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**AMENDED AND RESTATED DECLARATION OF
EASEMENTS, RESTRICTIONS, COVENANTS AND
BY-LAWS FOR THE
COROMANDEL TOWNHOME ASSOCIATION**

This document prepared by and after
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**AMENDED AND RESTATED DECLARATION OF
EASEMENTS, RESTRICTIONS, COVENANTS AND BY-LAWS
FOR THE COROMANDEL TOWNHOME ASSOCIATION**

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**AMENDED AND RESTATED DECLARATION OF
EASEMENTS, RESTRICTIONS, COVENANTS AND BY-LAWS
FOR THE COROMANDEL TOWNHOME ASSOCIATION**

This Amended and Restated Declaration of Easements, Restrictions, Covenants and By-Laws is made and entered into by the Board of Directors of the Coromandel Townhome Association in accordance with Section 18.5(h)(1) of the Illinois Condominium Property Act [765 ILCS 605/27] (the "Act") whereby the Board of Directors by a two thirds (2/3) majority vote can amend the Declaration in order to conform to the Act.

This Amended and Restated Declaration of Easements, Restrictions, Covenants and By-Laws was approved on the 23 day of MAY, 2025, by an instrument in writing signed by no less than two-thirds (2/3) of the Board of Directors of the Association.

This Amended and Restated Declaration of Easements, Restrictions, Covenants and By-Laws incorporates all of the changes in the law implemented since the adoption of the Original Declaration. Such changes that supersede provisions of the Original Declaration are incorporated herein.

RECITALS:

The Declaration of Easements, Restrictions, Covenants and By-Laws for the Coromandel Townhome Association was recorded in Lake County, Illinois on May 10, 1995 as Document No. 3672606 (the "Original Declaration"), thus creating the Coromandel Townhome Association ("Association").

Since the filing of the Original Declaration, the Illinois Condominium Property Act has been amended on numerous occasions. Many of these amendments to the Act contradict or modify provisions of the Declaration. This Amended and Restated Declaration of Easements, Restrictions, Covenants and By-Laws (hereafter "Declaration") is intended to bring the governing documents of the Association into conformance with the Act.

This Amended and Restated Declaration was approved by at least two-thirds (2/3) of the members of the Board of Directors by execution of this document. Accordingly, the Declaration is hereby amended and restated to be and read, in its entirety, as follows:

**ARTICLE I
DEFINITIONS**

For the purposes of brevity and clarity, certain words and terms used in this Declaration are defined as follows:

1.01 TOWNHOME ASSOCIATION. The Coromandel Townhome Association, an Illinois not-for-profit corporation, its successors and assigns.

1.02 TOWNHOME BOARD. The Townhome Board of Directors of the Townhome Association, as constituted at any time or from time to time, in accordance with the applicable provisions of Article V.

1.03 BY-LAWS. The By-Laws of the Townhome Association.

1.04 CHARGES. The Common Assessment, any Special Assessment levied by the Townhome Association and/or any other charges or payments which an owner is required to pay or for which an owner is liable under this Declaration or the By-Laws.

1.05 COMMUNITY AREA. Those portions of the Premises which are described and/or designated as "Community Area" in Exhibit "B" of the Umbrella Declaration, together with all improvements located above and below the ground and rights appurtenant thereto. The Community Area shall be administered, maintained, repaired and replaced by the Umbrella Association, as provided in the Umbrella Declaration.

1.06 COMMON ASSESSMENT. The amount which the Townhome Association shall assess and collect from the owners to pay the Common Expenses and accumulate reserves for such expenses, as more fully described in Article VI.

1.07 COMMON EXPENSES. The expenses of administration (including management and professional services), operation, maintenance, repair, replacement, and insurance of Townhome Exteriors; the cost of, and expenses incurred for each Townhome Exterior, as more fully provided in Section 3.03; all utility expenses and charges which are not separately metered to a specific Townhome; the cost of, and the expenses incurred for the maintenance, repair and replacement of personal property acquired and used by the Townhome Association in connection with the maintenance of the Townhome Exteriors for which the Townhome Association is responsible hereunder; the cost of furnishing any services which the Townhome Association is required to furnish pursuant to the provisions of Section 3.03(c); any expenses designated as Common Expenses by this Declaration; and any other expenses lawfully incurred by the Townhome Association for the common benefit of all of the Owners.

1.08 COUNTY. Lake County, Illinois, or any political entity which may from time to time be empowered to perform the functions or exercise the powers vested in the County as of the Recording of this Declaration.

1.09 DECLARATION. This instrument with all Exhibits hereto, as amended or supplemented from time to time.

1.10 TOWNHOME. That portion of a Lot which is improved with a Townhome dwelling unit.

1.11 TOWNHOME EXTERIOR. The roof, foundation, steps, footings, outer surface of exterior walls, driveways serving a Townhome (including any portion of the driveway located within the Community Area) and all portions of the Parcel which are not improved with the Townhome, but excluding all windows and window systems, the garage door and all exterior doors.

1.12 LOT. A subdivided Lot which is designated in Exhibit "A" as a Lot and upon which is constructed a building consisting of four (4) Townhome dwelling units.

1.13 MORTGAGEE. The holder of a bona fide first Mortgage, first trust deed or equivalent security interest covering a Parcel.

1.14 NON-OWNER. A person other than an owner or a Resident.

1.15 OWNER. A Record owner, whether one or more persons, of fee simple title to a Parcel, including a contract seller, but excluding those having such interest merely as security for the performance of an obligation.

1.16 PARCEL. Each Lot shall be improved with a building containing four (4) Townhome dwelling units. A Townhome may share at least one wall with another Townhome. The shared walls are defined as "Party Walls" in Section 13.01 hereof. Each Lot shall be divided into four (4) Parcels to be owned in fee simple by an Owner. Each such tract shall consist of a Townhome (including approximately one-half (1/2) of the Party Wall or Party Walls which divides the Townhome from an adjacent Townhome) and a portion of the Lot which is not improved with the building. Each tract shall be legally described in the deed which conveys the home to a purchaser and the tract so described, together with all improvements thereon, shall be a "Parcel" hereunder.

1.17 PERSON. A natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

1.18 PREMISES. Those portions of the property which are legally described in Exhibit "A" hereto, with all improvements thereon and rights appurtenant thereto.

1.19 RECORD. To Record in the Office of the Recorder of Deeds for the County.

1.20 RESIDENT. An individual who resides in a Townhome on a Parcel and who is either the Owner, a tenant of the Owner, a contract purchaser of the Parcel, or a relative of any such Owner, tenant or contract purchaser.

1.21 VILLAGE. The Village of Deerfield, Illinois, or any political entity which may from time to time be empowered to perform the functions or exercise the powers vested in the Village of Deerfield as of the Recording of this Declaration.

1.22 VOTING MEMBER. The individual who shall be entitled to vote in person or by proxy at meetings of the owners, as more fully set forth in Article V.

ARTICLE II
SCOPE OF DECLARATION/CERTAIN EASEMENTS

2.01 PROPERTY SUBJECT TO DECLARATION. The Premises have been subjected to the provisions of this Declaration.

2.02 CONVEYANCES SUBJECT TO DECLARATION. All covenants, conditions, restrictions, easements, reservations, liens, charges, rights, benefits, and privileges which are granted, created, reserved or declared by this Declaration shall be deemed to be covenants appurtenant, running with the land and shall at all times inure to the benefit of and be binding on any Person having at any time any interest or estate in any part of the Premises. Reference in any deed of conveyance, lease, mortgage, trust deed, other evidence of obligation, or other instrument to the provisions of this Declaration shall be sufficient to create and reserve all of the covenants, conditions, restrictions, easements, reservations, liens, charges, rights, benefits and privileges which are granted, created, reserved, or declared by this Declaration, as fully and completely as though they were set forth in their entirety in any such document.

2.03 DURATION. Except as otherwise specifically provided herein, the covenants, conditions, restrictions, easements, reservations, liens, and charges, which are granted, created, reserved or declared by this Declaration shall be appurtenant to and shall run with the and bind the land for a period of forty (40) years from the date of Recording of this Declaration and for successive periods of ten (10) years each unless revoked, changed or amended in whole or in part by a Recorded instrument executed by the Owners of not less than three-fourths (3/4) of the Parcels then subject to the Declaration.

2.04 PARCEL CONVEYANCE. Any conveyance or transfer of ownership of a Parcel shall be of the entire Parcel and there shall be no conveyance or transfer of a portion of the Parcel without the prior written consent of the Townhome Board.

2.05 ACCESS EASEMENT. Each Owner of a Parcel shall have a non-exclusive perpetual easement for ingress and egress from his Parcel to public streets and roads over and across the private roads located on the Community Areas, which easement shall run with the land, be appurtenant to and pass with title to every Parcel. The County, the Village, or any other governmental authority which has jurisdiction over the Premises shall have a non-exclusive easement of access over roads and driveways located on the Community Area for police, fire, ambulance, waste removal, snow removal, or for the purpose of furnishing municipal or emergency services to the Premises. The Townhome Association, its employees, agents and contract, shall have the right of ingress to, egress from, and parking on the Community Area, and the right to store equipment on the Community Area, for the purpose of furnishing any maintenance, repairs or replacements of the Townhome Exteriors, as required or permitted hereunder.

2.06 RIGHT OF ENJOYMENT. Each Owner shall have the non-exclusive right and easement to use and enjoy the Community Area and the exclusive right to use and enjoy the owner's Townhome and Townhome Exterior. Such rights and easements shall run with the land, be appurtenant to and pass with title to every Parcel, and shall be subject to and governed by the laws, ordinances and statutes of jurisdiction, the provisions of this Declaration, the By-Laws, and the reasonable rules and regulations from time to time adopted by the Townhome Association, including the right of the Townhome Association to come upon a Parcel to furnish services hereunder.

2.07 DELEGATION OF USE. Subject to the provisions of this Declaration, the By-Laws, and the reasonable rules and regulations from time to time adopted by the Townhome Association, any Owner may delegate his right to use and enjoy the Community Area and the Owner's Townhome and Townhome Exterior to Residents of the Owner's Townhome. An Owner shall delegate such rights to tenants and contract purchasers of the Owner's Parcel who are Residents.

2.08 RULES AND REGULATIONS. The use and enjoyment of the Townhomes and Townhome Exteriors shall at all times be subject to reasonable rules and regulations duly adopted by the Townhome Association from time to time.

2.09 UTILITY EASEMENTS. The Village and all public and private utilities (including cable companies) serving the Premises are hereby granted the right to lay, construct, renew, operate, and maintain conduits, cables, pipes, wires, transformers, switching apparatus and other equipment, into and through the Townhome Exteriors for the purpose of providing utility services to the Premises or any other portion of the Development Area.

2.10 TOWNHOME ASSOCIATION'S ACCESS. The Townhome Association shall have the right and power to come onto any Parcel, Townhome or Townhome Exterior for the purpose of furnishing the services required to be furnished hereunder or enforcing its rights and powers hereunder.

2.11 NO DEDICATION TO PUBLIC USE. Except for easements granted or dedications made as permitted in Section 2.10, nothing contained in this Declaration shall be construed or be deemed to constitute a dedication, express or implied, or any part of the Premises to or for any public use or purpose whatsoever.

2.12 EASEMENT FOR ENCROACHMENT. In the event that by reason of the construction, repair, reconstruction, settlement or shifting of an improvement to a Parcel, any improvement which is intended to service and/or be part of the Parcel shall encroach upon any part of any other Parcel or upon the Community Area or any improvement to the Community Area shall encroach upon any part of a Parcel, then there shall be deemed to be an easement in favor of and appurtenant to such encroaching improvement for the continuance, maintenance, repair and replacement thereof; provided, however, that in no event shall an easement for any encroachment be created in favor of any Owner if such encroachment occurred due to the intentional, willful, or negligent conduct of such owner or his agent. Without limiting the foregoing,

the Owner of each Parcel shall have an easement appurtenant to his Parcel for the continuance, maintenance, repair and replacement of the following improvements, if any, which encroach onto another Parcel:

- (a) The eaves, gutters, downspouts, fascia, flashings, and like appendages which serve the Townhome or the Parcel;
- (b) The chimney which serves the Townhome or the Parcel; and,
- (c) Steps, porches, door entries and patios which serve the Townhome on the Parcel.

The Person who is responsible for the maintenance of any encroaching improvement for which an easement for continuance, maintenance, repair and replacement thereof is granted under this Section shall continue to be responsible for the maintenance of such encroaching improvement and the Person who is responsible for the maintenance of the real estate upon which such improvement encroaches shall not have the duty to maintain, repair or replace any such encroaching improvement unless otherwise provided in this Declaration.

**ARTICLE III
MAINTENANCE OF THE TOWNHOME EXTERIORS,
COMMUNITY AREA AND PARCELS**

3.01 MAINTENANCE, REPAIR AND REPLACEMENT OF THE COMMUNITY AREA. Maintenance, repairs and replacements of the Community Area shall be furnished by the Umbrella Association, as set forth in the Umbrella Declaration. Additionally, the Umbrella Association shall provide snow removal services and landscaping maintenance, repairs and replacements to Parcels or Lots as provided in the Umbrella Declaration. The cost of any such maintenance, repairs and replacement shall be Community Expenses except for certain utility charges incurred in connection with the use, operation and maintenance of the Community Area that are not separately metered to the Community Area and are billed to owners according to the provisions of Section 3.03 below.

3.02 MAINTENANCE, REPAIR AND REPLACEMENT OF PARCELS.

- (a) Except as otherwise specifically provided for in this Declaration, each Owner shall be responsible for the maintenance, repair and replacement of the interior of his Townhome and all components thereof, together with all windows and window systems, the garage door and all exterior doors.
- (b) Maintenance, repair and replacement of the Townhome Exteriors shall be the responsibility of the Townhome Association.
- (c) The Townhome Board may, if authorized by the affirmative vote of Voting Members, representing at least two-thirds (2/3) of the votes of all

Members, cause the Townhome Association to furnish services not specifically provided for herein ("Additional Services") to the Townhome Exteriors of all Townhomes. The cost of furnishing any Additional Services furnished pursuant to this Subsection shall be Common Expenses hereunder.

(d) If, in the judgment of the Townhome Board, an owner fails to maintain those portions of the Owner's Parcel or Townhome which the owner is responsible for maintaining hereunder in good condition and repair or the appearance of such portions is not of the quality of that of other Townhomes in the Development or in compliance with rules and regulations adopted by the Townhome Board from time to time, then the Townhome Board may, in its discretion, take the following action:

(1) Advise the Owner of the work which must be done and allow the Owner at least twenty (20) days (or less in the case of an emergency) to cause the work to be done; and,

(2) If the work is not done to the satisfaction of the Townhome Board, in its sole judgment, then the Townhome Board may seek injunctive relief, levy a fine and/or cause such work to be done and the cost thereof shall be a Charge payable by the owner to the Townhome Association upon demand.

3.03 CERTAIN UTILITY COSTS. Certain utility costs incurred in connection with the use, operation and maintenance of the Townhome Exteriors may not be separately metered and billed to the Townhome Association. If the cost for such utilities is metered and charged to individual Townhomes rather than being separately metered and charged to the Townhome Association, then the following shall apply:

(a) If in the opinion of the Townhome Board, each Owner is sharing in a fair and equitable manner the cost for such service, then no adjustment shall be made and each Owner shall pay his own bill; or

(b) If in the opinion of the Townhome Board, the Owner of a Townhome is being charged disproportionately for costs allocable to the Townhome Exteriors, then the Townhome Association shall pay, or reimburse such Owner, an amount equal to the portion of the costs which in the reasonable determination of the Townhome Board is properly allocable to the Townhome Exteriors and the amount thereof shall be Common Expenses hereunder.

Any determination or allocations made hereunder by the Townhome Board shall be final and binding on all parties.

3.04 DAMAGE BY RESIDENT. If, due to the act or omission of a Resident of a Townhome, or of a household pet or guest or other authorized occupant or invitee of the Owner of a Parcel, damage shall be caused to a Townhome Exterior and maintenance, repairs or replacement shall be required thereby, which would otherwise be a Common

Expense, then the owner of the Parcel shall pay for such damage and such maintenance, repairs and replacement, as may be determined by the Townhome Board, to the extent not covered by insurance carried by the Townhome Association.

3.05 ALTERATIONS, ADDITIONS OR IMPROVEMENTS TO TOWNHOME EXTERIORS AND PARCELS. No additions, alterations or improvements (including without limitation, changes in the landscaping or exterior color of a Townhome or construction of a fence, shed, outbuilding, antenna, satellite dish or similar changes) shall be made to any Townhome Exterior or any part of the Townhome which is visible from outside the Townhome by an owner. If an addition, alteration or improvement which requires Townhome Board consent hereunder is made to a Townhome Exterior or Townhome by an owner without the prior written consent of the Townhome Board, then the Townhome Board may, in its discretion, take any of the following actions:

- (a) Require the owner to remove the addition, alteration or improvement and restore the Townhome Exterior to its original condition, all at the Owner's expense; or
- (b) If the Owner refuses or fails to properly perform the work required under (a), the Townhome Board may cause such work to be done and may charge the owner for the cost thereof as determined by the Townhome Board; or
- (c) Ratify the action taken by the owner, and the Townhome Board may (but shall not be required to) condition such ratification upon the same conditions which it may impose upon the giving of its prior consent under this Section.

3.06 SEPARATE REAL ESTATE TAXES. Real estate taxes, special assessments, and any other special taxes or charges of the State of Illinois or any duly authorized subdivision or agency thereof, are to be separately taxed to each Owner for his Parcel.

ARTICLE IV INSURANCE/CONDEMNATION

4.01 TOWNHOME ASSOCIATION INSURANCE.

(a) The Townhome Association shall have the authority to and shall obtain 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 worker's compensation insurance and other liability insurance as it may deem desirable, insuring each owner, the Townhome Association, its Directors and Officers, the managing agent, if any, and their respective employees and agents, as their interests may appear, from liability resulting from an occurrence on or in connection with, the Premises and the Townhome Exteriors. The Townhome Board may, in its discretion, obtain any other insurance which it deems advisable including, without limitation, insurance

covering the Directors and Officers from liability for good faith actions beyond the scope of their respective authorities and covering the indemnity set forth in Section 5.06. Such insurance coverage shall include cross liability claims of one or more insured parties.

(b) The Townhome Association shall be responsible for and shall procure fire and all risk coverage insurance upon each Owner's Townhome for not less than the full insurable replacement value thereof under a policy or policies of insurance with such company or companies, in such form, and for such premiums and periods as it may determine to be appropriate. Any such policy shall contain waivers of subrogation with respect to the Townhome Association and its Directors, Officers, employees and agents (including the Managing Agent) and occupants of the Townhomes, and shall name such parties as additional insured parties, as their interests may appear.

(c) Fidelity bonds indemnifying the Townhome Association, the Townhome Board and the owners for loss of funds resulting from fraudulent or dishonest acts of any employee of the Townhome Association or of any other person handling funds of the Townhome Association may be obtained by the Townhome Association in such amounts as the Townhome Board may deem desirable.

(d) The premiums for any insurance obtained under this Section shall be Common Expenses.

4.02 TOWNHOME INSURANCE.

(a) Each Owner shall also be responsible for his own insurance on the contents of his Townhome and furnishings and personal property therein.

(b) Each Owner shall deliver to the Townhome Board a certificate of insurance certifying that a policy of insurance covering such owner's Townhome, as required under this Section, is in effect, and that said policy shall not be cancelled or materially changed except upon ten (10) days' prior written notice thereof to the Townhome Board. In the event an Owner fails to procure or keep in effect a policy of insurance, as required under this Section and provide proof thereof to the Townhome Board, then the Townhome Board may on behalf of and as agent for such Owner procure such insurance on the Owner's Townhome with a company, in a form, for a premium and period as determined by the Townhome Board to be appropriate and the cost thereof shall be a charge hereunder payable by the Owner to the Townhome Association upon demand.

(c) No Owner shall cause or permit anything to be done or kept on the Premises which will result in the cancellation of insurance on such Owner's Townhome, any other Townhome, or the Community Area.

4.03 REBUILDING OF DAMAGED TOWNHOME.

(a) In the event of damage to or destruction of any Townhome by fire or other casualty for which the Townhome Association is required to carry insurance hereunder, the Townhome Association shall, within a reasonable time after such damage or destruction, repair or rebuild the Townhome (only portions for which Association is responsible) in substantial and workmanlike manner with materials comparable to those used in the original structure, and in conformity in all respects to the laws and ordinances regulating the construction of buildings in force at the time of such repair or reconstruction. When rebuilt, the Townhome Exterior shall be substantially similar to, and its architectural design and landscaping shall be in conformity with, the surrounding Townhomes which are not so damaged or destroyed. The Townhome Association shall not be relieved of its obligation to repair or rebuild the Townhome under this Subsection (A) by its failure to carry sufficient insurance or the fact that proceeds received by the Townhome Association from its insurer are not sufficient to cover the cost thereof.

(b) In the event of damage to or destruction of any Townhome by fire or other casualty for which the owner is required to carry insurance hereunder, the Owner thereof shall, within a reasonable time after the Townhome Association has repaired or rebuilt the Townhome (only portions for which Association is responsible), the Owner shall repair, rebuild and decorate the interior of the Townhome in substantial and workmanlike manner with materials comparable to those used in the original structure, and in conformity in all respects to the laws and ordinances regulating the construction of buildings in force at the time of such repair or reconstruction. When rebuilt, the Townhome interior shall be substantially similar to the surrounding Townhomes which are not so damaged or destroyed. The owner shall not be relieved of his obligation to repair or rebuild the interior of his Townhome under this Subsection (b) by his failure to carry sufficient insurance or the fact that proceeds received by the owner from his insurer are not sufficient to cover the cost thereof.

(c) In the event that any Owner shall fail, within a reasonable time after the occurrence of damage or destruction referred to in Subsection (b), to perform the necessary repair or rebuilding, then the Townhome Board may cause such repairs or rebuilding to be performed in the manner as provided in Subsection (b) and the cost thereof shall be a Charge hereunder payable by the Owner to the Townhome Association upon demand.

4.04 OWNER RESPONSIBILITY. In addition to the coverage described in Section 4.02 above with respect to his Townhome, each Owner shall obtain his own personal liability insurance to the extent not covered by the liability insurance to the extent not covered by the liability insurance for all of the Owners obtained as part of the Common Expenses as above provided, and the Townhome Board shall have no obligation whatsoever to obtain any such individual insurance coverage on behalf of the Owners.

4.05 WAIVER OF SUBROGATION. The Townhome Association and each owner hereby waives and releases any and all claims which it or he may have against any owner, including relatives of an Owner, the Townhome Association, its Directors and Officers, the managing agent, if any, and their respective employees and agents, for damage to the Townhomes, the Community Area, or to any personal property located in the Townhomes or the Community Area caused by fire or other casualty, to the extent that such damage is covered by fire or other forms of casualty insurance, and to the extent this release is allowed by policies for such insurance. To the extent possible, all policies secured by the Townhome Board under Sections 4.01(a) and (b) and by each Owner under Section 4.02 shall contain waivers of the insurer's rights to subrogation against any Owner, relatives of an Owner, the Townhome Association, its Directors and Officers, the Managing Agent, if any, and their respective employees and agents.

4.06 CONDEMNATION. In the case of a taking or condemnation by competent authority of any part of the Townhome Exteriors, the proceeds awarded in such condemnation shall be paid to the Townhome Association and such proceeds, together with any capital reserve being held for the Townhome Exteriors, shall, in the discretion of the Townhome Board, either (a) be applied to pay the Common Expenses, (b) be distributed to the owners and their respective Mortgagees, as their interests may appear, in equal shares, or (c) be used to acquire additional real estate to be used and maintained for the mutual benefit of all Owners as part of the Premises. Any acquisition by the Townhome Association pursuant to this section of real estate which shall become part of the Premises hereunder shall not become effective unless and until a supplement to this Declaration, which refers to this Section and legally describes the real estate affected, is executed by the President of the Townhome Association and Recorded.

ARTICLE V THE TOWNHOME ASSOCIATION

5.01 IN GENERAL. The Townhome Association has been incorporated as a not-for-profit corporation under Illinois law. The Townhome Association shall be the governing body for all of the owners for the administration and operation of the Common Area and to the maintenance repair and replacement of the Common Area and certain portions of the Townhome Exteriors as provided herein.

5.02 MEMBERSHIP. Each Owner shall be a Member of the Townhome Association. There shall be one (1) Membership per Parcel. Membership shall be appurtenant to and may not be separated from ownership of a Parcel. Ownership of a Parcel shall be the sole qualification of Membership. The Townhome Association shall be given written notice of the change of ownership of a Parcel, within ten (10) days after such change.

5.03 VOTING MEMBERS. Subject to the provisions of Section 9.04, voting rights of the Members of the Townhome Association shall be vested exclusively in the Voting Members. One (1) individual shall be designated as the "Voting Member" for

each Parcel. The Voting Member or his proxy shall be the individual who shall be entitled to vote at meetings of the Owners. If the Record ownership of a Parcel shall be in more than one (1) person, or if an Owner is a trustee, corporation, partnership or other legal entity, then the Voting Member for the Parcel shall be designated by such owner or owners in writing to the Townhome Board and if in the case of multiple individual owners no designation is given, then the Townhome Board at its election may recognize an individual owner of the Parcel as the Voting Member for such Parcel.

5.04 TOWNHOME BOARD OF DIRECTORS. The Townhome Board shall consist of three (3) Members, each of whom shall be an Owner or Voting Member.

5.05 VOTING RIGHTS. All of the voting rights at any meeting of the Townhome Association shall be vested in the Voting Members. The total number of votes of all Voting Members shall be one hundred (100), and each Voting Member shall be entitled to the number of votes equal to the total of the percentage interest applicable to such Townhome owner's ownership as set forth in Exhibit "A" attached hereto. From and after the Turnover Date any action may be taken by the Voting Members at any Meeting at which a quorum is present (as provided in the By-Laws) upon an affirmative vote of a majority by the Voting Members present at such meeting, except as otherwise provided herein or in the By-Laws.

5.06 DIRECTOR AND OFFICER LIABILITY. Neither the Directors nor the Officers of the Townhome Association shall be personally liable to the Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such Directors and Officers except for any acts or omissions found by a court to constitute criminal conduct, gross negligence or fraud. The Townhome Association shall indemnify and hold harmless the Directors and Officers, their heirs, executors administrators, successors and assigns, against all contractual and other liabilities to others arising out of contracts made by or other acts of the Directors and Officers on behalf of the Owners or the Townhome Association or arising out of their status as Directors or Officers, unless any such contract or act shall have been made criminally, fraudulently or with gross negligence. It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid and amounts paid in settlement) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative, or other in which any such Director or Officer may be involved by virtue of such person being or having been such Director or Officer; provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for criminal conduct, gross negligence or fraud in the performance of his duties as such Director or Officer, or (b) any matter settled or compromised, unless, in the opinion of independent counsel selected by or in a manner determined by the Townhome Board, there is not reasonable ground for such person being adjudged liable for criminal conduct, gross negligence or fraud in the performance of his duties as such Director or Officer.

5.07 REPRESENTATION. The Townhome Association shall have the power and right to represent the interests of all of the owners in connection with claims and disputes affecting the Premises and Townhome Exteriors. Without limiting the foregoing, the Townhome Association shall have the power after the Turnover Date to settle warranty disputes or other disputes between the Townhome Association, the Owners, and the Declarant affecting the construction, use or enjoyment of the Premises and Townhome Exteriors and any such settlement shall be final and shall bind all of the Owners.

5.08 DISSOLUTION. To the extent permissible under applicable law, in the event of the dissolution of the Townhome Association, any portion of the Premises owned by the Townhome Association shall be conveyed to the Umbrella Association.

5.09 LITIGATION. No judicial or administrative proceedings shall be commenced or prosecuted by the Townhome Association without first holding a special meeting of the Members and obtaining the affirmative vote of Voting Members representing at least seventy five percent (75%) of the Parcels to the commencement and prosecution of the proposed action. This Section shall not apply to (a) actions brought by the Townhome Association to enforce the provisions of this Declaration, the By-Laws or Rules and Regulations adopted by the Townhome Board (including, without limitation, an action to recover Charges or to foreclose a lien for unpaid charges) or (b) counterclaims brought by the Townhome Association in proceedings instituted against it.

ARTICLE VI COMMON ASSESSMENTS

6.01 PURPOSE AND NOTICE OF ASSESSMENTS. The Common Assessments levied by the Townhome Association shall be exclusively for the purpose of promoting the recreation, health, safety, and welfare of Members of the Townhome Association, to administer the affairs of the Townhome Association, to pay the Common Expenses, and to accumulate reserves for any such expenses. Each Owner of a Townhome subject to the authority of the Board of the Association shall receive written notice mailed or delivered no less than ten (10) and no more than thirty (30) days prior to any meeting of the Board of the Association concerning the adoption of the proposed annual budget or any increase in the budget, or establishment of an assessment.

6.02 COMMON ASSESSMENT. Each year on or before December 1, but not less than thirty (30) days prior to adoption, the Townhome Board shall adopt and furnish each Owner with a Budget for the ensuing calendar year, which shall show the following with reasonable explanations and itemizations:

- (a) The estimated Townhome Common Expenses;
- (b) The estimated amount, if any, to maintain adequate reserves for Townhome Exteriors, including, without limitation, amounts to maintain the capital reserve;

(c) The amount of the Common Assessment payable by the Owners, which is hereby defined as the amount determined in (a) above, plus the amount determined in (b) above; and,

(d) That portion of the Common Assessment which shall be payable with respect to the ensuing calendar year by the Owner of each Parcel which is subject to assessment hereunder, shall be assessed, in accordance with each Owner's percentage interest as set forth in Exhibit "A" attached hereto. The Common Assessment shall be paid in equal monthly installments on the first day of each month.

6.03 PAYMENT OF COMMON ASSESSMENT. On or before the 1st day of January of the ensuing calendar year, and on the first (1st) day of each month thereafter, until the effective date of the next annual or revised Common Assessment, each Owner of a Parcel shall pay to the Townhome Association, or as the Townhome Board may direct, that portion of the Common Assessment which is payable by each Owner of a Parcel under Section 6.02(4) or Section 6.07, as applicable.

6.04 REVISED ASSESSMENT. If after approval of the budget, the Common Assessment proves inadequate for any reason (including nonpayment of any Owner's Common Assessment) or proves to exceed funds reasonably needed, then the Townhome Board may increase or decrease the Common Assessment payable under Section 6.02(d) by giving written notice thereof (together with a revised Budget and explanation for the adjustment) to each Owner not less than ten (10) days prior to the effective date of the revised Common Assessment.

6.05 SPECIAL ASSESSMENT. After the approval of the Budget, the Townhome Board may levy a Special Assessment as provided in this Section (a) to pay (or build up reserves to pay) expenses other than Common Expenses incurred (or to be incurred) by the Townhome Association from time to time for a specific purpose including, without limitation, to make alterations, additions or improvements to any property owned or maintained by the Townhome Association; or (b) to cover an unanticipated deficit under the prior year's Budget. Any Special Assessment shall not be adopted without the affirmative vote of Voting Members representing at least two-thirds (2/3) of the votes cast on the question. Any Special Assessments collected pursuant to this Section (other than those to cover an unanticipated deficit under the prior year's Budget) shall be segregated in a special account and used only for the specific purpose set forth in the notice of Special Assessment.

6.06 CAPITAL RESERVE. The Townhome Association shall segregate and maintain special reserve accounts to be used solely for making capital expenditures in connection with those portions of the Townhome Exteriors with respect to which the Townhome Association is responsible for repair and replacement (the "Capital Reserve"). The Townhome Board shall determine the appropriate level of the Capital Reserve based on a periodic review of the useful life of improvements to the portions of the Townhome Exteriors for which the Townhome Association is responsible and other property owned by the Townhome Association and periodic projections of the cost of

anticipated major repairs or replacements, the portions of the Townhome Exteriors for which the Townhome Association is responsible and the purchase of other property to be used by the Townhome Association in connection with its duties hereunder. Each budget shall disclose that percentage of the Common Assessment which shall be added to the Capital Reserve and each owner shall be deemed to make a capital contribution to the Townhome Association equal to such percentages multiplied by each installment of the Common Assessment paid by such owner.

6.07 UMBRELLA ASSOCIATION ASSESSMENT. The Umbrella Declaration provides that the Umbrella Association shall submit an invoice to the Townhome Association for the annual Umbrella Association Assessment or other charges or payments, together with such interest and costs which are attributable to all Units (as defined in the Umbrella Declaration) and the Townhome Association shall be responsible for prompt payment of the invoice to the Umbrella Association. The Townhome Board shall collect the Umbrella Association Assessment or other charges or payments, together with such interest and costs which are levied by the Umbrella Association, which Umbrella Association Assessment and other charges shall be due and payable on or before the first day of the fiscal year, and shall be paid on or before the first day of the fiscal year to the Townhome Association by the Owners. The Townhome Association shall have the responsibility of paying all Umbrella Association Assessments or other charges or payments, together with such interest and costs which are collected on behalf of the Umbrella Association to the Umbrella Association. The Townhome Association shall segregate and maintain the Umbrella Association Assessments, or other charges or payments, together with such interest and costs which accrue in a special account maintained for that purpose ("Umbrella Association Assessment Account").

ARTICLE VII COLLECTION OF CHARGES AND REMEDIES FOR BREACH OR VIOLATION

7.01 CREATION OF LIEN AND PERSONAL OBLIGATION. Each Owner of a Parcel by acceptance of a deed therefor (whether or not it shall be so expressed in any such deed or other conveyance) shall be and is deemed to covenant and hereby agrees to pay to the Townhome Association all charges made with respect to the Owner or the Owner's Parcel. Each charge, together with interest thereon and reasonable costs of collection, if any, as hereinafter provided, shall be a continuing lien upon the Parcel against which such charge is made and also shall be the personal obligation of the owner of the Parcel at the time when the charge becomes due. The lien or personal obligation created under this Section shall be in favor of and shall be enforceable by the Townhome Association.

7.02 COLLECTION OF CHARGES. The Townhome Association shall collect from each owner all charges payable by such owner under this Declaration.

7.03 NONPAYMENT OF CHARGES. Any charge which is not paid to the Townhome Association when due shall be deemed delinquent. Any charge which is delinquent for thirty (30) days or more shall bear interest at the rate of eighteen percent (18%) per annum or the maximum rate permitted by law, whichever is less, from the due date to the date when paid. The Townhome Association may (a) bring an action against the owner personally obligated to pay the charge to recover the charge (together with interest, costs and reasonable attorney's fees for any such action, which shall be added to the amount of the charge and included in any judgment rendered in such action), and (b) enforce and foreclose any lien which it has or which may exist for its benefit. In addition, the Townhome Board may add a reasonable late fee to any installment of a charge which is not paid within thirty (30) days of its due date. No Owner may waive or otherwise escape personal liability for the charges hereunder by abandonment or transfer of his Parcel.

7.04 LIEN FOR CHARGES SUBORDINATED TO MORTGAGES. The lien for charges provided for in Section 7.01 shall be subordinate to the Mortgagee's mortgage on the Parcel which was Recorded prior to the date that any such charge became due. Except as hereinafter provided, the lien for charges, provided for in Section 7.01, shall not be affected by any sale or transfer of a Parcel. Where title to a Parcel is transferred pursuant to a decree of foreclosure of the Mortgagee's mortgage or by deed or assignment in lieu of foreclosure of the Mortgagee's mortgage, such transfer of title shall extinguish the lien for unpaid charges which became due prior to the date of the transfer of title. However, the transferee of the Parcel shall be personally liable for his share of the charges with respect to which a lien against his Parcel has been extinguished pursuant to the preceding sentence where such charges are reallocated among all the owners pursuant to a subsequently adopted annual or revised Common Assessment or special Assessment, and nonpayment hereof shall result in a lien against the transferee's Parcel, as provided in this Article.

7.05 SELF-HELP BY TOWNHOME BOARD. In the event of a violation or breach by an Owner of the provisions, covenants or restrictions of the Declaration, the By-Laws, or rules or regulations of the Townhome Board, where such violation or breach may be cured or abated by affirmative action, then the Townhome Board, upon not less than ten (10) days' prior written notice to the Owner, shall have the right to enter upon that part of the Premises where the violation or breach exists to remove or rectify the violation or breach; provided, that, if the violation or breach exists within a Townhome, judicial proceedings must be instituted before any items of construction can be altered or demolished.

7.06 OTHER REMEDIES OF THE TOWNHOME BOARD. In addition to or in conjunction with the remedies set forth above, to enforce any of the provisions contained in this Declaration or any rules and regulations adopted hereunder, the Townhome Board may levy a fine or the Townhome Board may bring an action at law or in equity in the name of the Townhome Association against any Person or Persons violating or attempting to violate any such provision, either to restrain such violation, to require performance thereof, to recover sums due or payable (including fines) or to

recover damages, and against the Parcel to enforce any lien created hereunder; and failure by the Townhome Association to enforce any failure by Association to provision shall in no event be deemed a waiver of the right to do so thereafter.

7.07 COSTS AND EXPENSES. All costs and expenses incurred by the Townhome Board in connection with any action, proceedings or self-help in connection with exercise of its rights and remedies under this Article including, without limitation, court costs, attorneys' fees and all other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the rate of eighteen percent (18%) per annum or the maximum rate permitted by law, whichever is less, until paid, shall be charged to and assessed against the defaulting owner, and the Townhome Association shall have a lien for all the same, upon his Parcel as provided in Section 7.01

7.08 ENFORCEMENT BY OWNERS. Enforcement of the provisions contained in this Declaration and the rules and regulations adopted hereunder may be by any proceeding at law or in equity by any aggrieved owner against any Person or Persons violating or attempting to violate any such provisions, either to restrain such violation or to recover damages, and against a Parcel to enforce any lien created hereunder.

ARTICLE VIII GENERAL RESTRICTIONS

8.01 TOWNHOME RESTRICTION. No industry, business, trade, occupation or profession of any kind shall be conducted, maintained or permitted on any part of the Premises nor shall any "For Sale" or "For Rent" signs or any other advertising be maintained or permitted on any part thereof, except as permitted by the Board.

8.02 OBSTRUCTIONS. There shall be no obstruction of the Townhome Exteriors, and nothing shall be stored on the Townhome Exteriors without the prior consent of the Board.

8.03 PETS. No animal of any kind shall be raised, bred or kept in a Townhome or on any Lot, except domestic cats or dogs, not to exceed two (2) in total. The Townhome Board may from time to time adopt rules and regulations governing the use of the Premises by pets. Any pet causing or creating a nuisance or an unreasonable disturbance in a Townhome shall be permanently removed from the Premises upon three (3) days' written notice from the Townhome Board to the Owner of the Townhome containing such pet, and the decision of the Townhome Board shall be final.

8.04 PROSCRIBED ACTIVITIES. No noxious or offensive activity shall be carried on in a Townhome nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to any other the owner.

8.05 STRUCTURAL IMPAIRMENT. Nothing shall be in, on or to a Townhome which would impair the structural integrity of any building or structure of which it is a part.

8.06 RESTRICTIONS ON USE AND OCCUPANCY; NO UNSIGHTLY USES.

(a) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out on any portion of any Townhome, Lot, or the Townhome Exterior, nor shall any boats, snowmobiles, motorcycles, recreational vehicles, motor homes or trucks be stored or parked upon (i) any portion of a Lot or Townhome Exterior (including, without limitation, any private driveways) or (ii) upon any Lot.

(b) No automobiles shall be parked on the Premises (including, without limitation, grass and other landscaped areas) except those portions designed as parking areas.

(c) Each Lot, Townhome and Townhome Exterior shall be kept free and clear of all rubbish, debris and other unsightly materials and no waste shall be permitted thereon. All rubbish shall be deposited in such areas and such receptacles as shall be designated by the Townhome Board.

(d) The Townhome Board may authorize any vehicles parked in violation of any parking regulations issued in connection with the Premises or any Lot to be towed away and any such towing charge shall become a lien upon the Townhome of the Owner of the vehicle in the same manner as provided in Section 7.01 for non-payment of Common Assessments.

(e) No pools, spas, screened porches, decks, satellite dishes, fences, walls, birdbaths, statues, structures or permanent installations of any kind or nature shall be installed on any Lot, except that any installations made by Declarant shall be permitted.

(f) No Owner shall permit anything to be done or kept on his Lot or in his Townhome or on the Townhome Exterior which will increase the rate charged for or cause the cancellation of insurance carried by the Townhome Association on the Townhomes, or which would be in violation of any law, nor shall any waste be committed in the Townhome or on the Townhome Exteriors.

(g) No industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, exploitation or otherwise, shall be conducted, maintained or permitted on any Lot or in any Townhome. Notwithstanding the foregoing, the above restrictions shall not, however, be construed in such a manner as to prohibit an Owner from: (1) maintaining his professional library therein; (2) keeping his personal business or professional records or accounts therein; or (3) handling his personal business or professional telephone calls or correspondence therefrom. Such uses are

expressly declared customarily incident to the principal residential use and not in violation of this Section.

(h) There shall be no obstruction in the driveways or other portions of the Lots or Townhomes nor shall ready access to a parking facility or garage be obstructed or impeded in any manner.

(i) Except as constructed or altered by or with the permission of the Declarant, nothing shall be altered in or removed from the Lots except upon the written consent of the Townhome Board. All landscaping shall be maintained as installed by the Declarant and no changes or alterations to the landscaping shall be permitted except upon the written consent of the Townhome Board.

(j) Nothing shall be stored on any Lot or Townhome Exterior at any time, except patio furniture, plants or portable gas or charcoal grills. All such items must be removed from the Lot or Townhome Exterior in winter and their use shall be subject to the rules and regulations of the Townhome Board.

(k) No television antenna, radio receiver or transmitter or other similar device shall be attached to or installed on any portion of any Townhome Exterior or the Premises. Without limiting the foregoing, the provisions of this paragraph shall not apply to the Umbrella Association with respect to the installation of equipment necessary for a master antenna system, cable television system or other similar systems within the Premises.

(l) The Townhome Board shall have the right, at its sole discretion, for aesthetic or other reasons, to require removal of any items installed or placed by any Townhome Owner or Resident on any Townhome Exterior or Lot and the Townhome Board may issue such rules and regulations or appropriate to implement the provisions of this paragraph.

8.07 WINDOW TREATMENT. The use and the covering of the interior surfaces of the glass windows and/or doors appurtenant to a Townhome shall at all times be white three and one-half (3-1/2") vertical Levelor type blinds (i.e., with both interior and exterior surfaces being white) and no other window coverings shall be permissible to be visible from the outside of a Townhome.

ARTICLE IX AMENDMENT

Subject to Article X, the provisions of this Declaration may be amended, abolished, modified, enlarged, or otherwise changed in whole or in part by the affirmative vote of Voting Members representing at least Seventy-Five Percent (75%) of the total votes or by an instrument executed by Owners of at least Seventy-Five Percent (75%) of the Parcels; except, that the provisions of this Article may be amended only by an instrument executed by all of the Owners and all Mortgagees. No amendment which removes Premises from the provisions of this Declaration shall be effective if as a result

of such removal, an owner of a Parcel shall no longer have the legal access to a public way from his Parcel. No amendment shall become effective until properly Recorded.

ARTICLE X MORTGAGEES RIGHTS

10.01 NOTICE TO MORTGAGEES. Upon the specific, written request of a mortgagee or the insurer or guarantor of a Mortgagee's mortgage, such party shall receive some or all of the following:

(a) Copies of budgets, notices of assessments, or any other notices or statements provided under this Declaration by the Townhome Association to the Owner of the Parcel covered by the Mortgagee's mortgage;

(b) Any audited or unaudited financial statements of the Townhome Association which are prepared for the Townhome Association and distributed to the owners; provided, that, if an audited statement is not available, then upon the written request of the holder, insurer or guarantor of a mortgage, the Townhome Association shall permit such party to have an audited statement for the preceding fiscal year of the Townhome Association prepared at such party's expense;

(c) Copies of notices of meetings of the Owners;

(d) Notice of any proposed action that requires the consent of a specified percentage of Eligible Mortgagees as defined in Section 10.02;

(e) Notice of any substantial damage to any part of the Community Area or the Parcel subject to the Mortgagee's mortgage;

(f) Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Community Area or the Parcel subject to the Mortgagee's mortgage;

(g) Notice of any default by the owner of the Parcel which is subject to the Mortgagee's mortgage under this Declaration, the By-Laws or the rules and regulations of the Townhome Association, which is not cured within 30 days of the date of the default;

(h) The right to examine the books and records of the Townhome Association at any reasonable times;

(i) In the case of a Mortgagee, the right to be listed on the records of the Townhome Association as an "Eligible Mortgagee" for purpose of Section 10.02 below; and

(j) A lapse, cancellation or material modification of any insurance policy maintained by the Townhome Association.

The request of any such party shall specify which of the above it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Townhome Association.

10.02 CONSENT OF MORTGAGEES.

(a) In addition to any requirement or prerequisites provided for elsewhere in this Declaration, the consent of Mortgagees holding, in the aggregate, first mortgages on at least seventy-five percent (75%) of the Parcels (by number) which are subject to be treated as "Eligible Mortgagees" under Section 10.01(i) above will be required for the Townhome Association to do or permit to be done any of the following:

(1) Adoption of an amendment to this Declaration which (i) changes Article VI or otherwise changes the method of determining the Common Assessments or other charges which may be levied against an Owner; (ii) changes Section 7.04 or Article IX, (iii) changes this Article X or any other provision of this Declaration or By-Laws which specifically grants rights to Mortgagees, (iv) materially changes insurance and fidelity bond requirements, (v) changes voting rights, or (vi) imposes a right of first refusal or similar restriction on the right of an owner to sell, transfer or otherwise convey his Parcel;

(2) The withdrawal of the Premises from the provisions of this Declaration; provided, that such consent of Eligible Mortgagees will not be required with respect to any action under (a)(1) and (2).

(b) Whenever required, the consent of an Eligible Mortgagee shall be deemed granted unless the party seeking the consent is advised to the contrary, in writing, by the Eligible Mortgagee within thirty (30) days after making the request for consent.

10.03 INSURANCE PROCEEDS/CONDEMNATION AWARDS. In the event of (a) any distribution of any insurance proceeds hereunder as a result of damage to, or destruction of, any part of the Townhome Exteriors or (b) any distribution of the proceeds of any award or settlement as a result of condemnation or eminent domain proceedings with respect to any part of the Townhome Exteriors, any such distribution shall be made to the Owners and their respective Mortgagees, as their interests may appear, and no owner or other party shall be entitled to priority over the Mortgagee of a Parcel with respect to any such distribution to or with respect to such Parcel; provided, that, nothing in this Section shall be construed to deny to the Townhome Association the right (i) to apply insurance proceeds to repair or replace damaged Townhome Exteriors or (ii) to apply proceeds of any award or settlement as a result of eminent domain proceedings as provided in Article IV.

ARTICLE XI PARTY WALLS

11.01 PARTY WALL. Every wall, including the foundations therefor, which is built as a part of the original construction of a building and placed on the boundary line between separate Parcels shall constitute and be a "Party Wall", and the Owner of a Parcel immediately adjacent to a Party Wall shall have the obligation and be entitled to the rights and privileges of these covenants and, to the extent not inconsistent herewith, the general rules of law regarding party walls.

11.02 RIGHTS IN PARTY WALL. Each owner of a Parcel, which is adjacent to a Party Wall, shall have the right to use the Party Wall for support of the structure originally constructed thereon and all replacement thereof and shall have the right to keep, maintain, repair and replace therein all pipes, conduit, and ducts originally located therein and all replacements thereof.

11.03 DAMAGE TO PARTY WALL.

(a) If any Party Wall is damaged or destroyed through the act or acts of any owner of a Parcel which is adjacent to such Party Wall, or his agents, servants, tenants, guests, invitees, licensees, or members of his family, whether such act is willful, negligent or accidental, such owner shall forthwith proceed to rebuild or repair the same to as good a condition as in which such Party Wall existed prior to such damage or destruction without costs therefor to the Owner of the other adjoining Parcel.

(b) Any Party Wall damaged or destroyed by some act or event other than one caused by the owner of a Parcel which is adjacent to such Party Wall, or his agents, servants, tenants, guests, invitees, licensees, or members of this family, shall be rebuilt or repaired by the Owners of the adjacent Parcels to as good a condition as in which such Party Wall existed prior to such damage or destruction at joint and equal expense of such Owners, and as promptly as is reasonably possible; provided that the cost of repairing or replacing any portion thereof which is part of a Townhome Exterior with respect to which the Townhome Association is responsible for furnishing maintenance, repairs or replacements hereunder shall be paid by the Townhome Association as a Common Expense to the extent not covered by insurance.

(c) In the event that any owner shall fail, within a reasonable time after the occurrence of damage or destruction referred to in this Section, to perform the necessary repair or rebuilding, then the Townhome Board may cause such repairs or rebuilding to be performed in the manner as provided in this Section and the cost thereof shall be charged to such Owner as his personal obligation and shall be a continuing lien on the owner's Parcel.

11.04 CHANGE IN PARTY WALL. Any owner of a Parcel who proposes to modify, rebuild, repair or make additions to any structure upon his Parcel in any manner

which requires the extension, alteration or modification of any Party Wall shall first obtain the written consent thereto, as to said Party Wall, of the Owner of the other adjacent Parcel and the Townhome Board, in addition to meeting any other requirements which may apply including, without limitation, those of the Village. In the event that a Party Wall is altered, regardless of whether all required consents have been obtained, any express or implied warranties made by the Declarant concerning the structural integrity of the Party Wall or either of the Townhomes adjacent to the Party Wall shall be null and void and the Owner who alters the Party Wall shall be responsible for any and all damage caused to either of the adjacent Townhomes or improvements thereto.

11.05 ARBITRATION. In the event of a disagreement between Owners of Parcels adjoining a Party Wall with respect to their respective rights or obligations as to such Party Wall, upon the written request of either of said owners to the other the matter shall be submitted to the Townhome Board and the decision of the Townhome Board shall be final and binding.

ARTICLE XII MISCELLANEOUS

12.01 NOTICES. Any notice required to be sent to any owner under the provisions of this Declaration or the By-Laws shall be deemed to have been properly sent when (a) mailed, postage prepaid, to his or its last known address as it appears on the records of the Townhome Association at the time of such mailing or (b) when delivered personally to his Parcel.

12.02 CAPTIONS. The Article and Section headings are intended for convenience only and shall not be construed with any substantive effect in this Declaration. In the event of any conflict between statements made in recitals to this Declaration and the provisions contained in the body of this Declaration, the provisions in the body of this Declaration shall govern.

12.03 SEVERABILITY. Invalidation of all or any portion of any of the easements, restrictions, covenants, conditions, or reservations, by legislation, judgment or court Declaration which shall, and all other provisions, remain in full force and effect.

12.04 PERPETUITIES AND OTHER INVALIDITY. If any of the options, privileges, covenants or rights created by this Declaration would otherwise be unlawful or void for violation of (a) the rule against perpetuities or some analogous statutory provision, (b) the rule restricting restraints on alienation, or (c) any other statutory or common law rule rules imposing time limits, then such provisions shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of William Clinton, the President of the United States at the time this Declaration is Recorded.

12.05 TITLE HOLDING LAND TRUST. In the event title to any Parcel is held by a title holding trust, under the terms of which all powers or management, operation and

control of the Parcel remain vested in the trust beneficiary or beneficiaries, then the beneficiaries thereunder from time to time shall be responsible for payment of all Charges and for the performance of all agreements, covenants and undertakings chargeable or created under this Declaration against such Parcel. No claim shall be made against any such title holding 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 the Parcel and the beneficiaries of such trust notwithstanding any transfers of the beneficial interest of any such trust or any transfers of title to such Parcel.

This Amended and Restated Declaration of Easements, Restrictions, Covenants and By-Laws was approved by a majority of the Board of Directors of the Coromandel Townhome Association at a meeting held on MAY 23, 2005.

By Ch
Jack Zuccep

Alan M. Pollock

**EXHIBIT A
TO THE COROMANDEL TOWNHOME DECLARATION
OF EASEMENTS, RESTRICTIONS, COVENANTS AND BY-LAWS**

PREMISES SUBJECT TO DECLARATION

LOTS 11, 12, 13 AND 14, IN COROMANDEL RESUBDIVISION, OF PART OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 AND THE SOUTHWEST 1/4 OF SECTION 33, TOWNSHIP 43 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED OCTOBER 14, 1994 AS DOCUMENT 360333, IN LAKE COUNTY, ILLINOIS, EXCEPT FOR THAT PART THEREOF FALLING IN LOT 3 IN MATTHEY'S RESUBDIVISION.

Address	Percentage of Ownership
331 Milford Road	.0150
333 Milford Road	.0131
335 Milford Road	.0131
337 Milford Road	.0144
341 Milford Road	.0150
343 Milford Road	.0133
345 Milford Road	.0133
347 Milford Road	.0147
351 Milford Road	.0147
353 Milford Road	.0133
355 Milford Road	.0132
357 Milford Road	.0149
372 Milford Road	.0159
374 Milford Road	.0142
376 Milford Road	.0143
378 Milford Road	.0157
382 Milford Road	.0157
384 Milford Road	.0143
386 Milford Road	.0143
388 Milford Road	.0157
392 Milford Road	.0160
394 Milford Road	.0143
396 Milford Road	.0143
398 Milford Road	.0160
401 Milford Road	.0150
403 Milford Road	.0131
405 Milford Road	.0131
407 Milford Road	.0147
411 Milford Road	.0147
413 Milford Road	.0131

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415 Milford Road	.0131
417 Milford Road	.0147
421 Milford Road	.0155
423 Milford Road	.0138
425 Milford Road	.0137
427 Milford Road	.0155
491 Milford Road	.0155
493 Milford Road	.0138
495 Milford Road	.0138
497 Milford Road	.0155
502 Milford Road	.0160
504 Milford Road	.0143
506 Milford Road	.0143
508 Milford Road	.0157
512 Milford Road	.0160
514 Milford Road	.0143
516 Milford Road	.0143
518 Milford Road	.0160
522 Milford Road	.0157
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526 Milford Road	.0143
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532 Milford Road	.0160
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536 Milford Road	.0143
538 Milford Road	.0160
542 Milford Road	.0160
544 Milford Road	.0143
546 Milford Road	.0143
548 Milford Road	.0160
501 Kelburn Road	.0160
503 Kelburn Road	.0143
505 Kelburn Road	.0143
507 Kelburn Road	.0157
511 Kelburn Road	.0157
513 Kelburn Road	.0143
515 Kelburn Road	.0143
517 Kelburn Road	.0157
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**EXHIBIT B
TO
THE COROMANDEL TOWNHOME DECLARATION OF
EASEMENTS, RESTRICTIONS, COVENANTS AND BY-LAWS**

**THE BY-LAWS OF THE
COROMANDEL TOWNHOME ASSOCIATION,
AN ILLINOIS NOT-FOR PROFIT CORPORATION**

**ARTICLE I
NAME OF CORPORATION**

The name of this corporation is COROMANDEL TOWNHOME ASSOCIATION.

**ARTICLE II
PURPOSE AND POWERS**

2.01 PURPOSES. The purposes of this Townhome Association are to act on behalf of its members collectively, as their governing body, with respect to the preservation, care, maintenance, replacement, improvement, enhancement, operation and administration of both real and personal property and for the promotion of the health, safety and welfare and the common use and enjoyment thereof by members of the Townhome Association, all on a not-for-profit basis. These By-Laws are subject to the provisions of the Coromandel Townhome Declaration of Easements, Restrictions, Covenants and By-Laws ("Declaration") to be recorded with the Office of the Recorder of Deeds for Lake County, Illinois. All terms used herein shall have the meanings set forth in the Declaration.

2.02 POWERS. The Townhome Association shall have and exercise all powers as are now or may hereafter be granted by the General Not-For-Profit Corporation Act of the State of Illinois, the Declaration and these By-Laws.

**ARTICLE III
OFFICES**

3.01 REGISTERED OFFICE. The Townhome Association shall have and continuously maintain in this state a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Illinois as the Board may from time to time determine.

3.01 PRINCIPAL OFFICE. The Townhome Association's principal office shall be maintained on the Development Area or at the office of the managing agent engaged by the Townhome Association.

**ARTICLE IV
MEETINGS OF MEMBERS**

4.01 VOTING RIGHTS. Any or all members may be present at any meeting of the members, but the voting rights shall be vested exclusively in the Voting Members. The total number of votes of all Voting Members shall be one hundred (100), and each Townhome Owner shall be entitled to the number of votes equal to the total of the percentage of Ownership applicable to such Owner's Townhome ownership as set forth in Exhibit "A" attached hereto. The Voting Members may vote in person or by proxy. All proxies shall be in writing, revocable, valid only for eleven (11) months from the date of execution and filed with the Secretary.

4.02 PLACE OF MEETING; QUORUM. Meetings of the members shall be held at the principal office of this Townhome Association or at such other place in Lake County, Illinois as may be designated in any notice of a meeting. All meetings shall be conducted in accordance with the rules and provisions set forth in Roberts Rules of order as from time to time published. Twenty percent (20%) of the Voting Members shall constitute a quorum. Unless otherwise expressly provided herein or in the Declaration, any action may be taken /at any meeting of the Owners at which a quorum is present upon the affirmative vote of a majority of the members present at such meeting.

4.03 ANNUAL MEETINGS. There shall be an annual meeting of the owners at such reasonable time or date as may be designated by written notice of the Board delivered to the Owners.

4.04 SPECIAL MEETINGS. Special meetings of the 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 Owners or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by a majority of the Board, or by twenty percent (20%) of the Voting Members, and delivered not less than ten (10) days prior to the date fixed for said meeting. The notice shall specify the date, time, and place of the meeting and the matters to be considered.

4.05 NOTICE OF MEETINGS. Notices of meetings required to be given herein may be delivered either personally or by mail to the members, addressed to each such member at the address given by him to the Board for the purpose of service of such notice or to the dwelling unit of the Owner, if no address has been given to the Board. A notice of meeting shall include an agenda of business and matters to be acted upon or considered at the meeting. Notices of meetings shall be mailed or delivered to all Owners not less than five (5) nor more than forty (40) days prior to the date of the meeting.

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**ARTICLE V
BOARD OF DIRECTORS**

5.01 IN GENERAL. The affairs of the Townhome Association shall be vested in the Board of Directors (the "Board"), which shall consist of three (3) persons ("Directors") or such other number of persons as shall be fixed from time to time by the affirmative vote of 50% of the Voting Members. Each Manager shall be an Owner or a Voting Member.

5.02 BOARDS. Each Manager shall serve a two (2) year term. Each Manager shall hold office until his term expires or until his successor shall have been elected and qualified. Directors may succeed themselves in office.

5.03 ANNUAL MEETINGS. The Board shall hold an annual meeting within ten (10) days after the annual meeting of the members.

5.04 REGULAR MEETINGS. Regular meetings of the Board shall be held at such time and place as shall be determined at the annual meeting or, from time to time, by a majority of the Directors, provided that not less than four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Manager, personally or by mail, at least two (2) days prior to the day named for any such meeting and such notice shall state the time and place of such regular meeting. Meetings of the Board of the Association shall be open to any Owner in a Townhome subject to the authority of the Board, except for the portion of any meeting held:

- (a) to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Board of the Association finds that such an action is probable or imminent,
- (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 unpaid common expenses owed to the Association.

Any vote on these matters shall be taken at a meeting or portion thereof open to any Owner of a Townhome subject to the authority of the Association.

5.05 SPECIAL MEETINGS. Special meeting of the Board may be called by the President or at least one-third (1/3) of the Directors then serving.

5.06 WAIVER OF NOTICE. Before or at any meeting of the Board any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at any

meeting of the Board shall be waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

5.07 QUORUM. A majority of the Directors serving from time to time shall constitute a quorum for the election of officers and for the transaction of business at any meeting of the Board, provided, that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. Except as otherwise expressly provided herein or in the Declaration, any action may be taken upon the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present.

5.08 COMPENSATION/REIMBURSEMENT FOR EXPENSES. Directors shall receive no compensation, except as expressly provided in a resolution duly adopted by 75% of the Voting Members. Upon the presentation of receipts or other appropriate documentation, a Manager shall be reimbursed by the Townhome Association for reasonable out-of-pocket expenses incurred in the course of the performance of his duties as a Manager.

5.09 REMOVAL OR RESIGNATION OF MANAGER. Any Manager may be removed from office, with or without cause, by the affirmative vote of at least two-thirds (2/3) of the Directors then serving at any annual meeting or at a special meeting called for such purpose. Any Manager may resign at any time by submitting his written resignation to the Board. If a Manager ceases to be an Owner or Voting Member, he shall be deemed to have resigned as of the date of such cessation. A successor to fill the unexpired term of a Manager who resigns may be appointed by a majority of the remaining Directors at any regular meeting or a special meeting called for such purpose and any successor so appointed shall serve the balance of his predecessor's term.

5.10 POWERS AND DUTIES OF THE BOARD. The Board shall have all of the powers and duties granted to it or imposed upon it by the Declaration, these By-Laws, and the Illinois General Not-For-Profit Corporation Act, including, without limitation, the following powers and duties:

- (a) To engage the services of a manager or managing agent upon such terms and with such authority as the Board may approve;
- (b) To provide for the designation, hiring and removal of such employees and such other personnel, including attorneys, accountants, architects, landscape architects and civil engineers, as the Board may, in its discretion, deem necessary or proper;
- (c) To provide for any maintenance, repair, alteration, addition, improvement or replacement of the Townhome Exteriors for which the Townhome Association is responsible under the Declaration and these By-Laws;
- (d) To procure insurance as provided for under the Declaration;

(e) To estimate and provide each owner with an annual Budget showing the Common Expenses;

(f) To set, give notice of, and collect Common Assessments, Special Assessments and Umbrella Association Assessments from the owners as provided in the Declaration;

(g) To pay the Common Expenses;

(h) Subject to the provisions of the Declaration, to own, convey, encumber or otherwise deal with any real property conveyed to or purchased by the Townhome Association;

(i) To adopt and, from time to time, to amend such reasonable rules and regulations as the Board may deem advisable for the use, enjoyment, administration, management, maintenance, conservation and beautification of the Townhome Exteriors, and for the health, comfort, safety and general welfare of the owners. Written notice of any such rules and regulations or amendments thereto shall be given to all owners affected thereby; and,

(j) To delegate the exercise of its power to committees appointed pursuant to Article VII of these By-Laws.

5.13 BOARD APPOINTMENT TO UMBRELLA ASSOCIATION BOARD. Two (2) Directors of the Townhome Association Board shall be appointed by the President of the Board to serve as Directors of the Umbrella Association Board of Directors and each shall act as such until expiration of his term or resignation from office.

ARTICLE VI OFFICERS

6.01 OFFICERS. The officers of the Townhome Association shall be a President, one or more Vice Presidents, a Secretary, Treasurer, and such assistants to such officers as the Board may deem appropriate. All officers shall be Directors and shall be elected at each annual meeting of the Board and shall hold office at the discretion of the Board.

6.02 VACANCY OF OFFICE. Any officer may be removed at any meeting of the Board by the affirmative vote of the majority of the Directors in office, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

6.03 POWERS OF OFFICERS. The respective officers of the Townhome Association shall have such powers and duties as are from time to time prescribed by the Board and as are usually vested in such officers, including but not limited to, the following:

(a) The President shall be the Chief Executive Officer of the Townhome Association and shall preside at all meetings of the members and at all meetings of the Board and shall execute amendments to the Declaration and these By-Laws as provided in the Declaration and these By-Laws, and shall appoint any two (2) of the Directors of the Association (including himself) to serve as Directors of the Umbrella Board;

(b) The Vice President shall, in the absence or the disability of the President, perform the duties and exercise the powers of such office;

(c) The Secretary shall keep minutes of all meetings of the Owners and of the Board and shall have custody of the Townhome Association Seal and have charge of such other books, papers and documents as the Board may prescribe;

(d) The Treasurer shall be responsible for Townhome Association funds and securities and for keeping full and accurate accounts of all receipts and disbursements in the Townhome Association books or accounts kept for such purpose.

6.04 OFFICERS' COMPENSATION. The officers shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the Voting Members.

ARTICLE VII COMMITTEES DESIGNATED BY BOARD

7.01 BOARD COMMITTEES. The Board, by resolution adopted by a majority of the Directors in office, may designate one or more committees, to the extent consistent with law and as provided in said resolution, shall have and exercise the authority of the Board in the management of the Townhome Association; but the designation of such committees and delegation thereto of authority shall not operate to relieve the Board, or any individual Manager, or any responsibility imposed upon it or him by law.

7.02 SPECIAL AND STANDING COMMITTEES. Other committees not having and exercising the authority of the Board in the management of the Townhome Association may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Owners or representative of Owners and the President of the Townhome Association shall appoint the members of such committee and shall designate a Manager to act as a liaison between such committee and the Board. Any member of such committee may be removed by the President of the Townhome Association whenever in his judgment the best interests of the Townhome Association shall be served by such removal. The powers and the duties of any such standing committee shall be as set from time to time by resolution of the Board. The Chairman of each standing committee shall be a Manager (who shall

act as the liaison between the committee and the Board), and the other members of the committee (which need not be Directors) shall be appointed and removed from time to time by such chairman.

7.03 TERM. Each member of a committee shall continue as such until the next annual meeting of the Board and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

7.05 VACANCIES. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments to such committee.

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

7.07 RULES. Each committee may adopt rules for its own governance not inconsistent with the Declaration, these By-Law or with rules adopted by the Board.

7.04 CHAIRMAN. One member of each committee shall be appointed chair.

7.05 VACANCIES.. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments to such committee.

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

7.07 RULES. Each committee may adopt rules for its own governance not inconsistent with the Declaration, these By-Laws or with rules adopted by the Board.

ARTICLE VIII CONTRACTS, CHECKS DEPOSITS AND FUNDS

8.01 CONTRACTS. The Board may authorize any officer or officers, agent or agents of the Townhome Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Townhome Association and such authority may be general or confined to specific instances. In the absence of any such authorization by the Board, any such contract or instrument shall be executed by the President or a Vice President and attested to by the Treasurer or Secretary of the Townhome Association.

8.02 PAYMENTS. All checks, drafts, vouchers or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the

Townhome Association shall be signed by such officer or officers, agent or agents of the Townhome Association, and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Townhome Association.

8.03 BANK ACCOUNTS. All funds of the Townhome Association not otherwise employed shall be deposited from time to time to the credit of the Townhome Association in such banks, trust companies or other depositories as the Board shall elect.

8.04 SPECIAL RECEIPTS. The Board may accept on behalf of the Townhome Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Townhome Association.

ARTICLE IX FISCAL MANAGEMENT

9.01 FISCAL YEAR. The fiscal year of the Townhome Association shall be established by the Townhome Association and may be changed from time to time by a resolution adopted by two-thirds (2/3) of the Board.

9.02 ANNUAL STATEMENT. Within a reasonable time after the close of each fiscal year the Board shall furnish each owner with a statement of the income and disbursements of the Townhome Association for such fiscal year.

9.03 SPECIAL STATEMENT. Within ten (10) days after receipt of a written request from an Owner (together with payment of a reasonable fee, if any, set by the Board) the Board shall provide the owner with a statement containing the following information:

- (a) The status of the Owner's account and the amount of any unpaid assessments or other charges due and owing from the Owner; and
- (b) The status and amount of any and all Capital Reserves.

9.04 ASSESSMENT PROCEDURE. Common Assessments, Special Assessments and Umbrella Association Assessment, shall be made and collected as provided in the Declaration.

ARTICLE X BOOKS AND RECORDS

The Townhome Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the Board, and committees having any of the authority of the Board, and shall keep at the registered or principal office of the Townhome Association a record giving the names

and addresses of the members. The Townhome Association shall maintain the following records of the Association and make them available for examination and copying at convenient hours of weekdays by any Owners of a Townhome subject to the authority of the Board or their mortgagees and their duly authorized agents or attorneys:

(a) Copies of the recorded Declaration, other Townhome instruments, other duly recorded covenants and bylaws and any amendments, articles of incorporation of the Association, annual reports and any rules and regulations adopted by the Association or its Board shall be available.

(b) Detailed and accurate records in chronological order of the receipts and expenditures affecting the common areas, specifying and itemizing the maintenance and repair expenses of the common areas and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the Association, shall be maintained.

(c) The minutes of all meetings of the Association and the Board of the Association shall be maintained for not less than 7 years.

(d) Ballots and proxies related thereto, if any, for any election held for the Board and for any other matters voted on by the Owners shall be maintained for not less than one year.

(e) Such other records of the Association as are available for inspection by members of a not-for-profit corporation pursuant to Section 107.75 of the General Not For Profit Corporation Act of 1986 shall be maintained.

(f) With respect to Townhomes owned by a land trust, if a trustee designates in writing a person to cast votes on behalf of the Owner, the designation shall remain in effect until a subsequent document is filed with the Association.

(g) Where a request for records under this Section is made in writing to the Board of Directors or its agent, failure to provide the requested record or to respond within thirty (30) days shall be deemed a denial by the Board of Directors.

(h) A reasonable fee may be charged by the Association or its Board for the cost of copying.

(i) If the Board of Directors fails to provide records properly requested herein within the time period provided herein, the Owner may seek appropriate relief, including an award of attorney's fees and costs.

**ARTICLE XI
SEAL**

The Board may provide for a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Townhome Association and the words "Corporate Seal, Illinois".

**ARTICLE XII
AMENDMENTS**

These By-Laws may be amended or modified at any time, or from time to time by the affirmative votes of Voting Members having more than two-thirds (2/3) of the total votes, provided that prior to the Turnover Date, Section 5.02 and this Article XII may not be amended without the written consent of the Declarant, and provided further, that no provision of these By-Laws may be amended or modified so as to conflict with the provisions of the Declaration.