company.

A management company holding reserve funds of the Association shall at all times maintain a separate account for each association, unless by contract the Board of the Association authorizes a management company to maintain Association reserves in a single account with other associations for investment purposes. With the consent of the Board, the management company may hold all operating funds of associations which it manages in a single operating account, but shall at all times maintain records identifying all moneys of each association in such operating account. Such operating and reserve funds held by the management company for the Association shall not be subject to attachment by any creditor of the management company. A management company that provides common interest community association management services for more than one common interest community association shall maintain separate, segregated accounts for each common interest community association. The funds shall not, in any event, be commingled with funds of the management company, the firm of the management company, or any other common interest community association. The maintenance of these accounts shall be custodial, and the accounts shall be in the name of the respective common interest community association.

EXHIBIT A DESCRIPTION

Part of Sections 4, 5, 8 and 9 in Township 22 North, Range 10 East of the Fourth Principal Meridian described as all of LOST NATION WOODLAND HOMESTEADS NO. 1 as recorded in the Ogle County Recorder's Office in Book "I" of Plats on page 38, also including all of LOST NATION WOODLAND HOMESTEAD NO. 2 as recorded in said Recorder's Office in Book "P" of Plats on page 7, also including all of RE-SUBDIVISION OF PARTS OF LOTS 5-6 & 7 AND ALL OF LOTS 3 & 4 IN LOST NATION WOODLAND HOMESTEADS NO. 1 as recorded in said Recorder's Office in Book "1" of Plats on page 30, also including all of LOST NATION WOODLAND HOMESTEADS NO. 3 as recorded in said Records Office in Book "I" of Plats on page 46, also including all of LOST NATION WOODLAND HOMESTEADS NO. 4 as recorded in said Recorders Office in Book "P" of Plats on page 38, also including all of LOST NATION WOODLAND HOMESTEADS NO. 5 as recorded in said Recorder's Office in Book "3" of Plats on page 59, also including all of LOST NATION WOODLAND HOMESTEADS NO. 6 as recorded in said Recorder's Office in Book 'T' of Plats on page 72, also including all of LOST NATION WOODLAND HOMESTEADS NO. 7 as recorded in said Recorder's Office in Book "K" of Plats on page 4, also including all of LOST NATION WOODLAND HOMESTEADS NO. 8 as recorded in said Recorder's Office in Book "K" of Flats on page 12, also including all of LOST NATION WOODLAND HOMESTEAD NO. 9 as recorded in said Recorder's Office in Book "K" of Plats on page 21, also including all of LOST NATION WOODLAND HOMESTEAD NO. 13-A as recorded in said Recorder's Office in book "3" of Plats on page 58, also including all of LOST NATION WOODLAND HOMESTEADS NO. 16 as recorded in said Recorder's Office In Book 'T' of Plats on page 36, also including all of The NEW LANDING FOR THE DELTA QUEEN, Lacrosse Section as recorded in said Recorder's Office as Document No. 434085 in File "A" of Plats on page 4, also including all of THE NEW LANDING OF FOR THE DELTA QUEEN, CINCINNATI SECTION as recorded in said Recorder's Office in Book "K" of Plats on page 60, also including an of TILE NEW LANDING FOR THE DELTA QUEEN, ST. PAUL SECTION as recorded in said Recorder's Office in Book 'K" of Plats on page 77, also including all of THE NEW LANDING FOR THE DELTA QUEEN, REDWING SECTION as recorded in said Recorder's Office in Book "K" of Plats on page 89, also including all of THE NEW LANDING FOR THE DELTA QUEEN, DUBUQUE SECTION as recorded in said recorder's Office in Beck "K" of Plats on page 67, also including all of The NEW LANDING FOR THE DELTA QUEEN, HANNIBAL SECTION as recorded in said Recorder's Office in Book "K' of Plats on pages 62 and 63, also including all of THE NEW LANDING FOR THE DELTA QUEEN, LOUISVILLE SECTION as recorded in said Recorders Office as Document No. 434097 in File "A' of Plats on page 4, also including alt of THE NEW LANDING FOR THE DELTA QUEEN, MEMPHIS SECTION as recorded in said Recorder's Office in Book "'K" of Plat, on page 61, also including all of THE NEW LANDING FOR THE

DELTA QUEEN, NATCHEZ SECTION as recorded in said Recorder's Office in Book "K" of plats on page 88, also including all of HEATHER RIDGE ESTATES as recorded in said Recorder's Office in File "A" of Plats on page 92, also including all of BLUEBERRY HILL as recorded in said Recorder's Office in File "C" of Plats on page 37, also including all of LAKEWOOD GREEN as recorded in said Recorder's Office in File "A" of Plats on page 78, also including an of KNOLLWOOD ESTATES as recorded in said Recorder's Office in File "C" of Plats on page 40, also including all of THE RE-PLAT OF LOTS 122 & 123 IN LOST NATION WOODLAND HOMESTEADS NO. 8 as recorded in said Recorder's Office.