



OAK GROVE

(SINGLE FAMILY HOMES)

**DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND RESTRICTIONS**

BY-LAWS

RULES AND REGULATIONS

CERTIFICATE OF LIMITED WARRANTY



DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
FOR
OAK GROVE SUBDIVISION

OAK GROVE ASSOCIATES DEVELOPER

General Office: 1535 Lake Cook Road #302, Northbrook, IL 60062
Telephone: (847) 564-7720

OAK GROVE SUBDIVISION

DECLARATION OF COVENANTS, CONDITIONS,

EASEMENTS AND RESTRICTIONS

This Declaration made this ____ day of _____, 19____
by HARRIS BANK BARRINGTON, N.A., a national banking association,
not individually but as Trustee under Trust Agreement dated
September 1, 1998 and known as Trust Number 11-5486 (hereinafter
referred to as ("Declarant") and OAK GROVE ASSOCIATES, an Illinois
general partnership (the "Developer").

R E C I T A L S:

A. Declarant is the title holder of that certain real
property, consisting of approximately 46 acres, situated in the
Village of Wauconda, Lake County, Illinois, the legal description
of which is set forth on Exhibit A attached hereto and made a part
hereof (the "Property").

B. Developer is the Owner of the Property and intends to
develop the Property into single family residences.

C. In order to preserve and enhance the value of the
Property, developer will form an Illinois Not-For-Profit
Corporation ("Association"), comprised of each of the Owners of the
Lots within the Property, which will have the responsibility of
maintenance of the Common Areas and enforcement of the
restrictions, covenants and conditions as herein provided.

D. Declarant intends to subject the Property to the
covenants, conditions, easements and restrictions hereinafter set
forth, each and all of which are for the benefit of the
Association.

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following covenants, conditions, easements and restrictions which are for the purpose of protecting the value and desirability of, and which shall run with the Property and be binding upon and inure to the benefit of all parties having any right, title or interest in the Property or any part thereof, their respective personal representatives, successors and assigns.

ARTICLE I

DEFINITIONS

Section 1. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot including contract sellers and title holding trusts. Each Lot, for the purposes of this Agreement, shall be deemed to have one Owner. Declarant shall, as long as it owns any Lot, be an Owner. Owner may also be referred to herein as a Unit Owner, Lot Owner or Homeowner.

Section 2. "Association" shall mean and refer to the Lot Owners' Association to be formed, its successors and assigns. The Association shall be the governing body for all of the Owners with respect to the administration, maintenance and repair of certain portions of the Property as provided herein and said Association shall be the legal representative for all matters and claims relating directly or indirectly to the Common Areas or matters of common interest to all Owners. Each Owner shall automatically become and be a member of the Association so long as he or she

continues as an Owner. Upon the termination of an Owner's interest in a Lot, his or her membership shall thereupon automatically terminate and transfer and inure to the new Owner succeeding in interest.

Section 3. "Plat of Subdivision ("Plat")" shall mean and refer to the Plat of Subdivision for OAK GROVE SUBDIVISION recorded _____, 19__ as Document No. _____ and any other recorded plat of subdivision relating to the Property.

Section 4. "Common Areas" shall mean those areas of the Property referred to as Outlots A through I on the Plat of Subdivision, subject to the provisions of Article VI, Section 2 hereof.

Section 5. "Lot" shall mean and refer to the subdivided parcels of land which are a part of the Property and which are shown on the Plat of Subdivision, intended for development of single family residences.

Section 6. "Developer" shall mean OAK GROVE ASSOCIATES, an Illinois general partnership.

Section 7. "Village" shall mean the Village of Wauconda, an Illinois municipal corporation. Any covenants or provisions contained herein are intended to inure to the benefit of the Village and any governmental body or agency hereafter designated or appointed by the Village to provide maintenance, repair, drainage or landscaping services for or upon the Property.

ARTICLE II

PROPERTY RIGHTS

Section 1. Association Maintenance Easements. The Declarant does hereby grant to the Association an access easement for maintenance and repair over the Common Areas. The Declarant also hereby grants to the Association an access easement for maintenance, repair and replacement of a fence to be located on Outlots A and C.

Section 2. Developer's Easement. Declarant does hereby grant to Developer, its agents, employees, contractors, successors and assigns (1) the right and easement to maintain and repair the Common Areas, until such time as Developer no longer owns any Lots; (2) the right to enter upon the Common Areas from time to time to the extent reasonably necessary to repair or maintain any facilities in the Common Areas; (3) the right to construct a fence on Outlots A and C; (4) the right to construct a Sales Office and model home area on designated areas of the Property and (5) an easement, for the purpose of erecting, maintaining, repairing and replacing billboards, banners and exterior lighting, and other advertising and promotional displays over and across the Common Areas and the exterior of any structure or any Lot being used as a model for so long as the Developer, its agents, employees, contractors, successors and assigns is engaged in the construction, sale or leasing of Lots on any portion of the Property.

Section 3. Village Easements. Declarant hereby grants to the Village a perpetual easement over, under and upon Outlots A

through I to perform any and all reasonably required activities with respect to snow storage and preservation or maintenance of the drainage conditions in said Outlots A through I in the event that the Association fails to do so in an appropriate manner.

Section 4. Governmental Easements. Declarant hereby grants to the Village and to Wauconda Fire Department Incorporated a perpetual easement to enter upon the Property including the Common Areas and Lots for the purposes of (1) maintaining, repairing, reconstructing and replacing any Village water, sanitary sewer and storm sewer lines and mains and appurtenant structures and facilities, the lift station and force main, if any, any retention and detention facilities and any other Village utilities, and pipes, cables and appurtenant structures or any cable TV or other utility licensed or designated by the Village to provide utility or cable TV services, and (2) the maintenance of the Village streets and the sidewalks, and (3) providing governmental services, including, but not limited to, fire protection and police protection, and (4) for the enforcement of all Village ordinances, state statutes and other laws, including, but not limited to, reading meters and ticketing vehicles parked in violation of Village rules and regulations, and (5) the abatement, correction or elimination of any nuisance or any violation of any Village ordinance, state statute or other law.

Section 5. Easements to Run with the Land. All easements and rights described and granted in this Declaration are easements appurtenant to and run with the land, perpetually in full force and

effect, and at all times shall inure to the benefit of and be binding on Declarant, its successors and assigns, and any Owner, purchaser, mortgagee and other person having an interest in the Property, or any part or portion thereof. Reference in any deed of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Declaration shall be sufficient to create and reserve such easements and rights to the respective grantee, mortgagee or trustee of the Declarant and the Owner as fully and completely as though such easements and rights were set forth and recited in their entirety in such document.

ARTICLE III

MAINTENANCE OF PROPERTY

Section 1. Common Areas and Easements. Developer, and thereafter upon its establishment the Association, shall be charged with the responsibility for the ownership, maintenance, landscaping, repair, restoration and upkeep of all of the Common Areas and the fence located on Outlots A and C, and may employ, retain, or contract with appropriate entities or individuals as necessary to perform the obligations stated herein. All Common Areas which include wetlands, flood plains and floodways must be maintained in accordance with all applicable Village and Lake County Codes and Ordinances. All such wetlands, flood plains and floodways shall be maintained in their natural state to the extent practical. The Common Areas include Village limited restorative easements rights for water and sanitary sewer including signage.

Upon the failure of the Developer or the Association to perform any of its maintenance duties or other obligations relating to the Common areas within thirty (30) days after mailing written notice to the Association at its last address known to the Village, the Village shall have the right, but not the obligation, to enter upon the Property and the Common Areas to abate, correct, or eliminate any nuisance or any violation of village ordinance, state statute or other law at the expense of the Association; provided, however, that no notice shall be required in the event that the Village President or other Village official designated from time to time by the President and Board of Trustees of the Village determines in good faith that an emergency exists. Upon such determination, the Village may proceed to abate or eliminate such nuisance or violation without notice to the Association.

This Declaration shall constitute a contract between the Association and all of the Owners from time to time of the Lots for the performance of such work as the Village may determine to be reasonably required to abate such nuisance or correct or eliminate such violation. The Association and the Owners from time to time of Lots are hereby given notice that the Village has the right to perform and may perform such work without further notice.

Section 2. Lots. The Owner of each Lot shall at all times and at his or her own expense keep his or her respective Lot, and the buildings, improvements, and appurtenances thereon in a safe, clean and, wholesome condition and comply in all respects with all governmental, health, fire, and police requirements and

regulations, including all building lines and, if applicable, all wetland building lines and wetland buffer zones, setbacks and conservancy easements as contained in the Annexation Agreement dated January 20, 1998 and ordinance approving the Annexation Agreement recorded March 25, 1998 as document number 4107016 and ordinance annexing the Property recorded July 22, 1998 as document number 4172231 in the office of the Lake County Recorder as depicted on the Plat of Subdivision. Owners shall in no manner be permitted to obstruct or divert the natural surface water drainage across and over their Lots. Owners shall not use or permit the use of any of the detention or retention areas, if any, for any activity other than drainage purposes. In the event an Owner fails to comply with any or all of such specifications or requirements, the Association shall have the obligation, right, privilege and license to enter upon such Lot and shall have the duty to make any and all corrections or improvements that may be necessary to meet such standards, and to charge such Owner the expenses incurred in so doing.

Section 3. The Owner of Outlot I as depicted on the Plat of Subdivision is hereby prohibited from using the road easement depicted on said Outlot I, which is located east of the park site and which connects the Property to the lot commonly known as 26490 North Highway 59, Wauconda, Illinois, from ever being used to service more than the lot south of the Property which may be improved with one single family residence.

ARTICLE IV

LOT OWNERS' ASSOCIATION

Section 1. Membership. Every Owner shall automatically be a member of the Association without the right of withdrawal, and shall remain so as long as he or she remains an Owner. Declarant shall be a member of the Association to the extent of any Lots it owns. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Voting Rights. The Association shall have one class of voting membership. This class shall consist of all Owners including the Developer or the Developer's lender. Each member shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. If the Owners of a Lot cannot agree how their vote shall be cast, their vote shall not be counted.

Section 3. Bylaws. The Association shall be governed by Bylaws which shall be in the form of Exhibit B attached hereto and made a part hereof.

Section 4. Rules and Regulations. The Association shall adopt such Rules and Regulations as it may deem advisable from time to time for the maintenance, conservation, repair and beautification of the Property and for the health, comfort, safety and general welfare of the Owners. The initial Rules and Regulations

for the subdivision are attached hereto as Exhibit C. The Rules and Regulations may be amended by a majority vote of the Lot Owners.

Section 5. Payment of Association Charges. Each Owner of any Lot by acceptance of a deed therefor, whether from the Declarant or any Owner, and whether or not expressed in any such deed or other conveyance for each Lot owned by each Owner shall pay to the Association (a) annual assessments or charges due and payable on a date the board of directors of the Association shall elect; and (b) special assessments to be fixed, established and collected from time to time by the board of directors of the Association. The annual and special assessments, together with statutory interest thereon and cost of collection thereof, including, but not limited to, reasonable attorneys' fees, shall be a continuing lien upon such Lot against which each such assessment is made. Such assessments shall be a continuing personal obligation of the person who is the Owner of such Lot at the time the assessment was incurred.

ARTICLE V

INSURANCE

Section 1. Liability Insurance. The Association shall acquire as a common expense, a policy or policies of comprehensive general liability insurance against claims and liabilities arising in connection with the ownership, existence, use or management of the Common Areas, including the design, operation or maintenance of the detention basins and retention ponds on Outlots A through I

(subject to the provisions of Article VI, Section 2), in the minimum amount of \$500,000.00 for each occurrence and \$500,000.00 in the aggregate and naming the Village, its officials, employees and agents as additional insured, insuring the Association, the Owners, and the Declarant, and their respective employees, agents, and all persons acting as agents. The Developer shall be included as an additional insured. The insurance shall cover claims of one or more parties against other insured parties. The insurance shall contain a waiver of any rights to subrogation by the insuring company against any of the above-named insured persons or entities.

ARTICLE VI

RIGHTS AND OBLIGATIONS OF DEVELOPER

Section 1. Initial Administration of the Development.

Until the first meeting of the members of the Association, which meeting shall be held in September 2002, or within sixty (60) days after the conveyance of 80% of the Lots whichever first occurs, the rights, titles, powers, privileges, trusts, duties and obligations vested in or imposed upon the Association by this Declaration, including the insurance provisions contained in Article V, shall be held and performed by Developer. In exercising such rights, and the other rights reserved by Developer pursuant to this Declaration, Developer shall not be under any disability which would otherwise be imposed by law by reason or Developer's interest in the subject matter of the transaction or of any transaction.

Section 2. Non-Recourse to Developer. It is expressly understood and agreed, anything herein to the contrary notwithstanding,

standing, that each of the representations, covenants, undertakings, and agreements herein made on the part of Developer are made and intended not as personal representations, covenants, undertakings and agreements by Developer, but are made and intended solely for the purpose of binding the Property and Common Areas to the terms, conditions and provisions of this Declaration. No personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against Developer (or any officers, directors, partners, agents or employees of Developer) on account of this instrument or on account of any representation, covenant, undertaking or agreement of Developer in this instrument contained, either express or implied, all such personal liability, if any, being expressly waived and released. The remedy of any Owner for the failure of Developer to perform any of its obligations, covenants or agreement hereunder is expressly limited to and shall be enforceable only against the Property and Common Areas.

ARTICLE VII

REAL ESTATE TAXES

Section 1. Common Areas. All real estate taxes, if any, levied, assessed or otherwise imposed on the Common Areas, including without limitation all special assessments and special service district taxes, shall be an obligation of the Association and shall be paid by the Association as otherwise provided herein.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Severability. Invalidation of any one of these covenants, conditions, restrictions or easements by judgment or court order shall in no way affect any other provisions, all of which shall remain in full force and effect.

Section 2. Amendments. At any time and from time to time while these covenants, conditions, easements and restrictions are in effect, they may be amended or revoked by the recording in the Office of the Recorder of Lake County, Illinois, of an instrument declaring such amendment or revocation, which instrument shall be signed by the undersigned or its successors or assigns or by the then Owners of not less than two-thirds (2/3) of the Lots in OAK GROVE SUBDIVISION, which instrument shall set forth such amendment or revocation and shall be effective from and after the date of its recording; provided, however, that if the undersigned or its successors and assigns shall hold legal title to any Lot or Lots in the Subdivision, then an amendment or revocation signed by not less than two-thirds (2/3) of the Owners of such Lots must also be signed by the undersigned, its successors or assigns and if not so signed, such amendment of revocation shall not be valid. A Certificate signed and acknowledged by the Board of Directors of the Association shall be prima facie evidence that such instrument of amendment or revocation has been signed by the Owners of the required number of Lots.

Section 3. Rights and Obligations. The provisions of this Declaration and the rights and obligations established hereby shall be deemed to be covenants running with the land and shall inure to the benefit of, and be binding upon, each and all of the Owners and their respective heirs, representatives, successors, assigns, purchasers, grantees and mortgagees. By the recording or the acceptance of a deed conveying a Lot or other document transferring any interest therein, or any ownership interest in the Lot whatsoever, the person to whom such Lot or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all of the provisions of this Declaration, the By-Laws, and any Rules and Regulations enacted by the Developer or the Board of Directors of the Association whether or not mention thereof is made in the deed.

Section 4. Title in Trust. In the event title to any Lot shall be conveyed to a title-holding trust under which all powers of management, operation and control of the Lot remain or become vested in the trust beneficiary or beneficiaries, then the trust estate and the beneficiaries thereunder shall be personally liable for the payment of any obligation, lien or indebtedness chargeable pursuant to this Declaration against such Lot. No claim shall be made against the trustee of any title holding trust personally for payment of any claim, lien or obligation hereby created.

This Declaration is executed by HARRIS BANK BARRINGTON, N.A., a national banking Association, as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it

as such Trustee (and HARRIS BANK BARRINGTON, N.A. hereby warrants that it possesses full power and authority to execute this instrument). It is expressly understood and agreed by every person, firm, corporation or other entity hereafter claiming any interest under this Declaration that HARRIS BANK BARRINGTON, N.A., as Trustee as aforesaid; and not personally has joined in the execution of this Declaration for the sole purpose of subjecting the title holding interest and the trust estate under said Trust No. 11-5486 to the terms of this Declaration, that any and all obligations, duties, covenants and agreements of every nature herein set forth by HARRIS BANK BARRINGTON, N.A., as Trustee as aforesaid are not to be kept or performed by HARRIS BANK BARRINGTON, N.A. personally.

IN WITNESS WHEREOF, HARRIS BANK BARRINGTON, N.A., as Trustee, has caused its name to be signed to these presents by its _____ and attested by its _____ this _____ day of _____, 19____.

HARRIS BANK BARRINGTON, N.A., a national banking association, not personally but as Trustee aforesaid

By: _____
Its: _____

ATTEST:

OAK GROVE ASSOCIATES, an Illinois General Partnership

By: K-OAK GROVE CORP., a general partner

By: _____

President

STATE OF ILLINOIS)
COUNTY OF _____) ss.

I, _____, a Notary Public
in and for said County, in the State aforesaid, DO HEREBY CERTIFY
that _____, of HARRIS BANK
BARRINGTON, N.A., a national banking association, and
_____, of said Bank, who are
personally known to me to be the same persons whose names are
subscribed to the foregoing instrument, as such _____ President and
_____ Secretary, respectively appeared before me this day in
person, and acknowledged that they signed and delivered the said
instrument as their own free and voluntary act and as the act of
said Bank for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this _____ day of
_____, 19____.

Notary Public

My Commission Expires: _____

(S E A L)

CONSENT OF MORTGAGEE

The undersigned, as Mortgagee under those certain Mortgages
dated September 1, 1998 and recorded on September 30, 1998 with the
Recorder of Lake County, Illinois as Documents No. 4214399 and
4214400 hereby consents to this Declaration.

By: _____
Its: _____

ATTEST:

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STATE OF ILLINOIS)
) ss.
COUNTY OF _____)

I, _____, a Notary Public
in and for said County, in the State aforesaid, DO HEREBY CERTIFY
that _____, the President of K-OAK GROVE
ASSOCIATES, a general partner of OAK GROVE ASSOCIATES, an Illinois
general partnership, who is personally known to me to be the same
person whose name is subscribed to the foregoing instrument, as
such President, appeared before me this day in person, and
acknowledged that he signed and delivered the said instrument as
his own free and voluntary act and as the act of said general
partner and the partnership for the uses and purposes therein set
forth.

GIVEN under my hand and notarial seal, this _____ day of
_____, 19____.

Notary Public

My Commission Expires: _____

(S E A L)

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This Document Was Prepared By And After Recording Mail To:
Samuel M. Lanoff and John H. Jackson, Attorneys at Law
c/o Morgan, Lanoff, Denniston & Jackson, Ltd.
2 North LaSalle Street, Suite 1808
Chicago, Illinois 60602
(312) 346-3055

:

LEGAL DESCRIPTION OF THE PROPERTY

EXHIBIT A

EXHIBIT B
BY-LAWS

OAK GROVE HOMEOWNERS ASSOCIATION

FOR

BY-LAWS

EXHIBIT B

BY-LAWS

OAK GROVE HOMEOWNERS ASSOCIATION

ARTICLE I PURPOSES

As stated in its Article of Incorporation, the purposes of the Corporation shall be to maintain, operate and manage a private residential subdivision with Lots, improvements and Common Areas known as "Oak Grove Subdivision" located on Route 59 between Ivanhoe Road and Route 12 in the Village of Wauconda, Lake County, Illinois.

ARTICLE II OFFICES

The Corporation shall maintain in the State of Illinois a registered office and a registered agent at such office and may have other offices within or without the state.

ARTICLE III MEMBERS

Section 1. MEMBERSHIP. Every Owner of a Lot shall be a member of the Association without the right of withdrawal. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of such Lot shall be the sole qualification for membership.

Section 2. VOTING RIGHTS. The Association shall have one class of voting membership. This class shall consist of all Owners including the Developer. Each member shall be entitled to one (1) vote for each Lot owned. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot. If the Owners of a Lot cannot agree how their vote shall be cast, their vote shall not be counted.

Section 3. TERMINATION OF MEMBERSHIP. Upon the sale or transfer of a Lot or the termination of a beneficial interest in any trust holding title to a Lot, membership in the Association is terminated.

Section 4. TRANSFER OF MEMBERSHIP. Membership in this Association is not transferable or assignable except in conjunction with the sale and purchase of a Lot.

ARTICLE IV
MEETINGS OF MEMBERS

SECTION 1. ANNUAL MEETING. An annual meeting of the members shall be held on or before September 30th of each year, beginning with the year 2002 or sooner pursuant to the provisions of Article VI, Section 1 of the Declaration, for the purposes of electing directors and for the transaction of such other business as may come before the meeting.

SECTION 2. SPECIAL MEETING. Special meetings of the members may be called either by the president, the board of directors, or not less than one-tenth of the members having voting rights.

SECTION 3. PLACE OF MEETING. The board of directors may designate any place within five (5) miles of the Subdivision as the place of meeting for any annual meeting or for any special meeting called by the board of directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Illinois.

SECTION 4. NOTICE OF MEETINGS. Written notice stating the place, date, and hour of any meeting of members shall be delivered to each member entitled to vote at such meeting not less than five (5) nor more than forty (40) days before the date of such meeting. In case of a special meeting or when required by statute or by these by-laws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the corporation, with postage thereon prepaid.

SECTION 5. INFORMAL ACTION BY MEMBERS. Any action required to be taken at a meeting of the members of the Corporation, or any other action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

SECTION 6. QUORUM. The members holding one-tenth of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting, a majority of the members present may adjourn the meeting to any time without further notice. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting; withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 7. PROXIES. Each member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing, without a meeting, may authorize another person or person to act as his or her proxy, but no such proxy shall be voted or acted upon after eleven months from its date, unless the proxy provided for a longer period.

ARTICLE V
BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS. The affairs of the Corporation shall be managed by its board of directors.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. The number of directors shall be five (5). Each director shall hold office until the next annual meeting of members and until his successors shall have been elected and qualified. **Directors need not be residents of Illinois or members of the Corporation.** The number of directors may be decreased to not fewer than three (3) or increased to any number from time to time by amendment of this section. Prior to the first annual meeting the number of directors shall be three (3). At the first annual meeting the three (3) directors receiving the most votes shall be elected for two (2) year terms and the remaining two (2) directors shall be elected for one (1) year terms. Thereafter directors shall be elected for two (2) year terms.

SECTION 3. REGULAR MEETING. A regular annual meeting of the board of directors shall be held without other notice than these By-Laws, immediately after, and at the same place as, the annual meeting of members. The board of directors may provide, by resolution, the time and place for the holding of additional regular meetings of the board without other notice than such resolution.

SECTION 4. SPECIAL MEETINGS. Special meetings of the board of directors may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the board may fix any place as the place for holding any special meeting of the board called by them but shall not be more than five (5) miles from the Subdivision.

SECTION 5. NOTICE. Notice of any special meeting of the board of directors shall be given at least two days previously thereto by written notice to each director at his address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be given two (2) days after it is deposited in the United States mail in a sealed envelope so addressed, with Postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be given the day after the telegram is delivered to the telegraph company. Notice of any special meeting of the board of directors may be waived in writing, if signed by the person or

persons entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the board, need be specified in the notice of waiver of notice of such meeting, unless specifically required by law or by these By-Laws.

SECTION 6. QUORUM. A majority of the board of directors shall constitute a quorum 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 to another time without further notice.

SECTION 7. MANNER OF ACTING. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by statute, these By-Laws, or the articles of incorporation.

SECTION 8. VACANCIES. Any vacancy occurring in the board of directors or any directorship to be filled, by reason of an increase in the number of directors, shall be filled by the board of directors, unless the articles of incorporation, a statute, or these by-laws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

SECTION 9. COMPENSATION. Directors shall not receive any stated salaries for their services, provided that, nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving reasonable compensation therefor.

ARTICLE VI OFFICERS

SECTION 1. OFFICERS. The officers of the Corporation shall be president, one or more vice presidents (the number thereof to be determined by the board of directors), a treasurer, a secretary, and such assistant treasurers, assistant secretaries or other officers as may be elected by the board of directors. Officers whose authority and duties are not prescribed in these By-Laws shall have the authority and perform the duties prescribed, from time to time, by the board of directors. Any two or more offices may be held by the same person, except for the offices of President and Secretary.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the Corporation shall be elected annually by the board of directors at the regular annual meeting of the board of directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election of an officer shall not in itself create contract rights.

SECTION 3. REMOVAL. Any officer elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interest of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. PRESIDENT. The president shall be the principal executive officer of the Corporation. Subject to the direction and control of the board of directors, he or she shall be in charge of the business and affairs of the Corporation; shall see that the resolutions and directives of the board of directors are carried into effect, except in those instances in which that responsibility is assigned to some other person by the board of directors; and, in general, shall discharge all duties incident to the office of the president and such other duties as may be prescribed by the board of directors. The President shall preside at all meetings of the members and of the board of directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Corporation or a different mode of execution is expressly prescribed by the board of directors or these By-Laws, the President may execute for the Corporation any contracts, deeds, mortgages, bonds, or other instruments which the board of directors has authorized to be executed, and the President may accomplish such execution either under or without the seal of the Corporation and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the board of directors, according to the requirements of the form of the instrument. The President may vote all securities which the corporation is entitled to vote, except as and to the extent such authority shall be vested in a different officer or agent of the Corporation by the board of directors.

SECTION 5. VICE PRESIDENT. The vice-president (or in the event there be more than one vice-president, each of the vice-presidents) shall assist the president in the discharge of his or her duties as the president may direct and shall perform such other duties as from time to time may be assigned to him or her by the president or by the board of directors. In the absence of the president or in the event of the President's inability or refusal

to act, the vice-president (or in the event there be more than one vice-presidents, in the order designated by the board of directors, or by the president if the board of directors has not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure) shall perform the duties of the president and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Corporation, or a different mode of execution is expressly prescribed by the board of directors or these By-Laws, the vice-president (or any of them if there are more than one) may execute for the Corporation any contracts, deeds, mortgages, bonds or other instruments which the board of directors has authorized to be executed, and the vice president may accomplish such execution either under or without the seal of the Corporation and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the board of directors, according to the requirements of the form of the instrument.

SECTION 6. TREASURER. The treasurer shall be the principal accounting and financial officer of the Corporation. He or she shall (a) have charge of and be responsible for the maintenance of adequate books of account for the Corporation; (b) have charge and custody of all funds and securities of the Corporation, and be responsible therefor, and for the receipt and disbursement thereof; and (c) perform all duties incident to the office of treasurer and such other duties as from time to time may be assigned to him or her by the president or by the board of directors. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the board of directors shall determine. Such bond shall be paid for by the Corporation.

SECTION 7. SECRETARY. The secretary shall (a) record the minutes of the meetings of the members and of the board of directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation; (d) keep a register of the post office address of each member, which shall be furnished to the secretary by such member; and (e) perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or by the board of directors.

SECTION 8. ASSISTANT TREASURER AND ASSISTANT SECRETARIES. The assistant treasurers and assistant secretaries shall perform such duties as shall be assigned to them by the treasurer or the secretary, respectively, or by the president or the board of directors. If required by the board of directors, the assistant

treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the board of directors shall determine. Such bond shall be paid for by the Corporation.

ARTICLE VII COMMITTEES

SECTION 1. COMMITTEES WITH DIRECTORS. The board of directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, including an architectural and landscape committee, each of which shall consist of at least one (1) directors and shall review matters relating to their purpose and make recommendations to the board of directors.

SECTION 2. OTHER COMMITTEES. Other committees 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 members of the Corporation, and selected by the board of directors of the Corporation. Any member thereof may be removed by the board of directors whenever in their judgment the best interest of the Corporation shall be served by such removal. These committees shall make recommendations for actions to the board of directors.

SECTION 3. TERM OF OFFICE. Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, resign, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 4. CHAIRMAN. One member of each committee shall be appointed chairman.

SECTION 5. 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 appointment.

SECTION 6. QUORUM. Unless otherwise provided in the resolution of the board of directors 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.

SECTION 7. RULES. Each committee may adopt rules for its own government not inconsistent with these by-laws or with rules adopted by the board of directors.

ARTICLE VIII
CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

SECTION 1. CONTRACTS. The board of directors may authorize any officer or officers, agent or agents of the Corporation, 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 Corporation and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFTS, AND OTHER INSTRUMENTS. A l l checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice-president of the Corporation.

SECTION 3. DEPOSITS. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such federally insured banks, trust companies, or other depositories as the board of directors may select.

SECTION 4. GIFTS. The board of directors may accept on behalf of Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE IX
BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member, or his or her agent, or attorney for any proper purpose at any reasonable time.

ARTICLE X
FISCAL YEAR

The fiscal year of the Corporation shall end on December 31, of each year.

ARTICLE XI
ASSESSMENTS

SECTION 1. ASSESSMENTS. Annual assessments must be fixed at a uniform rate for the Lots and annual assessments shall be collected on an annual basis. Special assessments shall be fixed established and collected from time to time as determined by the board of directors.

SECTION 2. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS; DUE DATES. The annual assessments provided for herein shall commence upon the direction of the board of directors. The due dates or dates of any special assessments shall be fixed in the resolution authorizing such assessment.

SECTION 3. DUTIES OF THE BOARD OF DIRECTORS WITH RESPECT TO ASSESSMENTS.

- (a) The board of directors of the Association shall fix the amount of the annual assessment against each Lot for each annual assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Owner. The board of directors of the Association shall further fix, establish and collect from time to time the amount of the special assessments against each Lot.
- (b) Written notice of the assessments shall thereupon be delivered or mailed to every Owner subject thereto showing the amount or amounts and the due date or dates if the assessments are to be paid in installments.
- (c) The board of directors shall, upon written demand, furnish to any Owner liable for said assessments, a certificate in writing signed by an officer of the Association setting forth whether said assessments have been paid. Such certificate shall be conclusive evidence of payment of any assessments therein stated to have been paid. A reasonable charge may be made by the board for the issuance of such certificates.
- (d) If the board fails to fix an amount of the annual assessment as provided in (a) above, each Owner shall be responsible for the payment of an amount equal to the annual assessment for the previous year.

SECTION 4. EFFECT OF NON-PAYMENT OF ASSESSMENT; THE PERSONAL OBLIGATION OF THE OWNER; THE LIEN; REMEDIES OF ASSOCIATION.

If any assessment or part thereof is not paid within thirty (30) days after the due date, the total unpaid amount of all installments of such assessment shall immediately become due and payable and shall bear interest for the date of delinquency at the maximum legal rate of interest. The total unpaid amount of all such installments and interest thereon shall constitute a lien on the interest of the Lot or the Owner personally obligated to pay the same, and upon the recording of notice thereof by the board of directors of the Association shall be a lien upon such Owner's interest in the Lot. The Association may, at its election, bring an action at law or in equity against the Owner personally obligated to pay the same in order to enforce payment and/or to foreclose the lien against the Lot and property subject thereto and there shall be added to the amount of such assessment the costs of preparing and filing the complaint (including, without limitations, reasonable attorneys' fees) in such action and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorneys' fees to be fixed by the court, together with the costs of the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas or of his Lot. Notwithstanding the foregoing, the first mortgage encumbrance owned or held by a bank, insurance company, or savings and loan association, or other Person or entity engaged in the business of making real estate loans, recorded against the interest of such Owner prior to the date such notice is recorded, which by law would be a lien thereon prior to subsequently recorded encumbrances, shall have priority, except as to the amount of assessments which become due and payable from and after the date on which the said mortgage owner or holder either takes up possession of the Lot, accepts a conveyance of any interest therein (other than as security) or files a suite to foreclose its mortgage.

SECTION 5. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate only to the lien of any mortgage or mortgages or trust deed or trust deeds. The sale or transfer of any lot shall not affect the assessment lien.

SECTION 6. EXEMPT PROPERTY. the following real estate subject to these By-Laws shall be exempt from the assessments created herein:

- (a) All of the real estate dedicated to and accepted by a local public authority.

- (b) All of the real estate owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Illinois.
- (c) All of the real estate owned by Developer.

ARTICLE XII
SEAL

The corporate seal shall have inscribed thereon the name of the Corporation and the words "Corporate Seal, Illinois".

ARTICLE XIII
WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the General Not-for-Profit Corporation Act of Illinois or under the provisions of the articles of incorporation or the By-Laws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIV
AMENDMENTS

The power to alter, amend, or repeal the By-Laws or adopt new by-laws shall be vested in the board of directors unless otherwise provided in the articles of incorporation or By-Laws. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given. The By-Laws may contain any provisions for the regulation and management of the affairs of the Corporation not inconsistent with law or the article of incorporation.

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RULES AND REGULATIONS

EXHIBIT C

OAK GROVE HOMEOWNERS ASSOCIATION

FOR

RULES AND REGULATIONS

EXHIBIT C

RULES AND REGULATIONS

OAK GROVE HOMEOWNERS ASSOCIATION

PREFACE

The Rules and Regulations established by OAK GROVE HOMEOWNERS ASSOCIATION ("Association") are designed neither to restrict nor infringe on the rights of any homeowner or resident. Their purpose is to ensure the full enjoyment of the OAK GROVE SUBDIVISION by all Owners and residents.

METHOD OF ENFORCING RULES AND REGULATIONS

1. Owners should report repeated infractions of Rules and Regulations to the Board of Directors of the Association in writing, signed by the complaining Owners.
2. Upon the first reported infraction of a rule or regulation, the offending Lot Owner or resident will receive a letter from the Board of Directors notifying him or her of the violation. Upon the second infraction, the Lot Owner or resident will be requested to appear before the Board of Directors. If a satisfactory settlement is not reached at this meeting, legal proceedings or such other action, as approved by the Board of Directors, may be initiated to enforce the Rules and Regulations.

METHOD FOR CHANGING OR ADDING RULES AND REGULATIONS

Owners wishing to change or add a specific rule or regulation should make their requests in writing to the Board of Directors for review and consideration.

RECREATIONAL VEHICLES, BOATS AND TRAILERS

Recreational vehicles, boats, trailers and the like, too large to be parked in the garage, cannot be stored within the boundaries of Oak Grove Subdivision for more than two (2) days.

ANTENNAS, ANTENNA TOWERS, SATELLITE DISHES

No antenna, antenna tower or satellite dish can be constructed, installed or located within the boundaries of OAK GROVE SUBDIVISION for the purpose of receiving or transmitting radio or television signals, without the prior written approval of the Board of Directors. Antennas may be installed within an attic without prior approval. Notwithstanding the foregoing, Unit Owners may install direct T.V. type dishes, not to exceed eighteen ("18") inches in diameter on the rear of their homes in an area which is

not visible from the street adjacent to the front entrance of the home.

CONTRACTOR SIGNS

Contractors are not permitted to place their signs on any Owner's Lot or the Common Area unless prior written approval is given by the Board of Directors.

"FOR SALE" SIGNS

Only one "FOR SALE" sign may be displayed for a home at any time and such sign must be located on the Owner's Lot. "FOR SALE" signs may not be placed in the parkways. "OPEN HOUSE" signs may be displayed during the hours of the open house only.

SWIMMING POOLS

All plans for swimming pools and related landscaping and construction must be submitted to the Board of Directors for written approval prior to installation, and the Owner upon such approval hereby agrees to indemnify, defend and hold the Seller/Developer, Association and its members, officers, agents and directors harmless against any claim brought against them arising from the approval and installation of such pool and landscaping. The Owner must secure the pool when not in use and meet all safety requirements required by applicable government authority and the Board of Directors.

VILLAGE COMPLIANCE/PERMITS

All Rules and Regulations of the Association are in addition to and subject to local ordinances. All fees and permits are the sole responsibility of the Owner. No construction of improvement of any kind shall be initiated until the proper permits have been issued by any applicable governmental authority.

GARAGES, SHEDS, OUTBUILDINGS

No garages, sheds, outbuildings or other freestanding structures shall be constructed within the boundaries of OAK GROVE SUBDIVISION without prior written approval of the Board of Directors. Landscaping, as necessary, will be required around free standing structures, and should be submitted to the Board of Directors at the time such construction is requested.

FENCES

Fences cannot be constructed without prior written approval from the Board of Directors. Chain link, barbed wire, metal and stockade fences are prohibited. Fences are prohibited in the front yards. Fences taller than five (5) feet are prohibited, except on

Lots that have at least one side on the outer boundary of the OAK GROVE SUBDIVISION Property. Lots that face the outer boundary of the property may have fences as high as allowed by ordinance or variance approved by the Village. All fences must meet the requirements of any applicable governmental authority.

OUTLOT RESTRICTIONS

Pursuant to the Oak Grove Declaration of Covenants, Conditions and Restrictions, all ice skating, swimming, diving, boating and all other recreational use of Outlots A-C and E-I is specifically prohibited. Outlot D may be used for general recreation purposes as determined by the Board of Directors from time to time.

Purchaser acknowledges receipt of and agrees to comply with the Rules and Regulations of OAK GROVE HOMEOWNERS ASSOCIATION.

Buyer

Date

Buyer

Date

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CERTIFICATE OF LIMITED WARRANTY
FOR
OAK GROVE ASSOCIATES

CERTIFICATE OF LIMITED WARRANTY

FOR

OAK GROVE ASSOCIATES

OAK GROVE ASSOCIATES, Developer, ("Seller") warrants the residential unit ("Home") at Wauconda, Illinois, described below for a period of one (1) year from the date of closing, unless a shorter period is hereinafter specified ("Warranty Period"), against "Latent Defects" arising out of faulty workmanship or material. Seller's sole obligation under this Limited Warranty is limited to the repair or replacement, at Seller's option, of the defect. For the purpose of this Limited Warranty, "Latent Defects" are limited to those defects which are not apparent at the time of Purchaser's pre-occupancy inspection of the Home, but which become apparent prior to the expiration of the Warranty Period.

THIS LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OF SELLER, EXPRESS OR IMPLIED WITH RESPECT TO THE HOME AND THE COMMON ELEMENTS (INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND THE IMPLIED WARRANTY OF HABITABILITY), AND INURES ONLY TO THE BENEFIT OF THE ORIGINAL PURCHASER WHO HAS SIGNED AND ACCEPTED THIS LIMITED WARRANTY.

AS TO ANY PERSONAL PROPERTY, APPLIANCES WATER HEATER, AND HEATING, VENTILATING AND COOLING UNITS AND CONTROLS, AND AS TO ANY CONSUMER PRODUCT (AS THAT TERM MAY BE DEFINED UNDER APPLICABLE FEDERAL, STATE OR LOCAL LAWS, OR THEIR IMPLEMENTING REGULATIONS)

WHICH MAY BE CONTAINED IN THE HOME, SELLER NEITHER MAKES NOR ADOPTS ANY WARRANTY WHATSOEVER AND SPECIFICALLY EXCLUDES ALL EXPRESS OR IMPLIED WARRANTIES OF ANY NATURE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Seller hereby assigns to Purchaser any warranties issued by the manufacturers and suppliers of these items to the extent that they are assignable, but these warranties are solely the obligation of such manufacturers and suppliers and Seller shall have no obligation or liability with respect to these warranties.

This Limited Warranty is subject to the following terms, conditions, exclusions and limitations, all of which are made a part hereof:

1. INSPECTION PROCEDURES AND CORRECTION OF DEFECTS.

(a) A Pre-occupancy inspection of the Home has been made prior to the scheduled closing. Items to be corrected as mutually agreed are listed in the inspection report ("Inspection Report") which has been signed by the Purchaser and Seller's representative. The Purchaser has retained a copy of the Inspection Report.

(b) Seller agrees to use every reasonable effort to correct all of the items listed in the Inspection Report.

(c) Seller agrees to use reasonable diligence to remedy any Latent Defects (defects which were not apparent at the time of the pre-occupancy inspection) which are covered by this

Limited Warranty, provided Purchaser has given written notice of such defects to Seller within the Warranty Period. If Purchaser has so given timely notice of such defects, Seller agrees to use its best efforts to remedy the same within thirty (30) days of such written notice, or within a reasonable additional time beyond such thirty (30) day period if Seller is unable to complete such work within such thirty (30) day period due to unavoidable delays occasioned by strikes, material shortages, acts of God, adverse weather conditions and other matters not within the reasonable control of Seller. Purchaser agrees to allow Seller, its employees, agents and subcontractors access to the Home at all reasonable times in order to perform such remedial work.

2. **WARRANTY EXCLUSIONS AND LIMITATIONS:** The following additional exclusions and limitations apply to Seller's limited warranty obligations:

(a) All chips, scratches or mars on items such as tile, walls, porcelain, glass (including breakage or cracks), plumbing fixtures, plastic laminate counter-tops, or marble, must be noted on Seller's Inspection Report or they will not be covered under this Limited Warranty.

(b) Landscaping:

(i) trees and shrubs planted by the Seller shall be covered by warranty for 180 days after closing.

(ii) trees and shrubs existing prior to construction of the Home shall not be covered by warranty; and

(iii) Seller does not warrant the sod or grass seeding, as only watering and proper care can insure the grass will survive.

(c) Nail or screw pops or cracks in the walls and ceilings do not result from faulty workmanship or defective materials but are the result of natural shrinkage and drying of building materials, or of normal settlement of the building or other normal movement of the building components, and such items are not covered by this Limited Warranty.

(d) Caulk and grout are subject to normal wear and tear and require periodic maintenance. Re-caulking and re-grouting are not covered by this Limited Warranty.

(e) Finishes on natural wood products such as cabinetry, flooring and trim are subject to color and grain variations due to the inherent characteristics of the wood and do not constitute a material defect and are not covered by this Limited Warranty.

(f) Cracks in concrete that do not compromise the structural integrity of the concrete nor result in water infiltration are not covered by this Limited Warranty.

(g) Hardwood floors are subject to seasonal expansion and contraction as a result of varying temperatures and relative

humidity levels. Normal expansion and contraction of wood floors is not covered by this Limited Warranty.

(h) Sudden freezing conditions may create the build up of ice on roofs and in gutters. Subsequent melting of the ice may cause leakage underneath the shingles and damage the interior walls. It is important that you inspect for this condition as often as possible. It is also important that leaves, twigs, and other foreign materials be kept out of gutters and downspouts so as not to impede the normal flow of water. This Limited Warranty does not cover damage caused by ice dams.

(i) This Limited Warranty does not cover ordinary wear and tear, normal deterioration, ordinary maintenance and repairs, or damage due to misuse or neglect, vandalism, act of God, negligence or failure to provide proper maintenance, and accidents, including but not limited to, fire, explosion, smoke, water, windstorm, hail, lightning, sunlight, flood and earthquake.

THIS LIMITED WARRANTY DOES NOT EXTEND TO ANY ITEM WHICH HAS BEEN MODIFIED OR REPAIRED BY PURCHASER OR ANY PARTY OTHER THAN SELLER, OR ANY ITEMS WHICH ARE INSTALLED OR CONSTRUCTED PURSUANT TO A SEPARATE CONTRACT OR AGREEMENT BETWEEN THE PURCHASER AND ANY PARTY OTHER THAN SELLER.

(j) Seller's obligations under this Limited Warranty are limited to repair or replacement. This Limited Warranty

specifically excludes any and all secondary, incidental or consequential damages caused by any defect or breach hereof, including any damages to fixtures or personal property and bodily injury.

(k) No steps taken by Seller to correct defects shall act to extend the scope or duration of this Limited Warranty beyond the Warranty Period. No representative of the Seller has the authority to expand or extend the scope or duration of this Limited Warranty or to make verbal agreements with respect thereto. All requests for corrections must be in writing.

(l) This Limited Warranty is not assignable and any attempted assignment shall be null and void.

3. SEVERABILITY. The invalidity of any agreement, restriction, condition, reservation or any other provisions in this Limited Warranty shall not impair or affect in any manner the validity or effect of the remainder of this Limited Warranty.

OAK GROVE ASSOCIATES,
a general partnership

By: K-OAK GROVE CORP.
an Illinois corporation

By: _____
_____ President

DATED: _____

HOME (LOT) NO. _____

OAK GROVE HOMEOWNERS ASSOCIATION
Estimated 1999 Annual Budget
(Based on 40 Lots)

<u>Income</u>	<u>Annual Budget</u>	<u>\$/Lot/Month</u>
Assessments	\$ 7,200.00	\$ 15.00
 <u>Expenses</u>		
Auditing	\$ 600.00	\$ 1.25
Insurance	\$ 900.00	\$ 1.88
Landscape & Wetland Maintenance	\$ 1,500.00	\$ 3.12
Management Fee	\$ 3,840.00	\$ 8.00
Reserve Contributions	<u>\$360.00</u>	<u>\$.75</u>
 Total Expenses	 \$ 7,200.00	 \$15.00



Picked up@ OAK GROVE
THUR 4-13.00
By Julie Mayer

Berkshire: 3 Bedrooms, 2.5 Baths, 1,770 sq.ft.

Elevation: A) \$224,900 B) \$230,600 C) \$235,900 D) \$240,000

Carlton: (SHOWN AS MODEL) 3 Bedrooms, 2.5 Baths, Den, 2,062 sq.ft.

Elevation: A) \$233,900 B) \$241,300 C) \$251,800 D) \$246,300

Lancaster: (SHOWN AS MODEL) 4 Bedrooms, 2.5 Baths, 2,333 sq.ft.

Elevation: A) \$238,900 B) \$250,900 C) \$250,700 D) \$257,800

Greenbriar: 4 Bedrooms, 2.5 Baths, Den, 2,490 sq. ft.

Elevation: A) \$242,900 B) \$258,600 C) \$261,800

Fairfield: (SHOWN AS MODEL) 4 Bedrooms, 2.5 Baths, Den, 2,416 sq.ft.

Elevation: A) \$251,900 B) \$259,500 C) \$270,800

Nottingham: 3 Bedrooms w/ Loft, or 4th Bedroom, 2,518 sq.ft.

Elevation: A) \$252,900 B) \$258,300 C) \$261,000 D) \$260,500

Hampshire: 4 Bedrooms, 2.5 Baths, Den, over 2,646 sq.ft.

Elevation: A) \$262,900 B) \$266,900 C) \$270,600

Winchester: 4 Bedrooms, Opt. 5th Bedroom, 2.5 Baths, 3,010 sq.ft.

Elevation: A) \$290,900 B) \$294,900 C) \$301,300 D) \$312,800

Stonebrook (RANCH) 3 Bedrooms, 2 Baths, 1,697 sq.ft.

Elevation: A) \$224,900 B) \$236,000 C) \$232,700

Victoria (RANCH) 2 Bedrooms, 2 Baths, Den, 1,945 sq.ft.

Elevations: A) \$249,900 B) \$261,300 C) \$263,300
D) \$265,500 E) \$261,000

*All plans are preliminary and are subject to change. (3/15/2000) **Prices subject to change without notice. (3/15/2000)

***Berkshire – Available Only on Lot 21 and Lot 52

NOTE: Prices listed include: 2 car garage, partial basements per plan. If you have any questions, please see a Sales Consultant

324 OAK GROVE CIRCLE WAUCONDA, ILLINOIS 60084 PHONE: 847-487-0800 FAX: 847-487-9896

HOMESITES AVAILABLE

<u>LOT</u>	<u>PREMIUM</u>	<u>MODEL</u>	<u>GARAGE</u>
1	\$1,500	ANY	2/3 LEFT
21	\$3,500	BERKSHIRE BCD	2 RIGHT
24	\$10,000	NO FAIRFIELD OR GREENBRIAR	3 L OR R
28	\$10,500	NO C,V,S WINDOW BSMT.	3 LEFT
52	\$ 8,400	BERKSHIRE BCD	2 LEFT
56	\$ 10,500	CARLTON A SPEC HOME READY FEB/ 2000 SEE AGENT FOR FULL PRICE	2 LEFT
78	\$13,500	NO NOTTINGHAM VICTORIA, STONEBROOK OR FAIRFIELD	

Spec Model Available

Carlton Model Elevation A Lot 56

**Available for Occupancy - 75 Days
Priced at \$268,027**

Features included in above price:

Lot Premium

9' ceiling first floor

Family Room/Garage Walls 9' (includes 8' garage door)

Optional bay window in dining room

2 ft cantilevered bumpout in breakfast area

Loft with 1/2 wall in lieu of 4th bedroom

Sewer Line only in basement in lieu of the rough for full bathroom

Enlarged foyer closet

9' ceiling in basement

Family room ceiling outlet w/switch

Kitchen ice maker line

One additional TV jack in bedroom 2 and family room

Upgrade 1 ceramic in foyer

Upgrade 1 sheetgoods on master bath floor

Upgrade 1 carpet pad thru-out

Upgrade paint to front elevation of cedar trim

Carlton Model Available

Carlton Model Elevation B

Lot 48

Available for Occupancy

February 1, 2000

Price at \$314,619

**Includes all furnishings, pictures, wall
decorations, and built-ins as is.**

\$299,619

Without furniture