

**DECLARATION OF EASEMENTS, COVENANTS,
CONDITIONS AND RESTRICTIONS FOR RIVER OAKS**

THIS DECLARATION made on the date hereinafter set forth by ESR Corporation, a California corporation authorized to transact business in the State of Illinois (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property located in the City of Warrenville, County of DuPage, State of Illinois, which property is legally described on EXHIBIT A attached hereto and made a part hereof; and

WHEREAS, Declarant intends to convey or cause to be conveyed all or part of said property, subject to certain covenants, conditions, restrictions, reservations and charges as hereinafter set forth.

NOW, THEREFORE, Declarant hereby declares that, upon the execution and recording of this Declaration, all of the property described on EXHIBIT A shall, upon such recording, be held, transferred, sold, conveyed and occupied subject to the easements, restrictions, covenants and conditions hereinafter set forth, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the subject property. These easements, covenants, restrictions and conditions shall run with the subject property as part of a general plan of development and shall be binding upon all parties having or acquiring any right, title or interest in the described properties or any part thereof, and shall inure to the benefit of each owner thereof, together with their grantees, successors, heirs, executors, administrators, devisees or assigns.

ARTICLE ONE
DEFINITIONS

1.01 "Property" shall mean and refer to the real property described on EXHIBIT A.

1.02 "Lot" shall mean and refer to any lot of record designated as such on a plat of subdivision for all or a part of the Property, which is placed of record in the office of the Recorder of Deeds of DuPage County, and the single-family attached residence if any, constructed thereon.

1.03 "Owner" shall mean and refer to the record owner (or the beneficiaries of a Land Trust which may be a record owner), whether one or more persons or entities, of a fee simple title to any Lot as defined herein (or shall otherwise become subject to the terms hereof), including contract Sellers, but excluding those having such interest merely as security for the performance of an obligation

1.04 "Declarant" shall mean and refer to ESR CORPORATION a California corporation.

1.05 "Common Area" shall be conveyed to the Association, free of encumbrances (except as provided herein) not later than the date of the First Annual Meeting of Members described below. The Common Area shall consist of that portion of the Property legally described as follows:

LOT 63 IN COUNTRY RIDGE UNIT 2, BEING A SUBDIVISION OF SECTION 27,
TOWNSHIP 39 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN IN
DUPAGE COUNTY, ILLINOIS

Such Common Area may, but need not, contain: natural open space, natural or man made bodies of water (including storm-water retention and detention facilities, and related equipment and drainage pipe if any); landscaped and/or park area; paths and walkways, either paved or unpaved; fences; berms and plantings.

1.06 "Developer" shall mean and refer to ESR CORPORATION a California corporation. For purposes of this Declaration, the terms "Developer" and "Declarant" shall be considered interchangeable as to the rights and obligations contained herein.

1.07 The terms "Declarant" and "Developer", as defined above, shall also include such of their successors and assigns as may specifically be assigned the respective rights and obligations of Declarant and Developer hereunder, and Declarant and Developer shall have the right to assign any or all of their rights or obligations to any such successor or assign.

1.08 "Declaration" shall mean and refer to this Declaration and any amendments made hereto.

1.09 "Association" shall mean RIVER OAKS HOMEOWNERS' ASSOCIATION, an Illinois not-for-profit corporation.

1.10 "Member" shall mean and refer to each and every Owner.

1.11 "Board" shall mean the Board of Directors selected by the Association pursuant to the terms of this Declaration, and the Articles of Incorporation and By-Laws of the Association.

1.12 "Person" shall mean and refer to an individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

1.13 "Record" or "place of record" shall mean to record a document in the Office of the Recorder of Deeds of DuPage, Illinois.

ARTICLE TWO PROPERTY RIGHTS

2.01 Burden Upon the Property. Declarant hereby declares that this Declaration and the covenants, restrictions and easements established herein shall be covenants to run with the land. Said covenants and restrictions shall inure to the benefit of and be binding upon each and every Owner, and his or her respective heirs, representatives, successors, purchasers, lessees, grantees and mortgagees. By the recording or acceptance of the conveyance of a Lot or any interest therein, the person or entity to whom such interest is conveyed shall be deemed to accept and agree to be bound by the provisions of this Declaration.

2.02 Nonseverability of Rights. 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.

2.03 Parties Bound. By the recording or acceptance of the conveyance of a Lot or any interest therein, the person or entity to whom such interest is conveyed shall be deemed to accept and agree to be bound by the provisions of this Declaration, and the By-Laws of the RIVER OAKS HOMEOWNERS' ASSOCIATION, as duly adopted.

ARTICLE THREE EASEMENTS

3.01 Easements for Utilities. Easements for the installation, construction, reconstruction maintenance, repair, operation and inspection of sewer, water gas, drainage, electric, telephone, or other public utility services shall be granted as shown on any plat recorded in connection with the Property. Further, any additional easements over, across or through the Property for such purposes may be granted by the Developer for the purpose of obtaining such utility services.

The Developer, its successors and assigns shall at all times have the right of ingress and egress over said easements for the purpose of installing, constructing, reconstructing, maintaining, repairing, operating and inspecting any sewer, gas, potable water, or stormwater drainage or retention facilities located therein, for installing, operating, maintaining, repairing, inspecting and reading any meters appurtenant to such facilities.

The provisions of this Declaration concerning rights, violations, enforcement and severability are hereby made a part of the foregoing provisions relating to perpetual sewer, water, gas, drainage and other easements, and notwithstanding any amendment to any other provision of this Declaration, the aforesaid easement rights contained herein shall be perpetual and run with and bind the land forever.

3.02 Easements Non-Interference. No building, fence or structure shall be erected nor any paving laid within any utility easement areas, nor any trees or shrubs planted in such easement areas, without the written consent of the grantee of such easement or the commission, municipality, utility or other entity controlling such sewer, water, gas or drainage facilities, as the case may be.

3.03 Easement Rights. The Developer, its successor and assigns, and any party for whose benefit easements are granted pursuant to the terms hereof, shall have the right to do whatever may be requisite for the enjoyment of the easement rights herein granted, including the right to clear said easement areas, and no charge, claim or demand may be made against such parties for any such activities in the exercise of such rights.

3.04 Easements - Municipal Authorities. Police, fire, water health and other authorized municipal officials, employees and vehicles shall have the right of ingress and egress to the Property for performance of official duties. It is hereby further declared that the provisions of the traffic ordinances and regulations of the

City of Warrenville may, at the option of the City, be enforced as to the Property and all of the residences therein.

3.05 Easements Running with the Land. All easements herein described are easements appurtenant, running with the land; they shall, at all times, inure to the benefits of and be binding on the undersigned, all its grantees and their respective heirs, successors, personal representatives or assigns, perpetually in full force and effect.

Reference in the respective deeds of conveyance, or in any mortgage or trust deeds or other evidence of obligation, to the easements and covenants contained herein shall be binding upon all relevant parties and parcels as fully and completely as though said easements and covenants were fully recited and set forth in their entirety in such documents.

ARTICLE FOUR ADMINISTRATION - BOARD OF DIRECTORS

4.01 Incorporation of Association. The Developer has caused to be incorporated a not-for-profit corporation known as the RIVER OAKS HOMEOWNERS' ASSOCIATION, and said corporation, herein referred to as the Association, shall be the governing body for the administration and operation of the Common Area, pursuant to this Declaration. All rights, titles, privileges and obligations vested or imposed upon the Association shall be those duly enacted by the Association.

4.02 Membership and Voting. Membership and voting in the Association shall be as follows:

(a) Each Owner shall automatically become a voting member of the Association upon taking legal title to a Lot (provided that such title is not held merely as a security interest), shall be bound by the terms of this Declaration, the Articles of Incorporation and By-Laws and shall remain a member so long as he or she shall be an Owner. If title of record of any lot is held by a Land Trust, all of the beneficial owners of such at any time and from time to time must be disclosed in writing to the Board.

(b) Membership and Ownership shall not be severed, and membership shall automatically terminate upon the transfer of ownership.

(c) Each Owner shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members, but in no event shall there be more than one vote for any one Lot.

4.03 The Board of Directors. The administration and operation of the Common Area, pursuant to the terms hereof, shall be vested in the Board of Directors of the Association ("Board"). Prior to the first annual meeting of members, powers of the Board shall be selected by the Declarant. Subsequent to said meeting, the Board shall be elected by the Lot Owners in accordance with the By-Laws and this Declaration. All funds collected by the Board shall be held and expended for the purposes designated in this Declaration and the By-Laws and shall be deemed to be held for the benefit, use and account of all Owners. Said funds shall be administered pursuant to the provisions of this Declaration and By-Laws.

4.04 First Annual Meeting. The first annual meeting of members shall be held not later than thirty days after the first to occur of; (i) after the conveyance of 75% of the Lots on the Property to Owners; (ii) the second anniversary of the recording of this Declaration; or (iii) when Declarant shall give written notice of the first annual meeting of members to each Owner.

4.05 Rules and Regulations. The Board shall have the authority from time to time to adopt rules and regulations governing the administration and operation of the Common Area, subject to terms of the Declaration. The Board shall have the right to assess fines for violation of any such rules and regulations, or any provision of this Declaration.

4.06 Maintenance of Common Area. The Board shall cause the Common Area to be maintained for the benefit of the members, and in accordance with applicable ordinances, laws and regulations as enacted or promulgated by any governmental or quasi-governmental authority having jurisdiction over the Property. The Board may enter into such agreements as it deems reasonably necessary or desirable to effectuate the foregoing, and the costs and expenses incidental thereto shall be Common Expenses as defined herein.

4.07 Insurance. The Board shall maintain general liability insurance for the common area in such forms and amounts as the Board, from time to time, deems necessary or desirable for the protection of the Association.

4.08 Indemnification of the Board. The members of the Board and the officers of the Association shall not be liable to the Owners for any mistake in judgment or acts or omissions not made in bad faith. The Owners shall indemnify and hold harmless said parties against all contractual liabilities to others arising out of agreements made by such members or officers on behalf of the Owners or the Association, unless such agreements shall have been made in bad faith or with knowledge that same were contrary to the provisions of this Declaration. The liability of an Owner, as described above, shall be limited to an amount determined by dividing the total liability by the total number of Owners, subject to the terms of this Declaration. All contracts and agreements entered into by the Board, officers, or managing agent shall be deemed executed by said parties, as the case may be, as agent for the Owners or the Association.

4.09 Board's Determination Binding. In the event a disagreement arises between the Owners relating to the Common Area, or the interpretation and application of this Declaration or the By-Laws, the review and determination thereof by the Board shall be final and binding upon each and every Owner.

ARTICLE FIVE USE AND OCCUPANCY RESTRICTIONS

5.01 General Use. No principal structure located on a Lot shall be used for other than residential purposes, and each structure shall be used as a residence for a single family by the Owner and his family, their heirs, successors and assigns. No business or trade of any kind shall be carried on anywhere on the Property.

5.02 Storage. No storage piles or material shall be accumulated, and no material shall be dumped or allowed to remain on the Common Area at any time, except as shall be reasonably necessary to facilitate its pick up and disposal.

5.03 Vehicles. No boat, camper, trailer, truck, commercial vehicle, minibike or snowmobile shall be stored on the Common Area (permanently or temporarily) except as may be authorized by the Board. The term "commercial vehicle" shall include any automobile, truck or wheeled equipment which shall bear signs or have printed on the side of same reference to any commercial undertaking.

5.04 Animals. No animals, livestock or poultry of any kind shall be raised, bred or kept on the Property, except that dogs, cats or other domesticated household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose. In the event that any pet shall become a nuisance as shall be determined by the Board in its sole discretion, said pet shall be removed upon three days written notice to the Owner from the Board.'

5.05 Garbage and Rubbish. Garbage and rubbish shall not be dumped or allowed to remain on the Common Area, except in those areas as may be specifically provided or designated by the Board, and no such storage shall be permitted, unless screened from view.

5.06 Drainage and Waterways. No drainage ditch, lake, retention pond, or any other facility designed to carry or hold natural water shall be constructed within the Property, nor shall any such existing facility be altered in any manner, without the express approval of the Board and only if in accordance with applicable municipal and quasi-municipal ordinances and regulations.

5.07 Topography. No grading, cutting, filling, stock-piling or alteration of any grade shall be permitted anywhere within the Property, unless specifically approved by the Board, and only if in accordance with applicable municipal and quasi-municipal ordinances and regulations.

5.08 Planting. No tree or shrub shall be removed from the Common Area without the express consent of the Board. No planting of any kind shall be placed on any Lot or the Common Area in such a manner as to interfere with use of neighboring Lots, or to present any visual safety hazard.

5.09 Structures. No building, fence, sign, recreational equipment, antenna or any other structure shall be placed or constructed on the Common Area without the express approval of the Board.

5.10 Developer. The foregoing restrictions shall not be applied to the Developer during the period of marketing or construction of the Property, in such manner as to unreasonably restrict or hinder such marketing, construction and development activities; provided, however, that Developer shall comply with all Ordinances duly enacted by the City of Warrenville.

ARTICLE SIX COMMON EXPENSES AND ASSESSMENTS

6.01 Common Expenses - Assessments. Each Owner shall pay to the Association, assessments representing his proportionate share of the expenses of taxes, maintenance, replacements and administration costs relating to the Common Area, and the enforcement of the terms of this Declaration, the By-Laws and rules and regulations of the Association, as may be incurred pursuant to the provisions hereof. Said expenses hereinabove referred to shall be known as "Common Expenses." Payments of assessments shall be in such amounts and at such times as provided below.

6.02 Annual Assessments.

(a) Until December 31 of the year in which the first Lot is conveyed to an Owner, the maximum annual assessment shall be one hundred twenty (\$120.00) Dollars per Lot.

(b) On or before November 30 of the year in which the first Lot is conveyed to an Owner, and on or before February 1 of each year thereafter, the Board shall be prepared and distributed to each Owner:

(i) an itemized statement of all Common Expenses actually paid for the preceding 12-month period ending on December 31;

(ii) an accounting of all assessments and other funds collected, and cash on hand for said period;

(iii) an estimate of Common Expenses for the subsequent 12-month period commencing as of January 1; and

(iv) a Statement of Assessments for each Lot for the subsequent 12-month period determined by taking into account the cash on hand, estimated expenses, and reasonable reserves, and dividing the total additional estimated cash requirement by the total number of Lots. Such Statement of Annual Assessment shall also indicate the date or dates upon which payments shall be due, which shall be not less frequent than quarter-annually.

(c) If, at any time, the Board shall determine that cash on hand or the previously established assessments shall be inadequate to defray the Common Expenses, the Board may levy an additional assessment or assessments; provided that the total Assessments in any 12-month period ending shall not exceed \$240 for each Lot, unless such excess is approved by not less than 2/3 of the Owners. Notice of any such additional assessment shall be given, in writing, to each Owner and shall be due and payable on the date or dates specified in such notice.

(d) The failure or delay of the Board to prepare or service the itemized accounting or other documents on an Owner shall not constitute a waiver or release in any manner of such Owner's obligation to pay the assessments as herein provided whenever the same shall be determined. In the absence of any new annual assessment, the Owner shall continue to pay the charge at the then existing rate established for the previous year until the first assessment payment which is due more than thirty (30) days after such new annual assessment shall have been determined.

(e) The Board shall keep full and correct books of account in chronological order of the receipts and expenditures affecting the Property, specifying and itemizing the maintenance and repair expenses of the Property and any other expenses incurred. Such records shall be available for inspection by any Owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the Owner. Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

(f) No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use or abandonment of his Lot. Except as otherwise provided elsewhere herein, the Owner of a Lot shall personally be liable for the annual assessment; and the Owner, as of the date of any levy of an additional assessment, shall be personally liable for such assessment.

6.03 Commencement of Assessments. The obligation for payments of the assessments provided for herein shall commence as to each Lot on the first day of the month following the month in which such Lot is conveyed to an Owner.

6.04 Failure to Pay Assessments. The amount of such assessment levied pursuant to this Declaration shall constitute a lien on the interest of such Owner in his Lot, and, upon the recording of notice thereof by the manager of Board of Directors, it shall be a lien upon such Owner ' s interest in the property prior to any other liens or encumbrances, recorded or not recorded, except only:

(a) taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this State and other State or Federal taxes which, by law, are a lien on the interest of such Owner prior to pre-existing recorded encumbrances.

(b) encumbrances on the interest of such Lot Owner, recorded prior to the date such notice is recorded which, by law, would be a lien thereon prior to subsequently recorded encumbrances.

The lien for Assessments shall be in favor of the Association, and it shall be for the benefit of all other Owners who may bring any action authorized under this Declaration, By-Laws or otherwise in law or equity. Where the Owner's interest is sold at a public or private sale pursuant to this Declaration or the By-Laws because of the failure to pay the Assessments, the Board of Directors and their successors in office, acting in behalf of the other Owners, shall have the power to bid in the interest so foreclosed and to acquire and hold, lease, mortgage or convey same.

6.05 Exempt Property. All property dedicated to and accepted by any governmental authority, shall be exempt from all assessments hereunder; if such property shall not be used as a dwelling.

6.06 Developer's Obligation. If at any time prior to the closing of the sale of the 50th Lot to an Owner, the assessments levied by the Association shall be insufficient to defray the cost of maintaining the Common Area (including the establishment of reasonable reserves), any such deficiency shall be funded by the Developer. Commencing upon the date of closing of the sale of the 50th lot to an Owner, and continuing for a period of three (3) years thereafter, Developer shall pay assessments on any unsold lot as if such had been conveyed to a third-party buyer; provided, however, that subsequent to the expiration of such three-year period, Developer shall continue to pay monthly assessments for any lot owned by Developer on which a dwelling unit has been constructed, in the same manner as any other Owner.

ARTICLE SEVEN REMEDIES

7.01 Remedies - Generally. In the event of any default or violation by any Owner, his agent, invitee, occupant, guest, lessee or family, under the provisions of the Declaration, By-Laws or rules or regulations of the Board, the Board or its agents shall have all of the rights and remedies which may be provided for in the Declaration, By-Laws or said rules and regulations, or which may be available in law or in equity, and may take any action or proceeding against such defaulting Owner and/or others for enforcement of any lien and the appointment of a receiver for the Lot and ownership interest of such Owner, or for such damages or injunction for specific performance, or for judgment for payment of money and collection thereof, or the right to take possession of the Lot and to sell the same as hereinafter in this Article provided, or for any combination of remedies, the Board shall have the right to suspend a defaulting Owner from exercising voting and other rights of Association members, upon thirty (30) days' prior written notice to such Owner, if the default is not remedied in such time. Nothing herein shall prohibit any Owner from making any claim against another Owner for injury or damage arising from the failure to comply with the terms of this Declaration. The Board shall also have the right to levy reasonable fines against any Owner for violation of any rule, regulation or provision of this Declaration, provided that such fines may be assessed only after the assessee shall have been given the opportunity to be heard by the Board in a manner consistent with due process of law.

7.02 Default in Payment of Assessment. Proceedings may be instituted by either the Board of Directors of the Association, the Developer, or by any Owner or group of Owners of any Lot to enforce the collection of assessments, both annual and special, provided for in this Declaration. Any such proceeding shall be brought in the name of the Association, and the Association shall be deemed to be acting for and on behalf of all parties in interest. The Association, in addition to an action for the collection of assessments and foreclosure of the lien, shall have the right to institute proceedings for possession of the defaulting Lot, pursuant to the Illinois Forcible Entry and Detainer Act, and the Board or its agents shall have each and all of the remedies provided for in the Declaration, By-Laws, or at law or equity.

7.03 Expenses of Default. All expenses of the Board in connection with any such actions or proceedings, including court costs, attorney's fees, and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at a rate of fifteen (15%) percent per annum until paid, shall be charged to and assessed against such defaulting Owner, and shall be added to and deemed to be a part of his respective Assessment, and the Board shall have a lien for all of the same, as well as for non-payment of such Assessment, upon the Lot of such defaulting Owner and upon all of his additions and improvements thereto and upon all of his personal property in his residence or located elsewhere on the Property. In the event of any such default by any Owner, the Board shall have the authority to correct such default and to do whatever may be necessary for such purpose, and all expenses in connection therewith shall be charged to and assessed against such defaulting Owner. Any and all rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise by the Board.

ARTICLE EIGHT GENERAL PROVISIONS

8.01 Notices. Notices provided for in this Declaration or the By-Laws shall be in writing and shall be addressed to the Association at such address as may be or from time to time designated by the President of the Board. The Board of Directors may designate such address for notices to the Association and to Owner at his address, but any Owner may also designate a different address at which he is to be notified. Further, any mortgage may from time to time designate an address to which notices required hereunder shall be directed. Any notices required pursuant to the provisions of this Declaration shall be deemed to have been properly served when mailed, postage prepaid, certified mail or registered mail, return receipt requested, to the last known address of the addressee, or when delivered in person with written acknowledgement of the receipt thereof.

8.02 Severability and the Rule Against Perpetuities. If any provision of this Declaration or the By-Laws shall be held invalid, it shall not affect the validity of the remainder of the Declaration or the By-Laws. If any provision of the Declaration or By-Laws is deemed to violate the rule against perpetuities or any other rule, statute or law imposing time limitations, then such provisions shall be deemed to remain in effect until the death of the last survivor of the now-living descendants of James Thompson, Governor of the State of Illinois, plus twenty-one (21) years thereafter.

8.03 Failure to Enforce Provisions. No covenants, restrictions, conditions, obligations or provisions contained in this Declaration or the By-Laws shall be deemed to be abrogated or waived by reason of any failure to enforce same, irrespective of the number of violations or breaches which may have occurred.

8.04 Land Trusts. In the event title to a Lot is held by a land trust under which all powers of management, operation and control remain vested in the trust beneficiary or beneficiaries thereunder, the current beneficiaries shall be liable for payment of any obligation, lien or indebtedness created under this Declaration against the Lot as of the date such obligation, lien or indebtedness shall arise. No claim shall be made against any such titleholder trustee personally for any claim or obligation created hereunder, and the trustee shall not be obligated to sequester funds or trust property to apply in whole or in part against any such lien or obligation, but the amount thereof shall continue to be a charge or lien upon the premises notwithstanding any transfers of beneficial interest or in the title to such real estate. The beneficiary or beneficiaries of any Land Trust holding title to a Lot shall identify themselves as such, in writing, to the Board.

8.05 Conflicts. If any of the terms of this Declaration shall conflict with the provisions of any governmental law or ordinance, the more restrictive shall be deemed to control the Property.

8.06 Captions. The articles and paragraph captions are intended for convenience only and shall not be construed with any substantive effect in this Declaration.

8.07 Initial Operation. Until such time as the Board provided for in this Declaration is elected at the first meeting of the members, the Declarant shall exercise any and all of the powers and functions of the Association and the Board.

ARTICLE NINE RIGHTS OF FIRST MORTGAGE HOLDERS

Anything in this Declaration to the contrary notwithstanding, the following shall be applicable with respect to any institutional holder of a first mortgage lien of record on any Lot which is subject to the terms hereof.

9.01 Notice. The Association shall, if so requested by any first mortgagee of record of a Lot, give written notification as follows:

(a) Notice of any default of the Owner which is the subject of such mortgage if such default is not cured within thirty (30) days after its occurrence.

(b) Five (5) day's prior written notice of any annual or special meetings of the Association. The mortgagee may designate a representative to attend any such meeting.

(c) Notice of any proposed amendment to the Declaration or By-Laws which will substantially alter the administration of the Property, the assessments or collection thereof, or any other matter affecting the Property as governed by the terms of this Declaration. Such notice shall be given at least ten (10) days prior to the submission of same for approval by the members of the Association.

(d) The request by a mortgagee for any or all of the above notices may be submitted to the Association via the Board of Directors and in such event, the giving of such notices shall continue until such time as the mortgagee shall request the same to be terminated, or until the interest of the mortgagee in the property is terminated; whichever shall be first in time.

9.02 Claims for Assessments. Any first mortgagee of record who takes title to a Lot or comes into possession of a Lot pursuant to remedies provided in such mortgage (including foreclosure, or a deed or assignment in lieu thereof) shall take possession free of any claims for unpaid assignments or charges which may have accrued prior to the date of such possession; provided, however, that such mortgagee shall be liable for a pro rata share of such assessments and charges if the Board shall elect to reallocate same among all Lots.

9.03 Books and Records. Any first mortgagee of record of a Lot shall have the right, upon 24 hours notice, to examine any and all books and records of the Association at any time during normal business hours, and shall be entitled to receive, at its request, a copy of any and all annual audited financial statements within ten (10) days from the date of such request or the date of preparation of such statement, as the case may be.

ARTICLE TEN AMENDMENTS TO DECLARATION

10.01 Approval of Amendments. Except as provided by law, provisions of this Declaration may be amended by an instrument in writing setting forth the amendments and executed by the Owners representing not less than seventy-five (75%) of the outstanding Association membership votes entitled to be cast. If said Declaration is so modified by the Association, a notice of said modification shall be given to all first mortgage lien holders of record by certified mail, return receipt requested. Said notice shall contain a complete text of any such modification or amendment.

10.02 Approval of Mortgagees. Notwithstanding the provisions of Section 10.01, no amendment of Article Six, Article Nine or this Article Ten shall be effective without the express written consent of the holders of seventy-five (75%) percent of the first mortgage liens recorded against the Lots which are subject to this Declaration.

10.03 Restriction on Alienation. Notwithstanding anything contained herein to the contrary, no amendment to the Declaration, Articles of Incorporation or By-Laws shall be effective if such shall seek to vest

a right of first refusal as to sale or lease of a residence or any similar restriction in favor of the Association, other owners or related entities.

10.04 Termination of Restrictions. No action by the Association or Owners, whether by amendment or otherwise, shall be effective to remove the Property (once subjected by recording to the terms hereof) from the terms and conditions of this Declaration, without the express written consent of seventy-five (75%) percent of the institutional holders of the first mortgage liens recorded against the Lots.

10.05 Rights of Developer. The foregoing notwithstanding, no amendment which shall adversely affect the development, construction, sales or marketing activities of Developer (including, but not limited to, the right to maintain sales facilities, signs and access for construction storage set forth in this Declaration) shall be effective without the Developer's express written consent thereto.

10.06 Validity of Amendments. No amendments approved pursuant to this Article Ten shall become valid until a true and correct copy of same, attested by the Secretary of the Association, shall then have been placed of record.

EXHIBIT "A"

COUNTRY RIDGE UNIT 2, BEING A SUBDIVISION OF SECTION 27, TOWNSHIP 39 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN DUPAGE COUNTY, ILLINOIS .