

Cover page for:

Declaration of Covenants and Restrictions

***These documents are part of the
recorded exceptions mentioned in
the preliminary title work pertaining
to Auction Tracts 3-10***

BOONE COUNTY, ILLINOIS

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BOONE COUNTY, IL.

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Sylvia E. Schroeder

BOONE COUNTY RECORDER

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Sylvia E. Schroeder

BOONE COUNTY RECORDER

This document is being re-recorded to correct an error in Lot descriptions.

RIVER RUN - ESTATE LOTS
DECLARATION OF COVENANTS AND RESTRICTIONS

THIS DECLARATION, made this 1st day of JUNE, 2004, by
VERONA PROPERTIES, LLC, hereinafter called "Verona."

WITNESSETH:

WHEREAS, Verona is the owner of record of the real property described in Article II of this declaration and desires to create thereon a residential community with common recreational and park areas and other facilities for the benefit of the community and to sell lots therein for the construction of residential buildings thereon, and

WHEREAS, Verona desires to provide for the preservation of the values and amenities in said community and for the maintenance of said common recreational and park areas and facilities, and to this end, desires to subject the real property described, in Article II, together with such additions as may hereafter be made thereto, to the covenants, restrictions, easements, charges and liens set forth, all for the benefit of the said property and the owners thereof, and

WHEREAS, Distillery Road, L.L.C., as Developer of the community, will undertake to carry out the objects and purposes of these covenants and restrictions, and

WHEREAS, Developer will cause the incorporation of RIVER RUN HOME OWNERS ASSOCIATION under the laws of the State of Illinois as a Not-For-Profit Corporation to which should be delegated and assigned the powers of maintaining, administering and enforcing the covenants and restrictions and collecting and disbursing the assessment and charges hereinafter created,

NOW THEREFORE, the undersigned Verona Properties, LLC declares that the real property described in Article II, and such additions thereto as may hereafter be made

pursuant to Article II is and shall be held, transferred, sold, conveyed and occupied subject to the covenants and restrictions, easements, charges and liens (sometimes collectively referred to as "the covenants") hereinafter set forth.

ARTICLE I: DEFINITIONS

"Association" shall mean RIVER RUN HOME OWNERS ASSOCIATION.

"Architectural Review Agent" shall mean Distillery, Rockford, Illinois, or that person or persons appointed by Distillery or its successors or assigns acting as the Architectural Review Agent or Agents.

"Common Properties" shall mean those areas of the Properties shown or designated on any recorded subdivision plat of, or other recorded instrument relating to, the Properties and intended to be devoted to the common use and enjoyment of the Owners of the Properties, as indicated by appropriate legends on said recorded subdivision plats or instruments. Common Properties shall include, but not be limited to, Lot Fourteen (14), Lot Fifteen (15) and Lot Twenty-one (21).

"Developer" shall refer to Distillery Road, L.L.C. an Illinois limited liability company, whose address is c/o Lobdell & Hall, Inc., 6050 Brynwood Drive, Rockford, Illinois 61114-6597, or its successors or assigns.

"Existing Property" shall have the meaning designated in Article II.

"Improvement" or "Improvements" shall mean and include any and all buildings, outbuildings, additions to existing buildings or structures, driveways, fences, dog runs, or kennels, pools, decks, antennae, satellite dishes, and all other structures of every kind and description.

"Living Area" shall mean that portion of any Residential Dwelling normally used for human habitation, and specifically excluding any basement areas, garage (whether attached or unattached) and attic.

"Lot" shall mean any plot of land shown upon any recorded subdivision map of the Properties.

"Member" shall mean each Owner who is a member of the Association as provided in Article III hereof.

"Owner" shall mean the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, providing that when any such Lot has been improved with a Residential Dwelling then "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to such Residential Dwelling, but notwithstanding, any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any other proceeding in lieu of foreclosure authorized by the laws of the State of Illinois.

"Properties" shall mean and refer to all such Existing Property, and additions thereto, as are subject to this declaration or any supplemental declaration.

"Residential Dwelling" shall mean any Improvement designed or used for human habitation.

"Residential Lot" shall mean any one of Lots One (1) through Thirteen (13) inclusive, Lots Sixteen (16) through Twenty (20), inclusive, and Lots Twenty-two (22) through Thirty-three (33), inclusive, all in the Existing Property, and any other Lot designated for residential use.

"Single-Family Residential Dwelling" shall mean a Residential Dwelling designed and used for the habitation of a single family.

"The Subdivision" shall mean River Run Subdivision, as shown on Plat No. 1 which is recorded as Document No. 2004R03731, Envelope No. 294-A, in the office of the Recorder of Deeds in Boone County, Illinois.

ARTICLE II: PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Existing Property. The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this declaration is located in the County of Boone, Illinois, is sometimes referred to herein as the "Existing Property", and is more particularly described as follows:

Plat No. 1, River Run Subdivision, the Plat of which Subdivision is recorded as Document Number 2004R03731, Envelope No. 294-A in the office of the Recorder of Deeds in Boone County, Illinois.

Section 2. Additions to Existing Property. Additional properties may become subject to this declaration (and thereby become part of the Existing Property) in the following manner:

(a) Additions in Accordance with the General Plan of Development. A titleholder of the land depicted on Exhibit A attached hereto, which is not initially subject to this Declaration, shall have the right to subject such additional properties owned by it to this declaration, provided that such additions are substantially in accord with the General Plan of Development of RIVER RUN shown in Exhibit A attached to this declaration.

(1) Exhibit A shows the general plan intended to be followed in the of RIVER RUN community and indicates the approximate size, location, and proposed land uses of additional properties.

(2) The proposed additions to the Existing Properties, if made, will become subject to assessment for their just share of Association expenses.

(3) Notwithstanding the foregoing, the titleholder of the additional lands depicted on Exhibit A is not under any obligation to make the proposed additions or in the exact manner shown on Exhibit A.

(4) Any additions authorized under this Section shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional properties which shall extend the scheme of the covenants and restrictions of this declaration to such property.

(5) Such supplementary declaration may contain such complementary additions and variations of the covenants contained in this declaration as may be necessary to reflect the different character, if any, of the additional properties and as are not inconsistent with the scheme of this declaration. In no event, however, shall such supplementary declaration revoke, modify, or add to the covenants established by this declaration within the Existing Property.

(6) Any platted lots or any subdivision created in accordance with the Illinois Plat Act shall be considered Residential Lots, Common Properties, or the Subdivision, respectively, if included in additional properties which become part of the Existing Properties.

(b) Approval by Association. Upon approval in writing of the Association pursuant to a two-thirds vote of its Members, the owner of any property who desires to add it to the scheme of this declaration and to subject it to the jurisdiction of the Association, may file of record a Supplementary Declaration of Covenants and Restrictions, substantially similar to, and consistent with, these Covenants and Restrictions.

(c) Mergers. Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this declaration with The Properties together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this declaration with the Existing Property except as hereinafter provided.

ARTICLE III: MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is an Owner shall be a Member of the Association, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member.

Section 2. Voting Rights. Each Member is entitled to one vote, except that: 1) where there is more than one Member for a particular Lot or Residential Dwelling no

more than one vote may be cast for that Lot or Residential Dwelling; and 2) where a Member is an Owner of more than one Lot or Residential Dwelling, the Member may cast one vote for each Lot or Residential Dwelling of which he is an Owner.

(a) Notwithstanding anything to the contrary herein Developer shall exercise all voting rights of Verona as record Owner of Lots or Residential Dwellings.

(b) Any Member's voting rights may be suspended by the Board of Directors in accordance with the Bylaws if such Member is delinquent in the payment of assessments imposed according to the Covenants and Restrictions.

(c) For purposes of determining the votes allowed under this Section, when Residential Dwellings are counted, the Lot or Lots upon which such Residential Dwellings are situated shall not be counted.

ARTICLE IV: PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 4 of this Article IV, the Owner from time to time of each Lot or Residential Dwelling shall have an easement of use and enjoyment in and to the Common Properties for recreational, social, community and park purposes, exercisable in the manner hereinafter set forth. Such easement of use and enjoyment shall be exercisable only by such an Owner who qualifies as a Member as provided in Article III, Section 1, hereof and whose Lot or Residential Dwelling is subject to the assessments described in Article V. No 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 Article, or described in any other part of this declaration, shall be necessary to create and reserve such easements and rights to the grantees, mortgagees and trustees of such parcel.

Section 2. Delegation of Use. Subject to the provision of Section 4 of this Article IV, any Member may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Properties to his immediate family and his guests, and also to his tenants or contract purchasers who reside on the property.

Section 3. Title to Common Properties. The Association shall hold fee simple legal title to the Common Properties, subject to the Covenants and Restrictions contained herein.

Section 4. Extent of Member's Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to borrow money for the purposes of improving the Common Properties and in aid thereof to mortgage said properties. In the event of a default upon any mortgage, the lender shall have a right, after taking possession of such properties, to charge admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied whereupon the possession

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of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored;

(b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosure;

(c) The right of the Association, as provided in its Articles and Bylaws, to suspend the enjoyment right of any Member for a period during which any assessment remains unpaid, and for any period not to exceed thirty days for any infraction of its published rules and regulations;

(d) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties;

(e) The right of the Association to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the condition thereof, shall be effective unless an instrument is recorded which agrees to such dedication, transfer, purpose or condition, and such instrument is signed by the Board of Directors after being duly authorized by a vote of two-thirds of the Members at any meeting at which the quorum described in Article V, Section 7, is present, provided that no such vote shall be effective unless written notice of the meeting and proposed action is sent to every Member at least thirty days in advance of the meeting; and

(f) The right of the Association from time to time in accordance with the Bylaws to limit the number of Members' guests and their frequency of use of the Common Properties and to establish such other rules as may be reasonably necessary to maintain the amenities and usefulness of the Common Properties.

Section 5. Acceptance of Land. In the event that land designated on the plat of Subdivision to be transferred to the Boone County Conservation District is not accepted by such body, then Verona may transfer such property, or a portion thereof, to the Association, and the Association shall accept a deed to such property from Verona and shall own such property pursuant to the provisions of this Declaration.

ARTICLE V: COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Subject to the conditions and limitations expressed below in this Article, each Owner of any Lot other than lots owned by Verona, by acceptance of a deed thereof or, whether or not it be so expressed in such deed or other conveyance, shall be deemed to covenant and agree from and after his Lot or Residential Dwelling has once become occupied, or if not occupied, six months after becoming such Owner, to pay the Association: (1) annual assessments or charges; and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and cost of collection thereof as hereinafter provided, shall be a charge on the land and shall

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be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Limited Liability of Verona. Verona covenants and agrees that it will pay all maintenance and public liability insurance expense and taxes in connection with the Common Properties for a period of one year after the date of this declaration. It shall not be liable for any annual or special assessment at any time; nor for any capital improvement, expense or the cost of maintenance of any capital improvement after said one year period.

Section 3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, pleasure and welfare of the residents within the Properties and in particular for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties and of the homes situated upon the Properties, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof. Such assessments shall include but is not limited to the cost of mowing, weeding, planting and tree replacement and trash removal on the Common Properties, the cost of maintenance of the entrance amenities and other obligations pursuant to an easement agreement for such entrance amenities entered into with the City of Belvidere recorded in the Recorder's Office of Boone County. In addition, as part of its annual dues, the Association shall collect \$50 per lot to fund the maintenance costs of land lying east of the Beaver Creek and north of the Kishwaukee River that will be subject to a conservation easement.

Section 4. Basis of Annual Assessments. The annual assessment shall be \$500.00 per Lot or Residential Dwelling, of which assessment \$50.00 shall be used towards the maintenance of a private conservation easement for land north of the Kishwaukee River and east of the Beaver Creek, subject to such increase or decrease as is hereinafter provided.

Section 5. Change in Annual Assessments. The Association may change the assessments fixed hereunder prospectively, provided that any such change shall have the approval of two-thirds of the votes of Members entitled to vote at a meeting called for this purpose, written notice of which shall be sent to all Members at least thirty days in advance, setting forth the purpose of the meeting.

Section 6. Special Assessments for Capital Improvements. Subject to the limitations as to the Verona Company, in addition to the annual assessments authorized above, the Association may levy a special assessment which shall be assessed against each Lot in The Properties to the same extent and in the same proportion as the annual assessments described above, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of any capital improvement upon the Common Properties, including the necessary fixtures and personal property

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related thereto, provided that any such assessment for capital improvements shall have the assent of two-thirds of the votes of Members entitled to vote at a meeting called for this purpose written notice of which shall have been sent to all Members at least thirty days in advance, setting the purpose of the meeting.

Section 7. Quorum for Any Action Authorized Under Sections 5 and 6. The quorum required for any action authorized by Sections 5 and 6 hereof shall be as follows:

At the first meeting of Members called, as provided in Sections 5 and 6 of this Article V, the presence in person or by proxy of Members entitled to cast 30 percent of all the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at such meeting, another meeting may be called, subject to the notice requirement set forth in Sections 5 and 6, and the required quorum at any such subsequent meeting shall be one-half of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty days following the preceding meeting.

Section 8. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence on the date fixed by the Board of Directors of the Association. Subject to Section I of this Article V, the initial assessment for a Lot shall be prorated according to the date of the initial conveyance from Verona, or its successor or assign, of a Lot to the first Owner of such Lot.

Section 9. Duties of the Board of Directors. Subject to the limitations heretofore expressed in this Article V, the Board of Directors of the Association shall fix the date of commencement of the assessment against each Lot and Residential Dwelling for each assessment period at least thirty days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall upon demand at any time furnish to any Owner liable for assessments a statement in writing signed by an officer of the Association, setting forth the status of said Owner's assessments. Such statement shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 10. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner, The Lien, Remedies of Association. If an assessment is not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, be a continuing lien on the property in favor of the Association which shall bind such property in the hands of the then Owner, his heirs, devisee, personal representatives and assigns until paid. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation and his personal obligation shall not pass to his successors in title unless expressly assumed by them, although the delinquent assessment will remain a lien

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on the land until satisfied. Such lien may be perfected by the filing of a written notice thereof in the Recorder's Office.

If an assessment is not paid within thirty days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent per annum, and the Association may bring an action at law or in equity against the Owner personally obligated to pay the same or to foreclose the lien against the property, or both, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a transfer of such property pursuant to a decree of a foreclosure, or any other proceeding in lieu of foreclosure. Such transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 12. Exempt Property. The following property interests subject to this declaration shall be exempted from the assessments, charge and lien created herein: (a) all Common Properties as defined in Article I hereof, and (b) all properties owned by Verona. The grantee of an easement or other interest therein dedicated or granted to a public utility shall not be subject to any assessments, charges or liens created herein.

ARTICLE VI: RULES GOVERNING USE OF COMMON PROPERTIES

Rules and restrictions governing use of the Common Properties shall be those prescribed from time to time in accordance with the Bylaws of the Association.

ARTICLE VII: CONDITIONS AND RESTRICTIONS TO RUN WITH THE LAND

Section 1. General. The conditions and restrictions of this declaration, with the express exception of Article VIII, apply to The Properties and shall be construed to be covenants running with the land, and shall be binding on all grantees, their heirs, devisees, successors and assigns and on all persons claiming by, through, or under them or any of them until the expiration of twenty (20) years from the date of this declaration. From that date, the restrictions and conditions shall continue to constitute covenants running with the land unless modified or terminated by a written statement signed by Owners of at least two-thirds (2/3) of the Lots and recorded with the Office of the Recorder of Deeds, Boone County, Illinois.

Section 2. Residential Lot Restrictions. The conditions and restrictions of Article VIII shall apply only to Residential Lots and Common Properties, and shall be construed

to be covenants running with the land for those Residential Lots and Common Properties, and shall be binding on all grantees, their heirs, devisees, successors and assigns and on all persons claiming by, through, or under them or any of them until the expiration of twenty (20) years from the date of this declaration. From that date, the restrictions and conditions shall continue to constitute covenants running with the land unless modified or terminated by a written statement signed by Owners of at least two-thirds (2/3) of the Residential Lots and recorded with the Office of the Recorder of Deeds, Boone County, Illinois.

ARTICLE VIII: CONDITIONS AND RESTRICTIONS FOR RESIDENTIAL LOTS AND COMMON PROPERTIES

Section 1. No commercial vehicles trucks, mobile homes, motor homes, campers, boat or horse trailers, inoperable or junk vehicles, trailers, boats, snowmobiles or other recreational vehicles shall be stored on any Lot for a period of more than seven (7) days unless said vehicle has been screened or shielded from view in a manner approved by the Architectural Review Agent.

Section 2. No commercial vehicles in excess of 10,000 lb. gross vehicle weight shall be stored or parked on any Lot in the subdivision, except during the course of construction of the Subdivision or any approved Improvements.

Section 3. No visible tank for the storage of oil, gas or any other material shall be erected or maintained on any Lot.

Section 4. Except as hereinafter provided, no stables, kennels, or other quarters shall be erected, maintained or used on any Lot for stabling or accommodating any horses, dogs, cats, cattle, swine, goats, sheep, bees, fowl, or any other animals. One outdoor dog run is permitted on a Lot with the written approval of the style, material and location of the run on the Lot by the Architectural Review Agent.

Section 5. No fence of any type shall be erected on any Lot without being approved by the Architectural Review Agent.

Section 6. Except as hereinafter provided, no advertising sign or billboard, other than a single temporary "For Sale" or "For Rent" advertising sign of not greater than six (6) square feet in size, shall be erected or maintained on any Lot. A sign displaying the name of the general contractor, developer, real estate broker, real estate agent and title company may be erected and maintained on Lot I during construction of the houses provided that the sign is removed immediately after the sale of the last house on the Properties.

Section 7. No building shall be erected, maintained or used on any Lot for manufacturing, commercial, industrial or business purposes unless duly authorized by the City of Belvidere as defined by its Ordinances. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may be or become an annoyance or nuisance.

Section 8. Only one Residential Dwelling may be erected or constructed on any Residential Lot. Only Single-Family Residential Dwellings may be erected or constructed on any Residential Lot. All Residential Dwellings must comply with the following minimum Living Area requirements:

- (a) Residential Lots Sixteen (16) through Twenty (20), inclusive,* with Two-story residence: 3,000 square feet of living space above grade exclusive of garage and basement * and Lots Twenty-two (22) through Thirty-Three (33), inclusive
- (b) Residential Lots Sixteen (16) through Twenty (20) inclusive,* with Ranch residence: 2,600 square feet of living space above grade exclusive of garage and basement * and Lots Twenty-two (22) through Thirty-three (33), inclusive
- (c) Residential Lots One (1) through Thirteen (13) inclusive, with Two-story residence: 2,800 square feet of living space above grade exclusive of garage and basement
- (d) Residential Lots One (1) through Thirteen (13) inclusive, with Ranch residence: 2,400 square feet of living space above grade exclusive of garage and basement

Section 9. No Improvement may be constructed, and the structural exterior of any approved Improvement may not be modified, without first obtaining the written approval of all plans, specifications, and elevations by the Architectural Review Agent. These restrictions shall not prohibit installation of any antenna or satellite dish on a Lot or Residential Dwelling, subject, however, to approval of the Architectural Review Agent, which approval right shall be exercised to allow placement of an antenna or satellite dish so as to allow adequate reception and enhance and maintain the aesthetic quality of the Existing Properties.

Section 10. All driveways are required to be surfaced with blacktop or concrete within six (6) months of the completion of the Residential Dwelling on any Residential Lot. The Architectural Review Agent may grant written extensions of this time limit upon a showing that weather did not permit compliance with this requirement.

Section 11. The front facades of all Residential Dwellings of the same color or of a substantially similar design shall not be located across the street from one another (lots of thirty percent (30%) of greater front lot line overlap shall be deemed across the street for purposes of this paragraph) or an adjacent lots.

Section 12. No vinyl or aluminum siding shall be allowed on Residential Dwellings or other structures. Trim materials shall be subject to approval through the Architectural Review process.

Section 13. No all terrain vehicle ("ATV"), snowmobile, dirt bike or other like vehicle may be operated on Common Property or on Verona Company property. Pedal-powered mountain bikes shall be allowed only on impervious surfaces.

Section 14. No above-ground pools are permitted on any Residential Lot. Notwithstanding the foregoing, temporary children's playpools not exceeding a water surface diameter of eight feet (8') round or eight feet by ten feet (8' x 10') rectangular with a depth no greater than twenty-four inches (24") and with a water volume capacity not exceeding one thousand (1,000) gallons may be permitted with the approval of the Architectural Review Agent.

Section 15. For any of the foregoing Conditions and Restrictions which require approval by the Architectural Review Agent, approval shall be sought by submitting a written request to the Architectural Review Agent, including all documents or other information required by these Conditions and Restrictions or by the Architectural Review Agent. The Architectural Review Agent shall approve or deny the request in writing within thirty (30) calendar days of the Agent's actual receipt of the request for approval. Approval or Denial is effective upon deposit postpaid in the United States Mail. Failure of the Architectural Review Agent to approve or deny the request in writing within thirty calendar days of receiving the request shall constitute a constructive approval of the request. Approval or denial of any such request shall be in the Architectural Review Agent's sole discretion.

Section 16. It shall be understood by Owners that hunting of any description within the limits of the municipality is prohibited by City of Belvidere ordinances and that Owners have no rights to hunt within the Subdivision or on Verona property.

Section 17. Owners shall arrange for regular trash removal for their Lot and shall abide by City of Belvidere ordinances with regard to refuse. Owners shall not allow trash, refuse or abandoned or junked appliances or equipment to remain on their Lot for a period longer than two (2) days, or as otherwise controlled by City ordinances, whichever is less.

Section 18. Developer shall provide one mailbox for each Residential Dwelling. Each individual Owner shall be responsible for the subsequent maintenance, repair and replacement of its own mailbox.

Section 19. Owners shall provide, at Owner's expense, flared concrete end sections at culvert locations.

Section 20. Chimneys shall be masonry.

Section 21. Architectural Grade shingle shall be required for roofing.

Section 22. The Owner of each lot, at Owner's expense, shall plant and maintain a minimum of two (2) trees per lot.

Section 23. It shall be understood by Owners that access to certain designated portions of the Beaver Creek shall be limited to the Owners of Estate Lots as shown on the General Development Plan attached as Exhibit A, being Lots One (1) through Thirteen (13), inclusive, Lots Sixteen (16) through Twenty (20), inclusive, and Lots Twenty-two (22) through Thirty-three (33), inclusive, and such access shall be strictly

limited to the route identified by Verona from time to time. The use of said access is limited to walking and hiking, picnicking and fishing only. Camping and trapping are prohibited. Access rights may be subject to revocation if limits of use are violated. Verona reserves the right to add additional limits of use as appropriate from time to time.

Section 24. It shall be understood by Owners that the configuration of attached garages is controlled by the City of Belvidere Ordinance 605G, paragraph 13, a copy of which is attached hereto and incorporated herein as Exhibit B.

Section 25. In the event that any federal, state or municipal reviewing agency requires compliance with any law, statute, ordinance or regulation, the Homeowners Association and/or the lot Owners shall bear the burden of such compliance.

ARTICLE IX: ELEMENTARY SCHOOL SITE

Per the terms of the Annexation Agreement entered into with the City of Belvidere on May 12, 2003 and recorded as Document Number 03-R-09885 in the Record Office of Boone County, Illinois, Verona may negotiate with the Belvidere School District #100 and the Belvidere Park District to transfer property in the northeast portion of the Subdivision to the Belvidere School District #100 and the Belvidere Park District for a combined elementary school and park site, as shown on Exhibit A.

ARTICLE X: GENERAL PROVISIONS

Section 1. Non-Waiver. None of the Restrictions or Covenants shall be deemed to have been waived by reason of a failure to enforce their provisions.

Section 2. Enforcement. Verona, the Developer, the Architectural Review Agent, and any Owner shall be entitled to enforce any of the foregoing Restrictions and Conditions by proceedings at law or equity, PROVIDED, that Owners may not seek to enforce any Restriction or Condition without first notifying the Architectural Review Agent of the alleged violation and giving the Architectural Review Agent thirty (30) calendar days to seek its correction.

Section 3. Mediation. In the event that an Owner or Owners fail to agree upon maintenance standards and assessments, the parties shall hire an independent mediator to determine maintenance standards and assessment charges, and the cost of hiring said mediator shall be borne by the Owner or Owners who are party to the dispute.

Section 3. Attorney's Fees. In any successful suit brought to enforce a Restriction or Condition, or to seek damages for its breach, the prevailing party shall be entitled to its attorney's fees.

Section 4. Severability. In the event that any Restriction or Condition, or of any portion of any Restriction or Condition, shall be found to be invalid by a court of competent jurisdiction, that provision shall be null and void and the remaining Restrictions and Conditions shall remain in full force and effect.

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Section 5. Assignment. The rights, privileges, and powers retained by the undersigned shall be assignable, and shall inure to the benefit of its successors and assigns.

Section 6. Notices. Any notice required to be sent to any Member or Owner under the provisions of this declaration shall be deemed to have been properly sent when mailed, postpaid to the last known address of the person who appears as Member or Owner on the records of the association at the time of such mailing.

Section 7. Construction of These Articles. Zoning changes applicable to the Properties, whether initiated by municipal or private action, shall have no effect upon the construction of these Articles or upon the rights and duties of Members unless and until approved by two-thirds of the Members entitled to vote in person written notice of which shall be sent to all Members at least thirty days in advance and shall set forth the purpose of the meeting. The quorum for action authorized by this Section shall be in accordance with Section 7, Article V, hereof.

Section 8. Enforcement by City. The City of Belvidere ("City") may, but is not obligated to, undertake any maintenance obligations referenced herein for the Homeowner's Association which remain unperformed. In the event that the City elects to enforce any covenants and restrictions, the Homeowners Association and/or the affected homeowner shall pay the cost of enforcement and the City shall be entitled to a lien on the property for the cost thereof.

Dated this 1st day of June, 2004.

VERONA PROPERTIES, LLC, an Illinois
limited liability company

By: Frank Shappert
Frank Shappert, Manager

By: Patrick Mattison
Patrick Mattison, Manager

By: Gordon N. Lucas
Gordon Lucas, Manager

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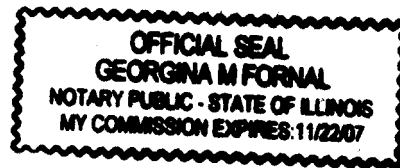
STATE OF ILLINOIS)
)SS.
COUNTY OF WINNEBAGO)

I, the undersigned, a Notary Public in and for said County, in the state aforesaid, do hereby certify that above named managers of Verona Properties LLC, an Illinois limited liability company, being all the managers of said company, are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such managers, 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 free and voluntary act of said company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 1st day of June, 2004.

Georgina M. Fornal
Notary Public

Prepared By and Return To:
Hinshaw & Culbertson
100 Park Avenue
Rockford, IL 61101
Attention: James W. Keeling



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*EXHIBIT B of Declaration***ORDINANCE NO. 6056****AN ORDINANCE GRANTING A SPECIAL USE FOR A PLANNED
COMMUNITY DEVELOPMENT IN A D, SINGLE FAMILY DISTRICT
(RIVER RUN SUBDIVISION)**

WHEREAS, the City of Belvidere has adopted Chapter 150, Zoning Ordinance, in accordance with the provisions of Illinois Compiled Statutes, to regulate the use of land and specify the minimum requirements for improvements on land in the City of Belvidere; and,

WHEREAS, a written application has been made to obtain a special use for a planned community development in a D, Single Family District pursuant to the applicable provisions of the Zoning Ordinance (Chapter 150 of the Belvidere Municipal Code) of the City of Belvidere, Illinois and in accordance to the Illinois State Statutes; and,

WHEREAS, after due notice in the manner provided by law the Planning Commission conducted a public hearing for the special use for a planned community development and having considered the evidence, both oral and documentary, and being fully advised has submitted its written findings and recommendations; and,

WHEREAS, the corporate authorities of the City of Belvidere have reviewed and considered the findings and recommendation of the Planning Commission; and,

**NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL
OF THE CITY OF BELVIDERE, BOONE COUNTY, ILLINOIS, AS FOLLOWS:**

Section 1. That the following described property, to wit:

(See Exhibit A-1)

(The subject property is located west of Distillery Road approximately ½ mile south of U.S. Business Route 20, in Belvidere Township; see Exhibit B)

is granted a special use for a planned community development in a D, Single-Family District which shall be designed, developed, and operated, subject to the following conditions:

1. Conformance with the approved annexation agreement between the City and the Hardeman Company for the subject property, dated May 12, 2003.
2. All off-site improvements shall be provided as agreed to in the approved annexation agreement between the City and the Hardeman Company for the subject property, dated May 12, 2003. Distillery Road shall be

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improved in substantial conformance with the Distillery Road Design Features Plan, dated 1/17/03 and revised 3/12/03.

3. All street lights and street signs that will be erected within the bounds of the development shall look substantially similar to those illustrated on the Landscape Features Plan, dated 1/17/03 and revised 3/12/03 and 3/31/03.
4. The main entrance and affiliated subdivision identification signage that will be placed at the main entrance shall be developed in substantial conformance with the Project Signage Plan, dated 1/17/03 and revised 3/12/03 and 3/31/03.
5. The planned community development shall only apply to the area shown on the Tentative Subdivision Plat for ER District of River Run by Heritage Engineering, Ltd., dated July 22, 2003 and revised 8/25/03, 9/2/03, and 9/8/03.
6. The planned community development shall be configured in a way that is substantially consistent with the Tentative Subdivision Plat for ER District of River Run by Heritage Engineering, Ltd., dated July 22, 2003 and revised 8/25/03, 9/2/03, and 9/8/03 (identifying 79 detached single family lots) and developed in substantial conformance with the Improvement Plans for Plat No. 1 of River Run Subdivision by Heritage Engineering, Ltd., dated October 2003, revised 9/22/03 and 11/11/03. The remainder of the site shall be improved in the future with improvements that are substantially consistent with the rural cross section - curb improvement character theme of Plat No. 1. Any bike path located adjacent to a public street shall be appropriately marked by paint markings to prevent vehicle parking on bike path.
7. All mailboxes that will be erected within the bounds of the development shall look substantially similar to the street lights and street signs illustrated on the Landscape Features Plan, dated 1/17/03 and revised 3/12/03 and 3/31/03. To insure that the mailboxes will look substantially similar to the above noted plans, mailbox elevation plans shall be presented to the City for review and approval prior to the erection of any mailbox. This condition shall be enforced by the association.
8. Landscaping along Distillery Road, on lots 14 and 15 of the preliminary plat which has been a made a part of this ordinance via conditions 5 and 6, shall be installed in substantial conformance with the Landscape Features Plan, dated 1/17/03 and revised 3/12/03 and 3/31/03 and with the Project Signage Plan, dated 1/17/03 and revised 3/12/03 and 3/31/03. Landscaping within these lots shall provide a 75% screening or greater (within five years after installing) of Distillery Road when viewed from the single family homes located within River Run Subdivision. Screening shall be comprised of any combination of plant material (shade trees - measuring not less than 2 inches in diameter; evergreens and

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- ornamentals -measuring not less than 6 feet in height; shrubs -measuring not less than 18 inches in height for coniferous and 24 inches in height for deciduous) and earth mounded berms (not exceeding a 33 percent slope). A variety of plant materials is encouraged. The landscaping that will be placed within the lots shall be planted prior to the release of the performance bond or equivalent for the subject phase (plat).
9. Two shade trees shall be installed in the required front yard per lot or 4 shade trees per corner lot (2 per required front yard) throughout the development. Shade trees may be placed within the public right-of-way terrace in front of each lot in lieu of the previous said condition as long as the plantings do not interfere with the City of Belvidere's utilities. Shade trees shall not be less than 2 inches in diameter. Shade trees required on the lot to lot basis shall be installed prior to the final building inspection and/or prior to the occupancy of the single family home on the lot. The planting deadline for the lot to lot required plantings may be changed because of weather related reasons as long as the City Building and Zoning Official agrees to such date. Landscaping throughout the development, specifically the landscaping within the landscape islands, shall be located/installed in substantial conformance with the River Run General Development Plan by Lannert Group, dated January 17, 2003, revised as of March 31, 2003. Shade trees required per the above plan shall not measure less than 2 inches in diameter and evergreens and ornamentals shall not measure less than 6 feet in height. Landscaping located within the public right-of-way shall not interfere with the City of Belvidere's utilities and shall be maintained by the homeowner's association. Landscaping planted within the public right-of-way shall be planted prior to the release of the performance bond or equivalent for the subject phase (plat).
10. A wetland delineation study shall be conducted by a professional firm certified in such for the subject property. Any wetland found on-site shall have a conservation easement placed upon the wetland with language stating that the wetland shall be left in it natural state and not be disturbed. All single family residential lots shall be located out of the 100 year flood plain. Owner shall maintain the land immediately adjacent to this planned community development, and identified as open space in the annexation agreement between the City and the Hardeman Company for the subject property, dated May 12, 2003, as open space, in perpetuity, and to prohibit construction of any permanent improvements thereon without the prior written consent of the City.
11. Easements with the appropriate language shall be placed upon the areas that are identified on-site in the archaeological phase 1 reconnaissance report that was provided to the Illinois Historic Preservation Agency.
12. Detached single family building front facades of the same color or of similar elevation shall not be located across the street from one another

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(lots with 30% overlap or greater) or on adjacent lots. 80% of all of the homes located within the development shall contain decorative brick or stone on a minimum of 1/3 of the front facade. Detached single family homes with side and rear load garages are encouraged, in addition to the standard front load garage, for the purpose of minimizing home monotony throughout the development. For this condition, the front facade shall be defined as the plane of the house and garage that faces a public street. This condition shall only be applied to the principal front facade on a through lot. This condition shall apply only during the initial construction phase of the single family home (when a building permit is taken out for the construction of the single family home). This condition shall be placed within the subdivision's covenants and restrictions and shall be enforced by the association. The City may aid in the enforcement of this condition when deemed necessary.

13. All attached garages with garage doors facing a public street shall not occupy more than 65% of the front facade of the house in width. For the aforementioned sentence, the front facade shall be defined as the plane of the house and garage that faces a public street. All attached garages with garage doors facing a public street shall have a partial roof/eave/overhang placed directly above on the same story. All attached garages with garage doors facing a public street shall be located at a distance equal with or behind the front facade of the house, the porch, the entrance feature / pad, or the bay window, whichever is closer to a public street. This requirement assumes that all of the previously noted design features are located behind the required front yard set back. All attached garages with garage doors facing a side or rear lot line shall be located at a distance that does not exceed 12 feet in front of the front facade of the house provided that the side of the garage facing the public street shall be improved with windows to compliment the front facade design. For the 3 aforementioned sentences, the front facade shall be defined as the closest plane of the house facade, excluding the garage, to a public street. This condition shall only be applied to the principal front facade on a through lot.
14. Storing (stationary for more than 48 hours or more) of boats, campers, trailers and recreational vehicles within the bounds of the development is prohibited. Parking of previously noted or any other type of vehicle shall take place on a impervious surface; parking on a pervious surface is prohibited.
15. The final version of the covenants and restrictions for the planned community development shall be provided to the City Council for review and recorded in the Boone County Records Office. Proof of recording said shall be provided to the Planning Department no later than 60 days after the recording of any final plat. The covenants and restrictions for the development shall provide that the City may, but is not obligated to enforce the covenants and restrictions and that the City may, but is not

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obligated to undertake, a maintenance obligation for the Homeowner's Association which remain under performed. In the event the City elects to enforce any covenants and restrictions, the Homeowner's Association and/or the affected homeowner shall pay the cost of enforcement and the City shall be entitled to a lien on the property for the cost thereof.

16. Compliance with the eight (8) conditions listed in the letter by H.L.R., Dirk Yuill, dated October 22, 2003, prior to the recording of Final Plat #1 of River Run Subdivision.
17. The departures granted hereby the approval of this ordinance for the subject property are detailed out within the Planned Community Development Departures and Exception Section of the Staff Advisory Report, dated December 5, 2003. *Compliance with all other applicable codes, ordinances, and agreements.

(See Exhibit C)

SECTION 2. That acceptance of any of the benefits of this special use for a planned community development shall be deemed acceptance of all the terms and conditions set forth herein.

SECTION 3. This ordinance shall be in full force and effect immediately upon its passage and approval as provided by law. This ordinance shall be published in pamphlet form.

PASSED by the City Council of the City of Belvidere this ____ day of _____, 2004.

APPROVED by the Mayor of the City of Belvidere this ____ day of _____, 2004.

Frederic C. Brereton, Mayor

ATTEST:

Shauna Arco, City Clerk

Ayes: ____ Nays: ____ Absent ____

City Council Members Voting Aye: _____

City Council Members Voting Nay: _____

Date Published:

Sponsor: _____

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EXHIBIT A-1
ESTATE LOT PCD LEGAL DESCRIPTION

Part of the West Half (1/2) of Section Twenty-Nine (29) and part of the East Half (1/2) of Section Thirty (30), in Township Forty-Four (44) North, Range Three (3) East of the Third (3rd) Principal Meridian, bounded and described as follows, to-wit: Beginning at a point in the East line of the Southwest Quarter of said Section 29, which is 585.0 feet North from the Southeast corner of the North Half of the Southwest Quarter of said Section 29; thence West, at right angles from the previous course, 120.00 feet; thence South 56 degrees 46 minutes 34 seconds West, 501.90 feet; thence South 82 degrees 25 minutes 26 seconds West, 227.55 feet; thence South 42 degrees 18 minutes 58 seconds West, 378.66 feet to the South line of the North Half of the Southwest Quarter of said Section 29; thence West along the South line of the North Half of the Southwest Quarter of said Section 29, a distance of 305.04 feet; thence North 44 degrees 30 minutes 00 seconds West, 217.30 feet; thence North 15 degrees 54 minutes 11 seconds West, 223.55 feet; thence North 12 degrees 33 minutes 01 seconds East, 199.77 feet; thence North 52 degrees 54 minutes 10 seconds West, 439.34 feet; thence South 88 degrees 18 minutes 59 seconds West, 170.18 feet; thence South 66 degrees 04 minutes 36 seconds West, 678.10 feet; thence South 58 degrees 24 minutes 52 seconds West, 439.11 feet; thence West, 245.03 feet; thence South 43 degrees 33 minutes 33 seconds West, 207.00 feet; thence North 73 degrees 03 minutes 34 seconds West, 343.20 feet; thence North 13 degrees 33 minutes 33 seconds East, 390.90 feet; thence North 01 degrees 00 minutes 00 seconds East, 130.00 feet; thence North 34 degrees 32 minutes 56 seconds West, 206.40 feet; thence North 13 degrees 54 minutes 03 seconds East, 515.10 feet; thence North 04 degrees 56 minutes 23 seconds East, 582.15 feet; thence South 49 degrees 20 minutes 50 seconds East, 337.70 feet; thence South 64 degrees 21 minutes 14 seconds East, 231.05 feet; thence South 86 degrees 54 minutes 13 seconds East, 370.25 feet; thence North, 40 degrees 23 minutes 42 seconds East, 275.73 feet; thence North 5 degrees 53 minutes 42 seconds West, 291.55 feet; thence North 21 degrees 31 minutes 22 seconds West, 365.50 feet; thence North 49 degrees 39 minutes 08 seconds West, 278.03 feet; thence North 51 degrees 39 minutes 03 seconds West, 257.90 feet; thence North 11 degrees 44 minutes 52 seconds East, 107.30 feet; thence North 70 degrees 04 minutes 44 seconds East, 278.60 feet; thence North 88 degrees 01 minutes 10 seconds East, 299.80 feet; thence North 54 degrees 04 minutes 41 seconds East, 187.00 feet; thence South 58 degrees 49 minutes 38 seconds East, 174.05 feet; thence South 35 degrees 27 minutes 52 seconds East, 270.00 feet; thence South 06 degrees 08 minutes 22 seconds East, 161.00 feet; thence South 12 degrees 17 minutes 28 seconds East, 174.00 feet; thence South 25 degrees 45 minutes 47 seconds East, 510.80 feet; thence South 13 degrees 28 minutes 48 seconds West, 185.10 feet; thence South 22 degrees 11 minutes 01 seconds West, 442.80 feet; thence South 64 degrees 15 minutes 22 seconds East, 253.26 feet; thence South 07 degrees 34 minutes 04 seconds West, 131.115 feet; thence South 82 degrees 23 minutes 20 seconds East, 75.50 feet; thence North 09 degrees 51 minutes 20 seconds East, 162.40 feet; thence North 22 degrees 18 minutes 43 seconds East, 151.35 feet; thence South 65 degrees 03 minutes 05 seconds East, 284.50 feet; thence South 49 degrees 20 minutes 50 seconds East, 506.55 feet; thence South 70 degrees 39 minutes 47 seconds East, 226.50 feet; thence North 83 degrees 40 minutes 23 seconds East, 317.59 feet; thence North 54 degrees 35 minutes 20 seconds East, 310.60 feet; thence North 83 degrees 07 minutes 01 seconds East,

Exhibit B

Business 20

River Run PCD

Disiller Road

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Newburg Road

BOONE COUNTY, ILLINOIS

44
04 R07126

FILED FOR RECORD
BOONE COUNTY, IL

2004 JUN 17 PM 2:02

Lydia L. Schroeder
BOONE COUNTY RECORDER

RIVER RUN - ESTATE LOTS
DECLARATION OF COVENANTS AND RESTRICTIONS

THIS DECLARATION, made this 1st day of JUNE, 2004, by
VERONA PROPERTIES, LLC, hereinafter called "Verona."

WITNESSETH:

WHEREAS, Verona is the owner of record of the real property described in Article II of this declaration and desires to create thereon a residential community with common recreational and park areas and other facilities for the benefit of the community and to sell lots therein for the construction of residential buildings thereon, and

WHEREAS, Verona desires to provide for the preservation of the values and amenities in said community and for the maintenance of said common recreational and park areas and facilities, and to this end, desires to subject the real property described, in Article II, together with such additions as may hereafter be made thereto, to the covenants, restrictions, easements, charges and liens set forth, all for the benefit of the said property and the owners thereof, and

WHEREAS, Distillery Road, L.L.C., as Developer of the community, will undertake to carry out the objects and purposes of these covenants and restrictions, and

WHEREAS, Developer will cause the incorporation of RIVER RUN HOME OWNERS ASSOCIATION under the laws of the State of Illinois as a Not-For-Profit Corporation to which should be delegated and assigned the powers of maintaining, administering and enforcing the covenants and restrictions and collecting and disbursing the assessment and charges hereinafter created,

NOW THEREFORE, the undersigned Verona Properties, LLC declares that the real property described in Article II, and such additions thereto as may hereafter be made

pursuant to Article II is and shall be held, transferred, sold, conveyed and occupied subject to the covenants and restrictions, easements, charges and liens (sometimes collectively referred to as "the covenants") hereinafter set forth.

ARTICLE I: DEFINITIONS

"Association" shall mean RIVER RUN HOME OWNERS ASSOCIATION.

"Architectural Review Agent" shall mean Distillery, Rockford, Illinois, or that person or persons appointed by Distillery or its successors or assigns acting as the Architectural Review Agent or Agents.

"Common Properties" shall mean those areas of the Properties shown or designated on any recorded subdivision plat of, or other recorded instrument relating to, the Properties and intended to be devoted to the common use and enjoyment of the Owners of the Properties, as indicated by appropriate legends on said recorded subdivision plats or instruments. Common Properties shall include, but not be limited to, Lot Fourteen (14), Lot Fifteen (15) and Lot Twenty-one (21).

"Developer" shall refer to Distillery Road, L.L.C. an Illinois limited liability company, whose address is c/o Lobdell & Hall, Inc., 6050 Brynwood Drive, Rockford, Illinois 61114-6597, or its successors or assigns.

"Existing Property" shall have the meaning designated in Article II.

"Improvement" or "Improvements" shall mean and include any and all buildings, outbuildings, additions to existing buildings or structures, driveways, fences, dog runs, or kennels, pools, decks, antennae, satellite dishes, and all other structures of every kind and description.

"Living Area" shall mean that portion of any Residential Dwelling normally used for human habitation, and specifically excluding any basement areas, garage (whether attached or unattached) and attic.

"Lot" shall mean any plot of land shown upon any recorded subdivision map of the Properties.

"Member" shall mean each Owner who is a member of the Association as provided in Article III hereof.

"Owner" shall mean the record owner, whether one or more persons or entities, of the fee simple title to any Lot situated upon the Properties, providing that when any such Lot has been improved with a Residential Dwelling then "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to such Residential Dwelling, but notwithstanding, any applicable theory of the mortgage, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any other proceeding in lieu of foreclosure authorized by the laws of the State of Illinois.

"Properties" shall mean and refer to all such Existing Property, and additions thereto, as are subject to this declaration or any supplemental declaration.

"Residential Dwelling" shall mean any Improvement designed or used for human habitation.

"Residential Lot" shall mean any one of Lots One (1) through Thirteen (13) inclusive, Lots Sixteen (16) through Twenty (20), inclusive, and Lots Twenty-two (22) through Thirty-three (33), inclusive, all in the Existing Property, and any other Lot designated for residential use.

"Single-Family Residential Dwelling" shall mean a Residential Dwelling designed and used for the habitation of a single family.

"The Subdivision" shall mean River Run Subdivision, as shown on Plat No. 1 which is recorded as Document No. 2004R03731, Envelope No. 294-A, in the office of the Recorder of Deeds in Boone County, Illinois.

ARTICLE II: PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Existing Property. The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this declaration is located in the County of Boone, Illinois, is sometimes referred to herein as the "Existing Property", and is more particularly described as follows:

Plat No. 1, River Run Subdivision, the Plat of which Subdivision is recorded as Document Number 2004R03731, Envelope No. 294-A in the office of the Recorder of Deeds in Boone County, Illinois.

Section 2. Additions to Existing Property. Additional properties may become subject to this declaration (and thereby become part of the Existing Property) in the following manner:

(a) Additions in Accordance with the General Plan of Development. A titleholder of the land depicted on Exhibit A attached hereto, which is not initially subject to this Declaration, shall have the right to subject such additional properties owned by it to this declaration, provided that such additions are substantially in accord with the General Plan of Development of RIVER RUN shown in Exhibit A attached to this declaration.

(1) Exhibit A shows the general plan intended to be followed in the of RIVER RUN community and indicates the approximate size, location, and proposed land uses of additional properties.

(2) The proposed additions to the Existing Properties, if made, will become subject to assessment for their just share of Association expenses.

(3) Notwithstanding the foregoing, the titleholder of the additional lands depicted on Exhibit A is not under any obligation to make the proposed additions or in the exact manner shown on Exhibit A.

(4) Any additions authorized under this Section shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional properties which shall extend the scheme of the covenants and restrictions of this declaration to such property.

(5) Such supplementary declaration may contain such complementary additions and variations of the covenants contained in this declaration as may be necessary to reflect the different character, if any, of the additional properties and as are not inconsistent with the scheme of this declaration. In no event, however, shall such supplementary declaration revoke, modify, or add to the covenants established by this declaration within the Existing Property.

(6) Any platted lots or any subdivision created in accordance with the Illinois Plat Act shall be considered Residential Lots, Common Properties, or the Subdivision, respectively, if included in additional properties which become part of the Existing Properties.

(b) Approval by Association. Upon approval in writing of the Association pursuant to a two-thirds vote of its Members, the owner of any property who desires to add it to the scheme of this declaration and to subject it to the jurisdiction of the Association, may file of record a Supplementary Declaration of Covenants and Restrictions, substantially similar to, and consistent with, these Covenants and Restrictions.

(c) Mergers. Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this declaration with The Properties together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this declaration with the Existing Property except as hereinafter provided.

ARTICLE III: MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is an Owner shall be a Member of the Association, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member.

Section 2. Voting Rights. Each Member is entitled to one vote, except that: 1) where there is more than one Member for a particular Lot or Residential Dwelling no

more than one vote may be cast for that Lot or Residential Dwelling; and 2) where a Member is an Owner of more than one Lot or Residential Dwelling, the Member may cast one vote for each Lot or Residential Dwelling of which he is an Owner.

(a) Notwithstanding anything to the contrary herein Developer shall exercise all voting rights of Verona as record Owner of Lots or Residential Dwellings.

(b) Any Member's voting rights may be suspended by the Board of Directors in accordance with the Bylaws if such Member is delinquent in the payment of assessments imposed according to the Covenants and Restrictions.

(c) For purposes of determining the votes allowed under this Section, when Residential Dwellings are counted, the Lot or Lots upon which such Residential Dwellings are situated shall not be counted.

ARTICLE IV: PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 4 of this Article IV, the Owner from time to time of each Lot or Residential Dwelling shall have an easement of use and enjoyment in and to the Common Properties for recreational, social, community and park purposes, exercisable in the manner hereinafter set forth. Such easement of use and enjoyment shall be exercisable only by such an Owner who qualifies as a Member as provided in Article III, Section 1, hereof and whose Lot or Residential Dwelling is subject to the assessments described in Article V. No 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 Article, or described in any other part of this declaration, shall be necessary to create and reserve such easements and rights to the grantees, mortgagees and trustees of such parcel.

Section 2. Delegation of Use. Subject to the provision of Section 4 of this Article IV, any Member may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Properties to his immediate family and his guests, and also to his tenants or contract purchasers who reside on the property.

Section 3. Title to Common Properties. The Association shall hold fee simple legal title to the Common Properties, subject to the Covenants and Restrictions contained herein.

Section 4. Extent of Member's Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association to borrow money for the purposes of improving the Common Properties and in aid thereof to mortgage said properties. In the event of a default upon any mortgage, the lender shall have a right, after taking possession of such properties, to charge admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied whereupon the possession

of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored;

(b) The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosure;

(c) The right of the Association, as provided in its Articles and Bylaws, to suspend the enjoyment right of any Member for a period during which any assessment remains unpaid, and for any period not to exceed thirty days for any infraction of its published rules and regulations;

(d) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties;

(e) The right of the Association to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the condition thereof, shall be effective unless an instrument is recorded which agrees to such dedication, transfer, purpose or condition, and such instrument is signed by the Board of Directors after being duly authorized by a vote of two-thirds of the Members at any meeting at which the quorum described in Article V, Section 7, is present, provided that no such vote shall be effective unless written notice of the meeting and proposed action is sent to every Member at least thirty days in advance of the meeting; and

(f) The right of the Association from time to time in accordance with the Bylaws to limit the number of Members' guests and their frequency of use of the Common Properties and to establish such other rules as may be reasonably necessary to maintain the amenities and usefulness of the Common Properties.

Section 5. Acceptance of Land. In the event that land designated on the plat of Subdivision to be transferred to the Boone County Conservation District is not accepted by such body, then Verona may transfer such property, or a portion thereof, to the Association, and the Association shall accept a deed to such property from Verona and shall own such property pursuant to the provisions of this Declaration.

ARTICLE V: COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Subject to the conditions and limitations expressed below in this Article, each Owner of any Lot other than lots owned by Verona, by acceptance of a deed thereof or, whether or not it be so expressed in such deed or other conveyance, shall be deemed to covenant and agree from and after his Lot or Residential Dwelling has once become occupied, or if not occupied, six months after becoming such Owner, to pay the Association: (1) annual assessments or charges; and (2) special assessments for capital improvements, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and cost of collection thereof as hereinafter provided, shall be a charge on the land and shall

be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Limited Liability of Verona. Verona covenants and agrees that it will pay all maintenance and public liability insurance expense and taxes in connection with the Common Properties for a period of one year after the date of this declaration. It shall not be liable for any annual or special assessment at any time; nor for any capital improvement, expense or the cost of maintenance of any capital improvement after said one year period.

Section 3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, pleasure and welfare of the residents within the Properties and in particular for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties and of the homes situated upon the Properties, including, but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof. Such assessments shall include but is not limited to the cost of mowing, weeding, planting and tree replacement and trash removal on the Common Properties, the cost of maintenance of the entrance amenities and other obligations pursuant to an easement agreement for such entrance amenities entered into with the City of Belvidere recorded in the Recorder's Office of Boone County. In addition, as part of its annual dues, the Association shall collect \$50 per lot to fund the maintenance costs of land lying east of the Beaver Creek and north of the Kishwaukee River that will be subject to a conservation easement.

Section 4. Basis of Annual Assessments. The annual assessment shall be \$500.00 per Lot or Residential Dwelling, of which assessment \$50.00 shall be used towards the maintenance of a private conservation easement for land north of the Kishwaukee River and east of the Beaver Creek, subject to such increase or decrease as is hereinafter provided.

Section 5. Change in Annual Assessments. The Association may change the assessments fixed hereunder prospectively, provided that any such change shall have the approval of two-thirds of the votes of Members entitled to vote at a meeting called for this purpose, written notice of which shall be sent to all Members at least thirty days in advance, setting forth the purpose of the meeting.

Section 6. Special Assessments for Capital Improvements. Subject to the limitations as to the Verona Company, in addition to the annual assessments authorized above, the Association may levy a special assessment which shall be assessed against each Lot in The Properties to the same extent and in the same proportion as the annual assessments described above, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of any capital improvement upon the Common Properties, including the necessary fixtures and personal property

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related thereto, provided that any such assessment for capital improvements shall have the assent of two-thirds of the votes of Members entitled to vote at a meeting called for this purpose written notice of which shall have been sent to all Members at least thirty days in advance, setting the purpose of the meeting.

Section 7. Quorum for Any Action Authorized Under Sections 5 and 6. The quorum required for any action authorized by Sections 5 and 6 hereof shall be as follows:

At the first meeting of Members called, as provided in Sections 5 and 6 of this Article V, the presence in person or by proxy of Members entitled to cast 30 percent of all the votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at such meeting, another meeting may be called, subject to the notice requirement set forth in Sections 5 and 6, and the required quorum at any such subsequent meeting shall be one-half of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty days following the preceding meeting.

Section 8. Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence on the date fixed by the Board of Directors of the Association. Subject to Section I of this Article V, the initial assessment for a Lot shall be prorated according to the date of the initial conveyance from Verona, or its successor or assign, of a Lot to the first Owner of such Lot.

Section 9. Duties of the Board of Directors. Subject to the limitations heretofore expressed in this Article V, the Board of Directors of the Association shall fix the date of commencement of the assessment against each Lot and Residential Dwelling for each assessment period at least thirty days in advance of such date or period and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall upon demand at any time furnish to any Owner liable for assessments a statement in writing signed by an officer of the Association, setting forth the status of said Owner's assessments. Such statement shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 10. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner, The Lien, Remedies of Association. If an assessment is not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, be a continuing lien on the property in favor of the Association which shall bind such property in the hands of the then Owner, his heirs, devisee, personal representatives and assigns until paid. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation and his personal obligation shall not pass to his successors in title unless expressly assumed by them, although the delinquent assessment will remain a lien

on the land until satisfied. Such lien may be perfected by the filing of a written notice thereof in the Recorder's Office.

If an assessment is not paid within thirty days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent per annum, and the Association may bring an action at law or in equity against the Owner personally obligated to pay the same or to foreclose the lien against the property, or both, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a transfer of such property pursuant to a decree of a foreclosure, or any other proceeding in lieu of foreclosure. Such transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 12. Exempt Property. The following property interests subject to this declaration shall be exempted from the assessments, charge and lien created herein: (a) all Common Properties as defined in Article I hereof, and (b) all properties owned by Verona. The grantee of an easement or other interest therein dedicated or granted to a public utility shall not be subject to any assessments, charges or liens created herein.

ARTICLE VI: RULES GOVERNING USE OF COMMON PROPERTIES

Rules and restrictions governing use of the Common Properties shall be those prescribed from time to time in accordance with the Bylaws of the Association.

ARTICLE VII: CONDITIONS AND RESTRICTIONS TO RUN WITH THE LAND

Section 1. General. The conditions and restrictions of this declaration, with the express exception of Article VIII, apply to The Properties and shall be construed to be covenants running with the land, and shall be binding on all grantees, their heirs, devisees, successors and assigns and on all persons claiming by, through, or under them or any of them until the expiration of twenty (20) years from the date of this declaration. From that date, the restrictions and conditions shall continue to constitute covenants running with the land unless modified or terminated by a written statement signed by Owners of at least two-thirds (2/3) of the Lots and recorded with the Office of the Recorder of Deeds, Boone County, Illinois.

Section 2. Residential Lot Restrictions. The conditions and restrictions of Article VIII shall apply only to Residential Lots and Common Properties, and shall be construed

to be covenants running with the land for those Residential Lots and Common Properties, and shall be binding on all grantees, their heirs, devisees, successors and assigns and on all persons claiming by, through, or under them or any of them until the expiration of twenty (20) years from the date of this declaration. From that date, the restrictions and conditions shall continue to constitute covenants running with the land unless modified or terminated by a written statement signed by Owners of at least two-thirds (2/3) of the Residential Lots and recorded with the Office of the Recorder of Deeds, Boone County, Illinois.

ARTICLE VIII: CONDITIONS AND RESTRICTIONS FOR RESIDENTIAL LOTS AND COMMON PROPERTIES

Section 1. No commercial vehicles trucks, mobile homes, motor homes, campers, boat or horse trailers, inoperable or junk vehicles, trailers, boats, snowmobiles or other recreational vehicles shall be stored on any Lot for a period of more than seven (7) days unless said vehicle has been screened or shielded from view in a manner approved by the Architectural Review Agent.

Section 2. No commercial vehicles in excess of 10,000 lb. gross vehicle weight shall be stored or parked on any Lot in the subdivision, except during the course of construction of the Subdivision or any approved Improvements.

Section 3. No visible tank for the storage of oil, gas or any other material shall be erected or maintained on any Lot.

Section 4. Except as hereinafter provided, no stables, kennels, or other quarters shall be erected, maintained or used on any Lot for stabling or accommodating any horses, dogs, cats, cattle, swine, goats, sheep, bees, fowl, or any other animals. One outdoor dog run is permitted on a Lot with the written approval of the style, material and location of the run on the Lot by the Architectural Review Agent.

Section 5. No fence of any type shall be erected on any Lot without being approved by the Architectural Review Agent.

Section 6. Except as hereinafter provided, no advertising sign or billboard, other than a single temporary "For Sale" or "For Rent" advertising sign of not greater than six (6) square feet in size, shall be erected or maintained on any Lot. A sign displaying the name of the general contractor, developer, real estate broker, real estate agent and title company may be erected and maintained on Lot I during construction of the houses provided that the sign is removed immediately after the sale of the last house on the Properties.

Section 7. No building shall be erected, maintained or used on any Lot for manufacturing, commercial, industrial or business purposes unless duly authorized by the City of Belvidere as defined by its Ordinances. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may be or become an annoyance or nuisance.

Section 8. Only one Residential Dwelling may be erected or constructed on any Residential Lot. Only Single-Family Residential Dwellings may be erected or constructed on any Residential Lot. All Residential Dwellings must comply with the following minimum Living Area requirements:

(a) Residential Lots Sixteen (16) through Twenty (20), inclusive, with Two-story residence: 3,000 square feet of living space above grade exclusive of garage and basement

(b) Residential Lots Sixteen (16) through Twenty (20) inclusive, with Ranch residence: 2,600 square feet of living space above grade exclusive of garage and basement

(c) Residential Lots One (1) through Thirteen (13) inclusive, with Two-story residence: 2,800 square feet of living space above grade exclusive of garage and basement

(d) Residential Lots One (1) through Thirteen (13) inclusive, with Ranch residence: 2,400 square feet of living space above grade exclusive of garage and basement

Section 9. No Improvement may be constructed, and the structural exterior of any approved Improvement may not be modified, without first obtaining the written approval of all plans, specifications, and elevations by the Architectural Review Agent. These restrictions shall not prohibit installation of any antenna or satellite dish on a Lot or Residential Dwelling, subject, however, to approval of the Architectural Review Agent, which approval right shall be exercised to allow placement of an antenna or satellite dish so as to allow adequate reception and enhance and maintain the aesthetic quality of the Existing Properties.

Section 10. All driveways are required to be surfaced with blacktop or concrete within six (6) months of the completion of the Residential Dwelling on any Residential Lot. The Architectural Review Agent may grant written extensions of this time limit upon a showing that weather did not permit compliance with this requirement.

Section 11. The front facades of all Residential Dwellings of the same color or of a substantially similar design shall not be located across the street from one another (lots of thirty percent (30%) of greater front lot line overlap shall be deemed across the street for purposes of this paragraph) or an adjacent lots.

Section 12. No vinyl or aluminum siding shall be allowed on Residential Dwellings or other structures. Trim materials shall be subject to approval through the Architectural Review process.

Section 13. No all terrain vehicle ("ATV"), snowmobile, dirt bike or other like vehicle may be operated on Common Property or on Verona Company property. Pedal-powered mountain bikes shall be allowed only on impervious surfaces.

Section 14. No above-ground pools are permitted on any Residential Lot. Notwithstanding the foregoing, temporary children's playpools not exceeding a water surface diameter of eight feet (8') round or eight feet by ten feet (8' x 10') rectangular with a depth no greater than twenty-four inches (24") and with a water volume capacity not exceeding one thousand (1,000) gallons may be permitted with the approval of the Architectural Review Agent.

Section 15. For any of the foregoing Conditions and Restrictions which require approval by the Architectural Review Agent, approval shall be sought by submitting a written request to the Architectural Review Agent, including all documents or other information required by these Conditions and Restrictions or by the Architectural Review Agent. The Architectural Review Agent shall approve or deny the request in writing within thirty (30) calendar days of the Agent's actual receipt of the request for approval. Approval or Denial is effective upon deposit postpaid in the United States Mail. Failure of the Architectural Review Agent to approve or deny the request in writing within thirty calendar days of receiving the request shall constitute a constructive approval of the request. Approval or denial of any such request shall be in the Architectural Review Agent's sole discretion.

Section 16. It shall be understood by Owners that hunting of any description within the limits of the municipality is prohibited by City of Belvidere ordinances and that Owners have no rights to hunt within the Subdivision or on Verona property.

Section 17. Owners shall arrange for regular trash removal for their Lot and shall abide by City of Belvidere ordinances with regard to refuse. Owners shall not allow trash, refuse or abandoned or junked appliances or equipment to remain on their Lot for a period longer than two (2) days, or as otherwise controlled by City ordinances, whichever is less.

Section 18. Developer shall provide one mailbox for each Residential Dwelling. Each individual Owner shall be responsible for the subsequent maintenance, repair and replacement of its own mailbox.

Section 19. Owners shall provide, at Owner's expense, flared concrete end sections at culvert locations.

Section 20. Chimneys shall be masonry.

Section 21. Architectural Grade shingle shall be required for roofing.

Section 22. The Owner of each lot, at Owner's expense, shall plant and maintain a minimum of two (2) trees per lot.

Section 23. It shall be understood by Owners that access to certain designated portions of the Beaver Creek shall be limited to the Owners of Estate Lots as shown on the General Development Plan attached as Exhibit A, being Lots One (1) through Thirteen (13), inclusive, Lots Sixteen (16) through Twenty (20), inclusive, and Lots Twenty-two (22) through Thirty-three (33), inclusive, and such access shall be strictly

limited to the route identified by Verona from time to time. The use of said access is limited to walking and hiking, picnicking and fishing only. Camping and trapping are prohibited. Access rights may be subject to revocation if limits of use are violated. Verona reserves the right to add additional limits of use as appropriate from time to time.

Section 24. It shall be understood by Owners that the configuration of attached garages is controlled by the City of Belvidere Ordinance 605G, paragraph 13, a copy of which is attached hereto and incorporated herein as Exhibit B.

Section 25. In the event that any federal, state or municipal reviewing agency requires compliance with any law, statute, ordinance or regulation, the Homeowners Association and/or the lot Owners shall bear the burden of such compliance.

ARTICLE IX: ELEMENTARY SCHOOL SITE

Per the terms of the Annexation Agreement entered into with the City of Belvidere on May 12, 2003 and recorded as Document Number 03-R-09885 in the Record Office of Boone County, Illinois, Verona may negotiate with the Belvidere School District #100 and the Belvidere Park District to transfer property in the northeast portion of the Subdivision to the Belvidere School District #100 and the Belvidere Park District for a combined elementary school and park site, as shown on Exhibit A.

ARTICLE X: GENERAL PROVISIONS

Section 1. Non-Waiver. None of the Restrictions or Covenants shall be deemed to have been waived by reason of a failure to enforce their provisions.

Section 2. Enforcement. Verona, the Developer, the Architectural Review Agent, and any Owner shall be entitled to enforce any of the foregoing Restrictions and Conditions by proceedings at law or equity, PROVIDED, that Owners may not seek to enforce any Restriction or Condition without first notifying the Architectural Review Agent of the alleged violation and giving the Architectural Review Agent thirty (30) calendar days to seek its correction.

Section 3. Mediation. In the event that an Owner or Owners fail to agree upon maintenance standards and assessments, the parties shall hire an independent mediator to determine maintenance standards and assessment charges, and the cost of hiring said mediator shall be borne by the Owner or Owners who are party to the dispute.

Section 3. Attorney's Fees. In any successful suit brought to enforce a Restriction or Condition, or to seek damages for its breach, the prevailing party shall be entitled to its attorney's fees.

Section 4. Severability. In the event that any Restriction or Condition, or of any portion of any Restriction or Condition, shall be found to be invalid by a court of competent jurisdiction, that provision shall be null and void and the remaining Restrictions and Conditions shall remain in full force and effect.

Section 5. Assignment. The rights, privileges, and powers retained by the undersigned shall be assignable, and shall inure to the benefit of its successors and assigns.

Section 6. Notices. Any notice required to be sent to any Member or Owner under the provisions of this declaration shall be deemed to have been properly sent when mailed, postpaid to the last known address of the person who appears as Member or Owner on the records of the association at the time of such mailing.

Section 7. Construction of These Articles. Zoning changes applicable to the Properties, whether initiated by municipal or private action, shall have no effect upon the construction of these Articles or upon the rights and duties of Members unless and until approved by two-thirds of the Members entitled to vote in person written notice of which shall be sent to all Members at least thirty days in advance and shall set forth the purpose of the meeting. The quorum for action authorized by this Section shall be in accordance with Section 7, Article V, hereof.

Section 8. Enforcement by City. The City of Belvidere ("City") may, but is not obligated to, undertake any maintenance obligations referenced herein for the Homeowner's Association which remain unperformed. In the event that the City elects to enforce any covenants and restrictions, the Homeowners Association and/or the affected homeowner shall pay the cost of enforcement and the City shall be entitled to a lien on the property for the cost thereof.

Dated this 1st day of June, 2004.

VERONA PROPERTIES, LLC, an Illinois
limited liability company

By: Frank Shappert
Frank Shappert, Manager

By: Patrick Mattison
Patrick Mattison, Manager

By: Gordon N. Lucas
Gordon Lucas, Manager

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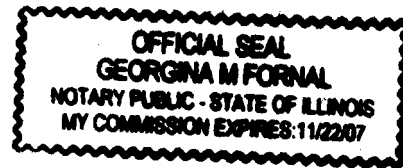
STATE OF ILLINOIS)
)SS.
COUNTY OF WINNEBAGO)

I, the undersigned, a Notary Public in and for said County, in the state aforesaid, do hereby certify that above named managers of Verona Properties LLC, an Illinois limited liability company, being all the managers of said company, are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such managers, 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 free and voluntary act of said company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 1st day of June, 2004.

Georgina M. Fornal
Notary Public

Prepared By and Return To:
Hinshaw & Culbertson
100 Park Avenue
Rockford, IL 61101
Attention: James W. Keeling



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TENTATIVE SUBDIVISION FLAT
OF
RIVER RUN
PART OF SECTIONS 20, 29, 30 AND 31
ALL IN TOWNSHIP 44 NORTH, RANGE 3 EAST
OF THE 3RD PRINCIPAL MERIDIAN
BOONE COUNTY,
ILLINOIS

OF
RIVER RUN
PART OF SECTIONS 20, 29, 30 AND 31
ALL IN TOWNSHIP 44 NORTH, RANGE 3 EAST
OF THE 3RD PRINCIPAL MERIDIAN
BOONE COUNTY,
ILLINOIS

EAST LINE OF THE SOUTHWEST 1/4
OF SECTION 20--44--3

[illegible]

SCALE 1"=200'

NOTE:
EASEMENT TO COMMONWEALTH EDISON COMPANY AND
GENERAL TELEPHONE COMPANY RECORDED AS BOOK
NO. 16954 FOR PURPOSE OF INSTALLING UNDERGROUND
ELECTRIC AND TELEPHONE.

TRANSMISSION LINE RIGHT-OF-WAY AGREEMENT
RECORDED IN BOOK 88 OF DEEDS ON PAGE 159.

SOUTH LINE OF THE SOUTHEAST 1/4
OF SECTION 19-44-3
N. 89°-46'-38" E. 2084.39'

NOTES:

N.89°-00'-19"E. 2712.85'

SET P.K. NAIL

SET P.K. NAH

687.47'
S.89°-00'-19"W
(687.47' DEED)

47°
10°W.

S. 00°-00'-54"W. 2656.22'

7-
FOUND
RAILROAD

SET 3/4

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*EXHIBIT B of Declaration***ORDINANCE NO. 605G****AN ORDINANCE GRANTING A SPECIAL USE FOR A PLANNED
COMMUNITY DEVELOPMENT IN A D, SINGLE FAMILY DISTRICT
(RIVER RUN SUBDIVISION)**

WHEREAS, the City of Belvidere has adopted Chapter 150, Zoning Ordinance, in accordance with the provisions of Illinois Compiled Statutes, to regulate the use of land and specify the minimum requirements for improvements on land in the City of Belvidere; and,

WHEREAS, a written application has been made to obtain a special use for a planned community development in a D, Single Family District pursuant to the applicable provisions of the Zoning Ordinance (Chapter 150 of the Belvidere Municipal Code) of the City of Belvidere, Illinois and in accordance to the Illinois State Statutes; and,

WHEREAS, after due notice in the manner provided by law the Planning Commission conducted a public hearing for the special use for a planned community development and having considered the evidence, both oral and documentary, and being fully advised has submitted its written findings and recommendations; and,

WHEREAS, the corporate authorities of the City of Belvidere have reviewed and considered the findings and recommendation of the Planning Commission; and,

**NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL
OF THE CITY OF BELVIDERE, BOONE COUNTY, ILLINOIS, AS FOLLOWS:**

Section 1. That the following described property, to wit:

(See Exhibit A-1)

(The subject property is located west of Distillery Road approximately ½ mile south of U.S. Business Route 20, in Belvidere Township; see Exhibit B)

is granted a special use for a planned community development in a D, Single-Family District which shall be designed, developed, and operated, subject to the following conditions:

1. Conformance with the approved annexation agreement between the City and the Hardeman Company for the subject property, dated May 12, 2003.
2. All off-site improvements shall be provided as agreed to in the approved annexation agreement between the City and the Hardeman Company for the subject property, dated May 12, 2003. Distillery Road shall be

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improved in substantial conformance with the Distillery Road Design Features Plan, dated 1/17/03 and revised 3/12/03.

3. All street lights and street signs that will be erected within the bounds of the development shall look substantially similar to those illustrated on the Landscape Features Plan, dated 1/17/03 and revised 3/12/03 and 3/31/03.
4. The main entrance and affiliated subdivision identification signage that will be placed at the main entrance shall be developed in substantial conformance with the Project Signage Plan, dated 1/17/03 and revised 3/12/03 and 3/31/03.
5. The planned community development shall only apply to the area shown on the Tentative Subdivision Plat for ER District of River Run by Heritage Engineering, Ltd., dated July 22, 2003 and revised 8/25/03, 9/2/03, and 9/8/03.
6. The planned community development shall be configured in a way that is substantially consistent with the Tentative Subdivision Plat for ER District of River Run by Heritage Engineering, Ltd., dated July 22, 2003 and revised 8/25/03, 9/2/03, and 9/8/03 (identifying 79 detached single family lots) and developed in substantial conformance with the Improvement Plans for Plat No. 1 of River Run Subdivision by Heritage Engineering, Ltd., dated October 2003, revised 9/22/03 and 11/11/03. The remainder of the site shall be improved in the future with improvements that are substantially consistent with the rural cross section - curb improvement character theme of Plat No. 1. Any bike path located adjacent to a public street shall be appropriately marked by paint markings to prevent vehicle parking on bike path.
7. All mailboxes that will be erected within the bounds of the development shall look substantially similar to the street lights and street signs illustrated on the Landscape Features Plan, dated 1/17/03 and revised 3/12/03 and 3/31/03. To insure that the mailboxes will look substantially similar to the above noted plans, mailbox elevation plans shall be presented to the City for review and approval prior to the erection of any mailbox. This condition shall be enforced by the association.
8. Landscaping along Distillery Road, on lots 14 and 15 of the preliminary plat which has been a made a part of this ordinance via conditions 5 and 6, shall be installed in substantial conformance with the Landscape Features Plan, dated 1/17/03 and revised 3/12/03 and 3/31/03 and with the Project Signage Plan, dated 1/17/03 and revised 3/12/03 and 3/31/03. Landscaping within these lots shall provide a 75% screening or greater (within five years after installing) of Distillery Road when viewed from the single family homes located within River Run Subdivision. Screening shall be comprised of any combination of plant material (shade trees - measuring not less than 2 inches in diameter; evergreens and

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ornamentals -measuring not less than 6 feet in height; shrubs -measuring not less than 18 inches in height for coniferous and 24 inches in height for deciduous) and earth mounded berms (not exceeding a 33 percent slope). A variety of plant materials is encouraged. The landscaping that will be placed within the lots shall be planted prior to the release of the performance bond or equivalent for the subject phase (plat).

9. Two shade trees shall be installed in the required front yard per lot or 4 shade trees per corner lot (2 per required front yard) throughout the development. Shade trees may be placed within the public right-of-way terrace in front of each lot in lieu of the previous said condition as long as the plantings do not interfere with the City of Belvidere's utilities. Shade trees shall not be less than 2 inches in diameter. Shade trees required on the lot to lot basis shall be installed prior to the final building inspection and/or prior to the occupancy of the single family home on the lot. The planting deadline for the lot to lot required plantings may be changed because of weather related reasons as long as the City Building and Zoning Official agrees to such date. Landscaping throughout the development, specifically the landscaping within the landscape islands, shall be located/installed in substantial conformance with the River Run General Development Plan by Lannert Group, dated January 17, 2003, revised as of March 31, 2003. Shade trees required per the above plan shall not measure less than 2 inches in diameter and evergreens and ornamentals shall not measure less than 6 feet in height. Landscaping located within the public right-of-way shall not interfere with the City of Belvidere's utilities and shall be maintained by the homeowner's association. Landscaping planted within the public right-of-way shall be planted prior to the release of the performance bond or equivalent for the subject phase (plat).
10. A wetland delineation study shall be conducted by a professional firm certified in such for the subject property. Any wetland found on-site shall have a conservation easement placed upon the wetland with language stating that the wetland shall be left in it natural state and not be disturbed. All single family residential lots shall be located out of the 100 year flood plain. Owner shall maintain the land immediately adjacent to this planned community development, and identified as open space in the annexation agreement between the City and the Hardeman Company for the subject property, dated May 12, 2003, as open space, in perpetuity, and to prohibit construction of any permanent improvements thereon without the prior written consent of the City.
11. Easements with the appropriate language shall be placed upon the areas that are identified on-site in the archaeological phase 1 reconnaissance report that was provided to the Illinois Historic Preservation Agency.
12. Detached single family building front facades of the same color or of similar elevation shall not be located across the street from one another

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(lots with 30% overlap or greater) or on adjacent lots. 80% of all of the homes located within the development shall contain decorative brick or stone on a minimum of 1/3 of the front facade. Detached single family homes with side and rear load garages are encouraged, in addition to the standard front load garage, for the purpose of minimizing home monotony throughout the development. For this condition, the front facade shall be defined as the plane of the house and garage that faces a public street. This condition shall only be applied to the principal front facade on a through lot. This condition shall apply only during the initial construction phase of the single family home (when a building permit is taken out for the construction of the single family home). This condition shall be placed within the subdivision's covenants and restrictions and shall be enforced by the association. The City may aid in the enforcement of this condition when deemed necessary.

13. All attached garages with garage doors facing a public street shall not occupy more than 65% of the front facade of the house in width. For the aforementioned sentence, the front facade shall be defined as the plane of the house and garage that faces a public street. All attached garages with garage doors facing a public street shall have a partial roof/eave/overhang placed directly above on the same story. All attached garages with garage doors facing a public street shall be located at a distance equal with or behind the front facade of the house, the porch, the entrance feature / pad, or the bay window, whichever is closer to a public street. This requirement assumes that all of the previously noted design features are located behind the required front yard set back. All attached garages with garage doors facing a side or rear lot line shall be located at a distance that does not exceed 12 feet in front of the front facade of the house provided that the side of the garage facing the public street shall be improved with windows to compliment the front facade design. For the 3 aforementioned sentences, the front facade shall be defined as the closest plane of the house facade, excluding the garage, to a public street. This condition shall only be applied to the principal front facade on a through lot.
14. Storing (stationary for more than 48 hours or more) of boats, campers, trailers and recreational vehicles within the bounds of the development is prohibited. Parking of previously noted or any other type of vehicle shall take place on a impervious surface; parking on a pervious surface is prohibited.
15. The final version of the covenants and restrictions for the planned community development shall be provided to the City Council for review and recorded in the Boone County Records Office. Proof of recording said shall be provided to the Planning Department no later than 60 days after the recording of any final plat. The covenants and restrictions for the development shall provide that the City may, but is not obligated to enforce the covenants and restrictions and that the City may, but is not

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- obligated to undertake, a maintenance obligation for the Homeowner's Association which remain under performed. In the event the City elects to enforce any covenants and restrictions, the Homeowner's Association and/or the affected homeowner shall pay the cost of enforcement and the City shall be entitled to a lien on the property for the cost thereof.
16. Compliance with the eight (8) conditions listed in the letter by H.L.R., Dirk Yuill, dated October 22, 2003, prior to the recording of Final Plat #1 of River Run Subdivision.
17. The departures granted hereby the approval of this ordinance for the subject property are detailed out within the Planned Community Development Departures and Exception Section of the Staff Advisory Report, dated December 5, 2003. *Compliance with all other applicable codes, ordinances, and agreements.

(See Exhibit C)

SECTION 2. That acceptance of any of the benefits of this special use for a planned community development shall be deemed acceptance of all the terms and conditions set forth herein.

SECTION 3. This ordinance shall be in full force and effect immediately upon its passage and approval as provided by law. This ordinance shall be published in pamphlet form.

PASSED by the City Council of the City of Belvidere this ____ day of _____, 2004.

APPROVED by the Mayor of the City of Belvidere this ____ day of _____, 2004.

Frederic C. Brereton, Mayor

ATTEST:

Shauna Arco, City Clerk

Ayes: ____ Nays: ____ Absent ____

City Council Members Voting Aye: _____

City Council Members Voting Nay: _____

Date Published:

Sponsor: _____

EXHIBIT A-1
ESTATE LOT PCD LEGAL DESCRIPTION

Part of the West Half (1/2) of Section Twenty-Nine (29) and part of the East Half (1/2) of Section Thirty (30), in Township Forty-Four (44) North, Range Three (3) East of the Third (3rd) Principal Meridian, bounded and described as follows, to-wit: Beginning at a point in the East line of the Southwest Quarter of said Section 29, which is 585.0 feet North from the Southeast corner of the North Half of the Southwest Quarter of said Section 29; thence West, at right angles from the previous course, 120.00 feet; thence South 56 degrees 46 minutes 34 seconds West, 501.90 feet; thence South 82 degrees 25 minutes 26 seconds West, 227.55 feet; thence South 42 degrees 18 minutes 58 seconds West, 378.66 feet to the South line of the North Half of the Southwest Quarter of said Section 29; thence West along the South line of the North Half of the Southwest Quarter of said Section 29, a distance of 305.04 feet; thence North 44 degrees 30 minutes 00 seconds West, 217.30 feet; thence North 15 degrees 54 minutes 11 seconds West, 223.55 feet; thence North 12 degrees 33 minutes 01 seconds East, 199.77 feet; thence North 52 degrees 54 minutes 10 seconds West, 439.34 feet; thence South 88 degrees 18 minutes 59 seconds West, 170.18 feet; thence South 66 degrees 04 minutes 36 seconds West, 678.10 feet; thence South 58 degrees 24 minutes 52 seconds West, 439.11 feet; thence West, 245.03 feet; thence South 43 degrees 33 minutes 33 seconds West, 207.00 feet; thence North 73 degrees 03 minutes 34 seconds West, 343.20 feet; thence North 13 degrees 33 minutes 33 seconds East, 390.90 feet; thence North 01 degrees 00 minutes 00 seconds East, 130.00 feet; thence North 34 degrees 32 minutes 56 seconds West, 206.40 feet; thence North 13 degrees 54 minutes 03 seconds East, 515.10 feet; thence North 04 degrees 56 minutes 23 seconds East, 582.15 feet; thence South 49 degrees 20 minutes 50 seconds East, 337.70 feet; thence South 64 degrees 21 minutes 14 seconds East, 231.05 feet; thence South 86 degrees 54 minutes 13 seconds East, 370.25 feet; thence North, 40 degrees 23 minutes 42 seconds East, 275.73 feet; thence North 5 degrees 53 minutes 42 seconds West, 291.55 feet; thence North 21 degrees 31 minutes 22 seconds West, 365.50 feet; thence North 49 degrees 39 minutes 08 seconds West, 278.03 feet; thence North 51 degrees 39 minutes 03 seconds West, 257.90 feet; thence North 11 degrees 44 minutes 52 seconds East, 107.30 feet; thence North 70 degrees 04 minutes 44 seconds East, 278.60 feet; thence North 88 degrees 01 minutes 10 seconds East, 299.80 feet; thence North 54 degrees 04 minutes 41 seconds East, 187.00 feet; thence South 58 degrees 49 minutes 38 seconds East, 174.05 feet; thence South 35 degrees 27 minutes 52 seconds East, 270.00 feet; thence South 06 degrees 08 minutes 22 seconds East, 161.00 feet; thence South 12 degrees 17 minutes 28 seconds East, 174.00 feet; thence South 25 degrees 45 minutes 47 seconds East, 510.80 feet; thence South 13 degrees 28 minutes 48 seconds West, 185.10 feet; thence South 22 degrees 11 minutes 01 seconds West, 442.80 feet; thence South 64 degrees 15 minutes 22 seconds East, 253.26 feet; thence South 07 degrees 34 minutes 04 seconds West, 131.115 feet; thence South 82 degrees 23 minutes 20 seconds East, 75.50 feet; thence North 09 degrees 51 minutes 20 seconds East, 162.40 feet; thence North 22 degrees 18 minutes 43 seconds East, 151.35 feet; thence South 65 degrees 03 minutes 05 seconds East, 284.50 feet; thence South 49 degrees 20 minutes 50 seconds East, 506.55 feet; thence South 70 degrees 39 minutes 47 seconds East, 226.50 feet; thence North 83 degrees 40 minutes 23 seconds East, 317.59 feet; thence North 54 degrees 35 minutes 20 seconds East, 310.60 feet; thence North 83 degrees 07 minutes 01 seconds East,

Exhibit B

Business 20

River Run PCD

DISNEY ROAD

Newburg Road

04-007126