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DECLARATION OF PROTECTIVE COVENANTS FOR PICARDY PLACE SUBDIVISION WHEELING, ILLINOIS

This Declaration is made as of this 13th day of June, 1991, by LaSalle National Trust, N.A., not personally but as Trustee under Trust Agreement dated May 6, 1991 and known as Trust No. 115525 (the "Trust").

DEPT-01 RECORDINGS $26.00
T#1111 TRAN 9163 07/10/91 13:37:00
#5071 # A *-91-342749
COOK COUNTY RECORDER

WITNESSETH, THAT:

WHEREAS, the Trust is the owner of a parcel of real estate in Wheeling, Cook County, Illinois, legally described on Exhibit A attached hereto (the "Premises"); and

WHEREAS, the Trust intends to subdivide the Premises; and

WHEREAS, the terms of the subdivision plat will impose certain storm detention, landscaping, wetlands and signage restrictions upon the Premises; and

WHEREAS, as a condition to approving the subdivision plat the Village of Wheeling requires that a central body be established to implement and enforce the aforesaid restrictions; and

WHEREAS, the purpose of this Declaration is to describe such restrictions and create an association of lot owners which will have the responsibilities required by the Village of Wheeling.

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DECLARATION

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Trust makes the declarations described herein.

ARTICLE I

PREAMBLES, DEFINITIONS

SECTION 1.1 Preambles. The preambles hereto are incorporated herein by reference as being the declarations of the Trust as fully and with the same force and effect as if recited herein at length.

WILL CALL

This instrument was prepared by Martin R. Blonder, Esq., Rosenthal and Schoenfield, 55 East Monroe Street, Chicago, Illinois 60603

SECTION 1.2 Definitions. Certain terms and provisions used herein are defined as follows:

(a) Subdivision Plat - The plat of subdivision for Picardy Place recorded in the office of the Cook County Recorder of Deeds on the 10TH day of JULY, 1991 as Document No. 91342748, a copy of which is attached hereto as Exhibit B.

(b) Subdivision - The subdivision of the Premises created by the Subdivision Plat.

(c) Outlot, Outlots, Lot or Lots - A lot or lots of record created by the Subdivision Plat.

(d) Storm Water Detention Area - Outlot A as depicted on the Subdivision Plat.

(e) Special Right-of-Way Area - The parcel of land identified on the Subdivision Plat as having dimensions of 66' x 100' situated directly to the west of Lot 24, and referenced with "See Detail A".

(f) Wetlands Area - That portion of Lots 19 through 23 lying west of the line drawn on the Subdivision Plat which is identified as "East Edge of Wetlands".

(g) Beneficiary - The person or entity which from time to time is the beneficiary of the Trust.

(h) Owner - The record owner of a fee simple title to any Lot, whether one or more Persons or entities.

(i) Person - Any natural individual, corporation, partnership, trustee, or any other legal entity capable of holding title to real property.

(j) Association - The Picardy Place Homeowners Association.

ARTICLE II

RESTRICTIONS, OBLIGATIONS

SECTION 2.1 Storm Water Detention Area. The Storm Water Detention Area shall be engineered by the Beneficiary to detain storm water in accordance with the engineering requirements imposed by the Village of Wheeling. The Storm Water Detention Area shall be a grassed area and shall be maintained in

a sightly condition and in accordance with all applicable laws, codes and ordinances.

SECTION 2.2 Outlots B and C. Outlots B and C shall be a grassed area, and shall also include parking as delineated by the Beneficiary, and shall be maintained in a sightly condition and in accordance with all applicable laws, codes and ordinances. In addition, the areas devoted to parking and ingress and egress with respect thereto shall be maintained in good condition and repair.

SECTION 2.3 Wetlands Area. No permanent structures shall be constructed in the Wetlands Area. Said restriction shall, by this reference, be deemed to be incorporated in and made a part of any deed, mortgage, grant, conveyance or other hypothecation of Lots 19 through 23, inclusive, without the necessity of specifically including the same within any agreement or written instrument with respect to such Lots.

SECTION 2.4 Special Right-of-Way Area. A driveway having a maximum width at any given point of twenty (20) feet may be maintained to provide access between Lot 23 and Meyerson Way. Except for said driveway, the Special Right-of-Way Area shall be grassed. The entire Special Right-of-Way Area shall be maintained by the owner of Lot 23 in a sightly condition and in accordance with all applicable laws, codes and ordinances. The cost of maintaining the driveway shall be borne by the Owner of Lot 23 from time to time. If the owner shall fail to so maintain, the maintenance shall be performed by the Association, and the Association shall be entitled to reimbursement from said owner. Any monies due the Association on account of such maintenance shall be paid by said Owner within five (5) business days after receipt of a statement of the amount due. If the requisite amount shall not be timely remitted, such failure shall be deemed to be the failure to pay an assessment due the Association and, in such event, the Association shall have the rights specified in Section 5.8 hereof.

SECTION 2.5 Signage. Entry gates and/or informational signage pertaining to the Picardy Place development shall be located on the southeast corner of Lot 39 and/or the Northeast corner of Lot 1, as the Trust shall designate from time to time. The Trust hereby declares a perpetual non-exclusive easement on, over and through the affected portion of such Lots in order to implement the aforesaid intention. Such gates and signage shall be maintained in a sightly condition and in accordance with all applicable laws, codes and ordinances.

ARTICLE III

ASSOCIATION

SECTION 3.1 Creation and Powers. The trust will cause to be incorporated a not-for-profit corporation known as the Picardy Place Homeowners Association and said corporation shall have the power:

(a) To provide for the enforcement and implementation of the provisions of this Declaration;

(b) To maintain the driveway described in Section 2.4 hereof in good condition and repair, except that the cost thereof shall be borne solely by the owner of Lot 23.

(c) To provide such other services and facilities as may be authorized from time to time by the affirmative vote of sixty percent (60%) of the votes cast at a meeting duly called for such purpose;

(d) To exercise the powers of not-for-profit corporations pursuant to the General Not For Profit Corporation Act of Illinois;

(e) To levy assessments against the Lots for maintenance fees, enforcement costs and other expenses described herein or approved from time to time by the Association;

(f) To hold title to Outlots A, B and C; and

(g) To procure and maintain such liability, workers' compensation, officers and directors liability insurance and other insurance and in such amounts as the Board may determine or as may otherwise be authorized by the affirmative vote of sixty percent (60%) of the vote cast at a meeting duly called for such purposes.

SECTION 3.2 Lot Owners as Members of the Association. Every Owner of a Lot shall be a member of the Association; provided that if a Lot is owned by more than one Owner, such Lot shall only have one voting membership. There shall be one voting membership for each Lot owned. Membership shall be appurtenant to and may not be separated from ownership of any Lot. Ownership of a Lot shall be the sole qualification for membership.

SECTION 3.3 One Class of Membership and Voting Share. The Association shall have one class of membership and each membership shall have one vote. If only a portion of any

Lot is owned by a particular person, said person shall have only a prorata fractional vote with respect to such Lot. In no event shall the votes cast with respect to any Lot be cast by more than one Person except in accordance with the immediately preceding sentence. The foregoing notwithstanding, the sole vote in the Association shall vest in the Beneficiary until such time as the first to occur of (i) ninety (90) days after the sale and transfer by the Trust of over eighty percent (80%) of the Lots to Owners who occupy single family dwellings in such Lots, or (ii) the Trust's relinquishment of the right to exercise the sole vote of the Association, which shall be delivered in writing to the Association. In the event the Trust relinquishes the right to exercise the sole vote of the Association, as aforesaid, it shall be entitled to cast votes equal to the total Lots from time to time owned by the Trust. If more than one Person is the record owner of any Lot, or an Owner is a trustee, corporation, partnership or other legal entity, the votes for such Lot shall be exercised by such person as such Owner or Owners of that Lot shall designate. Such designation shall be made in writing to the Board or in such other manner as the Board may determine. For purposes of this Article III, the conveyance by the Trust of legal title to Lots to a different entity which holds legal title for the benefit of the Beneficiary or in which the Beneficiary is a general partner shall not constitute a sale.

SECTION 3.4 First Annual Meeting of Association and Notice Thereof. The first annual meeting of members shall be held not later than the first to occur of: (i) sixty (60) days after the Trust's relinquishment of its right to appoint one (1) or more members of the Board; or (ii) ninety (90) days after the sale and occupancy of eighty percent (80%) of the Lots as aforesaid. The Trust shall cause to be sent written notice of such first annual meeting not less than fifteen (15) days in advance of such meeting. Thereafter, the Association shall meet annually at the same date as the annual meeting of the Board. As of the date of the first meeting of the Association, all bank accounts of the Association will be released to the Association for the benefit of the Owners. Such accounts will be in the minimum amount of One Thousand Dollars ($1,000.00) in the aggregate.

ARTICLE IV

BOARD OF DIRECTORS

SECTION 4.1 Association Governance. All rights, titles and obligations vested or imposed upon the Association by this Declaration shall be held and performed by the Board. The By-Laws for governing the Association shall be those duly enacted from time to time by the Association. Pursuant to this

Declaration, the Board of Directors of the Association shall constitute the final administrative authority and all decisions of the Board shall be binding. The Association shall be governed by a three (3) person Board of Directors comprised of the owner of three (3) separate Lots whose permanent residence is in the Subdivision. Each board member shall have one (1) vote. Except for directors appointed by the Trust, directors shall be members (or, in the case of a corporation, partnership or trustee member, any party designated by such corporation, partnership or trustee member) of the Association. Notwithstanding anything to the contrary set forth in this Declaration, prior to the election of the first Board, the Beneficiary may exercise all rights, powers and privileges and act in the capacity of the Board and may perform all of its functions as set forth in this Declaration and in the By-Laws of the Association.

SECTION 4.2 Election of Directors. The directors will be elected at each annual meeting of the Association. Three (3) directors will be elected at the first annual meeting, two (2) of whom shall be elected for a two (2) year term and the remaining director for a one (1) year term. Thereafter, all Board members shall be elected for a term of two (2) years.

SECTION 4.3 Initial Board and Filling of Vacancies. Notwithstanding anything contained in this Declaration or the By-Laws of the Association to the contrary, the first Board and each subsequent Board shall consist of, and vacancies on the Board shall be filled by such persons as the Trust shall from time to time appoint, who may, but need not be residents of the Subdivision, until the first to occur: (i) the Trust's relinquishment of its right to appoint all members of the Board, which shall be delivered in writing to the Association; or (ii) ninety (90) days after the sale and transfer by the Trust of over eighty percent (80%) of the Lots to Owners who occupy single family dwellings in such Lots. Except as may otherwise be provided in this Declaration, the Articles of Incorporation of the Association or its By-Laws shall not be amended, modified or changed to in any way diminish the authority of the Board or the rights of the Trust while the Trust has the right to appoint any members of the Board for the period hereinabove specified. All directors not appointed by the Trust shall be elected as hereinafter provided or as provided for in the By-Laws. Upon termination of the Trust's right to appoint any or all of the directors as provided herein, those directors not subject to appointment by the Trust shall be elected by the members at the annual meeting of the Association.

SECTION 4.4 Meetings.

(a) Quorum; Procedure. The presence at any meeting of the Board of a number of directors having a majority of the total votes shall constitute a quorum.

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Unless otherwise expressly provided herein, any action may be taken at any meeting of the Board at which a quorum is present upon the affirmative vote of a majority of the directors present and voting at such meeting. Any member of the Board in writing may waive notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action of the Association without a meeting.

(b) Annual Meeting of the Board. The first meeting of the Board shall be held immediately following the initial annual meeting of the Association.

(c) Regular Meetings of the Board. The Board may, by resolution, establish a time and place for regular meetings without the need for further notice. The Board shall meet at such intervals as shall be mandated by Illinois law, but at least one (1) time annually. All meetings of the Board shall be open to all Owners.

(d) Special Meetings of the Board. Special meetings of the Board may be called at any time for the purpose of considering matters which, by the terms of this Declaration, require the approval of all or some of the Board, or for any other reasonable purpose. Said meetings shall be called by the President of the Association or a majority of the Board, upon notice of not less than three (3) days prior to the date fixed for said meeting. The notice shall specify the date, time and place of the meeting and need not specify the matters to be considered unless the matters to be considered are those set forth in Section 4.4(e) hereof.

(e) Special Matters. Approval of any of the following matters shall require the affirmative vote of all the voting members: (i) the merger or consolidation of the Association, and (ii) the sale, lease, exchange, mortgage, pledge or other disposition of all or substantially all of the assets of the Association.

SECTION 4.5 Officers. Except as hereinafter provided, the Board shall elect from among its members a President who shall preside over all of its meetings, a Secretary who shall keep the minutes of all meetings of the Board and who shall, in general, perform all the duties incident to the office of Secretary, and a Treasurer who shall keep the financial records and books of account. The Board may by resolution create additional offices and elect appointees thereto, create committees and make appointments thereto, and fill any mid-term vacancy in any such office pending the next annual meeting of the Board and select a Treasurer and/or Secretary from amongst the Owners notwithstanding that such Owners so selected shall not be members of the Board.

SECTION 4.6 Resignation. A Board member may resign upon thirty (30) days' prior written notice to the Board and such vacancies shall be filled by the majority vote of the remaining members of the Board.

SECTION 4.7 Compensation. Board members shall receive no compensation for their services.

SECTION 4.8 Use of Funds. All funds collected by the Board shall be held and expended for the purposes designated in this Declaration and the By-Laws. All contracts and agreements entered into by the Board or the officers of the Association shall be deemed executed by said parties, as the case may be, as agent for the Owners or the Association.

ARTICLE V

ASSESSMENTS LEVIED BY THE ASSOCIATION

SECTION 5.1 Association Right to Levy Assessments. The Association shall have the right, power and duty to levy assessments against the Owners and the Lots for costs incurred by the Association in carrying out its purposes.

SECTION 5.2 Initial and Ongoing Assessments. The initial annual assessment payable to the Association shall be fixed by the Trust in its discretion. Commencing with each fiscal year, the Board shall estimate the costs of operation for the coming year, giving due consideration to the cost of maintenance for the prior twelve (12) month period, and the same shall be assessed and paid in advance, at least annually or at such other times as the Board directs, by each Owner. Such assessment may take into account reserves for any contemplated expense for which the Association is responsible or that is required by applicable law. If such reserves are depleted or, in the opinion of the Board, significantly reduced, then any supplemental budget or the next regular annual assessment shall provide for the re-establishment of such reserves as the Board shall deem reasonably appropriate.

SECTION 5.3 Supplemental Assessments. If said annual assessment proves inadequate for any reason in order to defray the operating expenses and costs during any given year, then the Board shall be authorized to adopt a supplemental budget or budgets and shall determine the amount of a supplemental assessment accordingly. The Board shall serve notice of such supplemental assessment on all Owners by a statement in writing giving the amount and reasons therefor, and such supplemental assessment shall become due at such time as the Board may

determine. All Owners shall be obligated to pay such supplemental assessment.

SECTION 5.4 Special Assessments. Special assessments levied by the Association may be made provided that any such special assessment in excess of two hundred fifty dollars ($250) per year per Lot shall have the affirmative vote of sixty-six and two-thirds percent (66-2/3%) of the Association, except when such costs are necessary to prevent injury to any person or material injury to any property.

SECTION 5.5 Owner's Assessment Share Determination. Each Lot Owner's share of any assessment levied hereunder shall be determined by dividing the total assessment by the number of Lots in the Subdivision. Outlots A, B and C shall be excluded from such calculation.

SECTION 5.6 Assessment Payment Due Date. The assessment will become delinquent if not paid within thirty (30) days after it becomes due and when delinquent shall bear interest at the rate equal to five percent (5%) over the rate from time to time announced by The First National Bank of Chicago, Chicago, Illinois (or any successor to all or substantially all of such bank's assets), as its base rate (which rate shall change automatically and simultaneously with each change in the announced base rate), from the due date thereof to the date of payment, provided, however, that in no event shall the interest rate exceed the maximum rate permitted by law for business loans of that type.

SECTION 5.7 Uses of Assessment Funds. The assessments levied by the Association may be used:

(a) For operating expenses of the Association as provided for herein;

(b) Any taxes assessed against Outlots A, B and C; or

(c) For establishing reasonable reserves for contingencies, replacements and any extraordinary expenditures.

SECTION 5.8 Lien to Secure Payment of Assessments. The Association shall have a continuing lien upon each Lot to secure the payment of any such assessments (including but not limited to the nonpayment of monies due from the Owner of Lot 23 relating to maintenance of the driveway described in Section 2.4 hereof), plus interest, costs and reasonable attorneys' fees. When delinquent, payment of assessments, interest and other costs and fees may thereafter be enforced as a lien on said Lot and the

Association may foreclose the lien against such Lot. The Association may, at its discretion, file certificates of nonpayment of assessments in the Office of the Recorder of Deeds of Cook County with respect to such delinquent assessments. Any such lien shall be secondary and inferior to any bona fide mortgage filed of record prior to the date of filing any lien created hereunder.

SECTION 5.9 Association Book of Account. The Board shall keep a full and correct book of account of the receipts and expenditures for costs incurred by the Association in connection with the Property, specifying and itemizing the maintenance and repair expenses and any other expenses incurred. Such records shall be available for inspection by any Owner or holder of a Mortgagee of record, at such reasonable time or times during normal business hours as may be requested by the owner or first mortgagee. Upon ten (10) days' notice to the Board and payment of a reasonable fee as established from time to time by the Board, any Owner shall be furnished a statement of its account setting forth the amount of any unpaid assessment or other charges due and owing from such Owner.

SECTION 5.10 No Escape of Assessment Liability. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of any property which such Owner has a right hereunder to use or by the abandonment of its Lot. If title to a Lot is held in trust the beneficiary of said trust shall be liable for the payment of assessments.

ARTICLE VI

OTHER PROVISIONS

SECTION 6.1 Liabilities for Action. Neither the officers nor the directors of the Association shall be personally liable to the Owners or the Association for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors or officers except for any acts or omissions found in the final determination by a court of competent jurisdiction (following the completion of all appeals permitted by law or the expiration of time periods for the filing of such appeals) to constitute gross negligence, willful misconduct or fraud. The Association shall indemnify and hold harmless directors and officers, and their heirs and legal representatives, against all contractual and other liabilities to others arising out of contracts made by or other acts of directors or officers unless any such contract or act shall have been made fraudulently, with gross negligence or in the pursuance of willful misconduct. The foregoing costs and expenses (including, but not limited to, attorneys' fees, amounts of

judgments paid and amounts paid in settlement) shall be those 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 officer or director may be involved by virtue of being or having been such director or officer; provided, however, that such indemnity shall not be operative with respect to: (i) any matter as to which such person shall have finally been adjudged in such action, suit or proceeding to be liable for gross negligence, willful misconduct or fraud in the performance of his duties as such director or officer or (ii) any matter settled or compromised, unless, in the opinion of the independent counsel selected by or in a manner determined by the Board, there is not clear and convincing evidence for such person being adjudged liable for gross negligence, willful misconduct or fraud in the performance of his duties as such director or officer.

SECTION 6.2 Declaration Runs With the Property. The covenants, conditions and restrictions created by this Declaration shall attach to and run with the Subdivision and shall be binding on every Person who may hereafter come into ownership, occupancy or possession of any portion of a Lot. By the registration or acceptance of the conveyance of a Lot or any interest or right therein (including fee or leasehold), the Person to whom such interest is conveyed shall be deemed to accept and agree to be bound by the provisions of this Declaration, whether or not any reference to this Declaration is contained in the instrument by which such Person acquired such interest or right. The rights, liabilities and obligations set forth herein shall attach to and run with the ownership of a Lot and may not be severed or alienated from such ownership.

SECTION 6.3 Enforcement by Association or Owner. The result of every action or omission whereby any covenant, condition or restriction herein contained is violated in whole or in part is hereby declared to be and to constitute a nuisance, and every remedy either public or private, available at law or in equity against an Owner or occupant of any Lot in the Subdivision shall be applicable against such nuisance and may be enforced by the Association or by any Owner. All reasonable legal fees and costs of collection incurred by the Association in the enforcement of this Declaration, including but not limited to the collection of unpaid assessments, shall be borne by the offending Owner or occupant.

SECTION 6.4 Non-enforcement Not a Waiver of Right. The failure of the Association or any Owner to enforce any provision herein contained shall in no event be deemed to be a waiver of the right to do so thereafter nor of the right to enforce any other provision.

SECTION 6.5 Authorization. The President or any other authorized officer of the Association shall be authorized to receive notices on behalf of the Association and shall have the power to execute all instruments, including amendments of this Declaration and to execute and cause to be transmitted all notices.

SECTION 6.6 Partial Invalidity of Declaration by Court Shall Not Affect Remainder. If any provision of this Declaration is held to be invalid by any Court, the invalidity of such provision shall not affect the validity of the remaining provisions hereof.

SECTION 6.7 Owner's Responsibility to File Correct Mailing Address. Each Owner of a Lot shall file the correct mailing address of such Owner with the Association and shall notify the Association promptly in writing of any subsequent change of address. The Association shall maintain a file of such addresses and make the same available to appropriate parties. A written or printed notice deposited in the United States Post Office, postage prepaid, and addressed to any Owner at the last address filed by such Owner with the Association shall be sufficient and proper notice to such Owner wherever notices are required in this Declaration and shall be deemed delivered three (3) days after mailing.

SECTION 6.8 Trust's Responsibility Prior to Board Formation. Until such time as the Board provided for in this Declaration is formed, the Trust shall exercise any and all of the powers, rights, duties and functions of the Association and the Board, including but not limited to the imposition of Assessments. The Beneficiary may exercise the rights of the Trust.

SECTION 6.9 Declaration Amendment Requirements. This Declaration may be amended by an instrument executed by the Owners of no less than sixty-six and two-thirds percent (66-2/3%) of the total Lots in the Subdivision; provided:

(a) That the Trust consents thereto for so long as the Trust owns (either beneficially or of record) twenty percent (20%) or more of said Lots;

(b) That the manner of determining the percentage of assessments allocated to each Lot shall not be affected without the consent of the Owners of each Lot so affected;

(c) That no amendment shall affect the right of any mortgage holder without such mortgage holder's consent; and

(d) Outlots A, B and C shall be excluded from any calculation.

SECTION 6.10 Recording of Amendment. Any amendment shall become effective upon recording with the Recorder of Deeds of Cook County, Illinois.

IN WITNESS WHEREOF, the Trust has caused this Declaration to be executed as of the day and year first above written.

LaSALLE NATIONAL TRUST, N.A., not personally but solely as trustee as aforesaid

By: _____
As its Assistant Vice President, and not individually

Attest:

_____
As its Assistant Secretary, and not individually

mkb.3
picardy/pc
06/13/91

Legal Description

Picardy Place, a subdivision of that part of the North 660.00 feet of Lot 4 lying West of the Center Line of Wolf Road, and that part of the North 660.00 feet of Lot 6 (taken as a tract) in the Resubdivision of George Strong's Farm, in Section 2 and the West Half of Section 1, Township 42 North, Range 11 East of the Third Principal Meridian in Cook County, Illinois, lying South of the North 268.27 feet of said Lots 4 and 6, as measured along the West Line thereof.

430 North Wolf Road
Wheeling, Illinois 60090

#03-02-100-003-0000
03-02-200-046-0000

EXHIBIT A

PLAT PLAT

91342749

A SUBDIVISION OF

P.I.N. 03-02-100-006-0000
03-02-200-046-0000

THAT PART OF THE NORTH 660.00 FEET OF LOT 4 LYING WEST OF THE CENTER LINE OF WOLF ROAD, AND THAT PART OF THE NORTH 660.00 FEET OF LOT 6 (TAKEN AS A TRACT) IN THE RESUBDIVISION OF GEORGE STRONG'S FARM, IN SECTION 2 AND THE WEST HALF OF SECTION 1, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING SOUTH OF THE NORTH 268.27 FEET OF SAID LOTS 4 AND 6, AS MEASURED ALONG THE WEST LINE THEREOF.

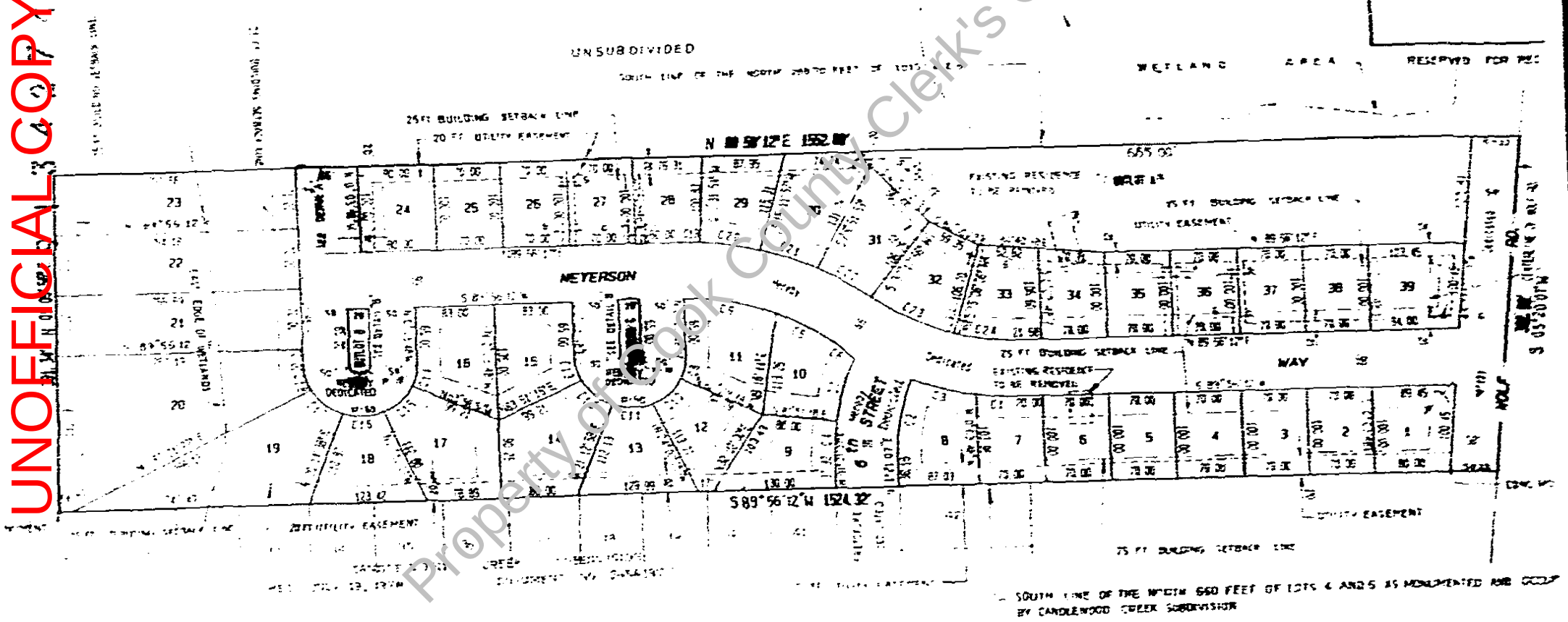

EXHIBIT B